

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

**January 11, 2024**

## **FROM**

**CASEY BROOKSHER, Assistant City Manager, 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 2024-25

## **RECOMMENDATION(S)**

Adopt **Resolution No. 2024-08** approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2024-25.

(Presenter: Dominique Clark, Consultant, RSG, Inc., (714) 316-2143)

## **BACKGROUND INFORMATION**

California Health & Safety Code (HSC) section 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2024-25 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 section 34179(h)(1)(B), the administrative budget is not required to be sent to DOF.

DOF will have until April 15 to review the 2024-25 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. There is an increase of \$9,375 in the amount required from the RPTTF from the last annual ROPS approved because there are less Other Funds and amounts retained from PPA compared to the last annual ROPS (\$33,365 in 24-25 compared to \$37,625 in 23-24).

It is recommended the CWOB approve the Successor Agency's 2024-25 ROPS and administrative budget. The draft 2024-25 ROPS will be provided to DOF, the County Auditor-Controller and the County Administrative Office as required by HSC section 34177(l)(2)(B). The adopted 2024-25 ROPS will be provided to DOF and the County Auditor-Controller pursuant to HSC section 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 2024-25  
January 11, 2024**

**ATTACHMENTS**

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2024-25

Attachment C – Administrative Budget for Fiscal Year 2024-25

**REVIEW BY OTHERS**

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on January 4, 2024  
and San Bernardino Countywide Oversight Board Legal Counsel on January 4, 2024.

**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 2024-25  
January 11, 2024**

Record of Action of the San Bernardino Countywide Oversight Board

**APPROVED**

Moved: Richard DeNava Seconded: T. Milford Harrison

Ayes: Richard DeNava, T. Milford Harrison, Kenneth Miller, Acquanetta Warren, David Wert

Absent: Lawrence Strong, Mario Vasquez

Lynna Monell, SECRETARY

BY   
DATED: January 11, 2024



cc: File - San Bernardino Countywide Oversight Board w/ reso and  
attachments

JLL 01/17/2024

**RESOLUTION NO. 2024-08**

**RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT  
BOARD APPROVING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2024-25**

On Thursday, January 11, 2024 on motion of San Bernardino Countywide Oversight Board Member DeNava, duly seconded by San Bernardino Countywide Oversight Board Member Harrison and carried, the following resolution is adopted by the San Bernardino Countywide Oversight Board, State of California.

WHEREAS, California Health and Safety Code (HSC) section 34179(e) requires all action items of the San Bernardino Countywide Oversight Board be accomplished by resolution; and

WHEREAS, HSC section 34177 requires the San Bernardino Countywide Oversight Board to approve the Recognized Obligation Payment Schedule (ROPS) and administrative budget; and

WHEREAS, pursuant to HSC section 34177(o), the deadline for submitting the ROPS for Fiscal Year 2024-25 to the Department of Finance is February 1, 2024.

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 2024-25 in the form presented in Attachment "B", attached hereto and incorporated herein by this reference, together with such changes thereto as may be approved by the San Bernardino Countywide Oversight Board, are hereby approved.

Section 3. The ROPS for Fiscal Year 2024-25 in the form presented in Attachment "B" shall be transmitted to the Department of Finance, with a copy submitted concurrently to the San Bernardino Countywide Oversight Board.

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, T. Milford Harrison,  
   Kenneth Miller, Acquanetta Warren,  
   David Wert

NOES:     OVERSIGHT BOARD MEMBER: None

ABSENT:   OVERSIGHT BOARD MEMBER: Lawrence Strong, Mario Vasquez

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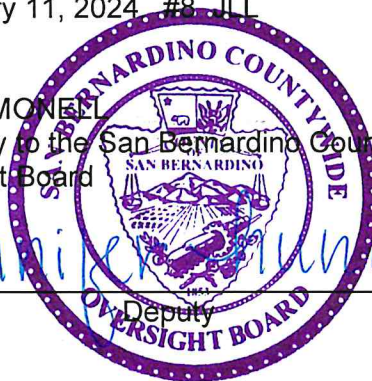
STATE OF CALIFORNIA                    )  
  )  
SAN BERNARDINO COUNTY            )       ss.

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 11, 2024. #8. JLL

LYNNA MONELL  
Secretary to the San Bernardino Countywide  
Oversight Board

By

  
Deputy






Recognized Obligation Payment Schedule (ROPS 24-25) - Summary  
Filed for the July 1, 2024 through June 30, 2025 Period

Successor Agency: Hesperia  
County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		24-25 A Total (July - December)	24-25 B Total (January - June)	ROPS 24-25 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 1,008,441	\$ -	\$ 1,008,441
B	Bond Proceeds	-	-	-
C	Reserve Balance	1,000,000	-	1,000,000
D	Other Funds	8,441	-	8,441
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 6,981,934	\$ 2,834,062	\$ 9,815,996
F	RPTTF	6,924,281	2,776,409	9,700,690
G	Administrative RPTTF	57,653	57,653	115,306
H	Current Period Enforceable Obligations (A+E):	\$ 7,990,375	\$ 2,834,062	\$ 10,824,437

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
	January 11, 2024
Signature	Date

Hesperia Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail July 1, 2024 through June 30, 2025 (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 24-25 Total	24-25 A (July - December)					24-25 A Total	24-25 B (January - June)					24-25 B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 127,683,278		\$ 10,824,437	\$ -	\$ 1,000,000	\$ 8,441	\$ 6,924,281	\$ 57,653	\$ 7,990,375	\$ -	\$ -	\$ -	\$ 2,776,409	\$ 57,653	\$ 2,834,062
74	Administrative Costs	Admin Costs	7/1/2024	6/30/2025	Successor Agency; City of Hesperia; Consultants	Agency administrative costs	1 & 2	\$ 1,830,000	N	\$ 115,306					57,653	\$ 57,653					57,653	\$ 57,653
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	\$ 97,633,053	N	\$ 3,304,069			8,441	1,643,593		\$ 1,652,034				1,652,034		\$ 1,652,034
77	Hesperia 2018B TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2026	U.S. Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	\$ 14,072,363	N	\$ 6,397,063		1,000,000		5,272,688		\$ 6,272,688				124,375		\$ 124,375
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	\$ 14,072,363	N	\$ 1,000,000						\$ -				1,000,000		\$ 1,000,000
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	\$ 56,000	N	\$ 4,000				4,000		\$ 4,000						\$ -
80	Trustee Bond Administration Fees - 2018 TARBS - Series B	Fees	9/11/2018	9/1/2026	U.S. Bank	Bond Administration Fees for 2018 TARBS	1 & 2	\$ 12,000	N	\$ 4,000				4,000		\$ 4,000						\$ -
82	Arbitrage - 2018 TARBS Series A & B	Fees	9/11/2018	9/1/2037	Willdan	Bond Arbitrage for 2018 TARBS	1 & 2	\$ 7,500	N	\$ -						\$ -						\$ -

**Hesperia Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H
	<b>Cash Balance Information for ROPS 21-22 Actuals (07/01/21 - 06/30/22)</b>	<b>Fund Sources</b>					<b>Comments</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>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b>			1,196,404	183,308	220,069	E: \$55,960 PPA 19-20 (ROPS 22-23) + \$134,783 reserved for ROPS 21-22 + \$1,000,000 debt service reserve held from ROPS 20-21 + \$5,661 PPA 20-21 (ROPS 23-24) F: \$95,358 for ROPS 21-22 Item 76 + \$55,986 reserved for ROPS 22-23 +\$31,964 reserved for ROPS 23-24, Item 76 G: \$220,069 PPA 18-19 (ROPS 21-22)
<b>2</b>	Revenue/Income (Actual 06/30/22) RPTTF amounts should tie to the ROPS 21-22 total distribution from the County Auditor-Controller during June 2021 and January 2022.				8,441	9,396,970	F: \$8,441 from LAIF interest G: 21-22 Revenues
<b>3</b>	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)			1,134,783	95,358	8,592,115	G: Matches PPA 21-22 expenses less Retention for debt service
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			61,621	87,950	1,000,000	E: \$55,960 PPA 19-20 (ROPS 22-23) + \$5,661 PPA 20-21 (ROPS 23-24) F: \$55,986 reserved for ROPS 22-23 + \$31,964 reserved for ROPS 23-24, Item 76 G: Debt service reserve held for ROPS 22-23
<b>5</b>	ROPS 21-22 RPTTF Balances Remaining (PPA)	No entry required				\$ 24,924	
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)</b>	\$ -	\$ -	\$ -	\$ 8,441	\$ -	



**Hesperia Recognized Obligation Payment Schedule (ROPS 24-25) - Notes July 1, 2024 through June 30, 2025**

<b>Item #</b>	<b>Notes/Comments</b>
76	Other Funds (\$8,441) is comprised of LAIF quarterly interest earned in 2021-22
77	Reserve Balance (\$1,000,000) is RPTTF retained from ROPS 23-24 Item 78 as a bond debt service reserve