



Item No.

**REPORT TO THE CONSOLIDATED OVERSIGHT BOARD**

**DATE: JANUARY 20, 2023**

**TO: HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD**

**FROM: MIKE HOWARD, FINANCE DIRECTOR**

**RE: A RESOLUTION OF THE COUNTY CONSOLIDATED OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER KING CITY COMMUNITY DEVELOPMENT AGENCY APPROVING THE ESTABLISHMENT OF THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2023-24 THROUGH 2034-35**

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**RECOMMENDATION:**

It is recommended that the County Consolidated Oversight Board adopt a Resolution approving the Establishment of the Last and Final Recognized Obligation Payment Schedule 2023-24 Through 2034-35.

**BACKGROUND:**

Pursuant to Health and Safety Code § 34172 (a)(1), the King City Community Development Agency was dissolved on February 1, 2012. Consistent with the provisions of the Health and Safety Code, the City Council previously elected to serve in the capacity of the Successor Agency to the King City Community Development Agency, (the "Successor Agency"). In the past, Health and Safety Code § 34177 (1)(1), required the Successor Agency to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period, which corresponds to equal halves of a fiscal year (i.e., July through December and January through June). Current law now requires the preparation and approval of a ROPS for an entire Fiscal Year.

Pursuant to HSC section 34179.7(o)(1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit the County Consolidated Oversight Board approved annual ROPS to Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter, which corresponds to the full fiscal year. The ROPS is the basis for the Successor Agency's authority to make payments due for enforceable obligations.

**OVERSIGHT BOARD**

**A RESOLUTION OF THE COUNTY CONSOLIDATED OVERSIGHT BOARD  
FOR THE SUCCESSOR AGENCY TO THE FORMER KING CITY COMMUNITY  
DEVELOPMENT AGENCY APPROVING THE ESTABLISHMENT OF THE  
LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2023-  
24 THROUGH 2034-35**

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Pursuant to Section 34191.6(a) of the Health and Safety Code, beginning January 1, 2016, successor agencies have the option to submit a last and final recognized obligation payment schedule if all the following conditions are met:

(1) The remaining debt of a successor agency is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreement, and contracts.

(2) All remaining obligations have been previously listed on a Recognized Obligation Payment Schedule and approved for payment by the Department pursuant to Sections 34177(m) or 34177(o) of the Health and safety Code.

(3) The successor agency is not a party to outstanding or unresolved litigation, except as specified in Section 34.191.6(a)(3) of the Health and Safety Code.

The Successor Agency staff has prepared the proposed Last and Final Recognized Obligation Payment Schedule (the “Last and Final ROPS”), substantially in the form shown in Attachment “A”, attached hereto and incorporated herein by this reference.

**DISCUSSION:**

Successor Agency staff has prepared the Last and Final ROPS, which consists of several spreadsheets that are appended to the attached Exhibit “A” as Attachment ‘1’.

Pursuant to Health and Safety Code § 34177 (m), the County Consolidated Oversight Board-approved the Last and Final ROPS must be submitted anytime to the County Auditor-Controller, County Administrative Officer, the State Controller and the State Department of Finance.

Upon approval of the Last and Final ROPS by the County Consolidated Oversight Board, and pursuant to Health and Safety Code § 34177 (l)(2), a copy of this staff report and the attached resolution will be submitted to the County Auditor-Controller, County Administrative Officer, the State Controller and the State Department of Finance within the prescribed timeframe.

## **OVERSIGHT BOARD**

### **A RESOLUTION OF THE COUNTY CONSOLIDATED OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER KING CITY COMMUNITY DEVELOPMENT AGENCY APPROVING THE ESTABLISHMENT OF THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2023- 24 THROUGH 2034-35**

**JANUARY 20, 2023**

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Approval of the attached Resolution will authorize the Successor Agency Director, or designee, to:

1. Post the Last and Final ROPS on the City's website;
2. Transmit the Last and Final ROPS to the County Auditor-Controller, County Administrative Officer, the State Controller, and the State Department of Finance within the timeframe prescribed by the Health and Safety Code; and
3. Make ministerial revisions to the Last and Final ROPS which may include, but is not limited to, restating the information included within the Last and Final ROPS 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 the Resolution, and to implement the Last and Final ROPS on behalf of the Successor Agency, including authorizing and causing such payments.

#### Environmental Review

The actions of this item have been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, § 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines. The recommended action 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.

#### **COST ANALYSIS:**

Pursuant to Health and Safety Code § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations. The County Oversight Board's approval of Last and Final ROPS will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations. The recommended action does not, in itself, cause any new financial obligations.

**OVERSIGHT BOARD  
A RESOLUTION OF THE COUNTY CONSOLIDATED OVERSIGHT BOARD  
FOR THE SUCCESSOR AGENCY TO THE FORMER KING CITY COMMUNITY  
DEVELOPMENT AGENCY APPROVING THE ESTABLISHMENT OF THE  
LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2023-  
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JANUARY 20, 2023  
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**ALTERNATIVES:**

The following alternatives are provided for County Consolidated Oversight Board's consideration:

1. Adopt Resolution approving the establishment of the Last and Final Recognized Obligation Payment Schedule 2023-24 through 2034-35; or
2. Provide other direction to staff.

Exhibits:

1. Resolution with Attached "A" King City Successor Agency's Last and Final ROPS 2023-24 through 2034-35

Submitted by: \_\_\_\_\_  
Mike Howard, Finance Director

**Before the County Consolidated Oversight Board  
Successor Agency for the  
Former King City Community Development Agency**

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, pursuant to Health and Safety Code (the “HSC”) § 34172 (a)(1), the King City Community Development Agency was dissolved February 1, 2012; and

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

**WHEREAS**, the County Consolidated Oversight Board for the Successor Agency (“Oversight Board”) has been established pursuant to Health and Safety Code § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

**WHEREAS**, pursuant to Health and Safety Code § 34180 (g), a Consolidated Oversight Board approval is required for the establishment of each Recognized Obligation Payment Schedule (“ROPS”); and

**WHEREAS**, pursuant to Health and Safety Code § 34191.6 of the Dissolution Act authorizes the King City Successor Agency to submit a Last and Final ROPS which will eliminate the need to submit a ROPS every fiscal year; and

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

**WHEREAS**, in accordance with Section 34191.6 of the Dissolution Act, the King City Successor Agency has prepared a Last and Final ROPS and has submitted it to the County Consolidated Oversight Board for approval; and

**WHEREAS**, the County Consolidated Oversight Board’s approval of the establishment of the Last and Final ROPS will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations; and

**WHEREAS**, it is proposed that the County Consolidated Oversight Board approve the establishment of the Successor Agency’s Last and Final ROPS, which is attached hereto as Exhibit “A”; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the County Consolidated Oversight Board for the Successor Agency of the King City Community Development Agency, as follows:

**Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** The County Consolidated Oversight Board hereby approves the Successor Agency to the City of King City's Last and Final ROPS in the form attached to this resolution

**Section 3.** The City Manager, or designee, is hereby authorized to: i) post the Last and Final ROPS on the City's website; ii) transmit the Last and Final ROPS to the County Auditor-Controller, County Administrative Officer, the State Controller and the State Department of Finance; and iii) make ministerial revisions to the Last and Final ROPS which may include, but is not limited to restating the information included within the Last and Final ROPS 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 the Last and Final ROPS on behalf of the Successor Agency, including authorizing and causing such payments.

**Section 4.** This Resolution shall take effect upon the date of its adoption.

**PASSED, APPROVED AND ADOPTED** by the County Consolidated Oversight Board at a meeting held on the 20th day of January 2023 by the following vote to wit:

**AYES: BOARD MEMBERS:**

**NOES: BOARD MEMBERS:**

**ABSENT: BOARD MEMBERS:**

**ABSTAIN: BOARD MEMBERS:**

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The Honorable Chair

ATTEST:

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Board Clerk

**EXHIBIT "A"**

**SUCCESSOR AGENCY TO THE  
KING CITY COMMUNITY DEVELOPMENT AGENCY LAST AND FINAL  
RECONGNIZED OBLIGATION PAYMENT SCHEDULE**

**(See Attachment)**

**Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary**  
**Filed for the July 1, 2023 through June 30, 2036 Period**

Successor Agency: King  
 County: Monterey  
 Initial ROPS Period: 23-24A  
 Final ROPS Period: 35-36B

Requested Funding for Enforceable Obligations	Total Outstanding Obligation
<b>A Enforceable Obligations Funded as Follows (B+C)</b>	<b>\$-</b>
B Bond Proceeds	-
C Other Funds	-
<b>D Redevelopment Property Tax Trust Fund (RPTTF) (E+F)</b>	<b>\$6,106,623</b>
E RPTTF	5,874,568
F Administrative RPTTF	232,055
<b>G Total Outstanding Obligations (A+D)</b>	<b>\$6,106,623</b>

**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



King  
Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary by ROPS Period  
July 1, 2023 through June 30, 2036

A Period July - December					
ROPS Period	Fund Sources				Six-Month Total
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	
	\$-	\$-	\$5,382,867	\$232,055	\$5,614,922
ROPS 23-24A	-	-	969,748	15,950	\$985,698
ROPS 24-25A	-	-	368,624	16,490	\$385,114
ROPS 25-26A	-	-	377,370	17,040	\$394,410
ROPS 26-27A	-	-	382,051	17,710	\$399,761
ROPS 27-28A	-	-	390,900	18,305	\$409,205
ROPS 28-29A	-	-	397,160	18,920	\$416,080
ROPS 29-30A	-	-	401,599	19,555	\$421,154
ROPS 30-31A	-	-	404,758	20,210	\$424,968
ROPS 31-32A	-	-	411,615	20,890	\$432,505
ROPS 32-33A	-	-	421,875	21,595	\$443,470
ROPS 33-34A	-	-	425,230	22,320	\$447,550
ROPS 34-35A	-	-	431,937	23,070	\$455,007
ROPS 35-36A	-	-	-	-	\$-

B Period January - June						Twelve-Month Total
ROPS Period	Fund Sources				Six-Month Total	
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF		
	\$-	\$-	\$491,701	\$-	\$491,701	\$6,106,623
ROPS 23-24B	-	-	75,787	-	\$75,787	\$1,061,485
ROPS 24-25B	-	-	69,315	-	\$69,315	\$454,429
ROPS 25-26B	-	-	62,460	-	\$62,460	\$456,870
ROPS 26-27B	-	-	55,348	-	\$55,348	\$455,109
ROPS 27-28B	-	-	49,385	-	\$49,385	\$458,590
ROPS 28-29B	-	-	43,800	-	\$43,800	\$459,880
ROPS 29-30B	-	-	38,053	-	\$38,053	\$459,207
ROPS 30-31B	-	-	32,158	-	\$32,158	\$457,126
ROPS 31-32B	-	-	26,058	-	\$26,058	\$458,563
ROPS 32-33B	-	-	19,699	-	\$19,699	\$463,169
ROPS 33-34B	-	-	13,183	-	\$13,183	\$460,733
ROPS 34-35B	-	-	6,455	-	\$6,455	\$461,462
ROPS 35-36B	-	-	-	-	\$-	\$-



