



Report to City Council

TO: Mayor and City Council Acting in its Capacity as Members of the Moreno Valley Successor Agency (SA)

FROM: Launa Jimenez, Chief Financial Officer

AGENDA DATE: December 3, 2024

TITLE: RESOLUTION OF THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2025-2026 (REPORT OF:

TITLE SUMMARY: Resolution of The City of Moreno Valley Serving as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving the Recognized Obligation Payment Schedule and Administrative Budget for the Period of July 1, 2025 through June 30, 2026 (ROPS 25-26) (Reso. No. SA 2024-XX)

Recommendation(s)

That the City Council as Successor Agency:

1. Adopt Resolution No. SA 2024-XX. A Resolution of the City Council of the City of Moreno Valley, California, serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving the Recognized Obligation Payment Schedule and Administrative Budget for the Period of July 1, 2025 through June 30, 2026 (ROPS 25-26) and Authorizing the City Manager acting for the Successor Agency or his Designee to Make Modifications Thereto; and
2. Authorize the City Manager acting for the Successor Agency or his Designee to make modifications to the Schedule; and

3. Authorize the transmittal of the ROPS 25-26, for the period of July 1, 2025 through June 30, 2026 (“Exhibit A”), including Administrative Budget (“Exhibit B”) for the said period, to the Countywide Oversight Board for County of Riverside for review and approval.

SUMMARY

This report recommends adoption of the Proposed Resolution approving the Recognized Obligation Payment Schedule (ROPS 25-26) including the Administrative Budget, for the period of July 1, 2025 through June 30, 2026.

As successor agency (“Successor Agency”) to the Community Redevelopment Agency (RDA) of the City of Moreno Valley, the City is responsible for winding down the affairs of the former RDA including disposing of its assets, making payments and performing other obligations owed for Enforceable Obligations. The Recognized Obligation Payment Schedules for certain applicable periods provide the details necessary for the City serving as the Successor Agency to fulfill the former RDA’s legally binding and enforceable agreements as required by law.

DISCUSSION

ABX1 26 requires the Successor Agency to approve a Recognized Obligation Payment Schedule (“ROPS”) for each Fiscal Year. The required content of the ROPS, set forth in Health and Safety Code Section 34177(l)(1), details all of the Successor Agency’s legally binding and enforceable obligations, anticipated payments, and sources of payments. Recognized obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation. AB 1484 further clarifies certain matters associated with the dissolution of RDAs and addresses substantive issues related to administrative processes, affordable housing activities, and repayment of loans from communities, use of existing bond proceeds, and the disposition or retention of Successor Agency assets.

In order to facilitate the wind down process, on behalf of the Successor Agency, the City Council has adopted the following Resolutions:

Resolution No. 2012-13, adopted on February 28, 2012, approving a Recognized Obligation Payment Schedule for the period of January 1, 2012 through June 30, 2012.

Resolution No. 2012-22, adopted on April 10, 2012, approving a Second Recognized Obligation Payment Schedule for the period of July 1, 2012 through December 31, 2012.

Resolution No. 2012-71, adopted on August 28, 2012, approving a Second Recognized Obligation Payment Schedule for the period of January 1, 2013 through June 30, 2013.

Resolution No. SA 2013-02, adopted on February 26, 2013, approving a Recognized Obligation Payment Schedule (ROPS 13-14 A) for the period of July 1, 2013 through December 31, 2013.

Resolution No. SA 2013-09, adopted on September 24, 2013, approving a Recognized Obligation Payment Schedule (ROPS 13-14 B) for the period of January 1, 2014 through June 30, 2014.

Resolution No. SA 2014-01, adopted on February 25, 2014, approving a Recognized Obligation Payment Schedule (ROPS 14-15 A) for the period of July 1, 2014 through December 31, 2014.

Resolution No. SA 2014-02, adopted on September 23, 2014, approving a Recognized Obligation Payment Schedule (ROPS 14-15 B) for the period of January 1, 2015 through June 30, 2015.

Resolution No. SA 2015-01, adopted on February 24, 2015, approving a Recognized Obligation Payment Schedule (ROPS 15-16 A) for the period of July 1, 2015 through December 31, 2015.

Resolution No. SA 2015-02, adopted on September 22, 2015, approving a Recognized Obligation Payment Schedule (ROPS 15-16 B) for the period of January 1, 2016 through June 30, 2016.

Resolution No. SA 2016-01, adopted on January 19, 2016, approving a Recognized Obligation Payment Schedule (ROPS 16-17) for the period of July 1, 2016 through June 30, 2017.

Resolution No. SA 2016-02, adopted on September 6, 2016, approving a Recognized Obligation Payment Schedule (ROPS 16-17 B) for the period of January 1, 2017 through June 30, 2017.

Resolution No. SA 2016-04, adopted on December 12, 2016, approving a Recognized Obligation Payment Schedule (ROPS 17-18) for the period of July 1, 2017 through June 30, 2018.

Resolution No. SA 2017-05, adopted on September 19, 2017, approving a Recognized Obligation Payment Schedule (ROPS 17-18 B) for the period of January 1, 2018 through June 30, 2018.

Resolution No. SA 2018-01, adopted on January 16, 2018, approving a Recognized Obligation Payment Schedule (ROPS 18-19) for the period of July 1, 2018 through June 30, 2019.

Resolution No. SA 2018-04, adopted on September 4, 2018, approving a Recognized Obligation Payment Schedule (ROPS 18-19 B) for the period of January 1, 2019 through June 30, 2019.

Resolution No. SA 2018-06, adopted on December 18, 2018, approving a Recognized Obligation Payment Schedule (ROPS 19-20) for the period of July 1, 2019 through June

30, 2020.

Resolution No. SA 2019-02, adopted on August 20, 2019, approving a Recognized Obligation Payment Schedule (ROPS 19-20 B) for the period of January 1, 2020 through June 30, 2020.

Resolution No. SA 2019-03, adopted on December 3, 2019, approving a Recognized Obligation Payment Schedule (ROPS 20-21) for the period of July 1, 2020 through June 30, 2021.

Resolution No. SA 2020-02, adopted on July 7, 2020, approving a Recognized Obligation Payment Schedule (ROPS 20-21 B) for the period of January 1, 2021 through June 30, 2021.

Resolution No. SA 2021-01, adopted on January 5, 2021, approving a Recognized Obligation Payment Schedule (ROPS 21-22) for the period of July 1, 2021 through June 30, 2022.

Resolution No. SA 2021-04, adopted on December 7, 2021, approving a Recognized Obligation Payment Schedule (ROPS 22-23) for the period of July 1, 2022 through June 30, 2023.

Resolution No. SA 2022-04, adopted on July 5, 2022, approving a Recognized Obligation Payment Schedule (ROPS 22-23B) for the period of January 1, 2023 through June 30, 2023.

Resolution No. SA 2022-07, adopted on December 6, 2022, approving a Recognized Obligation Payment Schedule (ROPS 23-24) for the period of July 1, 2023 through June 30, 2024.

Resolution No. SA 2023-05, adopted on August 15, 2023, approving a Recognized Obligation Payment Schedule (ROPS 23-24B) for the period of January 1, 2024 through June 30, 2024.

Resolution No. SA 2023-06 adopted on December 5, 2023, approving a Recognized Obligation Payment Schedule (ROPS 24-25) for the period of July 1, 2024 through June 30, 2025.

Once approved, the ROPS 25-26 will be submitted to the Successor Agency's Countywide Oversight Board for the County of Riverside ("Oversight Board") for review and approval. Upon approval by the Oversight Board, a copy of the approved ROPS will be transmitted to the County-Auditor Controller, the State Controller's Office, the State Department of Finance, and posted to the City's website.

ALTERNATIVES

1. Adopt the attached proposed resolution, which approves the Recognized

Obligation Payment Schedule, including the administrative budget for the period of July 1, 2025 through June 30, 2026 and authorizing the transmittal of said Schedules to the Oversight Board for review and approval. Staff recommends this alternative because it allows the City serving as the Successor Agency to make required debt service payments in accordance with State legislation.

2. Decline to adopt the attached proposed resolution which would not allow the City, serving as the Successor Agency, to maintain the operations, and fulfill debt obligations of the former RDA as required by law. Staff does not recommend this alternative.

FISCAL IMPACT

The Recognized Obligation Payment Schedule provides the details necessary for the City serving as the Successor Agency to fulfill the former RDA's legally binding and enforceable agreements. The ROPS 25-26 will serve as authorization to pay obligations listed during the noted period including allowable administrative costs of up to the \$250,000 Administrative Budget. With the dissolution of the former RDA, there are continued risks that the payment of certain agreements may not be approved by the California Department of Finance, which will impact the General Fund. When these costs can be considered a short-term loan from the City to the Successor Agency and thus considered an enforceable obligation of the Successor Agency, the City shall seek reimbursement as available.

NOTIFICATION

The agenda for the meeting during which this item may be considered has been posted in the three locations that have been designated for the posting of City Council agendas, in compliance with the Brown Act.

PREPARATION OF STAFF REPORT

Prepared By:
Natalia Lopez
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Department Head Approval:
Launa Jimenez
Chief Financial Officer/Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation: Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library

- 4. Infrastructure**
- 5. Beautification, Community Engagement, and Quality of Life**
- 6. Youth Programs**

Report Approval Details

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Attachments:	- SA Resolution 2024-XX.docx - SA Resolution 2024_XX.docx
Final Approval Date:	Nov 26, 2024

This report and all of its attachments were approved and signed as outlined below:

Natalia Lopez

Launa Jimenez

Brian Mohan

Mike Lee

Patty Rodriguez