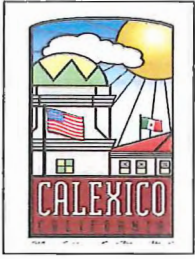


**AGENDA
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AGENDA STAFF REPORT (Successor Agency)

DATE: January 18, 2023

TO: Successor Agency Board Members

APPROVED BY: Esperanza Colio-Warren, City Manager/Executive Director *Esperanza Colio-Warren*

PREPARED BY: Sandra Fonseca, Interim Finance Director *Sandra Fonseca*

SUBJECT: Approval of the Recognized Obligation Payment Schedule 23-24 A and B of the Successor Agency to the Community Redevelopment Agency of the City of Calexico for the period of July 2023 through June 2024

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Recommendation:

It is recommended that the Board of Directors adopt the attached resolution approving the Recognized Obligation Payment Schedule ("ROPS") 23-24 A and B of the Successor Agency to the Community Redevelopment Agency of the City of Calexico ("Successor Agency") for the period of July 2023 through June 2024.

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

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(o) (1), a CWOB-approved ROPS 23-24 A and B for the period of July 2023 through June 2024 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 will consider Calxico's ROPS 23-24 A and B during its January 2023 meeting (date pending).

It is, therefore, proposed that the Successor Agency adopt the attached Resolution approving ROPS 23-24 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 23-24 A and B will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations. ROPS 23-24 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 obligation 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 23-24).

RESOLUTION NO. 2023-__-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 23-24 A & B FOR THE PERIOD OF JULY 2023 THROUGH JUNE 2024 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 23-24 A and B for the period of July 2023 through June 2024 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 23-24 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 23-24 A and B, which is attached hereto as Exhibit “A”; and

WHEREAS, the CWOB will consider Calexico’s ROPS 23-24 A during its January 2023 meeting (date pending); and

WHEREAS, once approved, ROPS 23-24 A and B will be filed be submitted to the State

Department of Finance and to 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 23-24 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 City Manager, in her capacity as the Executive Director of the Successor Agency, or designee, is authorized to: i) post that ROPS 23-24 A and B on the City’s website, ii) transmit the ROPS 23-24 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 23-24 A and B, which may include, but are not limited to restating the information included within ROPS 23-24 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 23-24 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 18th day of January 2023.

Javier Moreno, Chairman
Successor Agency to the Community
Redevelopment Agency of the City of
Calexico

ATTEST:

Gabriela T. Garcia, Secretary to the
Successor Agency to the Community
Redevelopment Agency of the City of Calexico

APPROVED AS TO LEGAL FORM:

City Attorney

CERTIFICATION:

I, Gabriela T. Garcia, Secretary for the Successor Agency to the Community Redevelopment Agency of the City of Calexico, do hereby certify that the foregoing Resolution No. 2023-__-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 18th day of January, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Gabriela T. Garcia, Secretary to the
Successor Agency to the Community
Redevelopment Agency of the City of
Calexico

EXHIBIT "A"

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

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE 23-24 A and B
(JULY 2023 THROUGH JUNE 2024)**

(See Attachment)

**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary
Filed for the July 1, 2023 through June 30, 2024 Period**

Successor Agency: Calexico
County: Imperial

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	23-24A Total (July - December)	23-24B Total (January - June)	ROPS 23-24 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 1,999,402	\$ 15,375	\$ 2,014,777
B Bond Proceeds	-	-	-
C Reserve Balance	1,815,208	-	1,815,208
D Other Funds	184,194	15,375	199,569
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 272,181	\$ 2,091,628	\$ 2,363,809
F RPTTF	27,000	2,091,628	2,118,628
G Administrative RPTTF	245,181	-	245,181
H Current Period Enforceable Obligations (A+E)	\$ 2,271,583	\$ 2,107,003	\$ 4,378,586

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	B	C	D	E	F	G	H	I	J	K	M	N	O	P	Q	T	U	W	
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)		ROPS 23-24B (Jan - Jun)		23-24A Total	ROPS 23-24B (Jan - Jun)		23-24B Total	
											Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Other Funds	RPTTF		
	Implementation	Dispositions	2015		vendors for appraisals, legal costs, fees, etc.	costs related to sale of real property per LRPMP	Project												
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.	Refunding of the 2000, 2006 and 2011 TABs (Interest Only)	Merged Project	1,667,317	N	\$452,261	152,333	-	-	-	\$152,333	-	299,928		\$299,928
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	10,535,000	N	\$435,000	215,000	-	-	-	\$215,000	-	220,000		\$220,000

Calexico
Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances
July 1, 2020 through June 30, 2021
 (Report Amounts in Whole Dollars)

A		B				C			D			E			F			G			H		
		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 20-21 Cash Balances (07/01/20 - 06/30/21)		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															
1	Beginning Available Cash Balance (Actual 07/01/20) RPTTF amount should exclude "A" period distribution amount.		2,309,822	1,245,000	1,330,858	68,431																	
2	Revenue/Income (Actual 06/30/21) RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller		255	-	4,819	2,701,349																	
3	Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)		277,975	1,245,000	372,954	955,257																	
4	Retention of Available Cash Balance (Actual 06/30/21) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		2,032,102	-	957,904	1,807,050																	
5	ROPS 20-21 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC			No entry required		7,473																	
6	Ending Actual Available Cash Balance (06/30/21) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)		\$-	\$-	\$4,819	\$-																	

Column D: Restricted Bond Accounts;
 Column F: \$362,716- Applied to ROPS 21-22/
 22-23; \$595,188 CUSD; Column G:
 \$55,608-19-20/ 20-21 PPA; \$1,751,442 Debt
 Reserve for 21-22A payments

Ending Balance is applied to ROPS 23-24.

Calexico
Recognized Obligation Payment Schedule (ROPS 23-24) - Notes
July 1, 2023 through June 30, 2024

Item #	Notes/Comments
6	Per the 9-8-2022 Settlement Agreement approved by the DOF, the 2011 CUSD TABs will be fully redeemed on 2-1-2023. The bond redemption retires this line item.
7	
9	
16	
21	The Successor Agency issued its 2014 Refunding TABs on 11-18-14 (refunding the 2003A and 2003C TABs). The 2014 Refunding TABs have superseded the debt service on the 2003A and 2003C TABs. This item is the interest only portion attributable to the Successor Agency. Consistent with the TAB pledge of tax revenues, calendar year debt service is requested during the "B" ROPS cycle, and the "A" ROPS cycle debt service is paid from the prior year's RPTTF debt service reserve.
23	The Successor Agency issued its 2014 Refunding TABs on 11-18-14 (refunding the 2003A and 2003C TABs). The 2014 Refunding TABs have superseded the debt service on the 2003A and 2003C TABs. This item is the principal reduction only portion attributable to the Successor Agency), which is due during the "A" ROPS cycle. Consistent with the TAB pledge of tax revenues, calendar year debt service is requested during the "B" ROPS cycle, and the "A" ROPS cycle debt service is paid from the prior year's RPTTF debt service reserve.
24	The Successor Agency issued its 2014 Refunding TABs on 11-18-14 (refunding the 2003A and 2003C TABs). The 2014 Refunding TABs have superseded the debt service on the 2003A and 2003C TABs. This line item is the interest portion attributable to the CUSD. Debt service is paid through CUSD RPTTF pass-through funds.
25	The Successor Agency issued its 2014 Refunding TABs on 11-18-14 (refunding the 2003A and 2003C TABs). The 2014 Refunding TABs have superseded the debt service on the 2003A and 2003C TABs. This line item is the principal reduction portion attributable to the CUSD. Debt service is paid through CUSD RPTTF pass-through funds.
27	Through the 9-8-22 Settlement Agreement approved by the DOF, the 2011 CUSD TAB capital facilities bond proceeds have been used to redeem the 2011 CUSD bonds on 2-1-23. The bond redemption retires this line item.
28	This line item is for costs for LRPMP Implementation (property disposal). Costs may include selected vendors for appraisals, legal costs, and other fees. The Successor Agency has two (2) remaining LRPMP property sites for disposal.
30	The 2020A Refunding TABs refinanced the 2000, 2008, & 2011 TABs. This line item is for the interest portion of the debt service. Consistent with the TAB pledge of tax revenues, calendar year debt service is requested during the "B" ROPS cycle, and the "A" ROPS cycle debt service is paid from the prior year's RPTTF debt service reserve.
31	The 2020A Refunding TABs refinanced the 2000, 2008, & 2011 TABs. This line item is for the principal reduction portion of the debt service. Consistent with the TAB pledge of tax revenues, calendar year debt service is requested during the "B" ROPS cycle, and the "A" ROPS cycle debt service is paid from the prior year's RPTTF debt service reserve.

RESOLUTION NO. 2023-__

**RESOLUTION OF THE CITY OF CALEXICO APPROVING
A 2022-23 MIDYEAR BUDGET AMENDMENT**

WHEREAS, the City Council reaffirmed and updated the 2022-23 Annual Budget on August 10, 2022; and

WHEREAS, the City Council received a 1st Quarter budget update and amended the 2022-23 budget on November 17, 2022; and

WHEREAS, the City Manager has prepared a 2nd Quarter 2022-23 budget update to brief City Council on the City’s current budget status, including 2022-23 revenue trends and year-to-date expenditures; and

WHEREAS, the City Manager has proposed a 2nd Quarter budget adjustment as listed in Exhibit 1 to this resolution; and

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

**NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED, AND
ORDERED BY THE CITY COUNCIL 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 2022-23 budget is amended as listed in Exhibit 1 to this Resolution.
- Section 3.** The City Manager is authorized to allocate (1) the budgeted vacancy savings target between General Fund departments as needed to match the savings realized by various departments.
- Section 4.** This Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines § 15378, because this Resolution is an administrative activity that will not result in a direct or indirect physical change in the environment, per § 15378 (b)(5) of the Guidelines.

PASSED AND ADOPTED at a meeting of the City Council of the City of Calexico this 18th day of January, 2023.

Javier Moreno, Mayor

ATTEST:

Gabriela T. Garcia, City Clerk

APPROVED AS TO FORM:

Carlos Campos, City Attorney

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL) SS.
CITY OF CALEXICO)

I, Gabriela T. Garcia, Deputy City Clerk of the City of Calexico do hereby certify that the foregoing Resolution No. 2023-xx was passed and adopted by the City Council on the 18th day of November 2023 by the following vote to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

Gabriela T. Garcia, City Clerk