

**STAFF REPORT OF THE SUCCESSOR AGENCY TO THE HERCULES
REDEVELOPMENT AGENCY**

DATE: January 27, 2025

TO: The Contra Costa Countywide Oversight Board

SUBMITTED BY: Dante Hall, City Manager/Executive Director
Successor Agency to the Hercules Redevelopment Agency

SUBJECT: Recognized Obligation Payment Schedule and Administrative Budget for
the period of July 1, 2025 through June 30, 2026 (ROPS 25-26)

RECOMMENDED ACTION:

Adopt a resolution approving the Recognized Obligation Payment Schedule and Administrative Budget for the period July 1, 2025 through June 30, 2026 (ROPS 25-26)

DISCUSSION:

Health and Safety Code (HSC) Section 34177 requires that successor agencies must, amongst other things, prepare a Recognized Obligation Payment Schedules (ROPS) for each upcoming fiscal year. A ROPS is the document that sets forth the maximum payment amounts and due dates of payments required by enforceable obligations. Enforceable obligations are defined in HSC Section 34171(d) and include the payment of bonds and loans, payments required by the federal government, judgments or settlements, any legally binding agreement or contract, and contracts or agreements necessary for the administration or operation of the successor agency.

Successor agencies are required to submit the ROPS to the Countywide Oversight Board then the California Department of Finance (DOF) for approval. Successor agencies are also required to prepare an annual administrative budget.

Summary

Hercules ROPS 25-26 requests \$10.0 million in obligations from Redevelopment Property Tax Trust Funds (RPTTF). Obligations consist of bond debt service and related fees (\$7.9 million), payments owed to third parties pursuant to two agreements entered into prior to dissolution (\$1.8 million), and the annual administrative cost allowance (\$250,000).

Prior Period Adjustment and Cash Balance

The ROPS 25-26 Report of Cash Balance worksheet shows \$7.0 in RPTTF money received for the ROPS 22-23 (July 1, 2022 through June 30, 2023) fully expended. It also reports \$1.7 million in Reserve Balances that were expended or continue to be held for future ROPS.

ATTACHMENTS:

1. Resolution (includes Exhibit A Recognized Obligation Payment Schedule July 1, 2025 through June 30, 2026).