

**OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE  
VICTORVILLE REDEVELOPMENT AGENCY  
REGULAR MEETING AGENDA**

City of Victorville  
14343 Civic Drive, Conference Room "D"  
Victorville, CA 92392

Thursday, January 25, 2018  
**1:30 P.M.**

**CALL TO ORDER**

ITEM 1 PUBLIC COMMENT

**DISCUSSION AGENDA**

ITEM 2 APPROVE MINUTES FROM JANUARY 11, 2018 REGULAR MEETING

ITEM 3 RESOLUTION NO. OB-VRDA-18-003 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING ON JUNE 30, 2019.

ITEM 4 NEXT REGULARLY SCHEDULED MEETING: FEBRUARY 8, 2018

ITEM 5 COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

ITEM 6 ADJOURNMENT

**MINUTES OF THE MEETING OF THE  
OVERSIGHT BOARD FOR SUCCESSOR AGENCY  
TO THE VICTORVILLE REDEVELOPMENT AGENCY  
January 11, 2018**

**CALL TO ORDER**

The special meeting of the Oversight Board for the Successor Agency to the Victorville Redevelopment Agency was called to order at 1:30 p.m. by Chairman Metzler in Conference Room "D", Victorville City Hall, at 14343 Civic Drive, Victorville, California.

**ROLL CALL**

**PRESENT:** Board Members Keith Metzler, Eric Ray, Tracey Richardson and Anita Tuckerman

**ABSENT:** Board Members Debbie Betts and Janice Lindsay

**LATE:** None

Also present was Deputy City Manager, Sophie Smith; Housing Manager, Lesyenia Marin, Varner & Brandt, Attorney, Nathan Heyde and Recording Secretary, Heidi Roche

**1. PUBLIC COMMENT**

There was no public comment.

**DISCUSSION AGENDA**

**2. APPROVE MINUTES FROM SEPTEMBER 28, 2017 MEETING**

It was moved by Board Member Tuckerman, seconded by Board Member Eric Ray to approve; motion carried with Board Member Richardson abstaining and Board Members Betts and Lindsay absent.

**3. RESOLUTION OB-VRDA-18-001 A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF CERTAIN UNIMPROVED REAL PROPERTY MORE PARTICULARLY DESCRIBED AS APN 0405-072-32 LOCATED IN VICTORVILLE, CALIFORNIA**

Ms. Smith provided history with respect to the disposition and sale of the property.

It was moved by Board Member Ray, seconded by Board Member Richardson to adopt Resolution No. OB-VRDA-18-001; motion carried with Board Members Betts and Lindsay absent.

4. RESOLUTION OB-VRDA-18-002 A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY, APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT FOR THE SALE AND DISPOSITION OF CERTAIN UNIMPROVED REAL PROPERTY IN THE FOXBOROUGH INDUSTRIAL PARK MORE PARTICULARLY DESCRIBED AS APN 3090-401-05, 3090-401-06, 3090-411-01, 3090-411-04, AND 3090-411-05 LOCATED IN VICTORVILLE, CALIFORNIA

Ms. Smith and Mr. Heyde provided the Board with background concerning the sale and disposition of the property.

Discussion ensued regarding the process leading up to the sale which was significantly delayed by the purchaser's legal counsel but resulted in an offer equal to the amount of the 2015 appraisal. The offer included assumption of property improvements agreed to by the former RDA.

Further discussion ensued regarding the possibility of putting the purchase on hold to seek a more current appraisal but it was the general consensus of the Board to move forward with the sale due to the possibility of litigation on the part of the purchaser as well as the devaluation of the property due to the former RDA agreed upon street improvements.

It was moved by Board Member Richardson, seconded by Board Member Ray to adopt Resolution No. OB-VRDA-18-002; motion carried with Board Members Betts and Lindsay absent.

5. COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

Board Member Tuckerman requested an update regarding the formation of the County Oversight Board and the dissolution of the OB-VRDA. Mr. Heyde announced that the OB-VRDA would be dissolved effective June 30, 2018.

Ms. Smith announced that the ROPS is being prepared and that the Board would need to approve it at the next meeting scheduled for January 25, 2018.

6. ADJOURNMENT

It was moved by Board Member Tuckerman, seconded by Board Member Richardson to adjourn the meeting at 2:20 p.m.; motion carried with Board Members Betts and Lindsay absent.

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CHAIRMAN OF THE BOARD OF ADMINISTRATORS

ATTEST:

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RECORDING SECRETARY

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CLIENT MEMORANDUM

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**TO:** OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY

**FROM:** VARNER & BRANDT LLP

**SUBJECT:** TRANSMITTAL OF JANUARY 25, 2018 OVERSIGHT BOARD MEETING AGENDA ITEM #3

**DATE:** JANUARY 22, 2018

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The following memorandum provides the seven (7) board members (“Board Members”) of the Oversight Board (“Oversight Board”) for the Successor Agency to the Victorville Redevelopment Agency (“Successor Agency”) with pertinent information in order for each Board Member to make an informed decision on the matters before the Oversight Board.

**Agenda Item No.:** 3

**Subject:** The Successor Agency seeks the approval of the Oversight Board of the Recognized Obligation Payment Schedule (“ROPS”) and Administrative Budget of the Successor Agency for the period of July 1, 2018, through June 30, 2019 (“ROPS 18-19”).

**Legislative Authority of the Oversight Board:**

1. *California Health and Safety Code Section 34177(h):* The Successor Agency must expeditiously wind down the affairs of the former redevelopment agency in accordance with the direction of the Oversight Board.
2. *California Health and Safety Code Sections 34177(o)(1) and 34180(g):* The Successor Agency must prepare and obtain Oversight Board approval of ROPS for each fiscal year.
3. *California Health and Safety Code Section 34177(l)(2):* ROPS are only deemed valid if the Successor Agency: (i) prepares the ROPS for the enforceable obligations of the former redevelopment agency; (ii) submits the ROPS to the Oversight Board and the Oversight Board approves the ROPS; (iii) simultaneously submits ROPS to (a) the county administrative officer, (b) the county auditor-controller, and (c) the Department of Finance (“DOF”); (iv) submits a copy of the Oversight Board-approved ROPS to (a) the county auditor-controller, (b) the State Controller’s office, and (c) the DOF; and (v) posts the approved ROPS on the Successor Agency’s website.
4. *California Health and Safety Code Section 34177(o):* The Successor Agency must electronically submit the ROPS approved by the Oversight Board for the period of July 1, 2016, through June 30, 2017, to the DOF and to the county auditor-controller no later than February 1, 2016.

5. *California Health and Safety Code Section 34177(j)*: The Successor Agency must prepare a proposed administrative budget approved by the Oversight Board for the upcoming fiscal year, which budget identifies administrative costs, sources of payment, and proposed arrangements for administrative and operations services provided by the city, county or other entities.

**Application:** The Successor Agency must prepare a ROPS that identifies enforceable obligations and the amounts and funding sources of the enforceable obligations on a 12-month forward-looking basis. The Oversight Board must approve the ROPS, and the DOF has subsequent approval rights. No later than October 1, the Successor Agency may submit one (1) amendment to the ROPS, if the Oversight Board approves a revision necessary for the payment of approved enforceable obligations during the second half of the ROPS period, defined as January 1 through June 30. The Successor Agency may only amend the amount requested for payment of approved enforceable obligations.

The Successor Agency requests Oversight Board approval the ROPS for the period of July 1, 2018, through June 30, 2019 and approve the Successor Agency's Administrative Budget for the same period. Both approval requests are properly before the Oversight Board. The Oversight Board has legislative authority to direct the winding down of the affairs of the former redevelopment agency and has approval authority over the ROPS and Administrative Budget for the period of July 1, 2018, through June 30, 2019. ROPS 18-19 contains one new enforceable obligation (#55).

The Oversight Board should review enforceable obligations not included in previous ROPS or not otherwise previously approved by the Oversight Board. The Oversight Board should examine new enforceable obligations to ensure compliance with the California Health and Safety Code. As a threshold inquiry, the DOF will want to ensure that each obligation arose on or prior to June 27, 2011, or constitutes an allowable enforceable obligation necessary for the winding down of the former redevelopment agency. Items that either do not have effective dates or have effective dates that are after June 27, 2011, may require further inquiry or discussion with Successor Agency staff, including enforceable obligations entered into by the Successor Agency.

We note the following new or revised item as the Oversight Board reviews ROPS 18-19. Successor Agency's staff memorandum to the Successor Agency governing Board, attached to this memorandum, provides additional detail for the item.

1. New ROPS Item #55 – Admin. Costs.

Per the recommendation of the DOF, Successor Agency staff consolidated all administrative line items into line Item #55. Administrative costs are those costs associated with the administration of the winding down of the former redevelopment agency, including, without limitation, professional services, supplies, consultants, and personnel related costs. As a result of the DOF recommended consolidation, Items #16-19, 21, 47 and 50 have been retired.

END OF MEMO

**RESOLUTION NO. OB-VRDA-18-003**

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING ON JUNE 30, 2019**

**WHEREAS**, the Victorville Redevelopment Agency (“Redevelopment Agency”) was duly formed pursuant to the provisions of California Community Redevelopment Law, California Health and Safety Code Section 33000, *et seq.* (“CRL) by an ordinance of the City of Victorville, California (“City”); and

**WHEREAS**, pursuant to California Health and Safety Code Section 34172, the Redevelopment Agency is now deemed dissolved; and

**WHEREAS**, pursuant to California Health and Safety Code Section 34173(d)(3) and Resolution No. 12-005, the city council of the City (“City Council”) confirmed that the City shall serve as the successor agency to the Redevelopment Agency (“Successor Agency”); and

**WHEREAS**, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

**WHEREAS**, the Successor Agency must prepare and obtain approval from the Oversight Board of a Recognized Obligation Payment Schedule (“ROPS”) for the period of July 1, 2018, through June 30, 2019, pursuant to California Health and Safety Code Section 34177(o); and

**WHEREAS**, the Successor Agency must prepare and obtain approval from the Oversight Board for an administrative budget of the Successor Agency (“Administrative Budget”) for the period of July 1, 2018, through June 30, 2019, pursuant to California Health and Safety Code Section 34177(j); and

**WHEREAS**, the Successor Agency prepared a ROPS and an Administrative Budget for the period of July 1, 2018 through June 30, 2019, in the form attached hereto as Exhibit A; and

**WHEREAS**, the Oversight Board has determined that the ROPS for the period of July 1, 2018 through June 30, 2019 and the Administrative Budget for the period of July 1, 2018 through June 30, 2019, are consistent with the requirements of the Successor Agency to wind down the affairs of the former Redevelopment Agency in accordance with California Health and Safety Code Sections 34177(h), 34177(j) and 34177(o); and

**WHEREAS**, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

Section 1. Recitals

The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of ROPS and Administrative Budget

In accordance with Health and Safety Code section 34177, and based on the Recitals set forth above, the Oversight Board hereby approves the ROPS and Administrative Budget for the period of July 1, 2018 through June 30, 2019 attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 3. Authorization of Successor Agency.

Upon approval of this resolution ("Resolution") by the California Department of Finance, the Oversight Board authorizes and directs the Executive Director of the Successor Agency to execute, deliver and/or acknowledge the authority granted by this Resolution, and further directs the staff of the Successor Agency to submit a copy of the approved ROPS to the San Bernardino County Auditor-Controller and the California State Controller's office and post the approved ROPS on the Successor Agency's website.

Section 4. Delivery to the California Department of Finance.

The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).

Section 5. Other Actions.

The Oversight Board hereby authorizes and directs the Chairman, Vice-Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

Section 6. Effect.

This Resolution shall take effect upon approval of the California Department of Finance in accordance with California Health and Safety Code Section 34179(h).



**EXHIBIT "A"**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 18-19),  
INCLUDING ADMINISTRATIVE BUDGET**

**[SEE ATTACHED]**

**Recognized Obligation Payment Schedule (ROPS 18-19) - Summary**

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency: Victorville  
 County: San Bernardino

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>18-19A Total (July - December)</b>	<b>18-19B Total (January - June)</b>	<b>ROPS 18-19 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	\$ <b>2,829,903</b>	\$ <b>1,653,652</b>	\$ <b>4,483,555</b>
F RPTTF	2,704,903	1,528,652	4,233,555
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ <b>2,829,903</b>	\$ <b>1,653,652</b>	\$ <b>4,483,555</b>

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

/s/ \_\_\_\_\_  
 Signature Date

**Victorville Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances**  
**July 1, 2015 through June 30, 2016**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), 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](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/15)</b>						504,943		
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the <b>ROPS 15-16</b> total distribution from the County Auditor-Controller during January 2016 and June 2016.					186,901	6,215,817	G2=APA \$156,000; WPI settlement (Krispy Kreme) \$19,852; Auto sign land to COV \$8400; Interest \$2,649	
3	<b>Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)</b>					156,000	6,647,127	G3=auto park \$155,823, GoDaddy website \$177	
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 15-16 RPTTF Balances Remaining</b>	No entry required							
6	<b>Ending Actual Available Cash Balance (06/30/16)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 30,901	\$ 73,633		



Victorville Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	18-19A (July - December)					18-19B (January - June)					W		
											Fund Sources					Fund Sources							
											L	M	N	O	P	Q	R	S	T	U		V	
																							Bond Proceeds
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 18-19 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	18-19A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	18-19B Total	
1	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Bonds Issued On or Before	8/22/2002	12/1/2036	The Bank of New York	RDA Non-Housing Bond Issues	Bear Valley	\$ 61,095,350	N	\$ 4,483,555	\$ -	\$ -	\$ -	\$ 2,704,903	\$ 125,000	\$ 2,829,903	\$ -	\$ -	\$ -	\$ 1,528,652	\$ 125,000	\$ 1,653,652	
2	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	The Bank of New York Trust Company N.A.	Fiscal Agents Fee	Bear Valley	54,617,903	N	\$ 3,192,095				2,254,643		\$ 2,254,643				937,452		\$ 937,452	
3	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	RSG, Inc.	Continuing Disclosure Report	Bear Valley	13,500	N	\$ 13,500				8,100		\$ 8,100				2,700		\$ 2,700	
4	Northgate Apartments	Business Incentive Agreements	7/15/2005	10/1/2034	National Core (formerly So Calif Housing Develop	Aff Housing Agmt/Operational Subsidy	Bear Valley	4,375,000	N	\$ 250,000				125,000		\$ 125,000				125,000		\$ 125,000	
16	Successor Agency personnel	Admin Costs	7/1/2018	6/30/2019	City of Victorville	wages, benefits, PERS, W/C	Bear Valley	-	Y	\$ -						\$ -						\$ -	
17	Successor Agency admin	Admin Costs	7/1/2018	6/30/2019	City of Victorville	Indirect cost allocation for SA	Bear Valley	-	Y	\$ -						\$ -						\$ -	
18	SA Office supplies etc	Admin Costs	7/1/2018	6/30/2019	Staples, Xerox, etc.	paper, office supplies, postage, copier costs	Bear Valley	-	Y	\$ -						\$ -						\$ -	
19	Training and Education	Admin Costs	7/1/2018	6/30/2019	Unknown vendor(s)	travel/training for SA/OB matters	Bear Valley	-	Y	\$ -						\$ -						\$ -	
21	Successor Agency admin	Admin Costs	7/1/2018	6/30/2019	Green, de Bortnowsky & Quintanilla	Attorney - SA/Dissolution matters	Bear Valley	-	Y	\$ -						\$ -						\$ -	
22	Loan from SCLAA to Old Town Project Area	Third-Party Loans	7/21/2009	7/21/2014	Southern California Logistics Airport Authority	Loan for Old Town Land Acquisitions	Bear Valley	135,000	N	\$ 135,000						\$ -				135,000		\$ 135,000	
33	Project legal costs	Legal	7/1/2018	6/30/2019	Green, de Bortnowsky & Quintanilla	Project specific legal costs	Bear Valley	20,000	N	\$ 20,000				10,000		\$ 10,000				10,000		\$ 10,000	
34	Special Assessments on SA properties	Property Maintenance	7/25/2013	7/1/2033	City of Victorville	Street Light Assessment District taxes	Bear Valley	2,160	N	\$ 2,160				2,160		\$ 2,160						\$ -	
35	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	BLX	Arbitrage fees for bonds	Bear Valley	-	N	\$ -						\$ -						\$ -	
47	OB legal and financial advisors	Admin Costs	7/1/2018	6/30/2019	Unknown vendor(s)	Oversight Board legal counsel and/or consultants	Bear Valley	-	Y	\$ -						\$ -						\$ -	
49	SA Contract Services	Property Dispositions	7/1/2018	6/30/2019	Unknown vendor(s)	appraisals for LRPMP transactions	Bear Valley	10,000	N	\$ 10,000				5,000		\$ 5,000				5,000		\$ 5,000	
50	Audit	Admin Costs	7/1/2018	6/30/2019	Davis Farr, LLP	H&S 34177(n) audit/component unit audit	Bear Valley	-	Y	\$ -						\$ -						\$ -	
52	Loan from Bear Valley housing to Old Town non-housing fund	City/County Loan (Prior 06/28/11), Other	7/1/1999	3/8/2014	City of Victorville as Housing Successor	Loan for Old Town blight removal		851,987	N	200,000				100,000		100,000				100,000		100,000	
53	Unfunded CalPERS employee liabilities	Unfunded Liabilities	7/1/2017	6/30/2018	City of Victorville	Unfunded pension obligations as of 2/1/12 for former RDA employees		337,000	N	200,000				100,000		100,000				100,000		100,000	
54	Unfunded OPEB employee liabilities	Unfunded Liabilities	7/1/2017	6/30/2018	City of Victorville	Unfunded pension obligations as of 2/1/12 for former RDA employees		472,000	N	200,000				100,000		100,000				100,000		100,000	
55	Admin Costs	Admin Costs	7/1/2018	6/30/2019	Various - City of Victorville, Staples, unknown vendor(s)	wages, benefits, PERS, W/C, indirect cost allocation for SA, paper, office supplies, postage, copier costs, travel/training for SA/OB matters, H&S 34177(n) audit/component unit audit, legal/consultants for SA/Dissolution and OB	Bear Valley	250,000	N	\$ 250,000					125,000	\$ 125,000						125,000	\$ 125,000
56									N	\$ -						\$ -						\$ -	
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**AGENDA ITEM**

**WRITTEN COMMUNICATIONS**

**SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY**

MEETING OF: JANUARY 16, 2018

SUBMITTED BY: SOPHIE L. SMITH   
INTERIM DEPUTY CITY MANAGER

DATE: 1-3-18

ATTACHMENT: RESOLUTION R-SA-18-001

SUBJECT: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE SITTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING ON JUNE 30, 2019 (ROPS 18-19)

RECOMMENDATION:

That your Honorable Board of Directors adopts Resolution R-SA-18-001 thereby approving the annual Recognized Obligation Payment Schedule for the period commencing July 1, 2018 and ending on June 30, 2019.

FISCAL IMPACT: \$4,483,555

PROJECT BUDGET:	\$	-
PROJECT COST:	- \$	-
PROJECT BALANCE:	\$	-

BUDGET ACCT NO:  
Redevelopment Property Tax Trust Fund (RPTTF)

**— Finance Use Only —**

Additional Expense:

No  
 Yes / Amount

Additional Revenue:

No  
 Yes / Amount

Finance Review





DISCUSSION:

On January 17, 2012, the City of Victorville confirmed its designation as Successor Agency to the Victorville Redevelopment Agency. As you know, the role of the Successor Agency is to wind down the affairs of the former redevelopment agency. Among other things, the Successor Agency is responsible for performing contractual obligations of the former RDA, and continuing payments required by the former RDA.

The Successor Agency must prepare a Recognized Obligation Payment Schedule (ROPS) per Health & Safety Code 34177(l). The purpose of each ROPS is that it will be the basis by which the State Department of Finance (DOF) determines the amount of funds necessary to be passed through to the Successor Agency from the County Auditor-Controller to satisfy the former RDA's obligations. The funds passed through to the Successor Agency are from the Redevelopment Property Tax Trust Fund (RPTTF), which is held by the County Auditor Controller and represents the tax increment of the former Agency.

Attached for your approval is the ROPS 18-19 which includes the proposed Successor Agency obligations for the timeframe covering July 1, 2018 through June 30, 2019. The DOF released the ROPS 18-19 template on November 30, 2017 and the attached report has been prepared using the approved format. The draft was uploaded to the DOF's ROPS website and "passed" validation, which simply means there are no formatting or formula errors.

Pursuant to HSC Section 34177(o) (1) (E), the Successor Agency may submit one amendment to the ROPS as approved by the Oversight Board no later than October 1 of each year. Such Amendment must deal with the second half (January 1 through June 30) of each annual ROPS period and may amend dollar amounts requested for an approved enforceable obligation.

The total RPTTF funding requested for the period is \$4,483,555 which includes an Administrative Budget of \$250,000. Many of the items listed have appeared in previous ROPS submittals; however, one new item was added to ROPS 18-19 as listed below:

Item #55: Admin Costs – The Successor Agency may request funding for an administrative allowance that is the greater of \$250,000 or 3% of approved non-administrative obligations. Such administrative allowance is intended to be used for costs associated with the ongoing "wind-down" of the former RDA's activities. Items such as personnel related costs, supplies, related travel/training, Successor Agency and Oversight Board legal fees, consultants, etc., are eligible for payment from such administrative funds. DOF staff had recommended all administrative line items be combined, resulting in the newly created line #55. Accordingly, line Items 16-19, 21, 47 and 50 have been retired and replaced with line #55.

Staff is requesting your approval of ROPS 18-19 for submission to the Oversight Board, and then to the DOF. The ROPS is due February 1, 2018, with an anticipated

determination from DOF by April 14, 2018 and anticipated funding on June 1, 2018 and January 2, 2019.

Staff remains available for any questions or comments you might have.

SLS

Attachments: Resolution R-SA-18-001



**RESOLUTION NO. R-SA-18-001**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE SITTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING ON JUNE 30, 2019 (ROPS 18-19)**

**WHEREAS**, the Victorville Redevelopment Agency (the “Redevelopment Agency”) was duly created and activated pursuant to the provisions of the California Community Redevelopment Law, Health and Safety Code sections 33000, *et seq.* (the “CRL”) by a duly adopted Ordinance of the City of Victorville, California (the “City”); and

**WHEREAS**, the Redevelopment Agency previously caused the adoption of the Bear Valley Road Redevelopment Plan and the Old Town/Midtown Redevelopment Plan both of which were approved and adopted by the City; and

**WHEREAS**, pursuant to that certain Fourth Amended and Restated Joint Exercise of Powers Agreement Establishing the Victor Valley Economic Development Authority, the Victor Valley Economic Development Authority has delegated certain decision-making authority to the Agency with respect to the administration of the 1993 Victor Valley Redevelopment Plan in relation to that portion of the project area subject to the Redevelopment Plan which is located within the City (the Bear Valley Road Redevelopment Plan, the Old Town/Midtown Redevelopment Plan, and the 1993 Victor Valley Redevelopment Plan shall sometimes hereinafter be collectively referred to as the “Redevelopment Plans”); and

**WHEREAS**, pursuant to Health and Safety Code section 34172, the Redevelopment Agency is deemed dissolved; and

**WHEREAS**, pursuant to Resolution No. 12-005, the City Council of the City of Victorville confirmed that the City of Victorville shall serve as the successor agency to the Redevelopment Agency (the “Successor Agency”); and

**WHEREAS**, pursuant to Health and Safety Code section 34177 (“Section 34177”), a successor agency is required to adopt a Recognized Obligation Payment Schedule that lists all of the obligations that are considered enforceable within the meaning of Health and Safety Code Section 34171(d); and

**WHEREAS**, pursuant to Health and Safety Code section 34177(a)(3), the Successor Agency is prohibited from making a payment unless it is listed on an adopted Recognized Obligation Payment Schedule; and

**WHEREAS**, Successor Agency staff has prepared the Recognized Obligation Payment Schedule (ROPS), a copy of which is attached hereto as Exhibit “A” and incorporated herein by

this reference for the period commencing on July 1, 2018 through June 30, 2019, setting forth all the obligations the Successor Agency has determined are enforceable obligations within the meaning of Section 34171(d) and which represent payments to be made for said period.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE SITTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1. Recitals**

The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2. Adoption of Recognized Obligation Payment Schedule**

In accordance with the Recitals set forth above, the City Council of the City of Victorville sitting as the Governing Board of the Successor Agency (the "Successor Agency Governing Board") hereby approves and adopts the Recognized Obligation Payment Schedule attached hereto as Exhibit "A".

**Section 3. Implementation**

The Successor Agency hereby authorizes and directs staff to (1) submit the item to the Oversight Board for approval; and upon that approval to: (2) submit the ROPS to the Department of Finance; and (3) to execute and deliver such documents and instruments and to do such things which may be necessary or proper to effectuate the purposes of this Resolution and to implement the ROPS.

**Section 4. CEQA**

The Successor Agency, under Title 14 of the California Code of Regulations, Section 15378(b)(4), finds that this Resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") in that it is not a "project," but instead consists of the continuation of a governmental funding mechanism for potential future projects and programs, and does not commit funds to any specific project or program.

**Section 5. Effective Date**

This Resolution shall take effect upon its adoption.

**Section 6. Certification**

The Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions; and shall make a minute of passage and adoption thereof in the

records of the proceedings, in the minutes of the meeting at which this Resolution is passed and adopted.

EXHIBIT "A"

ROPS 18-19

[SEE ATTACHED]



**Recognized Obligation Payment Schedule (ROPS 18-19) - Summary**

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency: Victorville  
 County: San Bernardino

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	\$ 2,829,903	\$ 1,653,652	\$ 4,483,555
F RPTTF	2,704,903	1,528,652	4,233,555
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ 2,829,903	\$ 1,653,652	\$ 4,483,555

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  
 /s/ \_\_\_\_\_  
 Signature Date

**Victorville Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances**  
**July 1, 2015 through June 30, 2016**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), 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](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/15)</b>						504,943		
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the <b>ROPS 15-16</b> total distribution from the County Auditor-Controller during January 2016 and June 2016.					186,901	6,215,817	G2=APA \$156,000; WPI settlement (Krispy Kreme) \$19,852; Auto sign land to COV \$8400; Interest \$2,649	
3	<b>Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)</b>					156,000	6,647,127	G3=auto park \$155,823, GoDaddy website \$177	
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 15-16 RPTTF Balances Remaining</b>	No entry required							
6	<b>Ending Actual Available Cash Balance (06/30/16)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 30,901	\$ 73,633		



Victorville Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

(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 18-19 Total	L 18-19A (July - December) Fund Sources					Q 18-19A Total	R 18-19B (January - June) Fund Sources					W 18-19B Total													
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF														
											1	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Bonds Issued On or Before	8/22/2002	12/1/2036		The Bank of New York Trust Company N.A.	RDA Non-Housing Bond Issues	Bear Valley	\$ 61,095,350	N		\$ 4,483,555	\$ -	\$ -	\$ -	\$ 2,704,903	\$ 125,000	\$ 2,829,903	\$ -	\$ -	\$ -	\$ 1,528,652	\$ 125,000	\$ 1,653,652
											2	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036		The Bank of New York Trust Company N.A.	Fiscal Agents Fee	Bear Valley	54,617,903	N		3,192,095			2,254,643			2,254,643				937,452		937,452
3	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	RSG, Inc.	Continuing Disclosure Report	Bear Valley	13,500	N	13,500									13,500		13,500														
4	Northgate Apartments	Business Incentive Agreements	7/15/2005	10/1/2034	National Core (formerly So Calif Housing Develop	Aff Housing Agmt/Operational Subsidy	Bear Valley	4,375,000	N	250,000			125,000			125,000			125,000		125,000														
16	Successor Agency personnel	Admin Costs	7/1/2018	6/30/2019	City of Victorville	wages, benefits, PERS, W/C	Bear Valley	-	Y	-						-						-													
17	Successor Agency admin	Admin Costs	7/1/2018	6/30/2019	City of Victorville	indirect cost allocation for SA	Bear Valley	-	Y	-						-						-													
18	SA Office supplies etc	Admin Costs	7/1/2018	6/30/2019	Staples, Xerox, etc.	paper, office supplies, postage, copier costs	Bear Valley	-	Y	-						-						-													
19	Training and Education	Admin Costs	7/1/2018	6/30/2019	Unknown vendor(s)	travel/training for SA/OB matters	Bear Valley	-	Y	-						-						-													
21	Successor Agency admin	Admin Costs	7/1/2018	6/30/2019	Green, de Bortnowsky & Quintanilla	Attorney - SA/Dissolution matters	Bear Valley	-	Y	-						-						-													
22	Loan from SCLAA to Old Town Project Area	Third-Party Loans	7/21/2009	7/21/2014	Southern California Logistics Airport Authority	Loan for Old Town Land Acquisitions	Bear Valley	135,000	N	135,000									135,000		135,000														
33	Project legal costs	Legal	7/1/2018	6/30/2019	Green, de Bortnowsky & Quintanilla	Project specific legal costs	Bear Valley	20,000	N	20,000			10,000			10,000			10,000		10,000														
34	Special Assessments on SA properties	Property Maintenance	7/25/2013	7/1/2033	City of Victorville	Street Light Assessment District taxes	Bear Valley	2,160	N	2,160			2,160			2,160																			
35	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Fees	8/22/2002	12/1/2036	BLX	Arbitrage fees for bonds	Bear Valley	-	N	-																									
47	OB legal and financial advisors	Admin Costs	7/1/2018	6/30/2019	Unknown vendor(s)	Oversight Board legal counsel and/or consultants	Bear Valley	-	Y	-						-						-													
49	SA Contract Services	Property Dispositions	7/1/2018	6/30/2019	Unknown vendor(s)	appraisals for LRPMP transactions	Bear Valley	10,000	N	10,000			5,000			5,000			5,000		5,000														
50	Audit	Admin Costs	7/1/2018	6/30/2019	Davis Farr, LLP	H&S 34177(n) audit/component unit audit	Bear Valley	-	Y	-						-						-													
52	Loan from Bear Valley housing to Old Town non-housing fund	City/County Loan (Prior 06/28/11), Other	7/1/1999	3/8/2014	City of Victorville as Housing Successor	Loan for Old Town blight removal		851,987	N	200,000			100,000			100,000			100,000		100,000														
53	Unfunded CalPers employee liabilities	Unfunded Liabilities	7/1/2017	6/30/2018	City of Victorville	Unfunded pension obligations as of 2/1/12 for former RDA employees		337,000	N	200,000			100,000			100,000			100,000		100,000														
54	Unfunded OPEB employee liabilities	Unfunded Liabilities	7/1/2017	6/30/2018	City of Victorville	Unfunded pension obligations as of 2/1/12 for former RDA employees		472,000	N	200,000			100,000			100,000			100,000		100,000														
55	Admin Costs	Admin Costs	7/1/2018	6/30/2019	Various - City of Victorville, Staples, unknown vendor(s)	wages, benefits, PERS, W/C, indirect cost allocation for SA, paper, office supplies, postage, copier costs, travel/training for SA/OB matters, H&S 34177(n) audit/component unit audit, legal/consultants for SA/Dissolution and OB	Bear Valley	250,000	N	250,000				125,000		125,000					125,000	125,000													
56									N	\$ -						\$ -						\$ -													
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