

**AGENDA
ITEM**

27



**CITY COUNCIL
AGENDA STAFF REPORT
(Successor Agency)**

DATE: February 5, 2025
TO: Successor Agency Board Members
APPROVED BY: Juan Contreras, Acting City Manager/Acting Fire Chief *JAC*
PREPARED BY: Karla Chaparro, Finance Director *KC*
SUBJECT: Approval of the Recognized Obligation Payment Schedule 25-26 A and B of the Successor Agency to the Community Redevelopment Agency of the City of Calexico for the period of July 2025 through June 2026

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Recommendation:

It is recommended that the Board of Directors adopt the attached resolution approving the Recognized Obligation Payment Schedule (“ROPS”) 25-26 A and B of the Successor Agency to the Community Redevelopment Agency of the City of Calexico (“Successor Agency”) for the period of July 2025 through June 2026.

Background:

Pursuant to Health and Safety Code (“HSC”) § 34172 (a) (1), the Community Redevelopment Agency of the City of Calexico was dissolved on February 1, 2012. Consistent with the provisions of the HSC, the City Council of the City of Calexico previously elected to serve in the capacity of the Successor Agency. Per HSC § 34179, the Successor Agency previously established the Calexico Oversight Board to assist in winding-down the former redevelopment agency through June 30, 2018, at which time it was dissolved by operation of law. Consistent with HSC § 34179 (j), on July 1, 2018, the Imperial Countywide Oversight Board (the “CWOB”) was established to assist in winding-down the dissolved redevelopment agencies within the County of Imperial.

Discussion & Analysis:

Per HSC § 34177 (o) (1), the Successor Agency is required to prepare a ROPS before each twelve-month fiscal year period. The purpose of the ROPS is to request authorization for Redevelopment Property Tax Trust Fund ("RPTTF") money (formerly known as tax increment funding) to meet the Successor Agency's enforceable obligations. Pursuant to HSC § 34180 (g), CWOB approval is required for the establishment of each ROPS. Pursuant to HSC § 34177 (o) (1), a CWOB-approved ROPS 25-26 A and B for the period of July 2025 through June 2026 must be submitted to the State Department of Finance ("DOF") and to the County Auditor-Controller ("CAC") not later than February 1st for each ROPS cycle ("Submission Deadline"). The CWOB has approved Calexico's ROPS 25-26 A and B during its January 27, 2025, meeting.

It is, therefore, proposed that the Successor Agency adopt the attached Resolution approving ROPS 25-26 A and B, which is included as Exhibit "A" to the Resolution.

Fiscal Impact:

Pursuant to HSC § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations. The Successor Agency's and the CWOB's approval of the ROPS 25-26 A and B will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations. ROPS 25-26 A and B will be submitted to DOF and the CAC by the Submission Deadline.

In addition, the CAC is responsible for distributing RPTTF, which occurs in two tranches: one by the first week of January and the other by the first week of June each year. The CAC divides the RPTTF into three parts. The first part is for pass-through funding to eligible taxing entities that are required by an agreement or statute. The second part is for successor agencies to fund approved enforceable obligations included within an approved ROPS. The third part is for the distribution of any remaining surplus funding to the taxing entities that are entitled to a share of the general tax levy ("GTL") in proportion to their respective shares of the GTL. The City is entitled to a portion of any surplus RPTTF and has received such funding for the last several years. In that regard, the City includes an estimate of surplus RPTTF within its annual revenue budget for its general fund.

Coordinated With:

Steven H. Dukett, Managing Director, Development Services Division, TKE Engineering, Inc.

Attachment:

Resolution (including its Exhibit A, which is ROPS 25-26).

ATTACHMENT NO. 1

RESOLUTION NO. 2025-__-SA

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF CALEXICO APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 25-26 A & B FOR THE PERIOD OF JULY 2025 THROUGH JUNE 2026 AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code (the “HSC”) § 34172 (a) (1), the Community Redevelopment Agency of the City of Calexico was dissolved on February 1, 2012; and

WHEREAS, consistent with the provisions of the HSC, the City Council of the City of Calexico previously elected to serve in the capacity of the Successor Agency to the Community Redevelopment Agency of the City of Calexico (the “Successor Agency”); and

WHEREAS, pursuant to HSC § 34179, the Successor Agency previously established the Calexico Oversight Board to assist in winding-down of the former redevelopment agency through June 30, 2018, at which time it was dissolved by operation of law; and

WHEREAS, consistent with HSC § 34179 (j), on July 1, 2018 the Imperial Countywide Oversight Board (the “CWOB”) was established to assist in winding-down the dissolved redevelopment agencies within the County of Imperial; and

WHEREAS, per HSC § 34177 (o) (1), the Successor Agency is required to prepare a Recognized Obligation Payment Schedule (the “ROPS”) before each twelve-month fiscal year period; and

WHEREAS, pursuant to HSC § 34180 (g), CWOB approval is required for the establishment of each ROPS; and

WHEREAS, pursuant to HSC § 34177 (o) (1), a CWOB-approved ROPS 25-26 A and B for the period of July 2025 through June 2026 must be submitted to the State Department of Finance and to the County Auditor-Controller not later than February 1st for each ROPS cycle (the “Submission Deadline”); and

WHEREAS, pursuant to HSC § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations; and

WHEREAS, approval of this Resolution will establishment of ROPS 25-26 A and B and will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations; and

WHEREAS, it is proposed that the Successor Agency approve the establishment of the Successor Agency’s ROPS 25-26 A and B, which is attached hereto as Exhibit “A”; and

WHEREAS, the CWOB approved Calexico’s ROPS 25-26 A and B during its January 2025 meeting and it has been filed with the State Department of Finance and the County Auditor-Controller by the Submission Deadline; and

WHEREAS, this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (the “CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, § 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines; and

WHEREAS, this Resolution does not constitute a “project” for purposes of CEQA, as that term is defined by Guidelines § 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per § 15378 (b) (5) of the Guidelines; and

WHEREAS, all the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Calexico, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The Successor Agency’s ROPS 25-26 A and B, which is attached hereto as Exhibit “A”, is approved, inclusive of each enforceable obligation.
- Section 3.** The amount requested for enforceable obligation No. 16, the Successor Agency’s Administrative Cost Allowance, is consistent with the provisions of HSC § 34171 (b) and is thus considered fair and reasonable.
- Section 4.** The Interim City Manager, in his capacity as the Executive Director of the Successor Agency, or designee, is authorized to: i) post that ROPS 25-26 A and B on the City’s website, ii) transmit the ROPS 25-26 A and B to the State Department of Finance, the State Controller’s Office and the County Auditor-Controller for their review within the timeframe and in the manner prescribed by the HSC; and iii) make ministerial revisions to ROPS 25-26 A and B, which may include, but are not limited to restating the information included within ROPS 25-26 A and B in any format that may be requested by the State Department of Finance, take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution, and to implement ROPS 25-26 A and B on behalf of the Successor Agency, including authorizing and causing such payments.
- Section 5.** This Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines § 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per § 15378 (b) (5) of the Guidelines.
- Section 6.** This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED AND ADOPTED this 5th day of February 2025.

Diana Nuricumbo, Chair
Successor Agency to the Community
Redevelopment Agency of the City of
Calexico

ATTEST:

Veronica L. Alvarado, Secretary to the
Successor Agency to the Community
Redevelopment Agency of the City of Calexico

APPROVED AS TO LEGAL FORM:

City Attorney

CERTIFICATION:

I, Veronica L. Alvarado, Secretary for the Successor Agency to the Community Redevelopment Agency of the City of Calexico, do hereby certify that the foregoing Resolution No. 2025-__-SA was duly adopted by the Successor Agency to the Community Redevelopment Agency of the City of Calexico at a meeting thereof held on the 5th day of February, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Veronica L. Alvarado, Secretary to the
Successor Agency to the Community
Redevelopment Agency of the City of
Calexico

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF CALEXICO**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE 25-26 A and B
(JULY 2025 THROUGH JUNE 2026)**

(See Attachment)

Recognized Obligation Payment Schedule (ROPS 25-26) - Summary
Filed for the July 1, 2025 through June 30, 2026 Period

Successor Agency: Calexico

County: Imperial

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	25-26A Total (July - December)	25-26B Total (January - June)	ROPS 25-26 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 2,329,501	\$ 8,625	\$ 2,338,126
B Bond Proceeds	-	-	-
C Reserve Balance	2,026,795	-	2,026,795
D Other Funds	302,706	8,625	311,331
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 90,544	\$ 2,245,281	\$ 2,335,825
F RPTTF	27,000	2,245,281	2,272,281
G Administrative RPTTF	63,544	-	63,544
H Current Period Enforceable Obligations (A+E)	\$ 2,420,045	\$ 2,253,906	\$ 4,673,951

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

A Item #	B Project Name	C Obligation Type	D Agreement Execution Date	E Agreement Termination Date	F Payee	G Description	H Project Area	I Total Outstanding Obligation	J Retired	K ROPS 25-26 Total	L ROPS 25-26A (Jul. - Dec)			M ROPS 25-26B (Jan. - Jun)			N 25-26A Total	O 25-26B Total					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds			Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
																							P
30	2020A Refunding TABs (Interest Only)	Bonds Issued After 12/31/10	01/22/2020	08/01/2033	Bank of New York, Mellon Trust Co., N.A.	costs related to sale of real property per LRPMP	Merged Project	1,067,635	N	\$407,001	-	147,420	-	-	-	-	-	-	\$147,420	-	259,581	-	\$259,581
31	2020A Refunding TABs (Principal Only)	Bonds Issued After 12/31/10	01/22/2020	08/01/2033	Bank of New York, Mellon Trust Co., N.A.	Refunding of the 2000, 2006 and 2011 TABs (Principal Only)	Merged Project	10,100,000	N	\$2,900,000	-	1,420,000	-	-	-	-	-	-	\$1,420,000	-	1,480,000	-	\$1,480,000

Callexico
Recognized Obligation Payment Schedule (ROPS 25-26) - Report of Cash Balances
July 1, 2022 through June 30, 2023
 (Report Amounts in Whole Dollars)

A		B		C		D		E		F		G		H	
				Bond Proceeds		Bonds issued on or after 01/01/11		Reserve Balance		Prior ROPS RPTTF and Reserve Balances retained for future period(s)		Other Funds		RPTTF	
Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.															
ROPS 22-23 Cash Balances (07/01/22 - 06/30/23)															
1	Beginning Available Cash Balance (Actual 07/01/22)			2,032,649	1,779,144	493,526	55,142								
	RPTTF amount should exclude "A" period distribution amount.														
2	Revenue/Income (Actual 06/30/23)			43,220		391,399	2,166,384								
	RPTTF amount should tie to the ROPS 22-23 total distribution from the County Auditor-Controller														
3	Expenditures for ROPS 22-23 Enforceable Obligations (Actual 06/30/23)			1,640,687	1,779,144	640,950	368,234	Reported expenditures include the redemption of the 2011 tax allocation bonds, as authorized by DOF, which were not reported on the PPA since that ROPS line had been retired.							
	RPTTF amount should tie to the Agency's ROPS 22-23 PPA form submitted to the CAC														
4	Retention of Available Cash Balance (Actual 06/30/23)			435,182		57,519	1,826,301								
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)														
5	ROPS 22-23 RPTTF Prior Period Adjustment						26,991								
	RPTTF amount should tie to the Agency's ROPS 22-23 PPA form submitted to the CAC														
6	Ending Actual Available Cash Balance (06/30/23)			\$-	\$-	\$186,456	\$-								

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	Comments
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
	ROPS 22-23 Cash Balances (07/01/22 - 06/30/23)						
C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)							

Calexico
Recognized Obligation Payment Schedule (ROPS 25-26) - Notes
July 1, 2025 through June 30, 2026

Item #	Notes/Comments
7	
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