

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

**January 10, 2022**

## **FROM**

**T. JARB THAIPEJR, City Manager, Loma Linda Successor Agency**

## **SUBJECT**

Resolution Approving the Successor Agency to the Redevelopment Agency of the Loma Linda's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2022-23

## **RECOMMENDATION(S)**

Adopt a **Resolution No. 2022-07** approving the Successor Agency to the Redevelopment Agency of the Loma Linda's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2022-23.

(Presenter: Steven H. Dukett, Agency Consultant, (909) 967-8205)

## **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 Loma Linda's (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. There is an approximately 1.9% (or \$95,685) decrease requested in the amount required from the RPTTF from the last annual ROPS approved.

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.

## **ATTACHMENTS**

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2022-23

Attachment C – Administrative Budget for Fiscal Year 2022-23

## **REVIEW BY OTHERS**

**Resolution Approving the Successor Agency to the Redevelopment  
Agency of the Loma Linda's Recognized Obligation Payment Schedule  
and Administrative Budget for Fiscal Year 2022-23**

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 18, 2021 and San Bernardino Countywide Oversight Board Legal Counsel on December 17, 2021.

**Resolution Approving the Successor Agency to the Redevelopment  
Agency of the Loma Linda's Recognized Obligation Payment Schedule  
and Administrative Budget for Fiscal Year 2022-23**

Record of Action of the San Bernardino Countywide Oversight Board

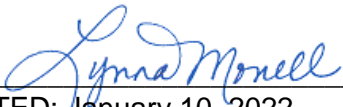
**APPROVED**

Moved: Acquanetta Warren Seconded: Richard DeNava

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 OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT  
BOARD ADOPTING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF LOMA LINDA'S  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2022-23**

\* \* \* \* \*

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. #7 KS

LYNNA MONELL  
Secretary to the San Bernardino Countywide  
Oversight Board

By \_\_\_\_\_

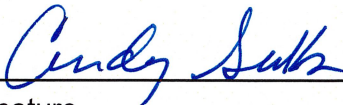


Recognized Obligation Payment Schedule (ROPS 22-23) - Summary  
Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Loma Linda  
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):	\$ 1,218,564	\$ -	\$ 1,218,564
B	Bond Proceeds	-	-	-
C	Reserve Balance	1,172,802	-	1,172,802
D	Other Funds	45,762	-	45,762
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 2,403,770	\$ 2,434,590	\$ 4,838,360
F	RPTTF	2,362,334	2,337,090	4,699,424
G	Administrative RPTTF	41,436	97,500	138,936
H	Current Period Enforceable Obligations (A+E):	\$ 3,622,334	\$ 2,434,590	\$ 6,056,924

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

[illegible]

**Loma Linda Successor Agency 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
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		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	
1	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount	52		1,097,500	23,605	0	The amount shown in Cell C-1 is interest earned from DS payments held by the trustee bank until distributed to bond holders. For Cells E-1 and F-1, amounts are the amounts authorized to be spent from reserves and other funds for bond debt service in 2020-21 ROPS.
2	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller	138		0	45,762	4,963,388	The amount shown in Cell C-2 is interest earned from DS payments held by the trustee bank until distributed to bond holders. The amount shown in Cell F-2 is interest earned on RPTTF held by the Successor Agency until such funds were needed for payment on an enforceable obligation. Cell G-2 is the actual amount of RPTTF received.
3	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)			1,097,500	23,605	3,835,586	From PPA for ROPS 19-20 as filed by Loma Linda 10/1/2021: Cell E-3 is the DSR from ROPS 18-19 for use during ROPS 19-20 and Cell F-3 is the amount of other funds that DOF directed the Successor Agency to use for EO No. 47 in its letter of 3-29-2019 approving ROPS 19-20.
4	Retention of Available Cash Balance (Actual 06/30/20) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					\$ 1,117,500	The amount shown in Cell G-4, (\$1,117,500) is the DSR for ROPS 20-21, which has been expended.
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				10,302	The \$10,302 shown in Cell G-9 is unused RPTTF from the ROPS 18-19 PPA, which is to be used during ROPS 22-23 (see EO # 27).
6	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 190	\$ 0	\$ 0	\$ 45,762	\$ 0	The amount shown in Cell C-4 has previously been applied in full to DS payments (as an offset) by the trustee bank. The amount shown in Cell F-6 is scheduled for use during ROPS 22-23 (see E) # 27).



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

<b>Item #</b>	<b>Notes/Comments</b>
6	EO # 6 is for the estimated budget for continuing disclosure requirements.
15	EO # 15 is for the City loan. 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 (i.e., \$1,639,148 annually). The Total Debt Outstanding for the City loan shown for Item #15 is the balance as of 6/30/2022. By way of 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	EO # 27 is for the Successor Agency's administrative cost allocation. Per the HSC, the Successor Agency is eligible for an administrative cost allocation of \$250,000. However, the Successor Agency began reducing its administrative cost allocation request during ROPS 20-21 (reduced to \$240,000). For ROPS 21-22, the Successor Agency further reduced its administrative cost allocation by an additional \$20,000 and requested and was authorized to receive an administrative cost allocation of \$220,000. For ROPS 22-23, the Successor Agency has further reduced its administrative cost allocation request by an additional \$25,000, resulting in a ROPS 22-23 administrative cost allocation request of \$195,000.
47	EO # 47 is the debt service due on the 2016A refunding TABs. 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 "B" cycle of the immediately preceding ROPS and the balance payable from the "A" cycle of the current ROPS. The Total Debt Outstanding for the 2016A TABs is the sum of the amounts shown in Cells J-47 and J-48 on the ROPS detail sheet.
48	EO # 48 is the reserve requirement per the 2016A TABs 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 "B" cycle of the immediately preceding ROPS and the balance payable from the "A" cycle of the current ROPS. The amount shown is the amount required to be reserved from ROPS 22-23B for use during ROPS 23-24A. The Total Debt Outstanding for the 2016A TABs is the sum of the amounts shown in Cells J-47 and J-48 on the ROPS detail sheet.
49	EO # 49 is the Debt service due on the 2016B refunding TABs. 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 "B" cycle of the immediately preceding ROPS and the balance payable from the "A" cycle of the current ROPS. The Total Debt Outstanding for the 2016B TABs is the sum of the amounts shown in Cells J-49 and J-50 on the ROPS detail sheet.
50	EO # 50 is the reserve requirement per the 2016B TABs 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 "B" cycle of the immediately preceding ROPS and the balance payable from the "A" cycle of the current ROPS. The amount shown is the amount required to be reserved from ROPS 22-23B for use during ROPS 23-24A. The Total Debt Outstanding for the 2016B TABs is the sum of the amounts shown in Cells J-49 and J-50 on the ROPS detail sheet.
51	EO # 51 is for the trustee fees as required by the 2016A and B Refunding TABs. Amounts are generally due to the Trustee in August of each year.