

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

**January 10, 2022**

## **FROM**

**KEITH METZLER, Executive Director, Victor Valley Economic Development Authority  
Successor Agency**

## **SUBJECT**

Resolution Approving the Successor Agency to the Redevelopment Agency of the Victor Valley Economic Development Authority's Recognized Obligation Payment Schedule and Administrative Budget for Fiscal Year 2022-23

## **RECOMMENDATION(S)**

Adopt a **Resolution No. 2022-16** approving the Successor Agency to the Redevelopment Agency of the Victor Valley Economic Development Authority's Recognized Obligation Payment Schedule and administrative budget for Fiscal Year 2022-23.

(Presenter: Dima Galkin, Consultant, Harris & Associates, (949) 655-3900)

## **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 to the Redevelopment Agency of the Victor Valley Economic Development Authority (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 dissolution as an annual ROPS is required by DOF as part of the wind-down of the Successor Agency. There is an increase of \$26,668,996 requested in the amount required from the RPTTF from the last annual ROPS approved. The entire increase is due to payment requests for three Redevelopment Agency loans:

- Supplemental Educational Revenue Augmentation Fund Loan (ROPS Item 24, \$6,987,500 requested)
- Property Acquisition Loan (ROPS Item 25, \$5,634,375 requested)
- Bear Valley Loan (ROPS Item 33, \$14,125,000 requested)

(Note that the individual increases do not sum to the total increase, because there is an overall decrease in the amounts requested for other ROPS items.)

**Resolution Approving the Successor Agency to the Redevelopment  
Agency of the Victor Valley Economic Development Authority's  
Recognized Obligation Payment Schedule and Administrative Budget**

It should be noted that the direct beneficiaries of the loans are the Successor Agency's Low and Moderate Income Housing Asset Fund (for ROPS items 24 and 25) and the Successor Agency to the Redevelopment Agency of the City of Victorville (for ROPS item 33).

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(l)(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

Attachment C – Administrative Budget for Fiscal Year 2022-23

**REVIEW BY OTHERS**

This item has been reviewed by Auditor-Controller/Treasurer/Tax Collector on December 20, 2021 and San Bernardino Countywide Oversight Board Legal Counsel on December 20, 2021.

**Resolution Approving the Successor Agency to the Redevelopment  
Agency of the Victor Valley Economic Development Authority's  
Recognized Obligation Payment Schedule and Administrative Budget**

Record of Action of the San Bernardino Countywide Oversight Board

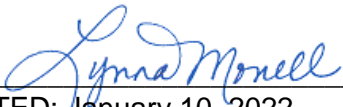
**APPROVED**

Moved: Acquanetta Warren    Seconded: Valerie Clay

Ayes: Frederick Ang, Valerie Clay, Richard DeNava, Cindy Saks, Acquanetta Warren

Absent: Kenneth Miller, Lawrence Strong

Lynna Monell, SECRETARY

BY   
DATED: January 10, 2022



cc:    W/Resolution  
      File - San Bernardino Countywide Oversight Board w/attach  
KS    01/19/2022

**RESOLUTION NO. 2022-16**

**RESOLUTION OF THE SAN BERNARDINO COUNTYWIDE OVERSIGHT  
BOARD ADOPTING THE SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE VICTOR VALLEY ECONOMIC  
DEVELOPMENT AUTHORITY'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 Warren, duly seconded by San Bernardino Countywide Oversight Board Member Clay 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 Victor Valley Economic Development Authority'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,  
   Aquanetta Warren

NOES:     OVERSIGHT BOARD MEMBER:

ABSENT:   OVERSIGHT BOARD MEMBER: Kenneth Miller, Lawrence Strong

\* \* \* \* \*

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 10, 2022. #14 KS

LYNNA MONELL  
Secretary to the San Bernardino Countywide  
Oversight Board

By

*KS*

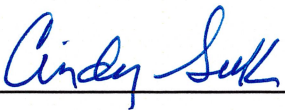


Recognized Obligation Payment Schedule (ROPS 22-23) - Summary  
Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Victor Valley Economic Development Authority (VVEDA) Successor Agency  
County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		22-23 A Total (July - December)	22-23 B Total (January - June)	ROPS 22-23 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 70,373	\$ -	\$ 70,373
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	70,373	-	70,373
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 41,162,740	\$ 7,700,239	\$ 48,862,979
F	RPTTF	41,076,613	7,543,739	48,620,352
G	Administrative RPTTF	86,127	156,500	242,627
H	Current Period Enforceable Obligations (A+E):	\$ 41,233,113	\$ 7,700,239	\$ 48,933,352

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
	January 10, 2022
Signature	Date

VVEDA Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail																								
July 1, 2022 through June 30, 2023																								
(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 Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 22-23 Total	22-23 A (July - December)				22-23 A Total	22-23 B (January - June)				22-23 B Total				
											Fund Sources					Fund Sources								
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF		Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds		RPTTF	Admin RPTTF		
	2	Joint Powers Authority Agreement (SCLAA Bonds 1-9)	Bonds Issued On or Before 12/31/10	6/2/2005	12/1/2050	City of Victorville/SCLAA	Bonds issued to fund projects	VVEDA Project Area		\$ 646,202,294		\$ 48,933,352	\$ -	\$ -	\$ 70,373	\$ 41,076,613	\$ 86,127	\$ 41,233,113	\$ -	\$ -	\$ -	\$ 7,543,739	\$ 156,500	\$ 7,700,239
	3	Joint Powers Authority Agreement (Hesperia portion per JPA	Miscellaneous	5/23/2000	6/23/2052	City of Hesperia	Obligation pursuant to Joint Powers Authority Agreemen	VVEDA Project Area		594,788,221	N	\$ 21,456,577			14,088,338			\$ 14,088,338				7,368,239		\$ 7,368,239
	4	Joint Powers Authority Agreement (County portion per JPA	Miscellaneous	5/23/2000	6/23/2052	County of San Bernardino	Obligation pursuant to Joint Powers Authority Agreemen	VVEDA Project Area		-	Y	\$ -						\$ -						\$ -
	6	Joint Powers Authority Agreement (Adelanto portion per JPA	Miscellaneous	5/23/2000	6/23/2052	City of Adelanto	Obligation pursuant to Joint Powers Authority Agreemen	VVEDA Project Area		-	Y	\$ -						\$ -						\$ -
	7	Administrative Costs	Admin Costs	7/1/2022	6/30/2023	Successor Agency	Agency administrative costs	VVEDA Project Area		9,077,000	N	\$ 313,000		70,373		86,127	\$ 156,500					156,500	\$ 156,500	
	20	Joint Powers Authority Agreement (SCLAA operational shortfalls)	Miscellaneous	5/23/2000	6/30/2052	City of Victorville	SCLAA operational shortfalls as provided for in Sections 3, 4(i)(c)(k)(l)(m) and 8 of the JPA	VVEDA Project Area		-	Y	\$ -						\$ -						\$ -
	21	Joint Powers Authority Agreement (SCLAA capital expenditures)	Improvement/Infrastructur	5/23/2000	6/30/2052	City of Victorville	SCLAA capital expenditures as provided for in Sections 3, 4(i)(c)(k)(l)(m) and 8 of the JPA	VVEDA Project Area		-	Y	\$ -						\$ -						\$ -
	22	Joint Powers Authority Agreement (Adelanto start up costs)	Miscellaneous	5/23/2000	6/30/2052	VVEDA	Pursuant to Section 34 of the JPA, Adelanto owes this amount to VVEDA for start-up costs	VVEDA Project Area		-	Y	\$ -						\$ -						\$ -
	23	Adelanto-Victorville Cooperative Agreement for Street Improvements	Improvement/Infrastructur		4/23/2003	City of Victorville	4/23/03 Cooperative Agreement related to street improvements at Adelanto Road and Air Expressway, in which Adelanto agreed to pay Victorville for such improvements from its portion of VVEDA tax increment	VVEDA Project Area		1,555,298	N	\$ -						\$ -						\$ -
	24	SERAF Loan FY 2009-10	SERAF/ERAF	5/4/2010	6/30/2052	Victorville Housing Successor Agency	Loan from housing to non-housing funds for the FY 09-10 SERAF payment	VVEDA Project Area		6,987,500	N	\$ 6,987,500			6,987,500		\$ 6,987,500							\$ -
	25	LMIHF Loan	LMIHF Loans	10/3/2006	6/30/2052	Victorville Housing Successor Agency	Loan from housing to non-housing funds for general RDA activities	VVEDA Project Area		5,634,375	N	\$ 5,634,375			5,634,375		\$ 5,634,375							\$ -
	26	SCLAA Bonds Trustee Fees	Fees	6/2/2005	12/1/2050	Bank of New York-Mellon	Trustee fees for SCLAA bonds	VVEDA Project Area		725,000	N	\$ 25,000			25,000		\$ 25,000							\$ -
	27	SCLAA Bonds Arbitrage Fees	Fees	6/2/2005	12/1/2050	BLX Group	Arbitrage fees for SCLAA bonds	VVEDA Project Area		138,600	N	\$ 13,200			13,200		\$ 13,200							\$ -
	28	SCLAA Continuing Disclosure Costs	Fees	8/27/2020	12/1/2050	Harris & Associates	Professional services to fulfill annual requirement of SCLAA bonds	VVEDA Project Area		572,000	N	\$ 22,000			22,000		\$ 22,000							\$ -
	29	Apple Valley Bonds Fiscal Agent Fees	Fees	9/9/2020	6/1/2037	US Bank	Trustee fees for Apple Valley bonds	VVEDA Project Area		18,750	N	\$ 1,250			1,250		\$ 1,250							\$ -
	30	Apple Valley Continuing Disclosure Costs	Fees	9/9/2020	6/1/2037	Urban Futures	Professional services to fulfill annual requirement of Apple Valley bonds	VVEDA Project Area		66,750	N	\$ 4,450			4,450		\$ 4,450							\$ -
	31	Reserve for SCLAA Bonds Shortfall	Reserves	6/2/2005	12/1/2050	City of Victorville/SCLAA	Reserve to cover anticipated pledged revenues shortfall in the following period	VVEDA Project Area		-	N	\$ -			-		\$ -							\$ -
	32	Apple Valley - VVEDA Loan (Apple Valley 2020A Series Bonds)	Refunding Bonds Issued After 6/27/12	9/9/2020	6/1/2037	Town of Apple Valley	Refunded bonds for the Apple Valley 2005 and 2007 Bonds issued to fund projects	VVEDA Project Area		12,513,800	N	\$ 351,000			175,500		\$ 175,500				175,500			\$ 175,500
	33	Bear Valley Loan	City/County Loan -- (Prior 06/28/11) Cash Exchange	9/22/2009	6/30/2052	Victorville Successor Agency	Loan from the Victorville RDA to the VVEDA RDA for SCLAA capital improvements and redevelopment projects	VVEDA Project Area		14,125,000	N	\$ 14,125,000			14,125,000		\$ 14,125,000							\$ -



**VVEDA Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances**  
**July 1, 2019 through June 30, 2020**  
**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		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	
1	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount			16,868,018	164,055	3,686,063	E: 17-18 PPA of \$4,664,461 is committed to 20-21 expenditures. 18-19 PPA of \$10,308,042 is committed to 21-22 edpenditures. \$1,895,515 represents the bond payment reserve corresponding to ROPS Item 31. F: \$35,091 of Other Funds are committed for expenditure in 19-20. \$55,243 are committed for expenditure in 20-21. \$73,721 are committed for expenditure in 21-22. G: 16-17 PPA of \$3,686,063 is committed to 19-20 expenditures.
2	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				70,373	17,538,579	F: Interest earnings in FY 2019-20. G: RPTTF per DOF letters and CAC reports.
3	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)			1,895,515	35,091	20,828,224	E: Expenditure of Item 31 Reserve. F: Expenditure of other funds, per DOF approval. G: Based on the ROPS 19-20 PPA actuals for RPTTF non-administrative and administrative.
4	Retention of Available Cash Balance (Actual 06/30/20) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			14,972,503	199,337		E: 17-18 PPA of \$4,664,461 is committed to 20-21 expenditures. 18-19 PPA of \$10,308,042 is committed to 21-22 edpenditures. F: \$55,243 are committed for expenditure in 20-21. \$73,721 are committed for expenditure in 21-22. Available Other Funds of \$70,373 are being requested for ROPS 22-23 expenditures.
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 required				396,418	G: 19-20 PPA of \$396,418, pending CAC review.
6	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	



**VVEDA Recognized Obligation Payment Schedule (ROPS 22-23) - Notes July 1, 2022 through June 30, 2023**

<b>Item #</b>	<b>Notes/Comments</b>
2	Bond Issuance - A Period debt service - B Period debt service SCLA 2005A - \$1,500,815.00 - \$264,195.00 SCLA 2006 Tax - \$1,421,937.50 - \$1,257,057.50 SCLA 2006 NonHousing - \$2,392,150.00 - \$1,098,687.50 SCLA 2006 Forward - \$1,562,721.25 - \$892,338.75 SCLA 2006 - \$2,796,301.25 - \$1,554,850.00 SCLA 2007 - \$1,811,139.38 - \$984,505.00 SCLA 2008A - \$261,306.25 - \$143,287.50 SCLA Housing 2006 - \$642,725.00 - \$295,075.00 SCLA Housing 2007 - \$1,699,242.50 - \$878,242.50 Total - \$14,088,338.13 - \$7,368,238.75
7	\$70,373 in Other Funds are from interest earnings in FY 2019-20.
24, 25, & 33	The actual amount that can be approved will be limited by Health & Safety Code Section 34191.4(b)(3)(A). The calculation referenced therein, for the current ROPS, depends on the January 2, 2022 distribution of RPTTF. Because this distribution is unknown at the time this ROPS is being prepared, the Successor Agency is requesting payments in the amounts of the complete loan balances, fully understanding that eligible payment amounts will most likely be less. The Successor Agency can present an expected eligible loan payment amount at the Oversight Board meeting