



**REPORT TO SUCCESSOR AGENCY BOARD OF
THE REDEVELOPMENT AGENCY OF
THE CITY OF LAKE ELSINORE**

To: Honorable Agency Chair and Members of the Successor Agency

From: Jason Simpson, Executive Director

Prepared by: Barbara Leibold, Agency Counsel

Date: January 10, 2023

Subject: **Recognized Obligation Payment Schedule (ROPS 23-24) for July 1, 2023 through June 30, 2024**

Recommendation

Adopt A RESOLUTION OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF LAKE ELSINORE APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 23-24) AND ADMINISTRATIVE BUDGET FOR JULY 1, 2023 THROUGH JUNE 30, 2024.

Background

As part of the dissolution of the former Redevelopment Agency, Health and Safety Code Section 34177 (added by AB 1X 26, as amended to date) requires the Successor Agency to adopt a Recognized Obligation Payment Schedule (ROPS) that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for each twelve month period of each fiscal year. The Successor Agency has previously adopted ROPS for prior twelve month periods. The previous ROPS have been approved by the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Lake Elsinore and the State Department of Finance (DOF).

Discussion

Applicable law requires that the ROPS for July 2023 through June 2024 be submitted to DOF and the State Controller's office, after approval by the Riverside Countywide Oversight Board, no later than February 1, 2023. The DOF has five (5) days after submittal to request a review and forty-five (45) days to review the ROPS if it decides to do so. If the ROPS is not submitted by the deadline, the City is subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days.

The attached ROPS 23-24 for the period July 1, 2023 – June 30, 2024 follows the form prescribed by the DOF and incorporates all of the remaining obligations identified in the previous ROPS. As the Successor Agency winds down the former Redevelopment Agency, the primary remaining enforceable obligations are the outstanding bonds, Stadium operation and maintenance, Housing Fund Loan Repayment, and the Summerly Disposition and Development Agreement. No new line items have been added.

In compliance with DOF guidance, all administrative costs have been combined into one line item and Successor Agency staff has prepared the attached administrative budget for the fiscal period commencing on July 1, 2023 and continuing through June 30, 2024 ("FY 2023 - 2024 Administrative Budget"). The Successor Agency is entitled to an administrative cost allowance (the "Administrative Cost Allowance") pursuant to Health and Safety Code Sections 34171(b) and 34183(a)(3) in the approximate amount of \$414,315 for the 2023-24 fiscal year of which approximately \$207,158 will be disbursed July 1, 2023 and approximately \$207,157 will be disbursed January 2, 2024.

The attached ROPS 23-24 and FY 2023-2024 Administrative Budget will be considered by the Riverside Countywide Oversight Board on January 19, 2023 and subsequently submitted to the State Department of Finance.

Attachments

Attachment 1 - Resolution

Attachment 2 - Recognized Obligation Payment Schedule of the Successor Agency of the Redevelopment Agency of the City of Lake Elsinore for the period of July 1, 2023 through June 30, 2024 (ROPS 23-24)

Attachment 3 - Administrative Budget FY 23-24