

**REPORT/RECOMMENDATION TO THE SAN BERNARDINO COUNTYWIDE  
OVERSIGHT BOARD AND RECORD OF ACTION**

**JANUARY 28, 2019**

**FROM: CASEY BROOKSHER, Director of Finance  
City of Hesperia**

**SUBJECT: RESOLUTION APPROVING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR  
FISCAL YEAR 2019-20**

**RECOMMENDATION(S)**

Adopt **Resolution No. 2019-24** approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2019-20.

Public Comment: Alvin Rice

(Presenter: Casey Brooksher, Director of Finance, City of Hesperia, (760) 947-1876)

**BACKGROUND INFORMATION**

California Health & Safety Code (HSC) Section 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2019-20 Recognized Obligation Payment Schedule (ROPS) and administrative budget. The ROPS is an annual form and must be submitted to the Department of Finance (DOF) and the County Auditor-Controller by February 1<sup>st</sup> of each year. Pursuant to HSC Section 34179(h)(1)(B), the administrative budget is not required to be sent to DOF.

The Successor Agency to the Redevelopment Agency of the City of Hesperia (Successor Agency) presented the 2019-20 ROPS and administrative budget to the CWOB at a January 23, 2019 meeting. The CWOB denied the item, requesting that the Successor Agency present the 2019-20 ROPS and administrative budget with additional details at the January 28, 2019 CWOB meeting. The Successor Agency has revised its administrative budget with additional details describing the allocation of the budget and other costs.

It is recommended the CWOB approve the Successor Agency's 2019-20 ROPS and administrative budget. The draft 2019-20 ROPS will be provided to DOF, the County Auditor-Controller and the County Administrative Office as required by HSC 34177(l)(2)(B). The adopted

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Record of Action of the San Bernardino Countywide Oversight Board

**Action: APPROVED**

MOTION:	Aye Reck	Aye Miller	Move Saks	Aye Strong	Aye Vasquez	Second Warren	Aye Wert
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BY \_\_\_\_\_

DATED: January 28, 2019 #10

**RESOLUTION APPROVING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20  
JANUARY 28, 2019  
PAGE 2 OF 2**

2019-20 ROPS will be provided to DOF and the County Auditor-Controller pursuant to HSC 34177(o). This will commence the DOF review period.

**ATTACHMENTS**

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2019-20

Attachment C – Administrative budget for Fiscal Year 2019-20

**REVIEW BY OTHERS**

This item has been reviewed by Community Development and Housing Agency on January 23, 2019 and San Bernardino Countywide Oversight Board Legal Counsel on January 24, 2019.

**RESOLUTION NO. 2019-24**

**RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT  
BOARD ADOPTING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20**

On Monday, January 28, 2019 on motion of San Bernardino Countywide Oversight Board Member Saks, duly seconded by San Bernardino Countywide Oversight Board Member Warren and carried, the following resolution is adopted by the San Bernardino Countywide Oversight Board, State of California.

WHEREAS, California Health and Safety Code Section (HSC) 34179(e) requires all action items of the San Bernardino Countywide Oversight Board be accomplished by resolution; and

WHEREAS, HSC 34177 requires the San Bernardino Countywide Oversight Board to approve the Recognized Obligation Payment Schedule (ROPS) and administrative budget; and

WHEREAS, pursuant to HSC 34177(o), the deadline for submitting the ROPS for Fiscal Year 2019-20 to the Department of Finance is February 1, 2019.

**NOW, THEREFORE**, the San Bernardino Countywide Oversight Board hereby resolves, determines and orders as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Successor Agency to the Redevelopment Agency of the City of Hesperia's ROPS and administrative budget for Fiscal Year 2019-20 in the form presented, together with such changes thereto as may be approved by the San Bernardino Countywide Oversight Board, are hereby approved.

Section 3. This resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the San Bernardino Countywide Oversight Board, State of California, by the following vote:

AYES: OVERSIGHT BOARD MEMBER: Ken Miller, David Reck, Cindy Saks,  
Lawrence Strong, Mario Vasquez,  
Acquanetta Warren, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: None

\* \* \* \* \*

STATE OF CALIFORNIA                     )  
  )  
COUNTY OF SAN BERNARDINO        )       ss.

I, **LAURA H. WELCH**, Secretary to the San Bernardino Countywide Oversight Board, State of California, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Countywide Oversight Board, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of January 28, 2019. #10 mb

LAURA H. WELCH  
Secretary to the San Bernardino Countywide  
Oversight Board

By \_\_\_\_\_  
Deputy



Recognized Obligation Payment Schedule (ROPS 19-20) - Summary  
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Hesperia

County:

San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)				19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$	3,628,729	\$	-	\$ 3,628,729
B	Bond Proceeds		-		-	-
C	Reserve Balance		2,500,000		-	2,500,000
D	Other Funds		1,128,729		-	1,128,729
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	4,356,426	\$	3,423,280	\$ 7,779,706
F	RPTTF		4,184,036		3,250,890	7,434,926
G	Administrative RPTTF		172,390		172,390	344,780
H	Current Period Enforceable Obligations (A+E):	\$	7,985,155	\$	3,423,280	\$ 11,408,435

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.

DAVID WENT CHAIRMAN  
Name Title  
/s/ Signature Date  
1/28/19



Hesperia Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total	
											Fund Sources						Fund Sources						
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
1	HPFA 2005 Series A - Project Area 1	Bonds Issued On or Before 12/31/10	5/24/2005	9/1/2035	Union Bank	Tax Allocation Bonds - Sept Debt Service	1	\$ 167,310,395	0	Y	\$ 11,408,435	\$ 0	\$ 2,500,000	\$ 1,128,729	\$ 4,184,036	\$ 172,390	\$ 7,985,155	\$ 0	\$ 0	\$ 0	\$ 3,250,890	\$ 172,390	\$ 3,423,280
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	0	Y	\$ -						\$ -						\$ -	
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	0	Y	\$ -						\$ -						\$ -	
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	0	Y	\$ -						\$ -						\$ -	
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	0	Y	\$ -						\$ -						\$ -	
13	HPFA 2005 Series A - Reserve Account	Fees	5/24/2005	9/1/2035	Union Bank	Reserve of Debt Payment	1 & 2	0	Y	\$ -						\$ -						\$ -	
15	HPFA 2007 Series A - Reserve Account	Fees	8/30/2007	9/1/2037	Union Bank	Reserve of Debt Payment	1 & 2	0	Y	\$ -						\$ -						\$ -	
16	HPFA 2007 Series B - Reserve Account	Fees	8/30/2007	9/1/2021	Union Bank	Reserve of Debt Payment	1 & 2	0	Y	\$ -						\$ -						\$ -	
17	Trustee Bond Administration Fees - HPFA 2007 - Series B	Fees	8/30/2007	9/1/2021	Union Bank	Bond Administration Fees	1 & 2	12,000	N	\$ 4,000				4,000		\$ 4,000						\$ -	
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	0	Y	\$ -						\$ -						\$ -	
29	CalPERS Pension Obligation	Unfunded Liabilities	7/15/1993	7/15/2033	CalPERS	Pension Obligation	1 & 2	0	Y	\$ -						\$ -						\$ -	
31	Contingent Contract Liability	Miscellaneous	12/17/2005	6/26/2061	Sunrise Terrace I & II	Low/Moderate Housing Liability-Guarantor	1	0	Y	\$ -						\$ -						\$ -	
32	Contingent Contract Liability	Miscellaneous	7/5/2006	2/25/2063	The Village of Hesperia I	Low/Moderate Housing Liability-Guarantor	1	0	Y	\$ -						\$ -						\$ -	
43	Appraisal	Professional Services	5/14/2009	6/30/2020	Thompson Appraisals	Contract for services related to property disposition	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	0	Y	\$ -						\$ -						\$ -	
53	VVEDA JPA - Hesperia Project Area Admin	Admin Costs - Litigation	12/29/1993	12/20/2036	City of Hesperia	Administrative Cost Allowance - ABx1 26 Prorated by PA	VVEDA	0	Y	\$ -						\$ -						\$ -	
60	Audit Review	Professional Services	1/1/2013	12/31/2037	White, Nelson, Diehl, Evans, LLP	Annual audit of Successor Agency needed for Comprehensive Annual Financial Report	1&2	20,000	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	0	Y	\$ -						\$ -						\$ -	
74	Administrative Costs	Admin Costs	7/1/2012	9/1/2037	Successor Agency; City of Hesperia; RSG, Inc.;	Agency administrative costs	1 & 2	5,558,780	N	\$ 344,780					172,390	\$ 172,390					172,390	\$ 172,390	
75	Property Disposition Costs	Property Dispositions	3/23/2015	6/30/2021	RSG, Inc.	Marketing and property sale management costs associated with "For Sale" properties in the LRPMP	1 & 2	60,000	N	\$ 30,000				20,000		\$ 20,000				10,000		\$ 10,000	
76	Hesperia 2018A TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	Union Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	114,153,397	N	\$ 3,304,068				1,652,034		\$ 1,652,034				1,652,034		\$ 1,652,034	
77	Hesperia 2018B TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	Union Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	46,314,718	N	\$ 6,671,087		2,500,000	1,128,729	2,476,002		\$ 6,104,731				566,356		\$ 566,356	
78	Bond Payment Reserves	Reserves	9/11/2018	9/1/2037	Union Bank	Reserves for bond payment, needed due to cash flow - H&SC 34171(d)(1)(A)	1 & 2	1,000,000	N	\$ 1,000,000						\$ -				1,000,000		\$ 1,000,000	
79	Trustee Bond Administration Fees - 2018 TARBS - Series A	Fees	9/11/2018	9/1/2037	Union Bank	Bond Administration Fees for 2018 TARBS	1 & 2	76,000	N	\$ 4,000				4,000		\$ 4,000						\$ -	
80	Trustee Bond Administration Fees - 2018 TARBS - Series B	Fees	9/11/2018	9/1/2037	Union Bank	Bond Administration Fees for 2018 TARBS	1 & 2	32,000	N	\$ 4,000				4,000		\$ 4,000						\$ -	
81	Continuing Disclosures - 2018 TARBS Series A & B	Professional Services	9/11/2018	9/1/2037	Urban Futures, Inc.	Professional services to fulfill annual requirement of 2018 TARBS	1 & 2	28,500	N	\$ 1,500				1,500		\$ 1,500						\$ -	
82	Arbitrage - 2018 TARBS Series A & B	Fees	9/11/2018	9/1/2037	Union Bank	Bond Arbitrage for 2018 TARBS	1 & 2	10,000	N	\$ -						\$ -						\$ -	

**Hesperia Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances**  
**July 1, 2016 through June 30, 2017**  
**(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 <a href="#">Cash Balance Tips Sheet</a> .							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount	25,715		1,824,339	926,378	0	\$25,715 is the FY 16-17 authorized expenditure from Bond Proceeds less a double counted amount (\$27,328 - \$1,613). \$1,824,339 represents authorized Reserve Balance funds to be spent in FY 16-17. \$926,378 represents available other funds.
2	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				416,931	12,150,423	\$416,931 shows total other fund revenue. RPTTF revenues match information from County RPTTF reports.
3	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>	25,112		1,824,339	214,580	9,649,358	\$25,112 represents the FY 16-17 actual bond proceed expenditures less a double counted amount (\$26,725 - \$1,613). \$1,824,339 in reserve balance and \$214,580 in other funds expenditures match the PPA. \$9,649,358 represents the actual RPTTF expenditures on the PPA, including a correction and excluding the approved reserve (\$12,198,133 - \$326,600 + \$277,825 - \$2,500,000).
4	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	603			1,128,729	2,500,000	\$603 is the approved reserve from bond proceeds. \$2,500,000 is the approved reserve from RPTTF. \$1,128,729 is being requested for 19-20 other fund expenditures
5	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required				1,065	\$1,065 represents the PPA from ROPS 16-17.
6	<b>Ending Actual Available Cash Balance (06/30/17)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	



Hesperia Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020	
Item #	Notes/Comments
43	The amount requested for this item on ROPS 18-19 was not spent and might not be spent during the ROPS 18-19 period. Therefore, the Successor Agency requests funding for this item on ROPS 19-20, not as additional funding, but to allow the payment for appraisals during Fiscal Year 2019-20.