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

January 14, 2021

FROM

CASEY BROOKSHER, Director of Finance, 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 2021-22

RECOMMENDATION(S)

Adopt a **Resolution No. 2021-08** approving the Successor Agency to the Redevelopment Agency of the City of Hesperia's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2021-22.
(Presenter: Tara Matthews, Consultant, RSG, Inc., (714) 316-2111)

BACKGROUND INFORMATION

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2021-22 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 2021-22 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. The amount requested for enforceable obligations from all funding sources is $10,850,180, a $200 decrease from last year's requested amount of $10,850,380. The difference is due to a difference in the debt service obligation. The amount requested from RPTTF is $9,850,180, a $316,041 increase from last year's requested amount of $9,534,139. The difference is due to more Other Funds being available to apply to ROPS obligations the previous year.

It is recommended the CWOB approve the Successor Agency's 2021-22 ROPS and administrative budget. The draft 2021-22 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 2021-22 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 2021-22
Attachment C – Administrative Budget for Fiscal Year 2021-22

REVIEW BY OTHERS
This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on January 04, 2021 and San Bernardino Countywide Oversight Board Legal Counsel on January 05, 2021.

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 2021-22
January 14, 2021

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Acquanetta Warren Seconded: Cindy Saks
Ayes: Frederick Ang, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

Lynna Monell, SECRETARY

BY Lynna Monell
DATED: January 14, 2021

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

LA 01/15/2021

RESOLUTION NO. 2021-08

RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD ADOPTING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HESPERIA'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2021-22

On Thursday, January 14, 2021, on motion of San Bernardino Countywide Oversight Board Member Warren, duly seconded by San Bernardino Countywide Oversight Board Member Saks 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 2021-22 to the Department of Finance is February 1, 2021.

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 2021-22 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, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: None

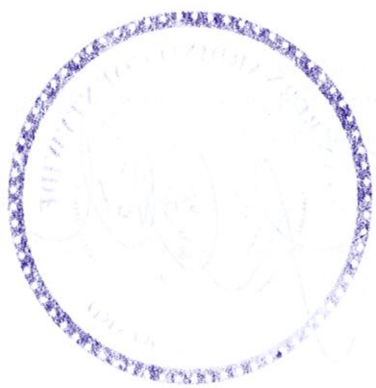
* * * * *

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

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 14, 2021. #8 LA

LYNNA MONELL
Secretary to the San Bernardino Countywide
Oversight Board

By ____________________



Recognized Obligation Payment Scehdule (ROPS 21-22) - Summary
Filed for the July 1, 2021 through June 30, 2022 Period

Successor Agency: Hesperia Successor Agency
County: San Bernardino County

	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
A	**Enforceable Obligations Funded as Follows (B+C+D):**	**$ 1,000,000**	**$ -**	**$ 1,000,000**
B	Bond Proceeds	$ -	$ -	$ -
C	Reserve Balance	$ 1,000,000	$ -	$ 1,000,000
D	Other Funds	$ -	$ -	$ -
E	**Redevelopment Property Tax Trust Fund (RPTTF) (F+G):**	**$ 6,733,990**	**$ 3,116,190**	**$ 9,850,180**
F	RPTTF	$ 6,672,990	$ 3,055,190	$ 9,728,180
G	Administrative RPTTF	$ 61,000	$ 61,000	$ 122,000
H	**Current Period Enforceable Obligations (A+E):**	**$ 7,733,990**	**$ 3,116,190**	**$ 10,850,180**

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
	1/14/2021
Signature	Date

Hesperia Successor Agency Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail
July 1, 2021 through June 30, 2022
(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
											21-22A (July - December)						21-22B (January - June)					
											Fund Sources						Fund Sources					
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 21-22 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	21-22A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	21-22B Total
								$ 176,533,210		$ 10,850,180	$ -	$ 1,000,000	$ -	$ 6,672,990	$ 61,000	$ 7,733,990	$ -	$ -	$ -	$ 3,055,190	$ 61,000	$ 3,116,190
17	Trustee Bond Administration Fees - HPFA 2007 - Series B	Fees	8/30/2007	9/1/2037	Union Bank	Bond Administration Fees	1 & 2	$ 4,000	N	$ 4,000				$ 4,000		$ 4,000.00						$ -
74	Administrative Costs	Admin Costs	7/1/2021	6/30/2022	Successor Agency; City of Hesperia; RSG, Inc.	Agency administrative costs	1 & 2	$ 2,196,000	N	$ 122,000					$ 61,000	$ 61,000.00					$ 61,000	$ 61,000.00
75	Property Disposition Costs	Property Dispositions	3/23/2015	6/30/2021	RSG, Inc.	Marketing and property sale management costs associated with "For Sale" properties in the LRPMP	1 & 2	$ 60,000	N	$ -				$ -		$ -						$ -
76	Hesperia 2018A TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	Union Bank	Refunding of 2005 and 2007 bond series for interest savings	1 & 2	$ 107,545,260	N	$ 3,304,068				$ 1,652,034		$ 1,652,034.00				$ 1,652,034		$ 1,652,034.00
77	Hesperia 2018B TARBS	Refunding Bonds Issued After 6/27/12	9/11/2018	9/1/2037	Union Bank	Refunding of 2005 and 2007 bond series for interest savings. Debt service reserve held from ROPS 20-21 Item 78.	1 & 2	$ 33,285,975	N	$ 6,409,112		$ 1,000,000		$ 5,005,956		$ 6,005,956.00				$ 403,156		$ 403,156.00
78	Bond Payment Reserves	Reserves	9/11/2018	9/1/2037	Union Bank	Reserves for bond payment, needed due to cash flow - H&SC 34171(d)(1)(A)	1 & 2	$ 33,285,975	N	$ 1,000,000						$ -				$ 1,000,000		$ 1,000,000.00
79	Trustee Bond Administration Fees - 2018 TARBS - Series A	Fees	9/11/2018	9/1/2037	Union Bank	Bond Administration Fees for 2018 TARBS	1 & 2	$ 68,000	N	$ 4,000				$ 4,000		$ 4,000.00						$ -
80	Trustee Bond Administration Fees - 2018 TARBS - Series B	Fees	9/11/2018	9/1/2037	Union Bank	Bond Administration Fees for 2018 TARBS	1 & 2	$ 24,000	N	$ 4,000				$ 4,000		$ 4,000.00						$ -
81	Continuing Disclosures - 2018 TARBS Series A & B	Professional Services	9/11/2018	9/1/2037	Urban Futures, Inc.	Professional services to fulfill annual requirement of 2018 TARBS	1 & 2	$ 54,000	N	$ 3,000				$ 3,000		$ 3,000.00						$ -
82	Arbitrage - 2018 TARBS Series A & B	Fees	9/11/2018	9/1/2037	Union Bank	Bond Arbitrage for 2018 TARBS	1 & 2	$ 10,000	N	$ -						$ -						$ -
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Hesperia Successor Agency Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances
July 1, 2018 through June 30, 2019
(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 18-19 Cash Balances (07/01/18 - 06/30/19)	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 07/01/18)** RPTTF amount should exclude "A" period distribution amount	3		2,500,000	316,241	442,559	C: $3 is the FY 18-19 available Bond Proceeds. E: $2,500,00 represents authorized Reserve Balance funds to be spent in FY 18-19. F: $316,241 available Other Funds. G: $442,559 represents available RPTTF funds (PPA 16-17 and 17-18).
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				121,521	11,537,652	F: $121,521 is the total Other Funds revenue (Interest). G: $11,537,652 in RPTTF revenues match information from County RPTTF reports.
3	**Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)**	3		1,236,488	26,163	8,817,583	Matches Revised PPA 18-19 submitted to County Auditor-controller
4	**Retention of Available Cash Balance (Actual 06/30/19)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	-		1,128,729	316,241	2,500,000	E: $1,128,729 approved from Other Funds for ROPS 19-20. Must be retained from "Reserve Balances" due to less Other Funds available after reconciling cash balances. F: $316,241 reserved for ROPS 20-21
5	**ROPS 18-19 RPTTF Prior Period Adjustment** RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC	No entry required				662,628	PPA ROPS 17-18 and 18-19.
6	**Ending Actual Available Cash Balance (06/30/19)** **C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)**	**$ -**	**$ -**	**$ 134,783**	**$ 95,358**	**$ -**	

Hesperia Recognized Obligation Payment Schedule (ROPS 21-22) - Notes July 1, 2021 through June 30, 2022

Item #	Notes/Comments