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

January 10, 2022

FROM GEORGE PIRSKO, Accounting Manager, 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 2022-23

RECOMMENDATION(S)

Adopt a **Resolution No. 2022-05** approving the Successor Agency to the Redevelopment Agency of the City of Fontana's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2022-23.

(Presenter: George Pirsko, Accounting Manager, City of Fontana, (909) 350-7611)

BACKGROUND INFORMATION

California Health & Safety Code Section (HSC) 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2022-23 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 2022-23 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 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 a decrease of \$0.5 million, or 1.5%, requested in the amount required from the RPTTF from the last annual ROPS approved due to the ongoing effects of bond refinancing.

It is recommended the CWOB approve the Successor Agency's 2022-23 ROPS and administrative budget. The draft 2022-23 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 2022-23 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 2022-23

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 2022-23

Attachment C – Administrative Budget for Fiscal Year 2022-23

<u>**REVIEW BY OTHERS</u>** This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 15,</u> 2021 and San Bernardino Countywide Oversight Board Legal Counsel on December 15, 2021.

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 2022-23

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Richard DeNava Seconded: Frederick Ang Ayes: Frederick Ang, Valerie Clay, Richard DeNava, Cindy Saks, Acquanetta Warren Absent: Kenneth Miller, Lawrence Strong

Lynna Monell, SECRETARY

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DATED: January 10, 2022



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

KS 01/18/2022

RESOLUTION NO. 2022-05

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 2022-23

On Monday, January 10, 2022 on motion of San Bernardino Countywide Oversight Board Member DeNava, duly seconded by San Bernardino Countywide Oversight Board Member Ang 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 2022-23 to the Department of Finance is February 1, 2022.

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 2022-23 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, Valerie Clay, Richard DeNava, Cindy Saks, Acquanetta Warren

NOES: OVERSIGHT BOARD MEMBER:

ABSENT: OVERSIGHT BOARD MEMBER: Kenneth Miller, Lawrence Strong

* * * * *

STATE OF CALIFORNIA

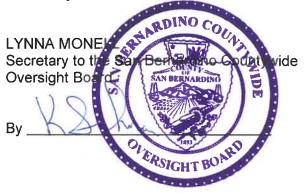
SS.

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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 10, 2022. #5 KS



Recognized Obligation Payment Schedule (ROPS 22-23) - Summary Filed for the July 1, 2022 through June 30, 2023 Period

Successo	or Agency:	City of Fontana					
County:		San Bernardino					
Current I	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		22-23 A Total (July - December)			ROPS 22-23 Total	
А	Enforceable Ob	oligations Funded as Follows (B+C+D):	\$ 9,672,878	\$	- \$	9,672,878	
В	Bond Proceed	ds	-		-		
С	Reserve Balaı	nce	9,498,750			9,498,750	
D	Other Funds		174,128		-	174,128	
E	Redevelopme	ent Property Tax Trust Fund (RPTTF) (F+G):	\$ 15,516,209	\$ 19,7	77,660 \$	35,293,869	
F	RPTTF		15,316,059	19,5	77,510	34,893,569	
G	Administrativ	re RPTTF	200,150	2	00,150	400,300	
н	Current Period	Enforceable Obligations (A+E):	\$ 25,189,087	\$ 19,7	77,660 \$	44,966,747	

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.

Cindy Saks		Vice Chair						
Name		Title						
Λ	0							

Undy Sulp January 10, 2022 Signature Date

						City of Fonta	July	1, 2022 thr	ayment Schedule ough June 30, 20 ts in Whole Dolla	23	OPS Detail								
АВ	С	D	E	F	G	H	H J Total		K	L M N O P 22-23 A (July - December)			<u> </u>	R S T U V 22-23 B (January - June)			V W		
Item # Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Outstanding Debt or	Retired	ROPS 22-23 Total			Fund Sources			22-23 A Total		Fund Sources		Admin RPTTF
							Obligation			Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance Other Funds	RPTTF	
6 1997A Tax Allocation Refunding	Bonds Issued On or	12/5/1997	10/1/2027	US Bank (Trustee)	Debt service for refunding bonds -		\$ 402,398,676		\$ 44,966,747	\$-	\$ 9,498,750	\$ 174,128	\$ 15,316,059	\$ 200,150	\$ 25,189,087	\$-	\$-\$-	\$ 19,577,510	\$ 200,150 \$ 19,777,660
Bonds	Before 12/31/10				non-housing projects		-	Y	\$-						\$-				\$ -
8 1997A Tax Allocation Refunding Bonds	Fees	12/5/1997	10/1/2027	US Bank (Trustee)	Trustee fees		_	Y	\$ -						\$ -				s -
10 1999A Tax Allocation Refunding	Bonds Issued On or	6/10/1999	10/1/2027	US Bank (Trustee)	Debt service for refunding bonds -	Jurupa Hills		Y											•
Bonds 12 1999A Tax Allocation Refunding	Before 12/31/10 Fees	6/10/1999	10/1/2027	US Bank (Trustee)	non-housing projects Trustee fees	Jurupa Hills	-	Y	\$ -						\$-				\$ -
Bonds						-	-	Y	\$-						\$-				\$ -
13 1999A Tax Allocation Refunding Bonds	Fees	6/10/1999	10/1/2027	Bond Logistix	Arbitrage rebate calculation fees	Jurupa Hills	-	Y	\$ -						\$-				\$ -
25 1991 Jr. Lien Tax Allocation Bonds	Bonds Issued On or	1/1/1991	6/10/2032	US Bank (Trustee)	Non-housing projects	North Fontana	42.813.144	N	\$ 4,281,314						\$ -			4.281.314	\$ 4,281,314
51 Owner Participation Agreement	Before 12/31/10 OPA/DDA/Construction	1/1/1983	6/30/2033	Ten Ninety Ltd	Public improvement costs	Jurupa Hills	122,400,707	N	\$ 7,100,979				5,763,365		\$ 5,763,365			1,337,614	\$ 4,281,312
53 Lease Agreement	Miscellaneous	9/6/1994	9/6/2032	Earl Buchanan	Tamarind Basin lease agreement	Jurupa Hills	90,000	Ν	\$ 6,000				6,000		\$ 6,000				\$ -
68 Administrative Costs	Admin Costs	7/1/2022	6/30/2023	City of Fontana	Administrative costs	All	400,300	N	\$ 400,300					200,150	\$ 200,150				200,150 \$ 200,150
2017A Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	12/6/2017	10/1/2036	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Downtown, North Fontana, Sierra	204,489,200												
88		1 10/0/00 17	10///0000			Corridor, SWIP	5 000 0 10	N	\$ 23,305,450		5,215,000		9,046,850		\$ 14,261,850			9,043,600	\$ 9,043,600
2017B Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	12/6/2017	10/1/2036	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Downtown, North Fontana, Sierra	5,628,019												
89		40/6/0047	10/1/2026	LIC Deals (Transferre)		Corridor, SWIP	050.400	N	\$ 1,353,076	ļ	405,000		474,844		\$ 879,844			473,232	\$ 473,232
2017A&B Tax Allocation Refunding Bonds	Fees	12/6/2017	10/1/2036	US Bank (Trustee)	Trustee fees	Downtown, North Fontana, Sierra	250,428												
90	Definding Devide Is	1 7/10/2010	10/1/2027	LIC Deals (Transferre)	Dahkaandaa far oof oo dir o baal	Corridor, SWIP	00 000 750	N	\$ 15,000				15,000		\$ 15,000				\$ -
2018A Tax Allocation Refunding 91 Bonds	Refunding Bonds Issued After 6/27/12	1 7/18/2018	10/1/2027	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Jurupa Hills	26,092,750	Ν	\$ 8,320,500		3,878,750				\$ 3,878,750			4,441,750	\$ 4,441,750
2018A Tax Allocation Refunding 92 Bonds	Fees	7/18/2018	10/1/2027	US Bank (Trustee)	Trustee fees	Jurupa Hills	60,000	N	\$ 10,000				10,000		\$ 10,000				c
Prior approved obligations that were	Fees	1/1/2015	6/30/2020	US Bank (Trustee); Best	Trustee fees; legal services;	All	174,128	11	\$ 10,000				10,000		\$ 10,000				φ -
paid from other funds where RPTTF				Best & Krieger	arbitrage calculations														
funding requested during annual ROPS cycle was underestimated				(attorneys); Bond Logistix															
94				9				N	\$ 174,128			174,128			\$ 174,128				\$ -
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City of Fontana Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances July 1, 2019 through June 30, 2020 (Report Amounts in Whole Dollars)

			(<u></u>		
Α	В	с	D	E	F	G	н
	1			Fund Sources	, 		
	1	Bond P	Proceeds	Reserve Balance	Other Funds	RPTTF	4
				Prior ROPS RPTTF and Reserve	Rent,	Non-Admin	
	ROPS 19-20 Cash Balances	Bonds issued on or	Bonds issued on or	Balances retained for	Grants,	and	1
	(07/01/19 - 06/30/20)	before 12/31/10	after 01/01/11	future period(s)	Interest, etc.	Admin	Comments
	· · · · ·			<u> </u>	· · · ·		
	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount	T					G1 changed from \$185,450 (the ending balance of
i		0	0	0	91,850	24,757	ROPS 21-22 Cash Balance G6) to \$24,757 per DOF instructions.
	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				255,596		F2-Investment interest \$39,909; fiscal agent interest \$20,240; Chaffey loan \$140,000; FETHAP payment \$50,000; San Gabriel Water payment \$8,269; GASB 31 \$-2,822.
	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)			9,282,000		26,292,318	
	Retention of Available Cash Balance (Actual 06/30/20) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					8,018,600	
5 ROPS 19-20 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC			No entry	y required		10,601	
	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$0	\$0	\$ (9,282,000)	\$ 347,446		

	City of Fontana Recognized Obligation Payment Schedule (ROPS 22-23) - Notes July 1, 2022 through June 30, 2023							
ltem #	Notes/Comments							
25								
51	The requested amount includes the balance underpaid for FY 2019/20 (\$576,999) and the estimated amount due for FY 2021/22 (\$6,837,025) for a total or \$7,414,024.							
53								
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	Fees are estimated							
91	Debt service must be available beginning of calendar year per bond indenture							
92	Fees are estimated							
94	Amount represents invoices paid from other funds (Successor Agency revenue) for approved obligations where RPTTF funding requested during annual ROPS cycle was underestimated or inadvertantly omitted:							
	ROPS 14-15A Item #84 \$ 7,046							
	ROPS 14-15B Item #12 8,610							
	ROPS 15-16B Item #8 21,318							
	ROPS 15-16B Item #16 100							
	ROPS 16-17 Item #35 86							
	ROPS 16-17 Item #8 28,524							
	ROPS 18-19 Item #84 19,280							
	ROPS 19-20 Item #8 4,523							
	ROPS 19-20 Item #13 2,250							
	ROPS 19-20 Item #84 82,391							
	TOTAL \$174,128							