



Recognized Obligation Payment Schedule (ROPS) FY 2025-26

City Council / Successor Agency Meeting
January 21, 2025

Recognized Obligation Payment Schedule (ROPS)

- The California Supreme Court ruled on the Dissolution Act (AB 1484) to dissolve all Redevelopment Agencies (RDAs) in California effective February 1, 2012.
- AB 1484 established procedures for payment of legally enforceable obligation of the former RDAs by establishing Successor Agencies (SAs) through the annual submission of the ROPS to the State Department of Finance (DOF).
- The ROPS lists all expenditures required to be paid by the Successor Agency in the upcoming fiscal year. For Fiscal Year 2025-26, this amount is \$10,768,498.
- The Fiscal Year ROPS also includes a request for \$8,438,398 repayment of a loan from the City to the former RDA related to the Waterfront. The payment is required through a judgment issued by the California Supreme Court on February 17, 2023. The DOF concurred with the Court's ruling in a letter dated May 19, 2023.

Recognized Obligation Payment Schedule (ROPS) Waterfront

Summary of ROPS- Waterfront	
Principal	\$22,400,000
Interest	\$8,736,000
TOTAL	\$31,136,000
20% Set-aside requirement	\$6,227,200
General Fund 80% Allocation	\$24,908,800

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- Health and Safety Code Section 34179(j) requires the ROPS to be approved by both the Huntington Beach Successor Agency and the Countywide Oversight Board and submitted to the Department of Finance no later than February 1, 2025 in order to receive funding for the Fiscal Year 2025-26.
- The ROPS expenditures required to be paid by the Successor Agency in the upcoming fiscal year will be presented to the Orange Countywide Oversight Board for their consideration and approval on January 28, 2025.
- The approved ROPS are required to be submitted to the California Department of Finance (DOF) by February 1, 2025. The ROPS are then subject to review and approval by the DOF.
- It is recommended that the Successor Agency Adopt Resolution Nos. 2025-01 and 2025-02 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Huntington Beach Successor Agency for the period of July 1, 2025, through June 30, 2026, in accordance with Health and Safety Code Section 34177 and related actions

Questions?

