



# ***Agenda Report***

## ***Fullerton Successor Agency***

**MEETING DATE:** JANUARY 7, 2025

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**SUBMITTED BY:** SUNAYANA THOMAS, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

**PREPARED BY:** TAYLOR SAMUELSON, SENIOR ADMINISTRATIVE ANALYST

**SUBJECT:** RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2025-26 AND ADMINISTRATIVE BUDGET ALLOWANCE PER ASSEMBLY BILL X1 26 AND 1484 AND SENATE BILL 107

---

### **SUMMARY**

Staff requests the Fullerton Successor Agency (Successor Agency) approve the proposed Fiscal Year 2025-26 (ROPS 2024-25) Recognized Obligation Payment Schedule and July 1, 2025 through June 30, 2026 Administrative Budget Allowance, per Assembly Bills 1X 26 and 1484 and Senate Bill 107.

### **PROPOSED MOTION**

Adopt Resolution No. SA-2025-XX.

RESOLUTION NO. SA-2025-XX – A RESOLUTION OF THE SUCCESSOR AGENCY OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 2025-26 AND ADMINISTRATIVE BUDGET ALLOWANCE (PERIOD COVERING JULY 1, 2025 THROUGH JUNE 30, 2026)

### **ALTERNATIVE OPTIONS**

- Approve the Proposed Motion
- Other options brought by City Council.

### **STAFF RECOMMENDATION**

Staff recommends the Proposed Motion.

#### CITY MANAGER REMARKS

City Manager recommends approval of the proposed Resolution.

#### PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Fiscal and Organizational Stability.

#### FISCAL IMPACT

This item has no General Fund fiscal impact. The City would make approved payments from property tax increment revenue allocated by the Orange County Auditor-Controller to the Fullerton Successor Agency Redevelopment Property Tax Trust Fund per the State-mandated dissolution process.

#### BACKGROUND AND DISCUSSION

The Recognized Obligation Payment Schedule (ROPS) identifies funds needed to dissolve the former Fullerton Redevelopment Agency and set payment amounts and due dates for existing financial obligations. Staff will prepare the forward-looking ROPS annually until the Agency repays all debt. Staff attached the proposed ROPS 2025-26 for July 1, 2025 through June 30, 2026. Staff must submit ROPS 2025-26 to the Orange County Oversight Board and then to the State Department of Finance (DOF) by February 1, 2025 for review and approval.

The ROPS 2025-26 includes all enforceable Successor Agency obligations requiring payment during FY 2025-26. These obligations include bond debt service payments and an administrative cost allowance. Staff removed a list of previously denied items and fulfilled ROPS obligations. This ROPS lists only three items: a small appropriation for finance administrative costs, bond debt service fee amounts and bond debt service payments. Staff will complete all currently approved Successor Agency enforceable obligations in Fiscal Year 2027-28.

Staff expects ROPS 2025-26 to be the last submittal to California DOF pursuant to the dissolution laws of the former redevelopment agencies. Staff will provide an additional agenda item on the ROPS Last and Final that includes all budgeted line items for remaining line items.

ROPS FY 2025-26 LINE ITEMS			
Description	ROPS A	ROPS B	TOTAL
Item 27 - Admin Costs	\$3,000	\$3,000	\$6,000.00
Item 49 – Bond Processing DS Fees	\$0.00	\$9,500	\$9,500.00
Item 63 2020 A&B Bond Debt Service	\$2,855,849.85	\$5,082,667.00	\$7,938,516.85
<b>TOTALS:</b>	<b>\$2,858,849.85</b>	<b>\$5,095,167.00</b>	<b>\$7,954,016.85</b>

Staff recommends City Council, acting as the Fullerton Successor Agency, adopt the resolution approving ROPS 2025-26 for July 1, 2025 through June 30, 2026. Staff will forward the ROPS 2025-26 to the County Oversight Board for consideration. The

Successor Agency becomes subject to a \$10,000 per day civil penalty for every day the Agency does not submit the schedule to the DOF after the February 1, 2025 deadline. Additionally, the maximum administrative cost allowance for that period shall reduce by 25 percent if a Successor Agency does not submit their ROPS by the February 1, 2025 deadline.

Attachments:

- Attachment 1 – Resolution No. SA-2025-XX

cc: City Manager Eric J. Levitt