

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

**January 10, 2022**

## **FROM**

**CASEY BROOKSHER, Director of Finance, Successor Agency to the Redevelopment Agency of the 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 2022-23

## **RECOMMENDATION(S)**

Adopt a **Resolution No. 2022-06** approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2022-23.

(Presenter: Tara Matthews, Consultant, RSG, Inc. (714) 316-2111)

## **BACKGROUND INFORMATION**

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2022-23 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 2022-23 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 Redevelopment Agency of the City of Hesperia's (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. The ROPS 22-23 requests a total of \$9,836,552 from RPTTF, compared to \$9,617,039 of RPTTF approved on the ROPS 21-22. The amount of RPTTF requested compared to last year is 2 percent higher because there are less Reserve Balance and Other Funds to reallocate. Overall, the Total Enforceable Obligations requested from all funding sources is \$10,836,552 on the ROPS 22-23, compared to \$10,847,180 approved on the ROPS 21-22 (a 0.1 percent decrease).

It is recommended the CWOB approve the Successor Agency's 2022-23 ROPS and administrative budget. The draft 2022-23 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 2022-23 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 Redevelopment  
Agency of the City of Hesperia's Recognized Obligation Payment  
Schedule and Administrative Budget for Fiscal Year 2022-23**

**ATTACHMENTS**

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2022-23

Attachment C – Administrative Budget for Fiscal Year 2022-23

**REVIEW BY OTHERS**

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 13, 2021 and San Bernardino Countywide Oversight Board Legal Counsel on December 13, 2021.

**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 2022-23**

Record of Action of the San Bernardino Countywide Oversight Board

**APPROVED**

Moved: Frederick Ang Seconded: Valerie Clay  
Ayes: Frederick Ang, Valerie Clay, Richard DeNava, Cindy Saks, Acquanetta Warren  
Absent: Kenneth Miller, Lawrence Strong

Lynna Monell, SECRETARY

BY   
DATED: January 10, 2022



cc: W/Resolution  
File - San Bernardino Countywide Oversight Board w/attach  
KS 01/19/2022

**RESOLUTION NO. 2022-06**

**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 2022-23**

On Monday, January 10, 2022 on motion of San Bernardino Countywide Oversight Board Member Ang, duly seconded by San Bernardino Countywide Oversight Board Member Clay 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 2022-23 to the Department of Finance is February 1, 2022.

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 2022-23 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, Valerie Clay,  
   Richard DeNava, Cindy Saks,  
   Acquanetta Warren

NOES:      OVERSIGHT BOARD MEMBER:

ABSENT:    OVERSIGHT BOARD MEMBER: Kenneth Miller, Lawrence Strong

\* \* \* \* \*

STATE OF CALIFORNIA                    )  
  )  
SAN BERNARDINO COUNTY            )       ss.

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 10, 2022. #6 KS

LYNNA MONELL  
Secretary to the San Bernardino Countywide  
Oversight Board

By \_\_\_\_\_




Recognized Obligation Payment Schedule (ROPS 22-23) - Summary  
Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Hesperia  
County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		22-23 A Total (July - December)	22-23 B Total (January - June)	ROPS 22-23 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 1,000,000	\$ -	\$ 1,000,000
B	Bond Proceeds	-	-	-
C	Reserve Balance	1,000,000	-	1,000,000
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 6,809,190	\$ 3,027,362	\$ 9,836,552
F	RPTTF	6,748,190	2,966,362	9,714,552
G	Administrative RPTTF	61,000	61,000	122,000
H	Current Period Enforceable Obligations (A+E):	\$ 7,809,190	\$ 3,027,362	\$ 10,836,552

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.

Cindy Saks	Vice Chair
Name	Title
	January 10, 2022
Signature	Date

Hesperia Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail																										
July 1, 2022 through June 30, 2023																										
(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 22-23 Total	22-23 A (July - December)					22-23 A Total	22-23 B (January - June)					22-23 B Total				
											Fund Sources						Fund Sources									
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF					
	17	Trustee Bond Administration Fees - HPFA 2007 - Series B	Fees	8/30/2007	9/1/2021	Union Bank	Bond Administration Fees	1 & 2		\$ 160,162,916				\$ -	\$ 1,000,000	\$ -	\$ 6,748,190	\$ 61,000		\$ 7,809,190	\$ -	\$ -	\$ -	\$ 2,966,362	\$ 61,000	\$ 3,027,362
	74	Administrative Costs	Admin Costs	7/1/2022	6/30/2023	Successor Agency; City of Hesperia; RSG, Inc.;	Agency administrative costs	1 & 2		-	Y			\$ -												\$ -
	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		2,074,000	N					\$ 61,000	\$ 61,000							61,000	\$ 61,000	
	76	Hesperia 2018A TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	U.S. Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2								\$ -										\$ -
	77	Hesperia 2018B TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	U.S. Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2		104,241,191	N					\$ 1,652,034							1,652,034		\$ 1,652,034	
	78	Bond Payment Reserves	Reserves	9/11/2018	9/1/2037	U.S. Bank	Reserves for bond payment, needed due to cash flow - H&SC 34171(d)(1)(A)	1 & 2		26,876,863	N			\$ 1,000,000		\$ 5,088,156							314,328		\$ 314,328	
	79	Trustee Bond Administration Fees - 2018 TARBS - Series A	Fees	9/11/2018	9/1/2037	U.S. Bank	Bond Administration Fees for 2018 TARBS	1 & 2		26,876,863	N						\$ -						1,000,000		\$ 1,000,000	
	80	Trustee Bond Administration Fees - 2018 TARBS - Series B	Fees	9/11/2018	9/1/2037	U.S. Bank	Bond Administration Fees for 2018 TARBS	1 & 2		64,000	N				\$ 4,000		\$ 4,000									\$ -
	82	Arbitrage - 2018 TARBS Series A & B	Fees	9/11/2018	9/1/2037	U.S. Bank	Bond Arbitrage for 2018 TARBS	1 & 2		20,000	N				\$ 4,000		\$ 4,000									\$ -
										10,000	N						\$ -									\$ -

**Hesperia Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances**  
**July 1, 2019 through June 30, 2020**  
**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
	<b>ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)</b>						<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07/01/19)</b> RPTTF amount should exclude "A" period distribution amount			3,126,164	1,540,328	171,247	E: \$2,500,000 Reserve Balance for ROPS 19-20 Item 77 + \$271,312 PPA 17-18 (ROPS 20-21) and \$220,069 PPA 18-19 (ROPS 21-22) + \$134,783 reserved for ROPS 21-22 F: \$1,128,729 Other Funds for ROPS 19-20 Item 77 + \$316,241 for ROPS 20-21 Item 77 + \$95,358 for ROPS 21-22 Item 76. G: \$171,247 PPA 16-17 (ROPS 19-20)
2	<b>Revenue/Income (Actual 06/30/20)</b> RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				55,986	7,531,959	F: Other Funds revenues from interest
3	<b>Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)</b>			2,500,000	1,128,729	6,647,247	Matches PPA 19-20 submitted to County Auditor-controller
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			626,164	411,599	1,000,000	E: \$271,312 PPA 17-18 (ROPS 20-21) and \$220,069 PPA 18-19 (ROPS 21-22) + \$134,783 reserved for ROPS 21-22 F:\$316,241 for ROPS 20-21 Item 77 + \$95,358 for ROPS 21-22 Item 76. G: Bond debt service reserve for next A period
5	ROPS 19-20 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC	No entry required				55,959	PPA ROPS 19-20
6	<b>Ending Actual Available Cash Balance (06/30/20)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 55,986	\$ 0	



**Hesperia Recognized Obligation Payment Schedule (ROPS 22-23) - Notes July 1, 2022 through June 30, 2023**

Item #	Notes/Comments
77	Reserve Balance of \$1,000,000 funded by ROPS 21-22B Item 78, Bond Payment Reserves, approved to fund debt service in the subsequent A period.