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

January 13, 2020

#### **FROM**

**ROB BURNS, Director of Finance, City of Chino** 

#### **SUBJECT**

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Chino's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21

#### **RECOMMENDATION**

Adopt a **Resolution No. 20-05** Approving the Successor Agency to the Redevelopment Agency of the City of Chino's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2020-21.

(Presenter: Rob Burns, Director of Finance, City of Chino (909) 334-3341)

#### **BACKGROUND INFORMATION**

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2020-21 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 34179(h)(1)(B), the administrative budget is not required to be sent to DOF.

DOF will have until April 15<sup>th</sup> to review the 2020-21 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 15<sup>th</sup> or 15 days prior to the June 1<sup>st</sup> Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The recommended action will further the Successor Agency to the Redevelopment Agency of the City of Chino's (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. There is a decrease in the requested amount required from the RPTTF from the last annual ROPS approved primarily due to the projected completion of the Edison Avenue Street Improvements by June 30, 2020.

It is recommended the CWOB approve the Successor Agency's 2020-21 ROPS and administrative budget. The draft 2020-21 ROPS will be provided to DOF, the County Auditor-Controller and the County Administrative Office as required by HSC 34177(I)(2)(B). The adopted 2020-21 ROPS will be provided to DOF and the County Auditor-Controller pursuant to HSC 34177(o). This will commence the DOF review period.

#### **ATTACHMENTS**

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Chino's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21 January 13, 2020

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2020-21

Attachment C – Administrative budget for Fiscal Year 2020-21

#### **REVIEW BY OTHERS**

This item has been reviewed by Community Development and Housing Agency on December 16, 2019 and San Bernardino Countywide Oversight Board Legal Counsel on December 26, 2019.

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Chino's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21 January 13, 2020

Record of Action of the San Bernardino Countywide Oversight Board

#### **APPROVED**

Moved: Acquanetta Warren Seconded: Cindy Saks

Ayes: Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren,

David Wert

Absent: Mario Vasquez

Lynna Monell, SECRETARY

DATED: January 13, 2020



cc: File- San Bernardino Countywide Oversight Board

la 01/15/2020

#### **RESOLUTION NO. 2020-05**

# RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD ADOPTING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CHINO'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2020-21

On Monday], January 13, 2020 on motion of San Bernardino Countywide Oversight Board Member Warren, duly seconded by San Bernardino Countywide Oversight Board Member Saks 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, 2020.

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 Chino's ROPS and administrative budget for Fiscal Year 2020-21 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 DeNava, Kenneth Miller,

Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: Mario Vasquez

\* \* \* \* \*

STATE OF CALIFORNIA	)	
	)	SS
COUNTY OF SAN BERNARDINO	)	

I, LYNNA MONELL, 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 13, 2020. #5LA



## Recognized Obligation Payment Schedule (ROPS 20-21) - Summary Filed for the July 1, 2020 through June 30, 2021 Period

Successor Agency:	Chino	
County:	San Bernardino	

Curren	nt Period Requested Funding for Enforceable Obligations (ROPS Detail)		21A Total - December)	20-21B Total (January - June)	RC	OPS 20-21 Total
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$	- \$		\$	<u> </u>
В	Bond Proceeds		-	-		-
С	Reserve Balance		-	-		-
D	Other Funds		-	-		-
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	5,662,540 \$	997,860	\$	6,660,400
F	RPTTF		5,537,540	872,860		6,410,400
G	Administrative RPTTF	-	125,000	125,000		250,000
Н	Current Period Enforceable Obligations (A+E):	\$	5,662,540 \$	997,860	\$	6,660,400

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.

ema 1

Name

Title

Signature

Date

#### Chino Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail

#### July 1, 2020 through June 30, 2021

(Report Amounts in Whole Dollars)

В	С	D	Е	F	G	н	1	J	к	L	м	N	0	Р	Q	R	s	т	υ	v	
												A (July - Dece						1B (January -			
		Contract/Agreement	Contract/Agreement				Total Outstanding					Fund Sources		1	20-21A		i	Fund Source	s	i	2
Project Name/Debt Obligation	Obligation Type	Execution Date	Termination Date	Payee	Description/Project Scope	Project Area	Debt or Obligation \$ 93,215,746		ROPS 20-21 Total \$ 6,660,400				RPTTF \$ 5,537,540	Admin RPTTF \$ 125,000	Total		Reserve Balance	Other Funds	RPTTF \$ 872,860	Admin RPTTF \$ 125,000	1
2006 TAB Trustee Fees	Bonds Issued On or Before Fees	11/7/2006	9/1/2038 6/30/2038	Wells Fargo Bank Wells Fargo Bank	Bond issue to fund RDA projects TAB 2006 Trustee fees	RR15, RR18 RR15, RR18	93,213,740	Y			• 0	0	0		\$ 5,002,340	-		0	0	125,000	\$
Continuing Disclosure	Professional Services	6/16/2015	6/30/2038	HdL, Coren & Cone	Continuing Discl. Reporting required by bond documents		46,500		\$ 4,450					1	\$				4,450		\$
Retrement/pension obligations 2004 Development Agr-Coll. Park	Unfunded Liabilities	1/1/2014	6/30/2038	City of Chino/CalPERS	RDA funded pension obligation	RR15, RR18	2,532,911		\$						\$						\$
PROMISSORY NOTE 89-1	City/County Loan (Prior	9/7/2004 9/19/1989	10/18/2019 6/30/2023	LS College Park, LLC City of Chino	Edison Avenue Street Improvements Improvements to Project Area paid by			N				0	0		\$						\$
PROMISSORY NOTE 89-3	06/28/11), Other City/County Loan (Prior	9/19/1989	6/30/2023	City of Chino	Improvements to Project Area paid by	RR15		N	3 -						\$						\$
ROMISSORY NOTE 90-1	06/28/11), Other City/County Loan (Prior	3/5/1991	6/30/2023	City of Chino	Improvements to Project Area paid by	RR15		N	\$						\$						S
ROMISSORY NOTE 92-1	06/28/11), Other City/County Loan (Prior	6/16/1992	6/30/2023	City of Chino	the City Improvements to Project Area paid by	RR15		N	\$						\$						\$
ROMISSORY NOTE 93-1	06/28/11), Other City/County Loan (Prior	6/16/1993	6/30/2023	City of Chino	the City Improvements to Project Area paid by			N	\$ .						S						\$
ROMISSORY NOTE 94-1	06/28/11), Other City/County Loan (Prior	4/5/1994	6/30/2023	City of Chino	the City Improvements to Project Area paid by			N							\$						s
PROMISSORY NOTE 94-4	06/28/11), Other City/County Loan (Prior	9/20/1994	6/30/2023	City of Chino	the City  Improvements to Project Area paid by			N	i -						s						
ROMISSORY NOTE 89-2	06/28/11), Other  City/County Loan (Prior	9/19/1989	6/30/2023	City of Chino	the City			N													ļ.
	06/28/11), Other				the City				2.						3						l.
ROMISSORY NOTE 90-2	City/County Loan (Prior 06/28/11), Other	3/5/1991	6/30/2023	City of Chino	Improvements to Project Area paid by the City			N							-						,
ROMISSORY NOTE 93-2	City/County Loan (Prior 06/28/11), Other	6/16/1993	6/30/2023	City of Chino	Improvements to Project Area paid by the City			N	5						\$						\$
ROMISSORY NOTE 94-2	City/County Loan (Prior 06/28/11), Other	4/5/1994	6/30/2023	City of Chino	Improvements to Project Area paid by the City			N	\$						\$						\$
ROMISSORY NOTE 94-3	City/County Loan (Prior 06/28/11), Other	4/5/1994	6/30/2023	City of Chino	Improvements to Project Area paid by the City	RR18		N	\$						\$ -						\$
ROMISSORY NOTE 94-5	City/County Loan (Prior 06/28/11), Other	9/20/1994	6/30/2023	City of Chino	Improvements to Project Area paid by the City	RR18		N	\$ -						\$						\$
DOPERATION AGR 93-1-1	City/County Loan (Prior 06/28/11), Other	6/16/1993	6/30/2023	City of Chino	Improvements to Project Area paid by the City	RR18		N	\$ -						\$						\$
dministrative Budget	Admin Costs	2/1/2012	6/30/2038	City of Chino	Admin cost, staff salaries, benefits, alloc, cost	RR15, RR18	6,308,450	N	\$ 250,000				NA CONTRACTOR OF THE CONTRACTO	125,000	\$ 125,000					125,000	\$
014 A TAB	Refunding Bonds Issued After 6/27/12	6/19/2014	9/1/2030	Trustee -BNY Mellon		RR15, RR18	20,392,425	N	\$ 2,804,950				2,468,475		\$ 2,468,475				336,475		\$
014 B TAB	Refunding Bonds Issued After 6/27/12	6/19/2014	9/1/2022	Trustee -BNY Mellon	Refunded Taxable Bonds 1998 B	RR15, RR18	431,800	N	\$ 202,600				198,200		\$ 198,200				4,400		\$
rustee Fees	Fees Fees	7/6/2015 7/6/2015	9/1/2030 9/1/2030	BNY Mellon BNY Mellon	TAB 2014 Trustee Fees	RR15, RR18 RR15, RR18	19,000						2,000		\$ 2,000				0		\$
rbitrage Reports lodified Loan Agreements	Improvement/Infrastructure	11/16/2016	6/30/2038	City of Chino	TAB Arbitrage reporting Resubmitted Loan Agreements, related	RR15, RR18	10,000 15,913,597		\$ .				0		\$				0		5
					to Lines 20-33, pursuant to HSC 34180 (a), 34919 1 and 34191 4(b)																
019 Refunding Tax Allocation	Refunding Bonds Issued After	7/1/2019	9/1/2038	Trustee -BNY Mellon	Refunded 2006 Tax Allocation Bonds	RR15, RR18	47,523,063	N	\$ 3,394,400				2,866,865		\$ 2,866,865				527,535		\$
ustee Fees	6/27/12 Fees	7/1/2019	6/30/2038	BNY Mellon	(Item #5) 2019 Refunding TAB Trustee fees	RR15, RR18	38,000	N	\$ 2,000				2,000		\$ 2,000						\$
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## Chino Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances July 1, 2017 through June 30, 2018 (Report Amounts in Whole Dollars)

Α	В	С	D	E	F	G	н
				Fund Sources			
		Bond P	roceeds	Reserve Balance	Other Funds	RPTTF	
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	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 07/01/17) RPTTF amount should exclude "A" period distribution amount						
		0			5,831,971	0	
	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller						
		0			580,026	7.728.353	F2- Revenue reduced by \$33,534 for unrealized loss on investment as of June 30.2018.
	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)				555,020		
		0			1,008,210	5,703,041	F3 - Transfer to Fund 703 per DOF Determinatio
	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				5,403,787		F4 - 1) Partial reclassification by DOF (letter dated 4/12/19) of \$1,688,086 for Item No. 5, 2) \$4,143,885 ROPS 18-19 Edison Ave. Street Improvements and 3) \$580,026-\$1,008,210
	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry	required		2,025,312	
	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0		

tem #	Notes/Comments
	Unfunded Liablilities represent the RDA pension obligation for the RDA portion of salaries as of June 30, 2011, the last full year of RDA existance, based on CALPERS Actuarial Valuation for Miscellanous Plan of the City of Chino.18-19 total Oustanding obligation amount reflects a change from prior estimate to the actual calculation based on FY ending 6/30/2011. This amount will be adressed through a litigation with DOF.
	Edison Ave Improvements - due to delay of the project, the amount of RPTTF and outstanding amount of Other Funds approved on ROPS 18-19 is being resubmitted for approval to avoid shortage of funding if RPTTF funds are swept away in the ROPS 18-19 reconciliation process. At the time of the submittal of this ROPS, the total of \$3,137,405 is outstanding on the contract and that amount is being submitted.
60	The next Arbitrage Reports for TAB 2006 and TAB 2014 will be due FY 21-22 and FY 23-24.
61	Resubmitted Loan Agreements, related to Lines 20-33, pursuant to HSC 34180 (a), 34919.1 and 34191.4(b). The resubmitted amount represents the original principal balance of \$8,118,961 and 3% simple interest on the remaining principal balance of the loan that was unpaid from the date of origination, compounded quarterly. This amount will be adressed through a litigation with DOF.
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