



Date: January 27, 2025

To: Countywide Oversight Board

From: City of Brentwood Successor Agency

Subject: Resolution of the Countywide Oversight Board to the Successor Agencies of the Redevelopment Agencies within Contra Costa County (“Countywide Oversight Board”) adopting the Brentwood Successor Agency Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 2025 – June 2026, and authorizing the City of Brentwood Director of Finance and Information Systems and/or his designee, in consultation with the General Counsel, to make minor adjustments thereto as necessary to secure approval of the ROPS and/or the Administrative Budget by the State Department of Finance.

RECOMMENDATION

Adopt a Resolution approving the Brentwood Successor Agency (“Successor Agency”) Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 2025 – June 2026, and authorizing the City of Brentwood Director of Finance and Information Systems to make minor adjustments thereto as necessary to secure approval of the ROPS and/or the Administrative Budget by the State Department of Finance.

BACKGROUND

By law, a successor agency is required to prepare a forward looking ROPS which reports one year of successor agency financial obligations, commonly referred to as “Enforceable Obligations”. A successor agency may expend funds only for items on an approved ROPS. The ROPS presented for consideration covers the July 2025 – June 2026 time period.

Should the ROPS be approved by the Countywide Oversight Board, it will then be remitted to the State Department of Finance (“DOF”) for their review. In the event of a dispute between the Successor Agency and the DOF regarding a line item on the

ROPS the Successor Agency may request an additional review by the DOF, and has the opportunity to meet and confer on disputed items.

The DOF prescribes the method and form requirements for the ROPS and has established a reporting template to be used by successor agencies, included as Exhibit A to this report. The reporting template includes the following four reporting pages:

- Summary Page, which summarizes funding request total of \$2,673,015 from the ROPS Detail Page.
- ROPS Detail Page, where all the individual enforceable obligations of the Successor Agency are listed, along with the funding requirements for the July 2025 – June 2026 timeframe, summarized as follows:

Debt Service Obligations	\$2,421,415
Administrative Cost Allowance	250,000
Investment/trustee Related Expenses	<u>1,600</u>
Total Enforceable Obligations	<u>\$2,673,015</u>

- Cash Balances Page, which summarizes the amount of any excess funds available as of June 30, 2023, as follows:

Available Cash Balance	\$322,364
Amount Reserved for Property Disposition Costs	\$54,000

(Note: The DOF requires available cash to be spent prior to future Redevelopment Property Tax Trust Fund ("RPTTF") allocations.)

- Notes Page, which is an optional page where agencies can include additional clarifying information pertaining to any of the items listed on the ROPS Detail Page.

As mentioned above, the ROPS contains the administrative budget for the Successor Agency. The Successor Agency's "administrative cost allowance", as defined and authorized pursuant to Health & Safety Code Section 34171(b), is a minimum reimbursement of \$250,000 for the entire 2025-2026 fiscal year. In accordance with Health & Safety Code Section 34177(j)(1), the total estimated Successor Agency administrative costs for the 2025-2026 fiscal year are expected to meet this limit. This budget, in accord with Health & Safety Code Section 34177(j)(2) proposes the source of payment for the administrative costs as the RPTTF established and maintained by the County Auditor-Controller pursuant to Health & Safety Code Section 34170.5(b).

Additionally, H&S Code Section 34177(j)(3) requires proposals for arrangements for administration and operations services. The Successor Agency has arranged with the City of Brentwood to provide the staff services and office materials and equipment to

administer the responsibilities of the Successor Agency, and will draw upon services of outside legal and financial consultants to provide special services for the wind-down of the former Brentwood Redevelopment Agency to the extent City staff lacks the necessary expertise or capacity.

Attachments:

- Resolution
- Exhibit "A" – Recognized Obligation Payment Schedule July 2025 - June 2026
- Exhibit "B" – Administrative Budget