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

January 14, 2021

<u>FROM</u>

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T. JARB THAIPE JR., City Manager, Loma Linda Successor Agency

<u>SUBJECT</u>

Resolution Approving the Successor Agency to the Loma Linda Redevelopment Agency's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2021-22

RECOMMENDATION(S)

Adopt a **Resolution No. 2021-10** approving the Successor Agency to the Loma Linda Redevelopment Agency's Recognized Obligation Payment Schedule (ROPS) and administrative budget for Fiscal Year 2021-22.

(Presenter: Diane Hadland, Agency Consultant, Loma Linda Successor Agency (562) 458-1212)

BACKGROUND INFORMATION

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2021-22 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 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 to review the 2021-22 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 or 15 days prior to the June 1 Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The recommended action will further the Successor Agency to the Loma Linda Redevelopment Agency'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 of \$131,645 in the amount requested from the RPTTF from the last annual ROPS, as approved by DOF. The primary reasons for this reduction included lower estimated property maintenance costs, as well as a cutback in the amount requested for the administrative allowance.

It is recommended the CWOB approve the Successor Agency's 2021-22 ROPS and administrative budget. The draft 2021-22 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 2021-22 ROPS will be provided to DOF and the County Auditor-Controller pursuant to HSC 34177(o). This will commence the DOF review period.

Resolution Approving the Successor Agency to the Loma Linda Redevelopment Agency's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2021-22 January 14, 2021

ATTACHMENTS

Attachment A – Resolution Attachment B – ROPS for Fiscal Year 2021-22 Attachment C – Administrative Budget for Fiscal Year 2021-22

REVIEW BY OTHERS

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on January 04, 2021 and San Bernardino Countywide Oversight Board Legal Counsel on January 05, 2021.

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Resolution Approving the Successor Agency to the Loma Linda Redevelopment Agency's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2021-22 January 14, 2021

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Frederick Ang Seconded: Acquanetta Warren Ayes: Frederick Ang, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

Lynna Monell, SECRETARY

rell BY

DATED: January 14, 2021



- cc: W/Resolution File – San Bernardino Countywide Oversight Board w/attach
- LA 01/15/2021

RESOLUTION NO. 2021-10

RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD ADOPTING THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2021-22

On Thursday, January 14, 2021 on motion of San Bernardino Countywide Oversight Board Member Ang, 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 2021-22 to the Department of Finance is February 1, 2021.

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 Loma Linda Redevelopment Agency's ROPS and administrative budget for Fiscal Year 2021-22 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: Frederick Ang, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: None

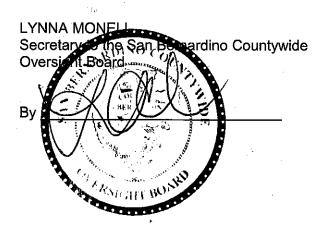
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STATE OF CALIFORNIA

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 14, 2021. #10 LA



Recognized Obligation Payment Schedule (ROPS 21-22) - Summary Filed for the July 1, 2021 through June 30, 2022 Period

Success	or Agency:	Loma Linda						
County:		San Bernardino						
Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		21-22 A Total (July - December)		21-22 B Total (January - June)		ROPS 21-22 Total		
Α	Enforceable O	bligations Funded as Follows (B+C+D):	\$	1,135,000	\$	-	\$	1,135,000
В	Bond Proceed	ls		- .				· · · · ·
С	Reserve Bala	nce		1,135,000		· · · · ·		1,135,000
D	Other Funds			-				<u> </u>
Е	Redevelopm	ent Property Tax Trust Fund (RPTTF) (F+G):	\$	2,472,312	\$.	2,481,733	\$	4,954,045
F	RPTTF			2,362,312		2,371,733		4,734,045
G	Administrative	RPTTF	. <u> </u>	110,000		110,000		220,000
н	Current Period	Enforceable Obligations (A+E):	_\$	3,607,312	\$	2,481,733	\$	6,089,045

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	
	- 1/14/2021	
Signature	Date	

						Loma Linda Suc		July 1,2021	Obligation Paymer I through June 30, iounts in Whole Do		Detail				
A B	C	D	E	F	G	Н	Tatal	J	K	M21-2	N O P 22 A (July - December)	Q	R S T 21-22 B (January -	June)	W
Item # Project Name/Debt Obligation	Obligation Type	Contract/Agreement	Contract/Agreement	Payee	Description/Droject Scope	Broject Area	Total Outstanding	Retired	ROPS 21-22		Fund Sources	21-22 A	Fund Sources		21-22 B
	Obligation Type	Execution Date	Termination Date	Fayee	Description/Project Scope	Project Area	Debt or Obligation	Relifed	Total -	Bond Proceeds Reserve Balance		Total	Bond Proceeds Reserve Balance Other Funds		Total
							\$ 38,103,880		\$ 6,089,045			\$ 3,607,312		\$ 2,371,733 \$ 110,000	\$ 2,481,733
6 Professional Services	Fees	7/1/2021	6/30/2022	& Rauth and/or DHA	Continuing Disclosure annual reports	Merged	5,000	N	\$ 5,000	φ - φ 1,100,000	1,500	\$ 1,500		3,500	\$ 3,500
7 Contractual Services	Property Dispositions	7/1/2021	6/30/2022	Consulting, LLC Benefiel Appraisal Service	Property Appraisals	Merged		N			1,000	¢ 1,000			
14 Contractual Services	Property Maintenance	7/1/2021	6/30/2022	JJ Ramirez and/or West	Weed Abatement and Maintenance c	f Merged	10,000	N	\$ 10,000			\$ -		10,000	\$ 10,000
				SWPPS Services (James D. Huss)	Successor Agency land held for resale		5,000	N	\$ 5,000		2,500	\$ 2,500		2,500	\$ 2,500
15 Loans from the City of Loma Linda	Reentered Agreements	5/29/1979	6/1/2027	City of Loma Linda	Loans for Redevelopment Activities (Cash Principal & Accrued Interest)	Merged	8,184,212	N	\$ 1,639,148		819,574	\$ 819,574		819,574	\$ 819,574
27 Adminstrative Costs	Admin Costs	7/1/2021	6/30/2022		To fund SA administrative budget as approved by the Oversight Board	Merged									
47 Tax Allocation Refunding Bonds,	Bonds Issued On or	11/10/2016	8/2/2030		Refunding of 2003, 2005 and 2008	Merged	220,000	N	\$ 220,000		110,000	\$ 110,000		110,000	\$ 110,000
Series 2016A	Before 12/31/10	11,10,2010	0/2/2000		TA Bonds for debt service savings	Morgou	4,870,575	N	\$ 596,375	212,500	301,375	\$ 513,875		82,500	\$ 82,500
48 Tax Allocation Refunding Bonds, Series 2016A Reserve	Reserves	11/10/2016	8/2/2030	U.S. Bank (Trustee)	Refunding of 2003, 2005 and 2008 TA Bonds for debt service savings	Merged	217,500	N	\$ 217,500			\$ -		217,500	\$ 217,500
Tax Allocation Refunding Bonds Serie		11/10/2016	8/2/2030	U.S. Bank (Trustee)	Refunding of 2003, 2005 and 2008	Merged	217,300		φ 217,300			φ -		217,500	φ 217,300
2016B 49 Tax Allocation Refunding Bonds Serie	Before 12/31/10 es Reserves	11/10/2016	8/2/2030	U.S. Bank (Trustee)	TA Bonds for debt service savings Refunding of 2003, 2005 and 2008	Merged	23,642,493	N	\$ 2,446,922	922,500	1,233,263	\$ 2,155,763		291,159	\$ 291,159
2016B Reserve 50 Contractual Agreement (Contract terr		12/1/2016	6/30/2030		TA Bonds for debt service savings Bond Trustee Services - Series A		945,000	N	\$ 945,000			\$-		945,000	\$ 945,000
51 ongoing)		12/1/2010	0/30/2030	U.S. Balik (Trustee)	and B		4,100	N	\$ 4,100 \$ -		4,100	\$ 4,100 \$ -			\$- \$-
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Loma Linda Successor Agency Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances July 1, 2018 through June 30, 2019 (Report Amounts in Whole Dollars)

Α	В	С	D	E	F	G	
				Fund Sources			
		Bond P	roceeds	Reserve Balance	Other Funds	RPTTF	_
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	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	
	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount	4,547		1,171,690	56,372	1,242,109	For Co authori service
	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller	52		0	61,881	4,900,226	Columr Columr
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)			1,171,690	1,758	3,790,135	From P Linda 1 spent fi during 2 reserve
	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				54,614		Columr due Au 10/1/20
	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		No entry	required			Amoun County
	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 4,599	\$ 0	\$ 0	\$ 61,881		Colum offset t

Comments

Column E and F, amounts are the amounts prized to be spent from reserves for bond debt ice in 2018-19 ROPS. For Column G, amount e revised 2017-18 PPA reported by the County mn G is from County Distribution Reports; mn F from acctg reports, the 2018-19 Revenue is Report.

PPA report for 2018-19 as filed by Loma a 10/1/2020; Column E and F are the amounts t from Reserves and Other for bond debt svc ng 2018-19 (PPA report combines E and F into ves)

mn G is amt reserved for bond debt service August 1, 2019; amt per 2018-19 PPA Report 2020. Column F is the amount of Other Funds for ROPS 2019-20 and 2020-21.

unt of PPA determined by San Bernardino nty is not yet available; amount shown is an nate of the PPA for 2018-19

mn G is the 2017-18 PPA that was used to t the RPTTF distribution in 2020-21. Column F ailable as funding for ROPS 2021-22

ltem #	Notes/Comments
6	The estimated cost for continuing disclosure requirements. Note: New consultants need to be found to complete the reports for 2021-22, which search has already commenced.
7	The estimated cost for property appraisals in the event the property sale is not successful.
14	The estimated cost for property maintenance in the event the property sale is not successful. Even if the sale is successful, maintenance costs wi be incurred through September 2021.
15	The estimated past due balance on the City loan was fully retired in 2017-18B. As such, only the semi-annual payment amount of \$819,574 is due The Total Debt Outstanding for the City loan shown for Item #15 is the balance as of 6/30/2020. Background: The terms of the City/Agency Loan are as specified in the Settlement Agreement by and between the City, the Successor Agency, the State Department of Finance and the State Controller's Office. Copies of the Settlement Agreement were previously provided to the Department. Amounts that were shown as due in ROPS 2017-18 and prior ROPS included the amounts that are provided for in the Settlement Agreement as the Past Due Balance of \$5,759,804, plus the \$819,574 regular semi-annual payments, less the amounts that were estimated to have already been paid in prior ROPS.
27	Requested administrative cost allowance has been reduced by 12.5%, or \$20,000 from last years amount, which was lower than the prior year.
47	Debt service due on the 2016A refunding bonds. Payment dates are February 1 (interest) and August 1 (principal and interest). The Bond Documents require that an amount equal to 50% of the principal due on a given August 1 be reserved from the January RPTTF and the balance payable from the June RPTTF payment. The Total Debt Outstanding for Item #47 equals the amount outstanding after the February 1, 2021 debt service payment is made, less the amounts shown as outstanding as reserves.
48	Reserve Requirement per the Bond Indenture. Payment dates are February 1 (interest) and August 1 (principal and interest). The Bond Documents require that an amount equal to 50% of the principal due on a given August 1 be reserved from the January RPTTF and the balance payable from the June RPTTF payment. The amount shown is the amount required to be reserved from the January payment. Actual expenditure of the reserved balances are shown under Item #47. The Total Debt Outstanding for the 2016A Bonds is also included in Item #47: only the total amount required to be reserved to be reserved in the current year is included under Item #48.
49	Debt service due on the 2016B refunding bonds. Payment dates are February 1 (interest) and August 1 (principal and interest). The Bond Documents require that an amount equal to 50% of the principal due on a given August 1 be reserved from the January RPTTF and the balance payable from the June RPTTF payment. The Total Debt Outstanding equals the amount outstanding after the February 1, 2021 debt service payment is made, less the amounts shown as reserves.
50	Reserve Requirement per the Bond Indenture. Payment dates are February 1 (interest) and August 1 (principal and interest). The Bond Documents require that an amount equal to 50% of the principal due on a given August 1 be reserved from the January RPTTF and the balance payable from the June RPTTF payment. The amount shown is the amount required to be reserved from the January payment. Actual expenditure of the reserved balances are shown under Item #49. The Total Debt Outstanding for the 2016B Bonds is also included in Item #49: only as the total amount required to be reserved to be reserved in the current year is included under Item #50.

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