OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY
SPECIAL MEETING AGENDA

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

Thursday, January 21, 2016
1:30 P.M.

CALL TO ORDER

ITEM 1 PUBLIC COMMENT

DISCUSSION AGENDA

ITEM 2 RESOLUTION NO. OB-VRDA-16-001 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 HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2016 AND ENDING ON JUNE 30, 2017

ITEM 3 COMMENTS FROM OVERSIGHT BOARD, LEGAL COUNSEL AND STAFF

ITEM 4 ADJOURNMENT

VARNER&BRANDT LLP

CLIENT MEMORANDUM

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

FROM: VARNER & BRANDT LLP

SUBJECT: TRANSMITTAL OF JANUARY 21, 2016 OVERSIGHT BOARD MEETING AGENDA ITEM #2

DATE: JANUARY 18, 2016

The following memorandum provides the seven 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.: 2

Subject: ***Approval of Recognized Obligation Payment Schedule (ROPS) 16-17***. 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, 2016, through June 30, 2017 ("ROPS 16-17").

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.

Discussion: SB 107 amended the Dissolution Legislation to require the Successor Agency to prepare a ROPS that identifies enforceable obligations and the amounts and funding sources of the enforceable obligations on a 12-month, rather than the previous 6-month, forward-looking basis. SB 107 also specifies a process for amending the ROPS, whereby no later than October 1 and with the approval of the Oversight Board, the Successor Agency may submit one (1) amendment to the ROPS to make necessary changes to the payment amount of approved enforceable obligations. This amendment process may only be made to payments due during the second half of the ROPS period (i.e., January 1 through June 30).

The Successor Agency requests the Oversight Board approve the ROPS for the period of July 1, 2016, through June 30, 2017 and approve the Successor Agency's Administrative Budget for the same period. Both approval requests are properly before the Oversight Board. The Oversight Board holds approval authority over the ROPS and Administrative Budget for the period of July 1, 2016, through June 30, 2017.

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 items on the ROPS:

1. ROPS Item #49 – Contract Services; This entry reflects costs related to various appraisals of properties reflected under the approved Long-Range Property Management Plan.
2. ROPS Item #50 – The prior audit firm has been replaced by a new firm and the estimated audit costs associated with services provided to the Successor Agency are reflected in this new entry.
3. ROPS Items #51 – This is a new entry for costs associated with an evaluation and report concerning the unfunded CalPERS pension liabilities for the former RDA employees. The evaluation and report will be used to determine outstanding obligations/liabilities to be included on future ROPS.

END OF MEMO

RESOLUTION NO. OB-VRDA-16-001

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 HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JANUARY 1, 2016 AND ENDING ON JUNE 30, 2016

WHEREAS, pursuant to Health and Safety Code section 34172, the Victorville Redevelopment Agency is 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 of Victorville confirmed that the City of Victorville shall serve as the successor agency to the Redevelopment Agency (the "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, 2016, through June 30, 2017, 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, 2016, through June 30, 2017, pursuant to California Health and Safety Code section 34177(j); 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 a ROPS; 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. Adoption of Recognized Obligation Payment Schedule 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 and adopts the ROPS and Administrative Budget for the period of July 1, 2016 through June 30, 2017 attached hereto as Exhibit "A", and incorporated herein by this reference.

Section 3. Implementation

The Oversight Board hereby authorizes and directs the Successor Agency's Executive Director, or his or her designee, to: (1) post the ROPS on the Successor Agency and/or the City's websites; (2) submit to, by mail or electronic means, the County Auditor-Controller, the Department of Finance, and the State Controller; 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 and Administrative Budget.

Section 4. CEQA

The Oversight Board, under Title 14 of the California Code of Regulations, Section 15378(b)(4), 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 in accordance with California Health and Safety Code section 34179(h).

Section 6. Certification

The Oversight Board Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original Resolutions of the Oversight Board; and shall make a minute of passage and adoption thereof in the records of the proceedings of the Oversight Board, in the minutes of the meeting at which this Resolution is passed and adopted.

EXHIBIT "A"

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17), INCLUDING ADMINISTRATIVE BUDGET

[SEE ATTACHED]

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: Victorville

County: San Bernardino

	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	16-17A Total	16-17B Total	ROPS 16-17 Total
A	**Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):**	**$ -**	**$ -**	**$ -**
B	Bond Proceeds Funding	-	-	-
C	Reserve Balance Funding	-	-	-
D	Other Funding	-	-	-
E	**Enforceable Obligations Funded with RPTTF Funding (F+G):**	**$ 2,627,146**	**$ 6,036,257**	**$ 8,663,403**
F	Non-Administrative Costs	2,378,123	5,794,234	8,172,357
G	Administrative Costs	249,023	242,023	491,046
H	**Current Period Enforceable Obligations (A+E):**	**$ 2,627,146**	**$ 6,036,257**	**$ 8,663,403**

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.

Keith C. Metzler, Chairman

Name Title

/s/

Signature Date

Victorville Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(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
		Fund Sources						
		Bond Proceeds		Reserve Balance		Other	RPTTF	
	Cash Balance Information by ROPS Period	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	Comments
ROPS 15-16A Actuals (07/01/15 - 12/31/15)								
1	**Beginning Available Cash Balance (Actual 07/01/15)**						504,943	
2	**Revenue/Income (Actual 12/31/15)** RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015					109,852	2,414,339	G2=Desert Plaza OPA $19,982 and $90,000
3	**Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)**					90,000	2,906,696	
4	**Retention of Available Cash Balance (Actual 12/31/15)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	**ROPS 15-16A RPTTF Balances Remaining**	No entry required						
6	**Ending Actual Available Cash Balance** **C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)**	$ -	$ -	$ -	$ -	$ 19,852	$ 12,586	
ROPS 15-16B Estimate (01/01/16 - 06/30/16)								
7	**Beginning Available Cash Balance (Actual 01/01/16)** **(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)**	$ -	$ -	$ -	$ -	$ 19,852	$ 12,586	
8	**Revenue/Income (Estimate 06/30/16)** RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016						3,801,478	
9	**Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)**					84,000	6,430,041	
10	**Retention of Available Cash Balance (Estimate 06/30/16)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
11	**Ending Estimated Available Cash Balance (7 + 8 - 9 -10)**	$ -	$ -	$ -	$ -	$ (64,148)	$ (2,615,977)	

Victorville Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(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
											16-17A						16-17B					
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
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 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total
								$ 17,795,823		$ 8,663,403	$ -	$ -	$ -	$ 2,378,123	$ 249,023	$ 2,627,146	$ -	$ -	$ -	$ 5,794,234	$ 242,023	$ 6,036,257
1	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/22/2002	12/1/2036	The Bank of New York Trust Company N.A.	RDA Non-Housing Bond Issues	Bear Valley	3,194,331	N	$ 3,194,331				2,194,123		$ 2,194,123				1,000,208		$ 1,000,208
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	10,400	N	$ 10,400				7,800		$ 7,800				2,600		$ 2,600
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	5,000	N	$ 5,000						$ -				5,000		$ 5,000
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	4,875,000	N	$ 250,000				125,000		$ 125,000				125,000		$ 125,000
5	Desert Plazas OPA	OPA/DDA/Construction	11/18/2008	12/31/2016	World Premier Investments (WPI Development I and II)	Public Improvements Reimbursement - per agreement	Bear Valley	4,507,420	N	$ -						$ -						$ -
7	Foxborough Rail	Property Maintenance	9/1/2008	6/30/2016	Wilson & Company	Rail Inspection as required by BNSF ITA	Bear Valley		Y													
8	Foxborough Rail	Property Maintenance	9/1/2008	6/30/2016	Wilson & Company and subcontractors	Rail maintenance & repair as required by BNSF ITA	Bear Valley		Y													
9	Audit	Admin Costs	7/1/2015	12/31/2015	Mayer Hoffman McCann	H&S 34177(n) audit/component unit audit	Bear Valley		Y	$ -						$ -						$ -
10	Auto Park Association	Business Incentive Agreements	1/1/2011	6/30/2016	Auto Park at Valley Center Association	Agency funds per Assoc Agmt	Bear Valley		Y	$ -						$ -						$ -
11	Auto Park Sign	Property Maintenance	8/19/2009	6/30/2016	Visual Marketing Concepts	Programming for LED	Bear Valley		Y	$ -						$ -						$ -
12	Auto Park Sign	Property Maintenance	10/28/2008	6/30/2016	Quiel Bros.Sign	Sign Repair and Maintenance	Bear Valley		Y	$ -						$ -						$ -
13	Auto Park Sign	Property Maintenance	5/7/2007	6/30/2016	SCE	Electrical Services (utility)	Bear Valley		Y	$ -						$ -						$ -
14	Auto Park Sign	Property Maintenance	5/7/2007	6/30/2016	Verizon	DSL Service	Bear Valley		Y	$ -						$ -						$ -
16	Successor Agency personnel	Admin Costs	7/1/2016	6/30/2017	City of Victorville	wages, benefits, PERS, W/C	Bear Valley	276,046	N	$ 276,046					138,023	$ 138,023					138,023	$ 138,023
17	Successor Agency admin	Admin Costs	7/1/2016	6/30/2017	City of Victorville	Indirect cost allocation for SA	Bear Valley	41,000	N	$ 41,000					20,500	$ 20,500					20,500	$ 20,500
18	SA Office supplies etc	Admin Costs	7/1/2016	6/30/2017	Staples, Xerox, etc.	paper, office supplies, postage, copier costs	Bear Valley	3,000	N	$ 3,000					1,500	$ 1,500					1,500	$ 1,500
19	Training and Education	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	travel/training for SA/OB matters	Bear Valley	6,000	N	$ 6,000					3,000	$ 3,000					3,000	$ 3,000
21	Successor Agency admin	Admin Costs	7/1/2016	6/30/2017	Green, de Bortnowsky & Quintanilla	Attorney - SA/Dissolution matters	Bear Valley	20,000	N	$ 20,000					10,000	$ 10,000					10,000	$ 10,000
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	4,621,426	N	$ 4,621,426						$ -				4,621,426		$ 4,621,426
33	Project legal costs	Legal	7/1/2016	6/30/2017	Green, de Bortnowsky & Quintanilla	Project specific legal costs	Bear Valley	60,000	N	$ 60,000				30,000		$ 30,000				30,000		$ 30,000
34	Special Assessments on SA properties	Property Maintenance	7/25/2013	7/1/2033	City of Victorville	Street Light Assessment District taxes	Bear Valley	3,200	N	$ 3,200				3,200		$ 3,200						$ -
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	3,000	N	$ 3,000				3,000		$ 3,000						$ -
37	Pass-Through Payments for SBCSS per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	San Bernardino County Superintendent of Schools	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
38	Pass-Through Payments for VVCCD per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Valley Community College District	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
39	Pass-Through Payments for VESD per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Elementary School District	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
43	Pass-Through Payments for VVUHDS per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Valley Union High School District	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
47	OB legal and financial advisors	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	Oversight Board legal counsel and/or consultants	Bear Valley	100,000	N	$ 100,000					50,000	$ 50,000					50,000	$ 50,000
48	Unfunded RDA employee liabilities	Unfunded Liabilities	2/1/2012	6/30/2016	City of Victorville	Unfunded benefit obligations as of 2/1/12 for former RDA employees	Bear Valley		Y	$ -						$ -						$ -
49	SA Contract Services	Property Dispositions	7/1/2016	6/30/2017	Unknown vendor(s)	appraisals for LRPMP transactions	Bear Valley	25,000	N	$ 25,000				15,000		$ 15,000				10,000		$ 10,000
50	Audit	Admin Costs	7/1/2016	6/30/2017	Davis Farr, LLP	H&S 34177(n) audit/component unit audit	Bear Valley	20,000	N	$ 20,000					11,000	$ 11,000					9,000	$ 9,000
51	SA Contract Services	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	Prepare report of Unfunded pension liabilities for former RDA employees	Bear Valley	25,000	N	$ 25,000					15,000	$ 15,000					10,000	$ 10,000

Victorville Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Item #	Notes/Comments
9	Auditing firm changed; new item #50 added with new vendor info
19	Includes travel costs for meet & confer
33	To include LRPMP sales documents
51	cost to prepare report of unfunded pension liabilities of former RDA employees

CITY OF
VICTORVILLE

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P.O. Box 5001
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AGENDA ITEM

WRITTEN COMMUNICATIONS

SUCCESSOR AGENCY TO THE VICTORVILLE REDEVELOPMENT AGENCY

MEETING OF: JANUARY 19, 2016

SUBMITTED BY: SOPHIE L. SMITH
ECONOMIC DEVELOPMENT
DIVISION HEAD

DATE: 1-12-16

ATTACHMENT: RESOLUTION R-SA-16-001

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, 2016 AND ENDING ON JUNE 30, 2017 (ROPS 16-17)

RECOMMENDATION:
That your Honorable Board of Directors adopts Resolution R-SA-16-001 thereby approving the annual Recognized Obligation Payment Schedule for the period commending July 1, 2016 and ending on June 30, 2017.

FISCAL IMPACT: $8,663,403

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.

Attached for your approval is the ROPS 16-17 which includes the proposed Successor Agency obligations for the timeframe covering July 1, 2016 through June 30, 2017. The DOF has created a new ROPS template for 16-17, which represents the first annual ROPS (as opposed to 6-months). In the new template, the Prior Period Adjustment form has been eliminated to allow for the transition to an annual ROPS. 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 $8,663,403 which includes an Administrative Budget of $491,046. Many of the items listed have appeared in previous ROPS submittals; however, one new item was added to ROPS 16-17 as listed below:

Item #51: This item has been added to the ROPS to fund a report to evaluate the unfunded CalPERS pension liabilities of the former RDA employees. These liabilities have not been addressed on any previous ROPS which could place an undue burden upon the City of Victorville's various funding sources that have or will make the payments on the accrued liabilities. The report will be used as a basis to add such outstanding liabilities to future ROPS as payments from the Redevelopment Property Tax Trust Fund, which is held by the County Auditor Controller and represents the tax increment of the former Agency.

Additionally, several items have been "retired" as outstanding obligations of the RDA on ROPS 16-17, representating an item that no longer has an outstanding balance and will be eliminated from future ROPS requests. Such items include:

- #7 and 8, Foxborough Rail – The DOF has previously denied funding for this item, indicating the ongoing contract between the RDA and BNSF that

necessitates such maintenance runs contrary to the dissolution law; accordingly, the item has been retired.

- Item #9, Audit - Because the City's auditing firm has changed from Mayer Hoffman McCann to Davis Farr, LLP, Item #9 has been retired and the estimated audit costs for the Successor Agency have been moved to new line Item #50.
- Items #10, 11, 12, 13, and 14, Auto Park Association and Auto Park Sign – During the last ROPS review cycle, the DOF analyst assigned to Victorville indicated this item should be retired because the SA's Long Range Property Management Plan (LRPMP) has now been approved, and the disposition of the Auto Park Sign should occur soon; accordingly, the items have been retired.
- Items #37, 38, 39, 43, Pass Through Payments for Bear Valley Cooperation Agreements - Staff believes all payments required pursuant to these agreements have been made; accordingly, the items have been retired.
- Item # 48, Unfunded sick and vacation leave liabilities of former RDA employees – This item was fully funded in the ROPS 15-16B period; accordingly the item has been retired.

Staff is requesting your approval of ROPS 16-17 for submission to the Oversight Board, and then to the DOF. The ROPS is due February 1, 2016, with anticipated determination from DOF by April 15, 2016 and anticipated funding on June 1, 2016 and January 2, 2017.

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

SLS

Attachments: Resolution R-SA-16-001

RESOLUTION NO. R-SA-16-001

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, 2016 AND ENDING ON JUNE 30, 2017 (ROPS 16-17)

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, 2016 through June 30, 2017, 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 five days after 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 16-17

[SEE ATTACHED]

Victorville Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(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
											16-17A						16-17B					
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
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 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total
								$ 17,796,923		$ 8,663,403	$ -	$ -	$ -	$ 2,378,123	$ 249,023	$ 2,627,146	$ -	$ -	$ -	$ 3,794,234	$ 242,023	$ 6,036,257
1	Vict RDA Series 2002A, 2003A, 2003B, 2006A Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/22/2002	12/1/2036	The Bank of New York Trust Company N.A.	RDA Non-Housing Bond Issues	Bear Valley	3,194,331	N	$ 3,194,331				2,194,123		$ 2,194,123				1,000,208		$ 1,000,208
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	10,400	N	$ 10,400				7,800		$ 7,800				2,600		$ 2,600
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	5,000	N	$ 5,000						$ -				5,000		$ 5,000
4	Northgate Apartments	Business Incentive Agreements	7/18/2005	10/1/2034	National Core (formerly So Calif Housing Develop Corp)	Affi Housing Agmt/Operational Subsidy	Bear Valley	4,875,000	N	$ 290,000				125,000		$ 125,000				125,000		$ 125,000
5	Desert Plazas OPA	OPA/DDA/Construction	11/18/2008	12/31/2016	World Premier Investments (WPI Development Fund II)	Public Improvements Reimbursement - per agreement	Bear Valley	4,507,420	N	$ -						$ -						$ -
7	Forbearance Re	Property Maintenance	9/1/2005	6/30/2011	Wilson & Combs	Re [illegible] reserved by Rich	Bear Valley															
8	Forbearance Re	Property Maintenance	9/1/2005	6/30/2011	[illegible] subcommission	[illegible] by HMBP, LA	Bear Valley															
9	Audit	Admin Costs	7/1/2015	12/31/2015	Mayer Hoffman McCann	H&S 34177(n) audit/component unit audit	Bear Valley		Y	$ -						$ -						$ -
10	Auto Park Association	Business Incentive Agreements	1/1/2011	6/30/2016	Auto Park at Valley Center Association	Agency funds per Assoc Agmt	Bear Valley		Y	$ -						$ -						$ -
11	Auto Park Sign	Property Maintenance	8/15/2009	6/30/2016	Visual Marketing Concepts	Programming for LED	Bear Valley		Y	$ -						$ -						$ -
12	Auto Park Sign	Property Maintenance	10/28/2008	6/30/2016	Quiet Bros.Sign	Sign Repair and Maintenance	Bear Valley		Y	$ -						$ -						$ -
13	Auto Park Sign	Property Maintenance	5/1/2007	6/30/2016	SCE	Electrical Services (light)	Bear Valley		Y	$ -						$ -						$ -
14	Auto Park Sign	Property Maintenance	5/1/2007	6/30/2016	Verizon	DSL Service	Bear Valley		Y	$ -						$ -						$ -
15	Successor Agency personnel	Admin Costs	7/1/2010	6/30/2017	City of Victorville	wages, benefits, PERS, WC	Bear Valley	276,046	N	$ 276,046					138,023	$ 138,023					138,023	$ 138,023
17	Successor Agency admin	Admin Costs	7/1/2016	6/30/2017	City of Victorville	Indirect cost allocation for SA	Bear Valley	41,000	N	$ 41,000					20,500	$ 20,500					20,500	$ 20,500
18	SA Office supplies etc	Admin Costs	7/1/2016	6/30/2017	Staples, Xerox, etc	paper, office supplies, postage, copier costs	Bear Valley	3,000	N	$ 3,000					1,500	$ 1,500					1,500	$ 1,500
19	Training and Education	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	travel/training for SA/OB matters	Bear Valley	6,000	N	$ 6,000					3,000	$ 3,000					3,000	$ 3,000
21	Successor Agency admin	Admin Costs	7/1/2016	6/30/2017	Green, de Bortnowsky & Quintanilla	Attorney - SA/Dissolution matters	Bear Valley	20,000	N	$ 20,000					10,000	$ 10,000					10,000	$ 10,000
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	4,621,426	N	$ 4,621,426						$ -				4,621,426		$ 4,621,426
23	Project legal costs	Legal	7/1/2016	6/30/2017	Green, de Bortnowsky & Quintanilla	Project specific legal costs	Bear Valley	60,000	N	$ 60,000				30,000		$ 30,000				30,000		$ 30,000
34	Special Assessments on SA properties	Property Maintenance	7/25/2013	7/1/2033	City of Victorville	Street Light Assessment District taxes	Bear Valley	3,200	N	$ 3,200				3,200		$ 3,200						$ -
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	3,000	N	$ 3,000				3,000		$ 3,000						$ -
37	Pass-Through Payments for SBCSS per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	San Bernardino County Superintendent of Schools	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
38	Pass-Through Payments for VVCCD per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Valley Community College District	Prior Year Pass-Through Payments Owed Pursuant to 1988 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
39	Pass-Through Payments for VESD per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Elementary School District	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
43	Pass-Through Payments for VVUHDS per Cooperation Agreement	Miscellaneous	4/30/1993	6/30/2016	Victor Valley Union High School District	Prior Year Pass-Through Payments Owed Pursuant to 1993 Cooperation Agreement for FY 2008/09 through 2010/11 (Pre-Dissolution)	Bear Valley		Y	$ -						$ -						$ -
47	OB legal and financial advisors	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	Oversight Board legal counsel and/or consultants	Bear Valley	100,000	N	$ 100,000					50,000	$ 50,000					50,000	$ 50,000
48	Unfunded RDA employee liabilities	Unfunded Liabilities	2/1/2012	6/30/2016	City of Victorville	Unfunded benefit obligations as of 2/1/12 for former RDA employees	Bear Valley		Y	$ -						$ -						$ -
49	SA Contract Services	Property Dispositions	7/1/2016	6/30/2017	Unknown vendor(s)	appraisals for LRPMP transactions	Bear Valley	25,000	N	$ 25,000				15,000		$ 15,000				10,000		$ 10,000
50	Audit	Admin Costs	7/1/2016	6/30/2017	Davis Farr, LLP	H&S 34177(n) audit/component unit audit	Bear Valley	20,000	N	$ 20,000					11,000	$ 11,000					9,000	$ 9,000
51	SA Contract Services	Admin Costs	7/1/2016	6/30/2017	Unknown vendor(s)	Prepare report of Unfunded pension liabilities for former SA employees	Bear Valley	25,000	N	$ 25,000					15,000	$ 15,000					10,000	$ 10,000