



AGENDA REPORT

Department: Finance
Prepared by: Janel Pehau, Financial Analyst
Meeting Date: Tuesday, October 21, 2025
Approved by: Scott W. Huth, Interim City Manager

SUBJECT:

Successor Agency Last and Final Recognized Obligation Payment Schedule (ROPS)

RECOMMENDATION:

Adopt the Resolution Entitled: “Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving the Last and Final Recognized Obligation Payment Schedule (ROPS) for the Seven ROPS Periods Beginning July 1, 2026 through June 30, 2033 with Obligations Totaling \$25,074,222, and Approving the Submittal of the Last and Final ROPS to the County of San Diego Countywide Redevelopment Successor Agency Oversight Board.”

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

Not Applicable.

EXPLANATION:

Effective February 1, 2012, all Redevelopment Agencies in California were dissolved, and “Successor Agencies” were established to wind down the affairs of the former redevelopment agencies under the direction of oversight boards. Health and Safety Code Section 34177 requires successor agencies to perform a number of functions, one of which is to prepare a Recognized Obligation Payment Schedule (ROPS) before each fiscal period that details the amounts required to be spent and the source of funds for those expenditures. If a Successor Agency meets certain conditions, it may submit a “Last and Final ROPS” that covers all remaining periods. The National City Successor Agency has seven years left until all obligations have been discharged.

Pursuant to Health and Safety Code (HSC) section 34191.6(a), agencies that have received a Finding of Completion may file a Last and Final ROPS if all of the following conditions are met:

- The remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreements, and contracts.
- All remaining obligations have been previously listed on the ROPS and approved for payment by Finance pursuant to HSC section 34177 (m) or (o).
- The agency is not a party to outstanding/unresolved litigation, except as specified in HSC section 34191.6 (a) (3).

The National City Successor Agency meets all of those conditions. The only remaining obligations are for administrative costs to be paid to the City and debt service on the Agency’s 2017A Tax Allocation Refunding Bonds and 2017B Taxable Tax Allocation Refunding Bonds. The final payment on the Series 2017A bonds will be in August of 2032. The final payment on the Series 2017B bonds will be in August of 2029. The primary administrative costs pertain to financial services (provided both internally and by outside vendors) and the execution of the Long-

Range Property Management Plan whereby the City is tasked with the disposition of the former redevelopment agency's properties that had been previously acquired for various community development purposes.

Attachment A shows the proposed Last and Final ROPS with the amounts requested for each of the remaining seven periods. The total amount requested over the seven-year period is \$25,074,220. Of that amount, \$24,607,550 is for the remaining principal and interest payments on the 2017 Refunding Bonds and \$466,070 is for administrative costs. Attachment B details the administrative costs that are included in the Last and Final ROPS. Of note is that amounts for two of the obligations that have previously been listed separately on the ROPS, items 128 (bond disclosure services) and 162 (trustee fees), at \$4,000 each, have been incorporated into the administrative cost component of the Last and Final ROPS. This change will simplify the payment process with respect to these vendors.

Once the Last and Final ROPS is approved by the State Department of Finance, the County Auditor and Controller will be authorized to remit Redevelopment Property Tax Trust Fund (RPTTF) monies to the Successor Agency each June and January per the Last and Final obligation schedule without any further requirements for City staff to prepare the annual ROPS or submit certain documentation that is part of the annual ROPS process.

FINANCIAL STATEMENT:

The Last and Final ROPS covers the seven-year period corresponding to fiscal years 2026-27 through 2032-33. Obligations under the Last and Final ROPS total \$25,074,220. Annual amounts of RPTTF payments will range from a high of \$3.8 million for ROPS 26-27 down to \$3.3 million for ROPS 32-33.

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Not Applicable

ENVIRONMENTAL REVIEW:

This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

PUBLIC NOTIFICATION:

The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act.

ORDINANCE:

Not Applicable

EXHIBITS:

Exhibit A – Last and Final ROPS

Exhibit B – Last and Final Administrative Costs Detail

Exhibit C - Resolution