

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

December 16, 2019

FROM

**JOHN P. ANDREWS, Executive Director of Economic Development, City of Ontario
Successor Agency**

SUBJECT

Resolution Approving the Ontario Successor Agency to the Redevelopment Agency of the City of Ontario's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21

RECOMMENDATION(S)

Adopt a **Resolution 2019-42** approving the Successor Agency to the Redevelopment Agency of the City of Ontario's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2020-21.

(Presenter: John P. Andrews, City of Ontario, Economic Development Agency, 909-395-2422)

BACKGROUND INFORMATION

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2020-21 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 1st 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 15th to review the 2020-21 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 15th or 15 days prior to the June 1st Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The recommended action will further the Successor Agency to the Redevelopment Agency of the City of Ontario's (Successor Agency) dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency.

It is recommended the CWOB approve the Successor Agency's 2020-21 ROPS and administrative budget. The draft 2020-21 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 2020-21 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 2020-21

**Resolution Approving the Ontario Successor Agency to the
Redevelopment Agency of the City of Ontario's Recognized Obligation
Payment Schedule and Administrative Budget for Fiscal Year 2020-21
December 16, 2019**

Attachment C – Administrative budget for Fiscal Year 2020-21

REVIEW BY OTHERS

This item has been reviewed by Community Development and Housing Agency on October 28, 2019 and San Bernardino Countywide Oversight Board Legal Counsel on November 7, 2019.

**Resolution Approving the Ontario Successor Agency to the
Redevelopment Agency of the City of Ontario's Recognized Obligation
Payment Schedule and Administrative Budget for Fiscal Year 2020-21
December 16, 2019**

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Lawrence Strong Seconded: Richard DeNava
Ayes: Richard DeNava, Cindy Saks, Lawrence Strong, David Wert
Absent: Kenneth Miller, Mario Vasquez, Acquanetta Warren

Lynna Monell, SECRETARY

BY



DATED: December 16, 2019



cc: File - San Bernardino Countywide Oversight Board
dlc 12/19/2019

RESOLUTION NO. 2019-42

RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD ADOPTING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2020-21

On Monday, December 16, 2019 on motion of San Bernardino Countywide Oversight Board Member Lawrence Strong, duly seconded by San Bernardino Countywide Oversight Board Member Richard DeNava 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 2019-20 to the Department of Finance is February 1, 2020.

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 Ontario Redevelopment Agency's ROPS and administrative budget for Fiscal Year 2020-21 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: Richard DeNava, Cindy Saks,
Lawrence Strong, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: Kenneth Miller, Mario Vasquez
Acquanetta Warren

* * * * *

STATE OF CALIFORNIA)
)
COUNTY OF SAN BERNARDINO) 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 December 16, 2019. #4 dlc

LYNNA MONELL
Secretary to the San Bernardino Countywide
Oversight Board

By _____



Recognized Obligation Payment Schedule (ROPS 20-21) - Summary
Filed for the July 1, 2020 through June 30, 2021 Period

Successor Agency: Ontario
 County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 10,181,684	\$ 1,995,052	\$ 12,176,736
F RPTTF	9,821,826	1,995,052	11,816,878
G Administrative RPTTF	359,858	-	359,858
H Current Period Enforceable Obligations (A+E):	\$ 10,181,684	\$ 1,995,052	\$ 12,176,736

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 West, Board Chairman
 Name _____ Title _____
 /s/  _____ 12-16-19 _____
 Signature _____ Date _____

Ontario Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail

July 1, 2020 through June 30, 2021

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	20-21A (July - December)					20-21B (January - June)					W		
											L	M	N	O	P	Q	Fund Sources					20-21B Total	
																	Bond Proceeds	Reserve Balance	Other Funds	RPTTF			Admin RPTTF
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 20-21 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	20-21A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	20-21B Total	
1	Convention Center / 1993 Tax Allocation Bonds	Bond Reimbursement Agreements	6/1/1993	8/1/2025	US Bank & Trust	Senior Parity Debt re: construction of a convention center	Merged Project Area	\$ 64,036,303	N	\$ 8,012,744	\$ 0	\$ 0	\$ 0	\$ 9,821,826	\$ 359,858	\$ 10,181,684	\$ 0	\$ 0	\$ 0	\$ 1,995,052	\$ 0	\$ 1,995,052	
2	Project Area No. 1 / 1995 Tax Allocation Bonds	Bond Reimbursement Agreements	8/1/1995	8/1/2025	US Bank & Trust	Senior Parity Debt re: development of Project Area No. 1	Merged Project Area	5,721,532	N	\$ 896,038				653,536		\$ 653,536				242,502		\$ 242,502	
3	Project Area No. 1, Center City & Cimarron / 2002 Revenue Bonds	Bond Reimbursement Agreements	2/1/2002	8/1/2022	US Bank & Trust	Senior Parity Debt re: refinance 1992 Revenue Bonds and finance additional redevelopment activities of the Agency	Merged Project Area	1,347,581	N	\$ 656,550				640,519		\$ 640,519				16,031		\$ 16,031	
4	Low/Mod Housing / 2002 Housing Set-Aside Loan from Fannie Mae	Third-Party Loans	2/1/2002	8/1/2029	US Bank & Trust	Senior Parity Debt re: increase, improve and preserve the community's supply of low/mod income housing available	Merged Project Area	10,341,232	N	\$ 1,038,722				842,557		\$ 842,557				196,165		\$ 196,165	
10	Ontario Airport Towers / 2007 Owners Participation Agreement	OPA/DDA/Construction	9/4/2007	9/1/2037	Ontario Airport Center, LLC	Third Party Obligation/ Contract re: public infrastructure improvements	Merged Project Area	1,167,698	N	\$ 292,824				292,824		\$ 292,824							\$ -
29	Redevelopment Issued Bonds	Fees	8/1/1993	8/1/2029	US Bank & Trust	Operational / Project Direct related expenses	Merged Project Area	160,000	N	\$ 20,000				10,000		\$ 10,000				10,000			\$ 10,000
138	Administration and Overhead Allocation	Admin Costs	7/1/2012	9/1/2037	City of Ontario	Administrative Overhead per H&S 34171(b)	Merged Project Area	1,728,730	N	\$ 359,858					359,858	\$ 359,858						0	\$ -
141	Staples Sales & Distribution / 2009 Facility Upgrade Loan Agreement	Business Incentive Agreements	8/16/2009	1/1/2020	Staples	Third Party Obligation/Contract re: covenant for continuation and expansion of business operations	Merged Project Area	0	N	\$ 900,000				900,000		\$ 900,000				0			\$ -
143	MedCal Sales Location / 2005 Location Agreement	Business Incentive Agreements	8/1/2005	7/1/2025	MedCal	Third Party Obligation/Contract re: facility and relocation costs	Merged Project Area	0	Y	\$ -				0		\$ -							\$ -
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Ontario Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances
July 1, 2017 through June 30, 2018
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	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	
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount	2,937,849	0	0	422,032	(5,182,259)	F1: \$837 ending balance from ROPS 19-20, plus \$421,195 from ROPS 19-20 Amount Retained from Available Cash Balance	
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller	30,867			2,936,685	15,739,135	F2: Ck from trustee of \$180,677 plus sale of Alba for \$2,175,561 and sale of Holt for \$580,447	
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)	179,804			421,195	13,644,605	C3: Payment of \$124 plus \$179,680 for checks received from trustee which reduced bond proceed balance F3: Per DOF, use Other Funds in the amount of \$421,195 towards Item #1.	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC	No entry required					2,858,615	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 2,788,912	\$ 0	\$ 0	\$ 2,937,522	\$ (5,946,344)		

