

RESOLUTION NO. OB 2018-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE FORMER HESPERIA COMMUNITY REDEVELOPMENT AGENCY (HCRA), APPROVING, ADOPTING AND CERTIFYING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019 (ROPS 18-19) MAKING CERTAIN FINDINGS AND AUTHORIZATIONS THEREWITH

WHEREAS, the City of Hesperia [(City) or (Sponsoring Entity)], is a municipal corporation duly organized under the laws and Constitution of the State of California; and

WHEREAS, on June 28, 2011 Governor Jerry Brown signed into law ABx1 26 (Law) which abolished redevelopment in California and set forth the "winding down" procedures for redevelopment agencies, the designation of successor entities, and oversight boards; and

WHEREAS, the City, pursuant to Resolution No. 2011-021, elected to serve as the Successor Agency of the former HCRA; and

WHEREAS, in compliance with H&SC §34189(a), on June 27, 2012 Governor Jerry Brown signed into law AB 1484, the "Redevelopment Trailer Bill," which contained "clean-up" and amendatory language to the Law, specifically directives related to "housing assets," reporting, reviews, audits, and other implementation guidance; and

WHEREAS, AB 1484 made several changes to the process, timing, preparation, review and approval of the ROPS; and

WHEREAS, H&SC §34177(l) requires successor agencies to prepare, before each six-month fiscal period, a Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, pursuant to Health & Safety Code (H&SC) §34177(l)(2)(B) oversight boards must duly approve the ROPS; and

WHEREAS, SB 107 was chaptered into law on September 22, 2015 as further "clean-up" legislation to streamline the redevelopment wind down process; and

WHEREAS, SB 107 added H&SC §34177(o)(1) thereby directing successor agencies to submit Oversight Board-approved annual v. semi-annual ROPS commencing on February 1, 2016 for the period July 1, 2016-June 30, 2017 (ROPS 16-17), and each anniversary of this date thereafter; and

WHEREAS, AB 1484 also amended H&SC §34179(e) stating: "all actions taken by the oversight board shall be adopted by resolution;" and

WHEREAS, AB 1484 allows the Department of Finance (DOF) five business days to request a review of any oversight board action; and

WHEREAS, if, at the expiration of the five business day review period the DOF has not requested a review of an oversight board action the action shall be deemed effective; and

WHEREAS, the Successor Agency has prepared the ROPS for the period July 1, 2018 to June 30, 2019 (ROPS 18-19) in compliance with ABx1 26, AB 1484, SB 107, and H&SC and hereby presents it to its Oversight Board for approval; and

WHEREAS, the Successor Agency has submitted electronic copies of the ROPS (unapproved) to the County Administrative Officer (CAO), County Auditor Controller (CAC) and the DOF simultaneously with submittal to the Oversight Board for consideration and approval [H&SC 34177(f)(2)(B)]; and

WHEREAS, the Successor Agency must submit the Oversight Board-approved ROPS for the period July 1, 2018 to June 30, 2019 (ROPS 18-19) to the DOF and CAC no later than February 1, 2018; and

WHEREAS, pursuant to H&SC §34177(f)(2)(C), the Successor Agency shall tender a copy of the ROPS 18-19 to the CAC, DOF, and State Controller's Office (SCO), and be posted on the City's website upon its approval by the Oversight Board; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER HESPERIA COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:


- Section 1. The Oversight Board hereby finds that all of the facts set forth in this Resolution are true and correct.
- Section 2. That the Oversight Board is authorized specifically by H&SC §34177, 34179-34181, and generally by ABx1 26, AB 1484 & SB 107 to take the actions set forth herein.
- Section 3. The Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2018 to June 30, 2019 (ROPS 18-19) attached hereto as Exhibit A (incorporated by reference) is consistent with, and satisfies all of the requirements set forth in H&SC §34177. Furthermore, the Oversight Board finds that the ROPS 18-19 complies with the provisions of the Law and AB 1484 & SB 107 and all Enforceable Obligations included therein are approved for payment by the SA.
- Section 4. That the Oversight Board approves the use of other revenues or sources, including funds received from VVEDA listed on the ROPS 18-19 to retire the Enforceable Obligations and fund the Administrative Budget as set forth in this ROPS 18-19. The SA is authorized to accept a loan from the

Sponsoring Entity should RPTTF be insufficient to pay Enforceable Obligations and Administrative Costs set forth on ROPS 18-19 or prior ROPSs that were approved by the DOF, subject to any limiting conditions of SB 107.

- Section 5. That the Oversight Board hereby certifies and approves ROPS 18-19 for the period July 1, 2018 – June 30, 2019 as presented and grants the SA the authority to exercise powers associated with enforceable obligations as set forth in ABx1 1484 & SB 107, as they may be amended from time to time.
- Section 6. The Oversight Board hereby directs the SA to make payments as due pursuant to the approved ROPS 18-19 with the sources identified therein, to submit a copy of the approved ROPS 18-19 to the State Controller, DOF, and the CAC, and post it on the City's website.
- Section 7. The Oversight Board hereby authorizes the SA to modify the ROPS, with respect to formatting or presentation should the DOF make changes to the report without further action by the Oversight Board.
- Section 8. The Oversight Board hereby designates the Economic Development Manager (EDM) as the official to whom which the DOF may contact pursuant to Oversight Board actions and authorizes the EDM to provide the DOF with the information requested. Furthermore, the EDM is authorized to meet and confer pursuant to H&SC §34179.6(e), on behalf of the Successor Agency, Sponsoring Entity and Oversight Board to resolve any issues pertaining to the ROPS or any other issues covered by this Resolution.
- Section 9. Should the DOF determine that the action herein requires reconsideration, the EDM, on behalf of the Oversight Board is hereby authorized, in his sole and absolute discretion to determine whether the DOF's request mandates Oversight Board action or can be addressed administratively by the Successor Agency with the caveat that such action be: (i) within the scope of the Successor Agency; (ii) financially or administratively immaterial; and (iii) generally or specifically authorized by ABx1 26, AB 1484 or SB 107.
- Section 10. The Oversight Board hereby authorizes the SA to advise the CAC, if necessary, pursuant to H&SC §34183 that there shall be insufficient funds to meet the required payments of Enforceable Obligations on the approved ROPS and invoke subordination of pass through payments pursuant to H&SC §34183.
- Section 11. That the Oversight Board authorizes the SA, if necessary, to obtain a loan from the San Bernardino County Treasurer, pursuant to H&SC §34183(c), and create an Enforceable Obligation for inclusion on the ROPS.
- Section 12. That should any timing, procedural or statutory issues warrant, and in implementation of the Law, AB 1484 and SB 107, this Resolution shall be

- Section 6. If any section, sentence, clause or phrase of this Resolution is determined to be invalid, void or unconstitutional by a decision or order of a court of competent jurisdiction, such decision or order shall not affect the validity or enforceability of the remaining portions of this Resolution, and this Oversight Board hereby declares that it would have passed the remainder of this Resolution if such invalid portion thereof had been declared invalid or unconstitutional.
- Section 7. The Chair of the Oversight Board is hereby authorized to execute this Resolution on behalf of the Oversight Board and this Resolution.
- Section 8. That the Secretary to the Board shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions of the Oversight Board.
- Section 9. That the Oversight Board authorizes and directs the SA to electronically forward this Resolution No. OB 2018-01 to the DOF immediately for the purpose of initiating the DOF's five business-day review period and should no review be requested by the DOF within that period the approval of this resolution of the Oversight Board shall be deemed effective, final and conclusive pursuant to H&SC §34179(h).

ADOPTED AND APPROVED this 25th day of January 2018.



George Landon, Vice Chair

ATTEST:



Susie Flores, Secretary to the Board

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:

Hesperia

County:

San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 2,200,601	\$ 600	\$ 2,201,201
B	Bond Proceeds	600	600	1,200
C	Reserve Balance	2,000,000	-	2,000,000
D	Other Funds	200,001	-	200,001
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 6,125,251	\$ 5,912,401	\$ 12,037,652
F	RPTTF	6,102,751	5,889,901	11,992,652
G	Administrative RPTTF	22,500	22,500	45,000
H	Current Period Enforceable Obligations (A+E):	\$ 8,325,852	\$ 5,913,001	\$ 14,238,853

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

George Landon

Vice Chair

Name

Title

/s/

Signature

Date



1-25-18

Hesperia Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail																						
July 1, 2018 through June 30, 2019																						
(Report Amounts in Whole Dollars)																						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 18-19 Total	18-19A (July - December)					18-19A Total	18-19B (January - June)					18-19B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 231,490,190		\$ 14,238,853	\$ 600	\$ 2,000,000	\$ 200,001	\$ 6,102,751	\$ 22,500	\$ 8,325,852	\$ 600	\$ -	\$ -	\$ 5,889,901	\$ 22,500	\$ 5,913,001
1	HPFA 2005 Series A - Project Area 1	Bonds Issued On or Before	5/24/2005	9/1/2035	Union Bank	Tax Allocation Bonds - Sept. Debt	1	40,135,356	N	\$ 2,230,505	75	372,100	37,210	1,190,304		\$ 1,599,689	75			630,741		\$ 630,816
2	HPFA 2005 Series A - Project Area 2	Bonds Issued On or Before	5/24/2005	9/1/2035	Union Bank	Tax Allocation Bonds - September Debt Service	2	4,444,624	N	\$ 247,025	25	41,207	4,121	131,798		\$ 177,151	25			69,849		\$ 69,874
4	HPFA 2007 Series A - Project Area 1	Bond Reimbursement Agreements	8/30/2007	9/1/2037	Union Bank	Revenue Bonds (Tax Exempt) - Sept Debt Service - Note 1	1	98,713,581	N	\$ 5,393,148	75	915,187	91,519	2,754,537		\$ 3,761,318	75			1,631,755		\$ 1,631,830
7	HPFA 2007 Series A - Project Area 2	Bond Reimbursement Agreements	8/30/2007	9/1/2037	Union Bank	Revenue Bonds (Tax Exempt) -Sept Debt Service	2	8,024,100	N	\$ 380,250	25	74,393	7,439	172,318		\$ 254,175	25			126,050		\$ 126,075
9	HPFA 2007 Series A - Housing	Bond Reimbursement Agreements	8/30/2007	9/1/2037	Union Bank	Revenue Bonds (Tax Exempt) - Sept Debt Service - Note 3	1 & 2	55,828,713	N	\$ 1,607,390	50	517,595	51,760	234,265		\$ 803,670	50			803,670		\$ 803,720
11	HPFA 2007 Series B - Housing	Bond Reimbursement Agreements	8/30/2007	9/1/2021	Union Bank	Revenue Bonds (Taxable) - Sept. Debt Service	1 & 2	8,576,964	N	\$ 1,825,435	50	79,518	7,952	1,610,029		\$ 1,697,549	50			127,836		\$ 127,886
12	Bond Payment Reserves	Reserves	8/30/2007	9/1/2021	Union Bank	Reserves for Cash Flow - H&SC 34171(d)(1)(A) & 34179.5(c)(5)(D)	1 & 2	2,500,000	N	\$ 2,500,000						\$ -				2,500,000		\$ 2,500,000
13	HPFA 2005 Series A - Reserve Account	Reserves	5/24/2005	9/1/2035	Union Bank	Reserve of Debt Payment	1 & 2	2,541,226	N	200	100					100	100					100
14	HPFA 2005 Series B - Reserve Account	Reserves	5/24/2005	9/1/2015	Union Bank	Reserve of Debt Payment	1 & 2	-	Y	\$ -						\$ -						\$ -
15	HPFA 2007 Series A - Reserve Account	Reserves	8/30/2007	9/1/2037	Union Bank	Reserve of Debt Payment	1 & 2	9,758,780	N	300	150					150	150					150
16	HPFA 2007 Series B - Reserve Account	Reserves	8/30/2007	9/1/2021	Union Bank	Reserve of Debt Payment	1 & 2	734,205	N	100	50					50	50					50
17	Trustee Bond Administration Fees & Arbitrage - HPFA 2007 - Series A&B	Fees	8/30/2007	9/1/2037	Union Bank	Bond Administration, Fees, and Arbitrage	1 & 2	110,390	N	\$ 6,500				6,500		\$ 6,500						\$ -
18	Trustee Bond Administration Fees & Arbitrage - HPFA 2005 - Series A&B	Fees	5/24/2005	9/1/2035	Union Bank	Bond Administration, Fees, and Arbitrage	1 & 2	77,251	N	\$ 3,000				3,000		\$ 3,000						\$ -
29	CalPERS Pension Obligation	Unfunded Liabilities	7/15/1993	7/15/2033	CalPERS	Pension Obligation			N	\$ -						\$ -						\$ -
31	Contingent Contract Liability	Miscellaneous	12/17/2005	6/26/2061	Sunrise Terrace I & II	Low/Moderate Housing Liability-Guarantor	1		N	\$ -						\$ -						\$ -
32	Contingent Contract Liability	Miscellaneous	7/5/2006	2/25/2063	The Village of Hesperia I	Low/Moderate Housing Liability-Guarantor	1		N	\$ -						\$ -						\$ -
43	Appraisal	Property Dispositions	5/14/2009	6/30/2014	Thompson Appraisals	Contract for Services	1&2	45,000	N	\$ 45,000					22,500	\$ 22,500					22,500	\$ 22,500
52	SERAF Obligation - VVEDA	SERAF/ERAF	5/1/2010	6/30/2016	Hesperia Housing Authority	VVEDA SERAF I/II Loans from LMIHF	VVEDA		N	\$ -						\$ -						\$ -
60	Audit Review	Admin Costs	1/1/2013	12/31/2037	White, Nelson, Diehl, Evans, LLP	OB Resolution No. OB 2012-018/H&SC §34179.5/34177(n) - Approved by DOF 12/17/14 ROPS 14-15B. No RPTTF available to pay - accrued)	1&2		N													
67	SERAF Obligation - VVEDA	SERAF/ERAF	5/1/2010	6/30/2016	Hesperia Housing Authority	VVEDA SERAF I/II Loans from LMIHF - OB Resolution 2014-07	1&2		N	\$ -						\$ -						\$ -
74									N	\$ -						\$ -						\$ -
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Hesperia Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances
July 1, 2015 through June 30, 2016
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I
	Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)	Fund Sources						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/15)	13,510,131			1,587,325	551,100	-	
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.	178,558			-	688,359	11,445,652	
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)	392,345			1,517,657	555,624	9,422,723	
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	-					2,022,929	
5	ROPS 15-16 RPTTF Balances Remaining	No entry required						
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	\$ 13,296,344	\$ -	\$ -	\$ 69,668	\$ 683,835	\$ -	