

**OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY
TO THE ONTARIO REDEVELOPMENT AGENCY**

*STAFF REPORT
AGENDA ITEM 2*

Meeting Date: January 25, 2018

Subject: Approval of a Recognized Obligation Payment Schedule for the time period from July 1, 2018, through June 30, 2019.

Recommended Action:

That the Oversight Board of the Successor Agency to the dissolved Ontario Redevelopment Agency adopt a Resolution approving a Recognized Obligation Payment Schedule for the time period from July 1, 2018, through June 30, 2019, pursuant to Health and Safety Code section 34177(I).

Background

Pursuant to Health and Safety Code section 34172, the Ontario Redevelopment Agency (“Agency”) was dissolved as of February 1, 2012. The City of Ontario (“Successor Agency”) is the successor agency of the Agency. The Oversight Board is responsible for approving the actions of the Successor Agency pursuant to Health and Safety Code Section 34179.

Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code Section 34177(I) the Successor Agency’s responsibility is to prepare a Recognized Obligation Payment Schedule (“ROPS”), listing all of the outstanding debts and obligations of the former Agency for each twelve month period beginning from July 1, 2018, through June 30, 2019 (“18/19 ROPS”).

Upon Oversight Board approval, the Successor Agency should provide a copy of the approved 18/19 ROPS to the Auditor-Controller, the State of California Controller and the California State Department of Finance (“DOF”), and post the approved 18/19 ROPS on the Successor Agency’s website.

Pursuant to Health and Safety Code Section 34179(h), because the DOF may review Oversight Board actions, the Oversight Board’s actions to approve the 18/19 ROPS are not in effective for five (5) days, pending a request for review by the DOF.

Fiscal Impact

No funds are involved with the approval of the 18/19 ROPS. The ROPS simply lists outstanding obligations of the dissolved Agency that are to be performed by the Successor Agency with property tax increment revenues to be allocated to the Successor Agency, subject to the payment priority provisions of Part 1.85 of Division 24 of the Health and Safety Code. In addition, no funds are involved with the approval of the Budget.

RESOLUTION NO. OOB-047

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED ONTARIO REDEVELOPMENT AGENCY, APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE TIME PERIOD FROM JULY 1, 2018, THROUGH JUNE 30, 2019, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Ontario ("Successor Agency") is the Successor Agency to the dissolved Ontario Redevelopment Agency ("Agency"), confirmed by Resolution No 2012-001 adopted on January 10, 2012; and

WHEREAS, pursuant to Health and Safety Code section 34179(a), the Oversight Board is the Successor Agency's Oversight Board; and

WHEREAS, Health and Safety Code section 34177(l)(1) requires the Successor Agency to prepare a "recognized obligation payment schedule" ("ROPS") listing outstanding obligations of the Agency to be performed by the Successor Agency during the time period from July 1, 2018, through June 30, 2019; and

WHEREAS, upon approval by the Oversight Board, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the approved ROPS to the County of San Bernardino Auditor-Controller, the California State Controller, and the State of California Department of Finance no later than February 1, 2018, and post the approved ROPS on the Successor Agency's website; and

WHEREAS, Health and Safety Code section 34180(g) requires the Oversight Board to approve the Successor Agency's establishment of the ROPS prior to the Successor Agency acting upon the ROPS; and

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED ONTARIO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the ROPS through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk of the City of Ontario, acting on behalf of the Oversight Board, is authorized and directed to file a Notice of Exemption with the appropriate official of the County of San Bernardino, California, within five (5) days following the date of adoption of this Resolution.

Section 3. Approval of the ROPS. The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code sections 34177 and 34180.

Section 4. Implementation. The Oversight Board hereby directs the Successor Agency to submit copies of the ROPS approved by the Oversight Board to the County of San Bernardino Auditor-Controller, the State of California Controller and the State of California Department of Finance after the effective date of this Resolution, or, if the State of California Department of Finance requests review of the ROPS prior to the effective date of this Resolution, upon approval of the ROPS by the State of California Department of Finance, and to post the ROPS on the Successor Agency's website.

Section 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 6. Certification. The City Clerk of the City of Ontario, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Effective Date. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

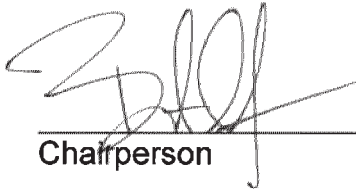
PASSED AND ADOPTED at a regular meeting of the Oversight Board of the Successor Agency to the dissolved Ontario Redevelopment Agency on the 25th day of January, 2018, by the following vote:

AYES: BOARD MEMBERS: ESPINOZA, HOFER, RICHARDSON,
UNDERCOFFER, WIERSMA, OLHASSO, SCHULTZ

NOES: BOARD MEMBERS: NONE


ABSENT: BOARD MEMBERS: NONE

ABSTAIN: BOARDMEMBERS: NONE



Chairperson

ATTEST:



Oversight Board Secretary

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

[Attached behind this page]

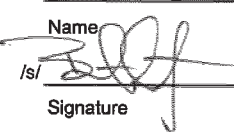
Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

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

Successor Agency: Ontario
 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):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 9,943,008	\$ 6,016,671	\$ 15,959,679
F RPTTF	9,653,406	5,841,428	15,494,834
G Administrative RPTTF	289,602	175,243	464,845
H Current Period Enforceable Obligations (A+E):	\$ 9,943,008	\$ 6,016,671	\$ 15,959,679

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.

Brent Schultz Chairman
 Name Title
 Signature
 Date 1/25/18

Ontario 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	18-19A (July - December)					Q	18-19B (January - June)					W
											Fund Sources						Fund Sources					
											L	M	N	O	P		R	S	T	U	V	
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 Total						18-19B Total	
								\$ 141,807,560		\$ 15,959,679					\$ 9,943,008						\$ 6,016,671	
1	Convention Center / 1993 Tax Allocation Bonds	Bond Reimbursement Agreements	6/1/1993	8/1/2025	US Bank & Trust	Senior Parity Debt re: construction of a convention center	Merged Project Area	60,287,735	N	\$ 8,157,631					\$ 6,052,387						\$ 2,105,244	
2	Project Area No. 1 / 1995 Tax Allocation Bonds	Bond Reimbursement Agreements	8/1/1995	8/1/2025	US Bank & Trust	Senior Parity Debt re: development of Project Area No. 1	Merged Project Area	7,629,034	N	\$ 812,629					\$ 570,127						\$ 242,502	
3	Project Area No. 1, Center City & Cinnarron / 2002 Revenue Bonds	Bond Reimbursement Agreements	2/1/2002	8/1/2017	US Bank & Trust	Senior Parity Debt re: refinance 1992 Revenue Bonds and finance additional redevelopment activities of the Agency	Merged Project Area	2,758,794	N	\$ 705,214					\$ 659,732						\$ 45,482	
4	Low/Mod Housing / 2002 Housing Set-Aside Loan from Fannie Mae	Third-Party Loans	2/1/2002	8/1/2029	US Bank & Trust	Senior Parity Debt re: increase, improve and preserve the community's supply of low/mod income housing available	Merged Project Area	12,421,152	N	\$ 1,040,360					\$ 811,660						\$ 228,700	
6	Baxter Distribution Center / 1990 DDA Agreement	OPA/DDA/Construction	4/18/1990	6/19/2052	Cardinal Health Care	Third Party Obligation/Contract re: facility and public improvements	Merged Project Area	28,827,000	N	\$ 1,010,000					\$ -						\$ 1,010,000	
8	MedCal Sales Location / 2005 Location Agreement	Business Incentive Agreements	8/1/2005	7/31/2025	MedCal	Third Party Obligation/Contract re: facility and relocation costs	Merged Project Area	26,200,000	N	\$ 2,600,000					\$ 1,300,000						\$ 1,300,000	
10	Ontario Airport Towers / 2007 Owners Participation Agreement	OPA/DDA/Construction	9/4/2007	9/14/2037	Ontario Airport Center, LLC	Third Party Obligation/ Contract re: public infrastructure improvements	Merged Project Area	500,000	N	\$ 250,000					\$ 250,000						\$ -	
29	Redevelopment Issued Bonds	Fees	6/1/1993	8/1/2025	US Bank & Trust	Operational / Project Direct related expenses	Merged Project Area	19,000	N	\$ 19,000					\$ 9,500						\$ 9,500	
138	Administration and Overhead Allocation	Admin Costs	7/1/2012	6/19/2052	City of Ontario	Administrative Overhead per H&S 34171(b)	Merged Project Area	464,845	N	\$ 464,845					\$ 289,602						\$ 175,243	
141	Staples Sales & Distribution / 2009 Facility Upgrade Loan Agreement	Business Incentive Agreements	6/16/2009	1/1/2020	Staples	Third Party Obligation/Contract re: covenant for continuation and expansion of business operations	Merged Project Area	2,700,000	N	\$ 900,000					\$ -						\$ 900,000	
142	Redevelopment Issued Bonds	Fees	6/1/1993	7/1/2036	Bank of New York Mellon	Operational / Project Direct related expenses			N	\$ -					\$ -						\$ -	
143									N	\$ -					\$ -						\$ -	
144									N	\$ -					\$ -						\$ -	
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Ontario 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		
190									N	\$ -						\$ -							\$ -
191									N	\$ -						\$ -							\$ -
192									N	\$ -						\$ -							\$ -
193									N	\$ -						\$ -							\$ -
194									N	\$ -						\$ -							\$ -

Ontario 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 (l), 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 [INSERT URL LINK TO 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)	3,204,389	-	-	-	147,378	(731,389)		
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.	811				273,817	13,250,102		
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)	273,817					16,172,464		
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)								
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)	\$ 2,931,383	\$ -	\$ -	\$ -	\$ 421,195	\$ (3,653,751)		

**OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY
TO THE ONTARIO REDEVELOPMENT AGENCY**

*STAFF REPORT
AGENDA ITEM 3*

Meeting Date: January 25, 2018

Subject: Approval of a Resolution of the Oversight Board of the Successor Agency to the Ontario Redevelopment Agency approving the Successor Agency's Administrative Budget pursuant to Health and Safety Code section 34177(j).

Recommended Action:

That the Oversight Board of the Successor Agency to the Ontario Redevelopment Agency adopt a resolution approving the Successor Agency's Administrative Budget pursuant to Health and Safety Code section 34177(j).

Background:

Pursuant to Health and Safety Code section 34172, the Ontario Redevelopment Agency ("Agency") was dissolved as of February 1, 2012. The City of Ontario ("Successor Agency") is the successor agency of the Agency. The Oversight Board is responsible for approving the actions of the Successor Agency pursuant to Health and Safety Code section 34179.

Administrative Budget:

Pursuant to Health and Safety Code section 34177(j), the Successor Agency is required to prepare a proposed administrative budget ("Budget") and submit it for approval to the Oversight Board. The Budget is required to include all of the following: (1) estimated amounts for Successor Agency administrative costs for the period between July 1, 2018 through June 30, 2019; (2) proposed sources of payment for all administrative costs; (3) proposals for arrangements for administrative and operations services provided by the City of Ontario.

Pursuant to Health and Safety Code section 34179(h), because the DOF may review Oversight Board actions, the Oversight Board's action to approve the Budget is not effective for five (5) business days, pending a request for review by the DOF.

Fiscal Impact

No funds are involved with the approval of the Administrative Budget.

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY, APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Ontario ("Successor Agency") is the Successor Agency to the Ontario Redevelopment Agency ("Agency"), confirmed by Resolution No. 2012-001, adopted on January 10, 2012; and

WHEREAS, pursuant to Health and Safety Code section 34179(a), the Oversight Board is the Successor Agency's Oversight Board; and

WHEREAS, Health and Safety Code section 34177(j) requires the Successor Agency to prepare a proposed administrative budget ("Administrative Budget") and submit the Administrative Budget to the Oversight Board for the Oversight Board's approval; and

WHEREAS, the Successor Agency has submitted the Administrative Budget to the Oversight Board.

THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the Administrative Budget through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk of the City of Ontario, acting on behalf of the Oversight Board, is authorized and directed to file a Notice of Exemption with the appropriate official of the County of San Bernardino, California, within five (5) days following the date of adoption of this Resolution.

Section 3. Approval of the Administrative Budget. The Oversight Board hereby approves and adopts the Administrative Budget, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect

without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. Certification. The City Clerk of the City of Ontario, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Section 6. Effective Date. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for three (3) business days following the date of its adoption, pending a request for review by the State of California Department of Finance.

PASSED AND ADOPTED at a regular meeting of the Oversight Board of the Successor Agency to the dissolved Ontario Redevelopment Agency on the 25th day of January, 2018, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Oversight Board Secretary

EXHIBIT A

SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

[Attached behind this page]

**Successor Agency of the Ontario Redevelopment Agency
Administrative Allowance Budget**

	<u>FY 2018/19</u>	<u>July - Dec 2018</u>	<u>Jan - Jun 2019</u>
Personnel Services:			
City Administration	30,353	15,177	15,177
City Clerk/Records Management	15,188	7,594	7,594
Successor Agency/Redevelopment	123,184	61,592	61,592
Housing Successor/Ontario Housing Auth	143,983	71,992	71,992
Finance Department	125,245	62,623	62,623
Sub-Total	<u>437,953</u>	<u>218,976</u>	<u>218,976</u>
Operating Expenditures:			
Office/Computer/Duplicating Supplies	1,000	500	500
Misc Materials & Supplies	1,000	500	500
Miscellaneous Services	1,000	500	500
Sub-Total	<u>3,000</u>	<u>1,500</u>	<u>1,500</u>
Contractual Services			
Legal Services	10,000	5,000	5,000
Audit Services	7,000	3,500	3,500
Sub-Total	<u>17,000</u>	<u>8,500</u>	<u>8,500</u>
Internal Services			
IT Support	3,000	1,500	1,500
Sub-Total	<u>3,000</u>	<u>1,500</u>	<u>1,500</u>
General & Administrative (1)	3,892	1,946	1,946
Total Budget	<u><u>464,845</u></u>	<u><u>232,422</u></u>	<u><u>232,422</u></u>

Notes:

- (1) Includes overhead costs for Human Resources, Employee Benefits, Payroll, Accounts Payable, Purchasing, Facilities maintenance and utilities and depreciation.