

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

January 23, 2019

**FROM: RICK DANIELS, City Manager
City of Needles**

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

RECOMMENDATION(S)

Adopt **Resolution No. 2019-12** approving the Successor Agency to the Redevelopment Agency of the City of Needles' Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2019-20.

(Presenter: Steven H. Dukett, Consultant to the City of Needles, (909) 967-8205)

BACKGROUND INFORMATION

California Health & Safety Code Section (HSC) 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 1st of each year. Pursuant to HSC 34179 (h)(1)(B), the administrative budget is not required to be sent to DOF.

DOF will have until April 15th to review the 2019-20 ROPS and provide the successor agency a compliance determination. If the successor agency disagrees with the DOF determination, a "meet and confer" is allowed to facilitate a discussion between the successor agency and DOF. In the event of a meet and confer process, DOF must make a final compliance determination on or before May 15th or 15 days prior to the June 1st Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The recommended action will further the Successor Agency to the Redevelopment Agency of the City of Needles' (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. There is approximately a 1.1% or \$2,942 decrease in the amount of RPTTF requested from the last annual ROPS approved which is attributable to changes in debt service payment requirements.

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

Record of Action of the San Bernardino Countywide Oversight Board



Action: APPROVED

MOTION:	Aye	Second	Aye	Move	Aye	Absent	Aye
	De Nava	Miller	Saks	Strong	Vasquez	Warren	Wert

BY _____

DATED: January 23, 2019 #5

**RESOLUTION APPROVING THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF NEEDLES'
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20
JANUARY 23, 2019
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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 December 28, 2018 and San Bernardino Countywide Oversight Board Legal Counsel on January 7, 2019.

RESOLUTION NO. 2019-12

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

On Wednesday, January 23, 2019 on motion of San Bernardino Countywide Oversight Board Member Strong, duly seconded by San Bernardino Countywide Oversight Board Member Miller 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 Needles' 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: Richard De Nava, Ken Miller, Cindy Saks,
Lawrence Strong, Mario Vasquez,
David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: Acquanetta Warren

* * * * *

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 23, 2019. #5 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: Needles
 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):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 179,153	\$ 63,953	\$ 243,106
F RPTTF	138,000	22,800	160,800
G Administrative RPTTF	41,153	41,153	82,306
H Current Period Enforceable Obligations (A+E):	\$ 179,153	\$ 63,953	\$ 243,106

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 WERT CHAIRMAN
 Name Title
 /s/  1/24/19
 Signature Date

Needles 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	19-20A (July - December)					19-20B (January - June)					W		
											Fund Sources					Fund Sources							
											L	M	N	O	P	Q	R	S	T	U		V	
																							Bond Proceeds
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	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total	
1	1992 Series A Tax Bonds	Bonds Issued On or Before	8/16/1992	8/15/2022	U. S. Bank	Interest Only Portion of 1992 TABs	Needles Town Ctr.	\$ 663,950	N	\$ 243,106	\$ 0	\$ 0	\$ 0	\$138,000	\$ 41,153	\$ 179,153	\$ 0	\$ 0	\$ 0	\$22,800	\$ 41,153	\$ 63,953	
6	Successor Agency Administration	Admin Costs	2/1/2012	11/26/2035	City of Needles	Successor Agency Administration	Needles Town Ctr.	84,750	N	\$ 36,000				18,000		\$ 18,000				18,000		\$ 18,000	
8	1992 Series A Tax Bonds	Bonds Issued On or Before	8/16/1992	8/15/2022	U. S. Bank	Principal Reduction Portion of the 1992 TABs Debt Service	Needles Town Ctr.	540,000	N	\$ 120,000				120,000		\$ 120,000							\$ -
9	Securities Servicing	Fees	8/16/1992	8/15/2022	U. S. Bank	Securities Servicing for 1992 TABs (Paid During "B" ROPS Cycle)	Needles Town Ctr.	19,200	N	\$ 4,800						\$ -				4,800			\$ 4,800
10	Third -Party Related Litigation	Litigation	2/1/2012	11/26/2035	SBE Law & BBK Law	Third-Party Litigation: On-Going and Anticipated (This EO is Reserved - See Notes)	Needles Town Ctr.	20,000	N	\$ -						\$ -							\$ -
11									N	\$ -						\$ -							\$ -
12									N	\$ -						\$ -							\$ -
13									N	\$ -						\$ -							\$ -
14									N	\$ -						\$ -							\$ -
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49									N	\$ -						\$ -							\$ -
50									N	\$ -						\$ -							\$ -

Needles Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(Report Amounts in Whole Dollars)

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
		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	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	165,500		373,608			Cell C-1 is the DSRF held by the Trustee. Cell E-1 is the retained DDR balance for use ROPS due to the structural cash-flow insolvency of the Successor Agency.
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					439,138	Cell H-2 is the actual amount received from the CAC for ROPS 16-17 combined.
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)			182,435		439,138	The sum of Cells E-3 and H-3 equals the amount approved by DOF for ROPS 16-17A-B. Both sources are used to fund the ROPS.
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	165,500		191,173			The DSRF shown in Cell C-4 is held by the Trustee bank. Due to Successor Agency's structural cash-flow insolvency, the amount shown in Cell E-4 is needed to cover projected long-term RPTTF shortfalls.
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	

