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

**JANUARY 10, 2022** 

# <u>FROM</u>

SOPHIE L. SMITH, Deputy City Manager, Successor Agency to the Redevelopment Agency of the City of Victorville

# SUBJECT

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

### RECOMMENDATION(S)

Adopt a **Resolution No. 2022-17** approving the Successor Agency to the Redevelopment Agency of the City of Victorville's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2022-23.

(Presenter: Sophie L. Smith, Deputy City Manager, City of Victorville, (760) 955-5033)

### **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 Victorville'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 requested of \$76,554 of which administrative costs have decreased \$22,517 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(I)(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

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

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 20,2021 and San Bernardino Countywide Oversight Board Legal Counsel on December 20, 2021.

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Victorville'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: Richard DeNava Seconded: Frederick Ang Ayes: Frederick Ang, Valerie Clay, Richard DeNava, Cindy Saks, Acquanetta Warren Absent: Kenneth Miller, Lawrence Strong

Lynna Monell, SECRETARY

nell ΒY 14

DATED: January 10, 2022



cc: W/Resolution File - San Bernardino Countywide Oversight Board w/attach

KS 01/19/2022

#### **RESOLUTION NO. 2022-17**

#### RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD ADOPTING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VICTORVILLE'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 DeNava, duly seconded by San Bernardino Countywide Oversight Board Member Ang 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 Victorville'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, Valeria Clay, Richard DeNava, Cindy Saks, Acquanetta Warren

NOES: OVERSIGHT BOARD MEMBER:

ABSENT: OVERSIGHT BOARD MEMBER: Kenneth Miller, Lawrence Strong

\* \* \* \* \*

STATE OF CALIFORNIA

SS.

)

)

SAN BERNARDINO COUNTY

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. #15 KS



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

Successor Agency:	Successor Agency to the Victorville Redevelopment Agency- SA23		
County:	San Bernardino		
		22-23 A Total	22-23 B Total

Current	Period Requested Funding for Enforceable Obligations (ROPS Detail)	(Jul	/ - December)	(January - June)	ROPS 22-23 Total		
А	Enforceable Obligations Funded as Follows (B+C+D):	\$	- \$		\$ -		
В	Bond Proceeds						
С	Reserve Balance						
D	Other Funds						
Ε	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	2,604,376 \$	1,000,155	\$ 3,604,531		
F	RPTTF		2,542,791	938,569	3,481,360		
G	Administrative RPTTF		61,585	61,586	123,171		
н	Current Period Enforceable Obligations (A+E):	\$	2,604,376 \$	1,000,155	\$ 3,604,531		

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

Name

Vice Chair Title

January 10, 2022

Signature

Date

ROPS 22-23 Total

	Successor Agency to the Victorille Redevelopment Agency Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail July 1, 2022 through June 30, 2023 (Report Amounts in Whole Dollars)																			
A	В	С	D	E	F	G	Н	1	J	K	L M N O		Р	Q	R	S	Т	U	V	W
								Total			22-23 A (July - December)					22-	23 B (January - J	une)		
Item #	Project Name/Debt Obligation	Obligation Type		Contract/Agreement	Payee	Description/Project Scope	Project Area	Outstanding	Retired	ROPS 22-23	Fund Sources			22-23 A			Fund Sources			22-23 B
	· · ·)g		Execution Date	Termination Date	,		,	Debt or Obligation	Total		Bond Proceeds Reserve Balance Other Funds RPTTE	F Admin	n RPTTF	Total	Bond Proceeds	Reserve Balance	e Other Funds	RPTTF	Admin RPTTF	Total
								\$ 45,579,270		\$ 3,604,531	\$ - \$ - \$ - \$ 2,542	2,791 \$	61,585	\$ 2,604,376	\$ -	\$ -	\$ -	\$ 938,569	\$ 61,586	\$ 1,000,155
	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/22/2002	12/1/2036	The Bank of New York Trust Company N.A.	RDA Non-Housing Bond Issues														
		_						41,864,359	N	\$ 3,183,160	2,400	0,291		\$ 2,400,291				782,869		\$ 782,869
	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002		The Bank of New York Trust Company N.A.	Fiscal Agents Fee	Bear Valley	11.500	N	\$ 11.500		3.000		\$ 8.000				3,500		\$ 3.500
3	Vict RDA Series 2002A, 2003A,	Fees	8/22/2002	12/1/2036	Harris Industries	Continuing Disclosure Report	Bear Valley	11,000		φ 11,000		5,000		\$ 0,000				0,000		¢ 0,000
	2003B, 2006A Tax Allocation Bonds							18,000	Ν	\$ 18,000	2	2,000		\$ 2,000				16,000		\$ 16,000
4	Northgate Apartments	Business Incentive Agreements	7/15/2005		So Calif Housing Devel		Bear Valley	3.500.000	N	\$ 250.000	125	5.000		\$ 125.000				125.000		\$ 125.000
33	Project legal costs	Legal	7/1/2022	6/30/2023	Green, de Bortnowsky & Quintanilla	Project specific legal costs	Bear Valley	10.000	N	\$ 10.000		5,000		\$ 5.000				5.000		\$ 5.000
34	Special Assessments on SA properties	Property Maintenance	7/25/2013	7/1/2033	City of Victorville	Street Light Assessment District taxes	Bear Valley	200	N	\$ 200		.,		\$ -				200		\$ 200
35	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	BLX	Arbitrage fees for bonds	Bear Valley							_						
40	SA Contract Services	Property Dispositions	7/1/2022	6/30/2023	Unknown vendor(s)	appraisals and other costs for LRPMP transactions	Bear Valley	3,500	N	\$ 3,500 \$ 5.000		2.500		\$ - \$ 2.500				3,500 2,500		\$ 3,500 \$ 2,500
43	Admin Costs	Admin Costs	7/1/2022		Various - City of Victorville, Staples, unknown vendor(s)	wages, benefits, PERS, W/C, indirect cost allocation for SA, pape office supplies, postage, utilities, copier costs, travel/training for SA/OB matters, H&S 34177(n) audit/component unit audit,		5,000		φ 3,000		2,300		<u>\$ 2,300</u>				2,000		φ 2,000
55						legal/consultants for SA/Dissolution and OB	n	166,711	Ν	\$ 123,17			61,585	\$ 61,585					61,586	\$ 61,586
										\$ - \$ -				<u>\$</u> - \$-						s -
						-	+			s -				\$ - \$ -			1			s -
					1					\$ -				\$ -		1	1			\$ -
										\$ -				\$ -						\$ -
										\$-				\$ -						\$
										\$-				\$ -						\$-
										\$-				\$ -						\$
										\$ -				\$ -						\$ -
			1				1			\$ -		1		\$ -		1				\$-

# Successor Agency to the Victorville Redevelopment Agency Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances July 1, 2019 through June 30, 2020 (Report Amounts in Whole Dollars)

					/		
Α	В	С	D	Е	F	G	Н
				Fund Sources			
		Bond P	roceeds	Reserve Balance	Other Funds	RPTTF	
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	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
	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount						End balance 6/30/19 column F is in F8. FY16-17 PPA amount in G8 per CWOB
				0	3,586,296	16,398	
	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				71,988	3.725.122	FY16-17 PPA amount
3	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)						
						3,647,452	
	<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)						
	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		94.068	
	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 3,658,284		

	Successor Agency to the Victorville Redevelopment Agency Recognized Obligation Payment Schedule (ROPS 22-23) -
	Notes July 1, 2022 through June 30, 2023
Item #	Notes/Comments
3	Outstanding obligation is annual amount - unknown end date resulting in unknown total obligation
33	Outstanding obligation is annual amount - unknown end date resulting in unknown total obligation
34	Outstanding obligation is annual amount - unknown end date and annual amount as it depends on when properties are sold.
35	Arbitrage fees are incurred in FY21/22 and FY22/23 for three of these bonds. The fourth bond needs no arbitrage calculations done every five years. This amount is an estimate based on prior costs.
49	Total outstanding obligation amount is for current year; unable to estimate total obligation for remaining property appraisals.
55	Total outstanding obligation is for current year only. No way to determine total outstanding obligation until wind-down is complete and filing for last and final determination. Per HSC Section 34171 (3), we are requesting administrative costs necessary to complete the ROPS obligations for the 2022-23 annual period. This amount is less than the \$250,000 administrative cost allowance provided for in this section.