

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

December 11, 2023

FROM

CYNTHIA JEANNIE FORTUNE, Deputy Director of Finance, City of San Bernardino
Successor Agency

SUBJECT

Resolution Approving the Successor Agency to the Redevelopment Agency of the City of San Bernardino's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2024-25

RECOMMENDATION(S)

Adopt a **Resolution No. 2023-25** approving the Successor Agency to the Redevelopment Agency of the City of San Bernardino's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2024-25.

(Presenter: Cynthia Jeannie Fortune, Deputy Director of Finance, City of San Bernardino, (909) 384-5345)

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 San Bernardino'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 \$1,794,010 requested in the amount required from the RPTTF from the last annual ROPS approved.

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 San Bernardino's Recognized Obligation
Payment Schedule and Administrative Budget for Fiscal Year 2024-25
December 11, 2023**

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 December 4, 2023 and San Bernardino Countywide Oversight Board Legal Counsel on December 4, 2023.

**Resolution Approving the Successor Agency to the Redevelopment
Agency of the City of San Bernardino's Recognized Obligation
Payment Schedule and Administrative Budget for Fiscal Year 2024-25
December 11, 2023**

Record of Action of the San Bernardino Countywide Oversight Board

APPROVED

Moved: Kenneth Miller Seconded: Frederick Ang

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

Lynna Monell, SECRETARY

BY



DATED: December 11, 2023



cc: w/Resolution
File - San Bernardino Countywide Oversight Board w/attach
CCM 12/21/2023

RESOLUTION NO. 2023- 25

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

On Monday, December 11, 2023 on motion of San Bernardino Countywide Oversight Board Member Miller, 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 (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 the City of San Bernardino'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: Frederick Ang, Richard DeNava, Kenneth Miller, Cindy Saks, Lawrence Strong, Acquanetta Warren, David Wert

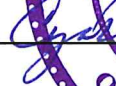
NOES: OVERSIGHT BOARD MEMBER: None

ABSENT: OVERSIGHT BOARD MEMBER: None

STATE OF CALIFORNIA)
)
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 December 11, 2023. #4 CCM

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: Successor Agency to the Redevelopment Agency of the City of San Bernardino
 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):	\$ 1,359,370	\$ 48,335	\$ 1,407,705
B	Bond Proceeds	1,359,370	48,335	1,407,705
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 7,588,820	\$ 569,737	\$ 8,158,557
F	RPTTF	7,548,820	554,737	8,103,557
G	Administrative RPTTF	40,000	15,000	55,000
H	Current Period Enforceable Obligations (A+E):	\$ 8,948,190	\$ 618,072	\$ 9,566,262

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.

<u>David Wert</u>	<u>Chairman</u>
Name	Title
	<u>December 11, 2023</u>
Signature	Date

Successor Agency to the Redevelopment Agency of the City of San Bernardino Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail
July 1, 2024 through June 30, 2025
(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
Item #	Project Name/Debt Obliga	Obligation Type	Contract/ Agreement Execution Date	Contract/ Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 24-25 Total	24-25 A (July - December)					24-25 A Total	24-25 B (January - June)					24-25 B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 31,292,658		\$ 9,566,262	\$ 1,359,370	\$ -	\$ -	\$ 7,548,820	\$ 40,000	\$ 8,948,190	\$ 48,335	\$ -	\$ -	\$ 554,737	\$ 15,000	\$ 618,072
8	2005A TABs	Bonds Issued On or Before 12/31/10	9/22/2005	10/1/2025	US Bank	SC, CCN, SEIP, NW, TRI, UP and SV Projects	All	5,264,943	N	\$ 2,636,487	\$578,850			\$1,984,181		\$ 2,563,031				\$73,456		\$ 73,456
9	2005B TABs	Bonds Issued On or Before 12/31/10	9/22/2005	10/1/2025	US Bank	SC, CCN, SEIP, NW, TRI, UP and SV Projects	All	1,910,369	N	\$ 953,632	\$153,745			\$773,149		\$ 926,894				\$26,738		\$ 26,738
12	1995H Highland Lutheran SR Housing	Revenue Bonds Issued On or Before 12/31/10	7/1/1995	7/1/2025	US Bank	Sr Housing Complex	All	156,056	N	\$ 156,056				\$5,528		\$ 5,528	\$39,073			\$111,455		\$ 150,528
13	1995R Casa Ramona SR Housing	Revenue Bonds Issued On or Before 12/31/10	6/19/1995	7/1/2025	US Bank	Ramona Sr Housing Complex	All	134,844	N	\$ 134,844				\$4,922		\$ 4,922	\$9,262			\$120,660		\$ 129,922
30	PERS - Unfunded Pension Obligation	Unfunded Liabilities	6/30/2010	12/1/2031	CalPERS	The amount of the unfunded pension obligation was established by Cal PERS	All	8,124,291	N	\$ 580,307				\$580,307		\$ 580,307						\$ -
31	Retiree Health Benefit	Miscellaneous	6/23/2005	12/1/2031	Various Retired Employees	Retiree Supplemental Health Benefit per Agency Policy	All	453,600	N	\$ 33,600				\$16,800		\$ 16,800				\$16,800		\$ 16,800
32	Successor Agency Admin.	Admin Costs	7/1/2024	6/30/2025	Various Employees & Vendors	Various admin activities in support of the dissolution of the former RDA (equals 3% of excel Cell N-6)	All	327,000	N	\$ 55,000					\$40,000	\$ 40,000					\$15,000	\$ 15,000
84	Securities Servicing	Fees	3/2/1998	4/1/2030	US Bank	Securities Servicing of all Bonds	All	147,140	N	\$ 27,070				\$8,500		\$ 8,500				\$18,570		\$ 18,570
96	Reimbursement Agreement for Debt Service on 1999 COPs	Bonds Issued On or Before 12/31/10	9/29/1999	9/1/2024	City of San Bernardino	Reimbursement for Debt Service for 1999 COPs (201 Bldg. & South Valle)	All	626,775	N	\$ 626,775	\$626,775			\$0		\$ 626,775				\$0		\$ -
120	Continuing Disclosure Services	Professional Services	10/1/2012	12/1/2031	Urban Futures, Inc.	Continuing Disclosure Services for 2005A, 2005B, 2016A, 2016B, 2021 TABs	All	63,000	N	\$ 9,000						\$ -				\$9,000		\$ 9,000
125	2016 Refunding TABs (Interest Portion Only)	Refunding Bonds Issued After 6/27/12	3/23/2016	12/1/2031	US Bank	Refunding TABs of the 1998B, 2002, 2002A and 2006 TABs and the 2010 and 2011 EB-5 Notes	All	910,713	N	\$ 397,700				\$239,025		\$ 239,025				\$158,675		\$ 158,675
126	2016 Refunding TABs (Principal Reduction Portion Only)	Refunding Bonds Issued After 6/27/12	3/23/2016	12/1/2031	US Bank	Refunding TABs of the 1998B, 2002, 2002A and 2006 TABs and the 2010 and 2011 EB-5 Notes	All	10,285,000	N	\$ 3,475,000				\$3,475,000		\$ 3,475,000						\$ -
134	2021 Refunding TABs (Interest and Principal Portion)	Refunding Bonds Issued After 6/27/12	6/23/2021	10/1/2029	US Bank	Refunding TABs of the 2010A	All	2,888,927	N	\$ 480,791				\$461,408		\$ 461,408				\$19,383		\$ 19,383

Successor Agency to the Redevelopment Agency of the City of San Bernardino 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 20-21 Cash Balances (07/01/20 - 06/30/21)	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	7,687,839	949,088	933,166	1,394,041	788,245	For Cell C-1, D-1, E-1 and F-1 the beginning amounts are in balance with the cash held by the Bond Trustee, US Bank, in accordance with the US Bank trust statements, and with the Successor financial statements ending June 30, 2021, and bring the ending balances on line 4 for June 30, 2022 into balance with US Bank and the Successor financial statements.
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller	0	0	0	180,000	11,381,184	Cell F-2 represents interest earnings on idle Successor funds, already reprogrammed in future ROPS. The amount shown in Cell G-2 equals the actual RPTTF funds received for ROPS 21-22.
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)	883,776	0	5,959	1,074,041	10,487,733	Cell C-3 represents the amount of Bond Proceeds on hand with US Bank as Trustee used for the 2005A and 2005B debt service. Cell F-3 represents the expenditures from other funds in ROPS 21-22 for bond debt service. Cell G-3 represents the expenditures from RPTTF for ROPS 21-22.
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)	6,804,064	949,088	0	500,000	0	Cells C-4 and D-4 are the remaining balances, in accordance with the Trial Balances, for the DSRFs and bond proceeds held by the bond Trustee, US Bank. Cell E-3 equals the balance of the compensating/collateral balance now at zero (Cell E-4) after the balance of \$5,959 was reprogrammed and expensed in ROPS 21-22. Cell F-3 includes previous rental and other income and interest income reprogrammed and expensed in ROPS 21-22. Cell F-4 represents reprogrammed funds in ROPS 22-23 (\$400,000) and reprogrammed in ROPS 24-25 (\$100,000). Cell G-4 would represent the sum of any unused RPTTF from prior periods.
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				1,681,696	Cell G-1 represents the Prior Period Adjustment for ROPS 18-19 of \$788,245 which reduced the RPTTF in FY 21-22. Cell E-6 The Prior Period Adjustment for ROPS 19-20 in the amount of \$458,403 will reduce the RPTTF in FY 22-23 plus the Prior Period Adjustment for ROPS 20-21 in the estimated amount of \$468,804 will reduce the RPTTF in FY 23-24. The estimated Prior Period Adjustment for FY 21-22 in the amount of \$1,681,696 will reduce the RPTTF in FY 24-25, which is shown in G-5
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ (1)	\$ 0	\$ 927,207	\$ 0	\$ 0	

Successor Agency to the Redevelopment Agency of the City of San Bernardino Recognized Obligation Payment Schedule (ROPS 24-25)
Notes July 1, 2024 through June 30, 2025

Item #	Notes/Comments
8	The 2005A TABS contract termination date is 10/1/2025. The last debt service payment due for ROPS 2025-26 totals \$2,628,456 (24-25A at \$2,563,031 and 24-25B at \$73,456). The cash and holdings with fiscal agent (US Bank) at time of reporting is \$3,207,306. The Successor Agency is requesting that the difference of \$578,850 (\$3,207,306 - \$2,628,456) be used to pay part of 24-25A debt service payment to leave the cash balance with fiscal agent sufficient to pay for the FY2025-26 remaining debt service due on 10/1/2025.
9	The 2005B TABS contract termination date is 10/1/2025. The last debt service payment due for ROPS 2025-26 totals \$956,738 (24-25A at \$926,894 and 24-25B at \$26,738). The cash and holdings with fiscal agent (US Bank) at time of reporting is \$1,110,483. The Successor Agency is requesting that the difference of \$153,745 (\$1,110,483 - \$956,737) be used to pay part of 24-25A debt service payment to leave the cash balance with fiscal agent sufficient to pay the FY2025-26 remaining debt service payment due on 10/1/2025.
12	The 1995H Highland Lutheran SR Housing contract termination date is 7/1/2025. The last debt service payment due for ROPS 2024-25 totals \$156,056 (24-25A at \$5,528 and 24-25B at \$150,528). The cash and holdings with fiscal agent (US Bank) at time of reporting is \$39,073. The Successor Agency is requesting that the remaining cash and withholdings with fiscal agent be used to pay part of the 24-25B debt service payment.
13	The 1995R Casa Ramona SR Housing contract termination date is 7/1/2025. The last debt service payment due for ROPS 2024-25 totals \$134,844 (24-25A at \$4,922 and 24-25B at \$129,922). The cash and holdings with fiscal agent (US Bank) at time of reporting is \$9,262. The Successor Agency is requesting that the remaining cash and withholdings with fiscal agent be used to pay part of the 24-25B debt service payment.
96	The Reimbursement Agreement for Debt Service on 1999 COPs contract termination date is 9/1/2024. The last debt service payment for ROPS FY2024-25 is due on 9/1/2024 (24-25A totaling \$626,775). The cash and holdings with fiscal agent (US Bank) at time of reporting is \$668,643. The Successor Agency is requesting that cash and holding of \$626,775 with fiscal agent be used to pay the last debt service payment due on 9/1/2024.