City of Riverside

City of Arts & Innovation

Successor Agency to the Redevelopment Agency of the City of Riverside

TO:	**HONORABLE MAYOR AND CITY COUNCIL**	**DATE:**	**AUGUST 25, 2026**
FROM:	**COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**	**WARDS:**	**ALL**

SUBJECT: AMEND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2026, THROUGH JUNE 30, 2027 (ROPS 26-27) TO REQUEST FUNDING INADVERTENTLY OMITTED FOR EXISTING APPROVED ENFORCEABLE OBLIGATIONS DURING THE JANUARY 1 THROUGH JUNE 30, 2027 PERIOD

ISSUE:

Recommend that the Successor Agency approve an Amended Recognized Obligation Payment Schedule (Amended ROPS 26-27) requesting $1,319,400 in additional Redevelopment Property Tax Trust Fund (RPTTF) funding for existing approved enforceable obligations whose funding amounts were inadvertently entered as zero on the approved ROPS 26-27; recommend that the Countywide Oversight Board find the revisions necessary for payment of those obligations during the January 1 through June 30, 2027 period and approve the Amended ROPS; and authorize the submission to the California Department of Finance (DOF).

RECOMMENDATIONS:

That the Successor Agency:

1. Adopt the attached Resolution approving the Amended ROPS 26-27 requesting $1,319,400 in additional RPTTF funding for existing approved enforceable obligations during the January 1 through June 30, 2027 period;

2. Recommend that the Countywide Oversight Board adopt a separate Resolution finding that the revision is necessary for payment of existing approved enforceable obligations during the January 1 through June 30, 2027 period and approving the Amended ROPS 26-27; and

3. Authorize staff to submit the Countywide Oversight Board-approved Amended ROPS 26-27 to the DOF by October 1, 2026, in accordance with Health and Safety Code Sections 34177(o).

BACKGROUND:

Pursuant to Health and Safety Code Section 34177(o), successor agencies are required to prepare and submit an annual Recognized Obligation Payment Schedule (ROPS) identifying enforceable obligations to be funded during the applicable fiscal year.

On January 6, 2026, the Successor Agency approved the Annual Recognized Obligation Payment Schedule for Fiscal Year 2026-27 (ROPS 26-27) for the period of July 1, 2026, through June 30, 2027. Following approval by the Successor Agency and the Countywide Oversight Board, the ROPS 26-27 was submitted to the California Department of Finance (DOF) on February 10, 2026, for review in accordance with Health and Safety Code Section 34177(o).

Health and Safety Code Section 34177(o)(1)(E) permits a successor agency, once per ROPS period and no later than October 1, to submit one amendment to a DOF-approved ROPS if the Countywide Oversight Board finds that the revision is necessary for payment of existing approved enforceable obligations during the second half of the ROPS period. An amended ROPS may revise the requested amounts for existing approved enforceable obligations already included on the annual ROPS; it may not add new line items or establish new enforceable obligations.

DISCUSSION:

During the preparation of the Annual ROPS 2026-27, the existing property-maintenance, property-management, professional-service, and litigation obligations summarized below were carried forward as existing ROPS line items. However, the requested funding amounts for these obligations were inadvertently entered as zero for the full fiscal year. The obligations themselves were included and recognized on the approved ROPS.

Since no funding was included for these obligations in either the ROPS A or ROPS B period, the Amended ROPS requests the amounts determined to be necessary for payment of these existing approved enforceable obligations during the ROPS B period. The request is based on the payments expected to be made for each existing approved enforceable obligation.

Additionally, the proposed amendment does not add new line items or establish new enforceable obligations. It revises only the requested funding amounts for existing approved line items.

Following the DOF’s final determination, staff reviewed the approved ROPS, prior ROPS schedules, continuing obligations associated with each line item, and payments expected to become due. Based on that review, staff identified $1,319,400 in additional RPTTF funding necessary to pay existing approved enforceable obligations during the ROPS B period.

The requested amendment is not intended to further challenge the DOF's annual ROPS determination. Instead, it requests funding for existing approved enforceable obligations that were included on ROPS 26-27 with no funding requested.

The requested amounts are based on supporting schedules for each line item identifying the basis of the obligation, the calculation of the amount requested, anticipated payment, and the applicable funding source.

The total requested adjustment is $1,319,400 in RPTTF and is for funding for property maintenance, California Tower professional services and operating costs, and Successor Agency legal matters. Each requested amount is tied to an existing approved ROPS 26-27 line item and is limited to costs expected to become due and payable.

Additionally, Line Item 130 was inadvertently retired on ROPS 26-27. The property remains owned by the Successor Agency and is still pending disposition; therefore, the obligation remains active, and funding is requested for necessary property-maintenance costs during the ROPS B period.

The requested amounts are summarized below:

Line Item	Project Name	Amount Requested	Explanation
10	Arl-California Square	$35,810	These longstanding property-maintenance items appeared on prior DOF-approved ROPS schedules but were carried forward on ROPS 26-27 with no funding requested. The Amended ROPS seeks funding necessary to maintain and preserve Successor Agency-owned properties pending disposition.
11	Arl-8717 Indiana (former 21 Liquor)	$35,810	
26	CB-Acquisition of RCTC Madison St & Railroad	$33,810	
39	Mag - Old Fire Station #5 - 6963 Streeter Ave.	$30,810	
54	Univ-2871 & 2881 University @ Park	$29,850	
55	Univ-2771 University Avenue (adjacent to 2871)	$28,850	
56	Univ-2871 University (combined with 2731 to 2891)	$30,850	
57	Univ-1910 University (Former Welcome Inn)	$34,850	
58	Univ-3870 Ottawa (Former Big L Motel)	$35,800	
60	Univ-2585-2617 Univ Ave (former	$35,800	
70	2015, 2025 & 2039 University	$35,800	
71	2227 to 2243 University Avenue	$35,800	
96	Dwntwn-4271 & 4293 Market Street	$38,950	
111	Dwntwn- 1st-3rd Business (Raincross Promenade Phase	$40,810	

Line Item	Project Name	Amount Requested	Explanation
	2)		
119	Dwntwn California Tower Professional Services	$125,000	Existing property-management, lease-administration, tenant-coordination, accounting, and related professional-service costs required for California Tower ground-floor operations during the Leaseback period.
120	Dwntwn California Tower Property Maintenance	$275,000	Routine maintenance, repairs, utilities, service contracts, and operating costs necessary to keep the California Tower ground floor safe, functional, and properly maintained.
130	LS-Five Points Deery Prop (11089-11099 Hole and 11079 Bushnell - Site C)	$35,800	This longstanding property-maintenance item appeared on prior DOF-approved ROPS schedules but was carried forward on ROPS 26-27 with no funding requested. This property remains pending disposition and was inadvertently retired on ROPS 26-27. The Amended ROPS restores the existing obligation and requests funding necessary to maintain and preserve the property pending disposition.
208	Successor Agency Litigation	$400,000	Outside counsel, expert, discovery, mediation, and related legal costs for pending or reasonably anticipated Successor Agency matters.
Total		$1,319,400	

Approval of the Amended ROPS will authorize staff to request funding for these existing approved enforceable obligations through the statutory review process. Following Successor Agency approval, the Amended ROPS will be presented to the Countywide Oversight Board on September 17, 2026. The Countywide Oversight Board must find that the revision is necessary for payment of existing approved enforceable obligations during the January 1 through June 30, 2027 period. Upon approval, the Amended ROPS and signed Countywide Oversight Board resolution will be submitted to the DOF by the October 1, 2026, statutory deadline.

FISCAL IMPACT:

There is no fiscal impact to the City with this action. Funding for the existing approved enforceable obligations will continue to be provided through the RPTTF or other legally available Successor Agency funds in accordance with redevelopment dissolution law. If the requested adjustments are not approved, the Successor Agency would need to defer or reduce the affected expenditures or identify another legally available funding source.

Prepared by:	Ruby Leann Castillo, Principal Project Manager
Approved by:	Miranda Evans, Community & Economic Development Director
Certified as to availability of funds:	Julie Nemes, Finance Director
Approved by:	Edward Enriquez, Assistant City Manager
Approved as to form:	James Johnson, City Attorney

Attachments:

1. Resolution
2. Amended ROPS 26-27
3. Prior ROPS schedules: ROPS 23-24, ROPS 24-25, and ROPS 25-26