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

January 13, 2020

FROM

LISA A. STRONG, Management Services Director/Deputy City Treasurer, City of Fontana

SUBJECT

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

RECOMMENDATION

Adopt a **Resolution No. 20-06** approving the Successor Agency to the Redevelopment Agency of the City of Fontana's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2020-21.

(Presenter: Lisa A. Strong, Management Services Director/Deputy City Treasurer, City of Fontana, (909) 350-7671)

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 Fontana'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 requested in the amount required from the RPTTF from the last annual ROPS approved primarily due to an increase in the OPA payment due to a developer.

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(I)(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.

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Fontana's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21 January 13, 2020

ATTACHMENTS

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2020-21

Attachment C – Administrative budget for Fiscal Year 2020-21

REVIEW BY OTHERS

This item has been reviewed by Community Development and Housing Agency on December 16, 2019 and San Bernardino Countywide Oversight Board Legal Counsel on December 27, 2019.

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of Fontana's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2020-21 January 13, 2020

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Kenneth Miller Seconded: Richard DeNava

Ayes: Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren,

David Wert

Absent: Mario Vasquez

Lynna Monell, SECRETARY

DATED: January 13, 2020



cc: File- San Bernardino Countywide Oversight Board

la 01/15/2020

RESOLUTION NO. 2020-06

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

On Monday, January 13, 2020 on motion of San Bernardino Countywide Oversight Board Member Miller, duly seconded by San Bernardino Countywide Oversight Board Member 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 Redevelopment Agency of Fontana'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, Kenneth Miller.

Cindy Saks, Lawrence Strong, Acquanetta Warren

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: Mario Vasquez

* * * *

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 13, 2020. #6LA



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

Successor Agency:	Fontana	
County:	San Bernardino	

Currei	nt Period Requested Funding for Enforceable Obligations (ROPS Detail)		-21A Total - December)	20-21B Total (January - June)	ROPS 20-21 Total		
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$	9,570,375	\$ -	\$	9,570,375	
В	Bond Proceeds						
С	Reserve Balance		9,570,375			9,570,375	
D	Other Funds		V				
Ε	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	17,786,853	\$ 22,680,940	\$	40,467,793	
F	RPTTF		17,661,853	22,555,940		40,217,793	
G	Administrative RPTTF	·	125,000	125,000		250,000	
Н	Current Period Enforceable Obligations (A+E):	\$	27,357,228	\$ 22,680,940	\$	50,038,168	

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.

Name

Title

Signature

David Wut, Chairman

Title

Date

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

July 1, 2020 through June 30, 2021

(Report Amounts in Whole Dollars)

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A	В	c	D	Е	F	G	н		J	к	L	м	N	o	P	a	R	s	т	U	v	w
\neg												20-21	A (July - Dece	mber)				20-21	B (January	June)		
- 1								1					Fund Sources						Fund Sources			
			Contract/Agreement	Contract/Agreement				Total Outstanding		ROPS 20-21						20-21A						20-21B
Item#	Project Name/Debt Obligation	Obligation Type	Execution Date	Termination Date	Payee	Description/Project Scope	Project Area	Debt or Obligation \$ 477,865,866		Total \$ 50,038,168		Reserve Balance \$ 9,570,375		RPTTF \$ 17,661,853	Admin RPTTF	Total \$ 27,357,228		Reserve Balance	Other Funds	RPTTF \$ 22,555,940	Admin RPTTF	Total \$ 22,680,94
6	1997A Tax Allocation Refunding	Bonds Issued On or Before		10/1/2027	US Bank (Trustee)	Debt service for refunding bonds - no		477,003.000	Υ		•	5,570,510	Ů	17,001,000	120,000	\$				£2,000,010	120,000	\$
	1997A Tax Allocation Refunding Bonds	Fees	12/5/1997	10/1/2027	US Bank (Trustee)	Trustee fees	Jurupa Hills		Y	\$						\$						4
	1999A Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	6/10/1999	10/1/2027	US Bank (Trustee)	Debt service for refunding bonds - no housing projects	on Jurupa Hills		Y	\$						\$						\$
12		Fees	6/10/1999	10/1/2027	US Bank (Trustee)	Trustee fees	Jurupa Hills		Y	\$						\$						\$
13	1999A Tax Allocation Refunding Bonds	Fees	6/10/1999	10/1/2027	Bond Logistix	Arbitrage rebate calculation fees	Jurupa Hills		Υ	\$						\$						\$
	1991 Jr Lien Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	1/1/1991	6/10/2032	US Bank (Trustee)	Non-housing projects	North Fontana	51,375,772	N	\$ 4,281,314						\$				4,281,314		\$ 4,281,31
		OPA/DDA/Construction	1/1/1983	1/1/1983	Ten Ninety Ltd	Public improvement costs	Jurupa Hills	141,150,210						7,328,622		\$ 7,328,622				4.006.857		\$ 4,006,85
68	Lease Agreement Administrative Costs	Miscellaneous Admin Costs	9/6/1994 7/1/2019		Earl Buchanan City of Fontana	Tamarind Basin lease agreement Cost allocation plan for FY 2019/20	Jurupa Hills All	102,000 250,000						6,000	125,000	\$ 6,000 \$ 125,000					125,000	\$ 125,00
	2017A Tax Allocation Refunding	Bonds Issued After 12/31/10	12/6/2017	10/1/2036	US Bank (Trustee)	(limited to 3%) Debt service for bonds	Downtown, North Fontana, Sierra	242,471,600	N	\$ 24,803,575		5,542,500		9,914,100		\$ 15,456,600				9,346,975		\$ 9,346,97
			101010010				Corridor, SWIP													175.004		475.00
	2017B Tax Allocation Refunding Bonds	Bonds Issued After 12/31/10	12/6/2017	10/1/2036	US Bank (Trustee)	Debt service for bonds	Downtown, North Fontana, Sierra Corridor, SWIP	7,341,581	N	\$ 1,168,425		305,000		388,131		\$ 693,131				475,294		\$ 475,29
	2017A&B Tax Allocation Refunding Bonds	Fees	12/6/2017	10/1/2036	US Bank (Trustee)	Trustee fees	Downtown, North Fontana, Sierra	269,828	N	\$ 15,000				15,000		\$ 15,000						\$
	2018A Tax Allocation Refunding Bonds	Bonds Issued After 12/31/10	7/18/2018	10/1/2027	US Bank (Trustee)	Debt service for bonds	Corridor, SWIP Jurupa Hills	34,824,875	N	\$ 8,168,375		3,722,875				\$ 3,722,875				4,445,500		\$ 4,445,50
92 2		Fees	7/18/2018	10/1/2027	US Bank (Trustee)	Trustee fees	Jurupa Hills	80,000	N	\$ 10,000				10,000		\$ 10,000						\$
	Prior payments exceeding authorization	Fees	7/1/2015	6/30/2018	US Bank (Trustee)	Trustee fees	Various		Υ	\$ -						\$ -						\$
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Fontana 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 (I), 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. С F G Α В D E H **Fund Sources RPTTF Bond Proceeds Reserve Balance Other Funds** Prior ROPS RPTTF and Reserve Non-Admin Rent, **ROPS 17-18 Cash Balances** Bonds issued on or Bonds issued on or Balances retained Grants, and (07/01/17 - 06/30/18)before 12/31/10 after 01/01/11 for future period(s) Interest, etc. Admin Comments 1 Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount 9,644,898 7,470,000 481,530 185,450 2 Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller 234,468 246,130,167 189,273 48,603,062 3 Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18) 3,858,009 246,130,167 7,470,000 789,761 34,509,040 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) 13,970,280 5 ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA No entry required form submitted to the CAC 123,742 6 Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)

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(118,958)\$

185,450

	Fontana Recognized Obligation Payment Schedule (ROPS 20-21) - Notes July 1, 2020 through June 30, 2021
Item #	Notes/Comments
51	The requested amount includes the balance underpaid for FY 2018/19 (\$1,113,736 @ 100%) and the estimated amount due for FY 2020/21 (\$10,221,743 @ 100%) for a total of \$11,335,479 @ 100%. These amounts are subject to (1) a sequestration order issued by Superior Court Judge Timothy Frawley in Sacramento Superior Court Case Nos. 34-2015-80002138 and 34-2015-80002139, (2) a stipulation entered into between the parties, executed December 22, 2016, and (3) a letter from Justyn Howard of DOF, to Oscar Valdez, San Bernardino County Auditor-Controller/Treasurer/Tax Collector, dated December 23, 2016, authorizing a partial release of the sequestered funds during the pendency of the appeals.
88	Debt service is split between ROPS A and B per bond indenture
89	Debt service is split between ROPS A and B per bond indenture
90	Trustee fees are estimated
91	Debt service must be available beginning of calendar year per bond indenture
92	Trustee fees are estimated