

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

January 11, 2024

FROM

JIALUAN NING, Accounting Manager, Successor Agency to the Redevelopment Agency of the 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 2024-25

RECOMMENDATION(S)

Adopt **Resolution No. 2024-07** approving the Successor Agency to the Redevelopment Agency of the City of Fontana's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2024-25.

(Presenters: Jessica Brown, Chief Financial Officer, City of Fontana, (909) 350-7671 and Genivive Schwarzkopf, Supervising Accountant, City of Fontana, (909) 350-7631)

BACKGROUND INFORMATION

California Health & Safety Code (HSC) section 34177 requires the San Bernardino Countywide Oversight Board (CWOB) to approve the 2024-25 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 2024-25 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 an increase requested in the amount of \$682,337 required from the RPTTF from the last annual ROPS approved primarily due to the increase in the Owner Participation Agreement payment due to the developer.

It is recommended the CWOB approve the Successor Agency's 2024-25 ROPS and administrative budget. The draft 2024-25 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 2024-25 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 Fontana's Recognized Obligation Payment
Schedule and Administrative Budget for Fiscal Year 2024-25
January 11, 2024**

ATTACHMENTS

Attachment A – Resolution

Attachment B – ROPS for Fiscal Year 2024-25

Attachment C – Administrative Budget for Fiscal Year 2024-25

REVIEW BY OTHERS

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on January 4, 2024 and San Bernardino Countywide Oversight Board Legal Counsel on December 28, 2023.

**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 2024-25
January 11, 2024**

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Acquanetta Warren Seconded: Kenneth Miller

Ayes: Richard DeNava, T. Milford Harrison, Kenneth Miller, Acquanetta Warren, David Wert

Absent: Lawrence Strong, Mario Vasquez

Lynna Monell, SECRETARY

BY 
DATED: January 11, 2024



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

JLL 01/17/2024

RESOLUTION NO. 2024-07

RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD APPROVING THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF FONTANA'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2024-25

On Thursday, January 11, 2024 on motion of San Bernardino Countywide Oversight Board Member Warren, duly seconded by San Bernardino Countywide Oversight Board Member Miller and carried, the following resolution is adopted by the San Bernardino Countywide Oversight Board, State of California.

WHEREAS, California Health and Safety Code (HSC) section 34179(e) requires all action items of the San Bernardino Countywide Oversight Board be accomplished by resolution; and

WHEREAS, HSC section 34177 requires the San Bernardino Countywide Oversight Board to approve the Recognized Obligation Payment Schedule (ROPS) and administrative budget; and

WHEREAS, pursuant to HSC section 34177(o), the deadline for submitting the ROPS for Fiscal Year 2024-25 to the Department of Finance is February 1, 2024.

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 City of Fontana's ROPS and administrative budget for Fiscal Year 2024-25 in the form presented in Attachment "B", attached hereto and incorporated herein by this reference, together with such changes thereto as may be approved by the San Bernardino Countywide Oversight Board, are hereby approved.

Section 3. The ROPS for Fiscal Year 2024-25 in the form presented in Attachment "B" shall be transmitted to the Department of Finance, with a copy submitted concurrently to the San Bernardino Countywide Oversight Board.

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, T. Milford Harrison,
Kenneth Miller, Acquanetta Warren,
David Wert

NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: Lawrence Strong, Mario Vasquez

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 11, 2024. #7 JLL

LYNNA MONELL
Secretary to the San Bernardino Countywide
Oversight Board

By 

Deputy




Recognized Obligation Payment Schedule (ROPS 24-25) - Summary
Filed for the July 1, 2024 through June 30, 2025 Period

Successor Agency: City of Fontana
 County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25 A Total (July - December)	24-25 B Total (January - June)	ROPS 24-25 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 10,186,375	\$ 117,513	\$ 10,303,888
B Bond Proceeds	-	-	-
C Reserve Balance	10,186,375	-	10,186,375
D Other Funds	-	117,513	117,513
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 15,687,244	\$ 20,169,364	\$ 35,856,608
F RPTTF	15,562,244	20,044,364	35,606,608
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E):	\$ 25,873,619	\$ 20,286,877	\$ 46,160,496

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

 Signature Date
 January 11, 2024

City of Fontana Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail
July 1, 2024 through June 30, 2025
(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 24-25 Total	L 24-25 A (July - December)					Q 24-25 A Total	R 24-25 B (January - June)					W 24-25 B Total
											M Fund Sources						S Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 332,847,076		\$ 46,160,496	\$ -	\$ 10,186,375	\$ -	\$ 15,562,244	\$ 125,000	\$ 25,873,619	\$ -	\$ -	\$ 117,513	\$ 20,044,364	\$ 125,000	\$ 20,286,877
25	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	34,250,513	N	\$ 4,281,314					\$ -			117,513	4,163,801		\$ 4,281,314	
51	Owner Participation Agreement	CPA/DDA/Construction	1/1/1983	6/30/2033	Ten Ninety Ltd	Public improvement costs	Jurupa Hills	107,962,966	N	\$ 8,027,800			6,020,850		\$ 6,020,850				2,006,950		\$ 2,006,950	
53	Lease Agreement	Miscellaneous	9/6/1994	9/6/2032	Earl Buchanan	Tamarind Basin lease agreement	Jurupa Hills	78,000	N	\$ 6,000			6,000		\$ 6,000						\$ -	
68	Administrative Costs	Admin Costs	7/1/2024	6/30/2025	City of Fontana	Administrative costs	All	250,000	N	\$ 250,000				125,000	\$ 125,000					125,000	\$ 125,000	
88	2017A TARB	Refunding Bonds	11/8/2017	10/1/2036	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Downtown, North Fontana, Sierra Corridor, SWIP	168,842,675	N	\$ 23,676,825		5,712,500		9,009,975		\$ 14,722,475				8,954,350		\$ 8,954,350
89	2017B TARB	Refunding Bonds	11/8/2017	10/1/2036	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Downtown, North Fontana, Sierra Corridor, SWIP	3,751,294	N	\$ 1,374,682		425,000		475,419		\$ 900,419				474,263		\$ 474,263
90	2017A&B Trustee fees	Fees	11/8/2017	10/1/2036	US Bank (Trustee)	Trustee Fees	Downtown, North Fontana, Sierra Corridor, SWIP	245,753	N	\$ 7,000				7,000		\$ 7,000						\$ -
91	2018A TARB	Refunding Bonds	6/26/2018	10/1/2027	US Bank (Trustee)	Debt service for refunding bonds - non-housing projects	Jurupa Hills	17,378,375	N	\$ 8,493,875		4,048,875				\$ 4,048,875				4,445,000		\$ 4,445,000
92	2018A Trustee fees	Fees	6/26/2018	10/1/2027	US Bank (Trustee)	Trustee Fees	Jurupa Hills	51,500	N	\$ 7,000				7,000		\$ 7,000						\$ -
93	RDA Arbitrage Report	Fees	7/1/2024	6/30/2025	BLX	Arbitrage Report	All	36,000	N	\$ 36,000				36,000		\$ 36,000						\$ -

City of Fontana Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances
July 1, 2021 through June 30, 2022
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)	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 07/01/21) RPTTF amount should exclude "A" period distribution amount			9,452,750	506,226	45,822	E1: Received funds in FY2020-21 for FY2021-22 debt service payments for line items 88, 88, and 91.	
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				117,513	35,775,429	F2: Loan receivable payments and interest income received.	
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)			9,452,750	168,589	26,229,162	F3: Accumulated interest income and loan receivable payments received were applied to debt service payments.	
4	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					9,498,750		
5	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC	No entry required					93,339	
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 455,150	\$ 0		

City of Fontana Recognized Obligation Payment Schedule (ROPS 24-25) - Notes July 1, 2024 through June 30, 2025

Item #	Notes/Comments
25	Funding source for the \$117,513 (Other Funds) are interest income and collection of receivables
51	The amount reflects total due for Owner Participation Agreement of \$8,027,800
88	Debt service is split between ROPS A and B per bond indenture. Reserve funds are due to received monies in FY2023-24 for Debt Service payments in FY2024-2025.
89	Debt service is split between ROPS A and B per bond indenture. Reserve funds are due to received monies in FY2023-24 for Debt Service payments in FY2024-2025.
90	Fees are estimated.
91	Debt service must be available beginning of calendar year per bond indenture. Reserve funds are due to received monies in FY2023-24 for Debt Service payments in FY2024-2025.
92	Fees are estimated.
93	Arbitrage report for the Successor Agency bonds.