

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

January 13, 2025

FROM

SONIA FABELA, Finance Director, City of Loma Linda

SUBJECT

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Loma Linda's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2025-26

RECOMMENDATION(S)

Adopt a **Resolution No. 2025-07** approving the Successor Agency to the Redevelopment Agency of the City of Loma Linda's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2025-26.

(Presenter: Steven H. Dukett, Consultant to Loma Linda, (909) 967-8205)

BACKGROUND INFORMATION

California Health & Safety Code (HSC) section 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2025-26 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 2025-26 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 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 overall \$47,171 decrease requested in the amount required from the RPTTF from the last annual ROPS approved. Further, consistent with its prior commitment to the CWOB, the Successor Agency has reduced its request for administrative RPTTF by \$20,000 from the last annual ROPS approved.

It is recommended the CWOB approve the Successor Agency's 2025-26 ROPS and administrative budget. The draft 2025-26 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 2025-26 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 Loma Linda's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2025-26
January 13, 2025**

ATTACHMENTS

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2025-26

Attachment C – Administrative Budget for Fiscal Year 2025-26

REVIEW BY OTHERS

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 20, 2024 and San Bernardino Countywide Oversight Board Legal Counsel on December 23, 2024.

**Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Loma Linda's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2025-26
January 13, 2025**

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Daniel Walden Seconded: Acquanetta Warren

Ayes: Richard DeNava, Becky Lepins, Cindy Saks, Daniel Walden, Icilda Wallace, Acquanetta Warren, David Wert

Lynna Monell, SECRETARY

BY 
DATED: January 13, 2025



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

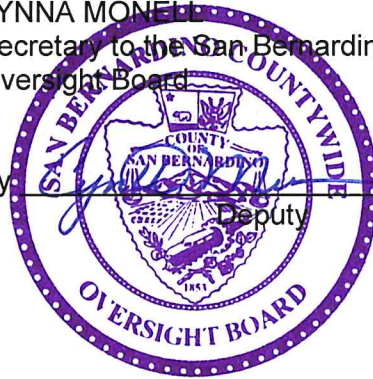
CCM 01/16/2025

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 13, 2025. #7 CCM

LYNNA MONELL
Secretary to the San Bernardino Countywide
Oversight Board

By _____



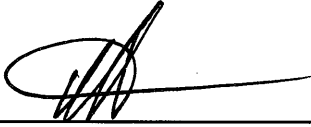
Deputy

Recognized Obligation Payment Schedule (ROPS 25-26) - Summary
Filed for the July 1, 2025 through June 30, 2026 Period

Successor Agency: Loma Linda
 County: San Bernardino

| Current Period Requested Funding for Enforceable Obligations (ROPS Detail) | | 25-26 A Total (July - December) | 25-26 B Total (January - June) | ROPS 25-26 Total |
|--|---|------------------------------------|-----------------------------------|---------------------|
| A | Enforceable Obligations Funded as Follows (B+C+D): | \$ 1,295,356 | \$ - | \$ 1,295,356 |
| B | Bond Proceeds | - | - | - |
| C | Reserve Balance | 1,265,075 | - | 1,265,075 |
| D | Other Funds | 30,281 | - | 30,281 |
| E | Redevelopment Property Tax Trust Fund (RPTTF) (F+G): | \$ 2,408,254 | \$ 2,426,437 | \$ 4,834,691 |
| F | RPTTF | 2,340,754 | 2,358,937 | 4,699,691 |
| G | Administrative RPTTF | 67,500 | 67,500 | 135,000 |
| H | Current Period Enforceable Obligations (A+E): | \$ 3,703,610 | \$ 2,426,437 | \$ 6,130,047 |

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

 January 13, 2025

 Signature Date

Loma Linda Recognized Obligation Payment Schedule (ROPS 25-26) - ROPS Detail
July 1, 2025 through June 30, 2026
(Report Amounts in Whole Dollars)

| A Item # | B Project Name/Debt Obligation | C Obligation Type | D Contract/Agreement Execution Date | E Contract/Agreement Termination Date | F Payee | G Description/Project Scope | H Project Area | I Total Outstanding Debt or Obligation | J Retired | K ROPS 25-26 Total | L 25-26 A (July - December) | | | | | Q 25-26 A Total | R 25-26 B (January - June) | | | | | W 25-26 B Total |
|-------------|---|----------------------------------|--|--|-----------------------|---|-------------------|---|--------------|-----------------------|--------------------------------|----------------------|------------------|--------------|------------------|--------------------|-------------------------------|----------------------|------------------|--------------|------------------|--------------------|
| | | | | | | | | | | | M Fund Sources | | | | | | N Fund Sources | | | | | |
| | | | | | | | | | | | L Bond Proceeds | M Reserve Balance | N Other Funds | O RPTTF | P Admin RPTTF | | R Bond Proceeds | S Reserve Balance | T Other Funds | U RPTTF | V Admin RPTTF | |
| | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | \$ 19,951,070 | | \$ 6,130,047 | \$ - | \$ 1,265,075 | \$ 30,281 | \$ 2,340,754 | \$ 67,500 | \$ 3,703,610 | \$ - | \$ - | \$ - | \$ 2,358,937 | \$ 67,500 | \$ 2,426,437 |
| 6 | Continuing Disclosure | Fees | 7/13/2021 | 7/12/2025 | TKE Engineering, Inc. | Continuing Disclosure Services required by S.E.C. Rule 15c2-12 for bonds issued after July 2, 1995 and thus required by the TARBs Indenture | Merged | 31,800 | N | \$ 5,598 | | 75 | | 5,523 | | \$ 5,598 | | | | | | \$ - |
| 15 | Loans From the City of Loma Linda | Reentered Agreements | 5/29/1979 | 12/31/2027 | City of Loma Linda | Loans for Redevelopment Activities (Cash, Principal & Accrued Interest) | Merged | 1,850,907 | N | \$ 1,639,148 | | | | 819,574 | | \$ 819,574 | | | | 819,574 | | \$ 819,574 |
| 27 | Administrative Cost Allowance | Admin Costs | 7/1/2025 | 6/30/2026 | City of Loma Linda | Funding for the Successor Agency's Administrative Cost Allocation Per HSC Section 34171 (b) | Merged | 510,000 | N | \$ 135,000 | | | | 67,500 | | \$ 67,500 | | | | | 67,500 | \$ 67,500 |
| 47 | Tax Allocation Refunding Bonds Series 2016A | Rev. Bonds Issued After 12/31/10 | 11/10/2016 | 8/1/2030 | US Bank (Trustee) | Debt Service on TARBs | Merged | 2,534,000 | N | \$ 453,600 | | 175,000 | | 230,300 | | \$ 405,300 | | | | 48,300 | | \$ 48,300 |
| 48 | Tax Allocation Refunding Bonds Series 2016A Reserve | Reserve | 11/10/2016 | 8/1/2030 | US Bank (Trustee) | Debt Service on TARBs | Merged | 182,500 | N | \$ 182,500 | | | | | | \$ - | | | | 182,500 | | \$ 182,500 |
| 49 | Tax Allocation Refunding Bonds Series 2016B | Rev. Bonds Issued After 12/31/10 | 11/10/2016 | 8/1/2030 | US Bank (Trustee) | Debt Service on TARBs | Merged | 13,679,263 | N | \$ 2,587,101 | | 1,090,000 | 30,281 | 1,278,257 | | \$ 2,398,538 | | | | 188,563 | | \$ 188,563 |
| 50 | Tax Allocation Refunding Bonds Series 2016B Reserve | Reserve | 11/10/2016 | 8/1/2030 | US Bank (Trustee) | Debt Service on TARBs | Merged | 1,120,000 | N | \$ 1,120,000 | | | | | | \$ - | | | | 1,120,000 | | \$ 1,120,000 |
| 51 | Securities Services by Trustee | Fees | 11/10/2016 | 8/1/2030 | US Bank (Trustee) | Securities Servicing by Trustee for Debt Service on TARBs | Merged | 42,600 | N | \$ 7,100 | | | | 7,100 | | \$ 7,100 | | | | | | \$ - |

Loma Linda Recognized Obligation Payment Schedule (ROPS 25-26) - Report of Cash Balances
July 1, 2022 through June 30, 2023
(Report Amounts in Whole Dollars)

| A | B | C | D | E | F | G | H |
|----------|---|---------------------------------------|--------------------------------------|--|------------------------------------|---------------------------|---|
| | | Fund Sources | | | | | |
| | | Bond Proceeds | | Reserve Balance | Other Funds | RPTTF | |
| | ROPS 22-23 Cash Balances (07/01/22 - 06/30/23) | 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 07/01/22) RPTTF amount should exclude "A" period distribution amount | | | 1,162,500 | 45,762 | | The amount shown in cell E-1 is from ROPS 21-22 to be held as a principal reduction reserve for the 2016 A&B TARBs during ROPS 22-23. |
| 2 | Revenue/Income (Actual 06/30/23) RPTTF amount should tie to the ROPS 22-23 total distribution from the County Auditor-Controller | | | | 30,281 | 4,868,662 | The amount shown in Cell F-2 is interest revenue earned during ROPS 22-23 from cash on hand. The amount shown in cell G-2 was authorized in DOF's 3-25-2022 letter and was actually received. |
| 3 | Expenditures for ROPS 22-23 Enforceable Obligations (Actual 06/30/23) | | | 1,162,500 | 45,762 | 3,676,087 | The amounts shown in cells E-3 and G-3 were spent during ROPS 22-23. |
| 4 | Retention of Available Cash Balance (Actual 06/30/23) RPTTF amount retained should only include the amounts distributed as reserve for future period(s) | | | | | 1,192,500 | The amount shown in cell E-4 is a principal reduction reserve for the 2016 A&B TARBs during ROPS 23-24. |
| 5 | ROPS 22-23 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 22-23 PPA form submitted to the CAC | No entry required | | | | | 0 |
| 6 | Ending Actual Available Cash Balance (06/30/23) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5) | \$ 0 | \$ 0 | \$ 0 | \$ 30,281 | \$ 75 | The amount shown in Cell F-4 will be used for EO # 49 during ROPS 25-26. The amount shown in Cell G-6 will be used for EO # 6 during ROPS 25-26. |

Loma Linda Recognized Obligation Payment Schedule (ROPS 25-26) - Notes July 1, 2025 through June 30, 2026

| Item # | Notes/Comments |
|--------|--|
| 6 | The Continuing Disclosure Services are required by S.E.C. Rule 15c2-12, which was incorporated into the agreements associated with the 2016 A & B Refunding TARBs and are typical for all TABs (or TARBs) issued by former California redevelopment agencies and successor agencies. Consequently, DOF has routinely approved such expenses as separate enforceable obligations that are not considered administrative expenses. The ROPS 25-26 RPTTF amount requested include a \$298 shortfall for this item during ROPS 22-23. This item is also assigned the \$75 reserve balance surplus from ROPS 22-23. |
| 15 | 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. Pursuant to the Settlement Agreement, the Successor Agency is required to pay the City \$1,639,148 during each ROPS cycle, which is divided into two \$819,574 increments for each A and B ROPS cycle. |
| 27 | The amount shown in the ROPS includes the Successor Agency's commitment to reduce its Administrative Allocation by \$20,000 each ROPS period. |
| 47 | Annual debt service on the 2016A TARBs. |
| 48 | Pursuant to the 2016 A Refunding TABs Indenture, the Successor Agency is required to obtain during the B ROPS cycle each year one-half of the annual principal reduction payment (which is due during the next following A ROPS cycle each year). |
| 49 | Annual debt service on the 2016B TARBs. |
| 50 | Pursuant to the 2016 B Refunding TABs Indenture, the Successor Agency is required to obtain during the B ROPS cycle each year one-half of the annual principal reduction payment (which is due during the next following A ROPS cycle each year). |
| 51 | This item is for annual securities servicing by the trustee bank. Every 5th year, this item will also include costs for arbitrage rebate services. |