

**CALL AND NOTICE OF
SPECIAL MEETING
AT 6:30 PM
OF THE
VALLEJO CITY COUNCIL AS
GOVERNING BOARD OF THE
SUCCESSOR AGENCY TO THE
FORMER VALLEJO
REDEVELOPMENT AGENCY
DECEMBER 17, 2024**

CHAIR
Robert H. McConnell

BOARDMEMBERS:
Vice Chair Mina Loera-Diaz
Cristina Arriola
Peter Bregezner
Diosdado "J.R." Matulac
Charles Palmares
Rozzana Verder-Aliga, EdD

**COUNCIL CHAMBERS
555 Santa Clara Street, Vallejo,
California**

TO THE MEMBERS OF THE VALLEJO CITY COUNCIL AS GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE FORMER VALLEJO REDEVELOPMENT AGENCY:

You are hereby notified that I do hereby call the Vallejo City Council as Governing Board of the Successor Agency to the former Vallejo Redevelopment Agency in special session to consider only the matters stated on the agenda listed below.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. CONSENT CALENDAR AND APPROVAL OF AGENDA**
 - A. ADOPT A RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2025 THROUGH JUNE 30, 2026 ("ROPS 25-26")**

Recommendation: Adopt a Resolution approving the Recognized Obligations Payment Schedule for July 1, 2025 through June 30, 2026 ("ROPS 25-26").

Contact: Rekha Nayar, Finance Director, (707) 648-4592

Rekha.Nayar@cityofvallejo.net

- 4. ACTION CALENDAR**

NOTICE: Members of the public wishing to address the Council on Action Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

Hybrid Options are available for members of the public to participate. To participate remotely:

<https://ZoomRegular.CityofVallejo.net>

Option to join by phone:

Dial (669) 900-6833

Enter Meeting ID: 914 0075 0676#

Press *9 to digitally raise your hand from the phone

For additional instructions on how to speak during public comment, please visit,

www.cityofvallejo.net/publiccomment

5. ADJOURNMENT

Dated: Thursday, December 12, 2024



Robert H. McConnell, Mayor

I, Dawn Abrahamson, City Clerk, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Vallejo Successor Agency, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 6:00 p.m., Thursday, December 12, 2024.

Dated: Thursday, December 12, 2024



Dawn G. Abrahamson, City Clerk

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DATE: December 17, 2024
TO: Chair and Members of the Successor Agency
FROM: Rekha Nayar, Finance Director
SUBJECT: **ADOPT A RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2025 THROUGH JUNE 30, 2026 ("ROPS 25-26")**

RECOMMENDATION

Adopt a Resolution approving the Recognized Obligations Payment Schedule for July 1, 2025 through June 30, 2026 ("ROPS 25-26").

REASONS FOR RECOMMENDATION

Pursuant to State Health & Safety Code Section 34177, successor agencies to former redevelopment agencies are required to prepare and submit a Recognized Obligation Payment Schedule ("ROPS") to authorize debt service and other disbursements for the upcoming fiscal year. Successor agencies receive an allocation of available property tax increment from the County Redevelopment Property Tax Trust Fund ("RPTTF") up to the amount of approved ROPS disbursements. The proposed Resolution approves \$1,136,210 of RPTTF funding for the July 1, 2025 to June 30, 2026 ROPS reporting period.

Following consideration of ROPS 25-26 by the Successor Agency, ROPS 25-26 is scheduled for consideration by the Solano Consolidated Oversight Board to the Successor Agency in January 2025. The approved ROPS 25-26 is due to the State Department of Finance (DOF) by February 1, 2025.

BACKGROUND AND DISCUSSION

In 2011, the Governor signed into law AB1X 26 (the "Dissolution Act") which immediately suspended most activities of Redevelopment Agencies prior to their elimination effective October 1, 2011. Assembly Bill 1484 ("AB 1484") was signed by the Governor in 2012, adding significant new or modified actions and deadlines. The Dissolution Act was further amended by SB 107 on September 22, 2015.

The Dissolution Act requires successor agencies to prepare a Recognized Obligation Payment Schedule (ROPS) which sets forth the successor agency's enforceable obligations and scheduled payments for such enforceable obligations for the upcoming ROPS reporting period. The ROPS is the base document used by the County Auditor-Controller (the "CAC") in determining how much property tax increment revenue is needed to meet current Agency obligations and administrative expenses, and if any current residual tax revenue is available to distribute among local taxing entities. The ROPS are prepared by staff and submitted for consideration of approval by the Successor Agency Board and the Oversight Board. All ROPS are further subject to approval by the California Department of Finance (DOF) and to audit by the CAC.

DOF has created a specific format for the ROPS submission and provides required ROPS templates to successor agencies for completion. ROPS 25-26 is presented as Exhibit 1 to the proposed Resolution (Attachment 1).

FISCAL IMPACT

The Agency's ROPS 25-26 payment requests total \$1,173,275, as detailed below. These payments will be financed from RPTTF and other funds.

Subject: ADOPT A RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2025 THROUGH JUNE 30, 2026 ("ROPS 25-26")

Bond Repayments and Fees (Items 30-31)

The Successor Agency continues annual debt service payment on 2001 bonds. These bonds paid for various infrastructure improvements. Along with related fees, \$327,275 is proposed for scheduled 2025-26 debt service payments.

Administrative Costs (Item 33)

Pursuant to HSC Section 34171 (b), effective July 1, 2016, the administrative cost allowance will be equal to: (i) up to 3% of the actual property tax received by the Successor Agency to make enforceable obligation payments during the preceding fiscal year reduced by the Successor Agency's Administrative Allowance and sponsoring entity loan repayments in the preceding fiscal year; or (ii) not less than \$250,000, unless that amount is reduced by the Oversight Board or by agreement with the Successor Agency (Section 34171(b)(3)). The Administrative Allowance shall not exceed 50 percent of total Redevelopment Property Tax Trust Fund (RPTTF) distributed to pay enforceable obligations in the preceding fiscal year. This formula would allow an Administrative Allowance of approximately \$145,000.

The proposed administrative budget is presented as Attachment 2 and estimated to be \$46,000 which is less than what the Dissolution Law allows. The City, as administrator of the Successor Agency, continues to incur administrative costs to unwind the affairs of the former Redevelopment Agency and claims \$46,000 to reimburse the City for its administrative support. The Agency will continue to evaluate its eligible administrative allowance and underlying work effort to support this draw on an annual basis.

Repayment of City Advances (Item 8)

ROPS 25-26 continues repayment of City/Agency post-1990 loans. Interest accrues at 3% simple interest, as provided in SB 107. The annual allowable loan repayment under the Dissolution Act is 50% of the growth in surplus tax increment since the 2012-13 base year. \$800,000 is proposed for City loan repayments in the 2025-26 ROPS cycle.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

1.	Attachment 1 - Resolution Approving ROPS 25-26 CAO STAMP
2.	Attachment 1-Exhibit 1 Vallejo ROPS 25-26 schedules
3.	Attachment 2 -Vallejo SA Administrative Budget

CONTACT

Rekha Nayar, Finance Director, (707) 648-4592
Rekha.Nayar@cityofvallejo.net

Approved as to form:

By:  for _____
Veronica Nebb, City Attorney

SUCCESSOR AGENCY RESOLUTION NO. _____

**RESOLUTION OF THE SUCCESSOR AGENCY OF THE CITY OF VALLEJO
APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE FOR
THE PERIOD JULY 1, 2025 TO JUNE 30, 2026 (ROPS 25-26)**

WHEREAS, pursuant to AB 1X 26, enacted June 28, 2011 (as found constitutional and as partially reformed by the California Supreme Court in its decision in *California Redevelopment Association v. Matosantos* on December 29, 2011), and as amended by AB 1484, enacted June 27, 2012 (the “Dissolution Act”), the Vallejo Redevelopment Agency, along with all other redevelopment agencies in the State, was dissolved as of February 1, 2012; and

WHEREAS, pursuant to the authority provided in Health and Safety Code Section 34173, as enacted by AB 1X 26, the City Council of the City of Vallejo (“City”) elected and determined that the City shall become the “successor agency” to the former Redevelopment Agency, and upon dissolution of the Redevelopment Agency under AB 1X 26, all authorities, rights, powers, duties and obligations previously vested with the former Redevelopment Agency, under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), were vested in the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), added by AB 1484, the Successor Agency has been designated as a separate public entity from the City; and

WHEREAS, pursuant to the Dissolution Act, an Oversight Board has been selected to oversee, direct and approve specified actions of the Successor Agency; and

WHEREAS, also pursuant to the Dissolution Act, Successor Agency staff is required to prepare a “recognized obligation payment schedule” (“ROPS”), listing outstanding obligations of the Agency to be paid in the time period July 1, 2025 through June 30, 2026 (“ROPS 25-26”), submit it for approval by the Solano Consolidated Oversight Board, and submit an electronic copy to the State Department of Finance (“DOF”) by February 1, 2025;

NOW, THEREFORE, THE SUCCESSOR AGENCY OF THE CITY OF VALLEJO DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The approval of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. The Successor Agency hereby approves and adopts the July 1, 2025 through June 30, 2026 ROPS (ROPS 25-26), in substantially the form attached to this Resolution as Exhibit 1, authorizes staff to submit this information in the DOF-approved electronic format as required under the Dissolution Act, and to seek approval of this action by the Solano Consolidated Oversight Board.

This resolution was adopted by those present and voting at a regular meeting of the Successor Agency of the City of Vallejo held on December 17, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ROBERT MC CONNELL, Chairperson

ATTEST:

DAWN G. ABRAHAMSON, Secretary

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

Successor Agency: Vallejo

County: Solano

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)	\$ 37,065	\$ -	\$ 37,065
B Bond Proceeds	-	-	-
C Reserve Balance	22,421	-	22,421
D Other Funds	14,644	-	14,644
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 256,610	\$ 879,600	\$ 1,136,210
F RPTTF	233,610	856,600	1,090,210
G Administrative RPTTF	23,000	23,000	46,000
H Current Period Enforceable Obligations (A+E)	\$ 293,675	\$ 879,600	\$ 1,173,275

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

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

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 25-26 Total	ROPS 25-26A (Jul - Dec)					25-26A Total	ROPS 25-26B (Jan - Jun)					25-26B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$7,601,146		\$1,173,275	\$-	\$22,421	\$14,644	\$233,610	\$23,000	\$293,675	\$-	\$-	\$-	\$856,600	\$23,000	\$879,600
8	Advances from City	City/ County Loan (Prior 06/28/11), Cash exchange	02/01/2015	07/01/2032	City of Vallejo General Fund	Redevelopment Activities	Merged Project Area	1,560,117	N	\$800,000	-	-	-	-	-	\$-	-	-	-	800,000	-	\$800,000
30	2001 Vallejo Housing Set-aside	Fees	10/20/2000	10/01/2032	Bondligistix, Wells Fargo Bank	Debt Service Admin Fee	Low-Mod	5,900	N	\$5,900	-	-	3,900	-	-	\$3,900	-	-	-	2,000	-	\$2,000
31	2001 Vallejo Housing Set-aside	Bonds Issued On or Before 12/31/10	08/06/2001	10/01/2031	Wells Fargo Bank	Vallejo Housing Set Aside Bond	Low-Mod	2,229,625	N	\$321,375	-	22,421	10,744	233,610	-	\$266,775	-	-	-	54,600	-	\$54,600
33	Administration	Admin Costs	07/01/2016	06/30/2017	City of Vallejo	Administration Cost	N/A	250,000	N	\$46,000	-	-	-	-	23,000	\$23,000	-	-	-	-	23,000	\$23,000
47	Advances from City	City/ County Loan (Prior 06/28/11), Cash exchange	01/01/2016	07/01/2032	City of Vallejo	Redevelopment Activities	Merged	3,555,504	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

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

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
	ROPS 22-23 Cash Balances (07/01/22 - 06/30/23)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		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 07/01/22) RPTTF amount should exclude "A" period distribution amount.	285,000		139,137	135		
2	Revenue/Income (Actual 06/30/23) RPTTF amount should tie to the ROPS 22-23 total distribution from the County Auditor-Controller				11,148	1,061,057	All income reported to other funds
3	Expenditures for ROPS 22-23 Enforceable Obligations (Actual 06/30/23)			58,176	42	1,038,636	19-20 PPA \$58,176 applied to FY 22-23 ROPS
4	Retention of Available Cash Balance (Actual 06/30/23) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	239,000	-	80,961	93		retention for debt service reserve equal to 10% of outstanding loan balance. 20-21 PPA and other funds applied to FY 23-24 ROPS
5	ROPS 22-23 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 22-23 PPA form submitted to the CAC		No entry required			22,421	Requested to be applied in ROPS 25-26.
6	Ending Actual Available Cash Balance (06/30/23) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$46,000	\$-	\$-	\$11,148	\$-	Bond proceeds \$46,000 applied in ROPS 23-24. Other \$11,148 balance applied in ROPS 24-25.

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

Item #	Notes/Comments
8	
30	
31	
33	
47	

FY 2025/26 Vallejo Successor Agency - Administrative Budget

Type of Admin Costs 1/	<u>Jul - Dec 2025</u>	<u>Jan - Jun 2026</u>
Direct Administrative Costs:		
Legal Expenses		
Property Maintenance & Appraisal	2,000	2,000
Other (audit, consultants, postage, utilities, training, travel, office supplies, printing, etc.)	5,000	5,000
Indirect City Support Services 2/	16,000	16,000
Total Administrative Expenses	23,000	23,000
Total Administrative Expenses Funded by RPTTF		46,000

Notes:

1/ Activities may be added, revised, or deleted from the listing as necessary and appropriate during the course of the the Successor Agency wind-down process. Costs shown for each category are estimates only. Actual costs required for each category may be higher or lower than the amount shown, not to exceed the aggregate total amount.

2/ Indirect cost recovery for administrative and financial activities will be charged based on the City's Indirect Cost plan developed by third-party consultant.