

**OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE
VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA**

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

Thursday, January 25, 2018
3:30 P.M.

CALL TO ORDER

ITEM 1 PUBLIC COMMENT

DISCUSSION AGENDA

ITEM 2 APPROVE MINUTES FROM JANUARY 26, 2017 REGULAR MEETING.

ITEM 3 RESOLUTION OB-VVEDA-18-001 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING JUNE 30, 2019

ITEM 4 NEXT REGULARLY SCHEDULED MEETING: FEBRUARY 8, 2018

ITEM 5 COMMENTS FROM OVERSIGHT BOARD AND STAFF

ITEM 6 ADJOURNMENT

**MINUTES OF THE
REGULAR MEETING
OF THE OVERSIGHT BOARD
FOR SUCCESSOR AGENCY TO THE
VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY
January 26, 2017**

The meeting of the Oversight Board for the Successor Agency to the Victor Valley Economic Development Authority was called to order at 3:38 p.m. by Keith Metzler, Chairman of the Oversight Board for the Victor Valley Economic Development Authority, in Conference Room "D," Victorville City Hall, 14343 Civic Drive, Victorville, California.

ROLL CALL

PRESENT: Board Members Richardson, Johnson, Metzler, Lamoreaux, Hoegerman Robertson, and O'Toole

ABSENT: None

Also present was Jennifer Thompson, Board Secretary and Sophie Smith, City of Victorville

PUBLIC COMMENT

PUBLIC COMMENT ON ITEMS OF INTEREST TO THE PUBLIC

There was no public comment.

DISCUSSION AGENDA

**APPROVE MINUTES FROM SEPTEMBER 24, 2015, SEPTEMBER 29, 2015 AND JANUARY 28, 2016
REGULAR MEETINGS**

It was moved by Board Member Johnson and seconded by Board Member O'Toole to adopt the minutes as presented. Motion carried unanimously with Board Member Lamoreaux abstaining.

**RESOLUTION OB-VVEDA-17-001 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY, ADOPTING A RECOGNIZED OBLIGATION
PAYMENT SCHEDULE 17-18 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE
PERIOD COMMENCING ON JULY 1, 2017 AND ENDING ON JUNE 30, 2018.**

Keith Metzler identified that this ROPS is an annual cycle with approval of the two six month periods in one action. It was noted that the ROPS was approved at the VVEDA level last week. Mr. Metzler identified the new items on the ROPS, Items 24-30, dealing with direct expenses relating to the management of bonds for Apple Valley and SCLA, particularly expenses surrounding the administration of the bonds.

Sophie Smith reviewed Items 24-25 and indicated that no dollar amounts are being requested at this time, they were placed on the ROPS to get acknowledged involving the reestablishment of loans from the Victorville portion of the VVEDA project area, from its Housing Fund to non-housing purposes. AB 1484 allows for these loans to be reestablished and become assets of the Victorville Housing Successor Agency once the Successor Agency met specific milestones, such as a Finding of Completion from the Department of Finance. Ms. Smith noted that the reason there are no dollar amounts being requested in the 17-18 fiscal year is that there is not enough tax increment or RPTTF funding to pay debt service. These loans are subordinate to debt service, so when money is generated that exceeds debt service, then we will request repayment of those loans. This is getting DOF to recognize them for the first time.

Minutes of Oversight Board for the Successor Agency to the Victor Valley Economic Development Authority
January 26, 2017

Discussion ensued in regards to the loans, VVEDA housing responsibilities, criteria in order to reestablish the loans and the requirement for them to be listed on the Housing Asset Transfer Form.

Mary O'Toole asked if the breakout of the bond obligations reduced the amount being requested for the bonds. Mr. Metzler noted that it did not as the way it had been done was it shortchanged the amount that was available for debt service.

Tracy Richardson questioned the red items on the ROPS schedule. Ms. Smith advised that the red items were items previously denied by the Department of Finance. It was also noted that those fields were locked and therefore had limited ability to edit.

It was moved by Board Member Lamoreaux and seconded by Board Member Hoegerman to adopt Resolution OB-VVEDA-17-001 as presented. Motion carried unanimously.

NEXT REGULAR SCHEDULED MEETING

The next meeting will be February 9, 2017. It was noted that there were no anticipated items and no need for either meeting in February. Cancellations will be sent for both meetings. Staff advised that at the next meeting a resolution could be brought before the Board to change the frequency of the Board meetings.

COMMENTS FROM OVERSIGHT BOARD AND STAFF

The Board requested, at the next regular meeting, a Resolution to change the frequency of the Board meetings be presented.

ADJOURNMENT

The meeting was adjourned at 4:02 p.m.

CHAIRMAN OF THE BOARD OF DIRECTORS

ATTEST:

SECRETARY TO THE BOARD OF DIRECTORS

OVERSIGHT BOARD FOR SUCCESSOR AGENCY TO THE
VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY
MEETING OF: JANUARY 25, 2018

SUBJECT: Resolution OB-VVEDA-18-001 - Recognized Obligation Payment Schedule (ROPS) 18-19 for July 1, 2018 through June 30, 2019.

RECOMMENDATION: That Your Honorable Board adopts Resolution OB-VVEDA-18-001 approving the Recognized Obligation Payment Schedule (ROPS) 18-19 for July 1, 2018 through June 30, 2019, and authorizes submittal to the Department of Finance, State Controller, the San Bernardino County Auditor-Controller

DISCUSSION: On January 12, 2012, the Victor Valley Economic Development Authority confirmed its designation as Successor Agency to the Victor Valley Economic Development Authority via Resolution 12-002. Among other things, the Successor Agency is responsible for performing contractual obligations of the JPA, and continuing payments required by the JPA.

Before each six-month fiscal period, 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 County Auditor-Controller determines the amount of funds necessary to be passed through to the Successor Agency to satisfy the former RDA's obligations for which tax increment was pledged. Additionally, per H&S Code 24177(j), the Successor Agency must prepare a proposed Administrative Budget with estimated amounts for the upcoming six-month period, including sources of payment, and submit it to the Oversight Board for its approval.

Attached to Resolution OB-VVEDA-18-001 for your review is ROPS 18-19 covering the timeframe from July 1, 2018 through June 30, 2019. Staff is requesting that the Oversight Board approve the ROPS.

Upon approval by the Oversight Board, the Successor Agency will provide a copy of ROPS 18-19 to the San Bernardino County Auditor-Controller, the State Department of Finance, and the State Controller, and post the approved ROPS on the Successor Agency's website. Because the Department of Finance may review Oversight Board actions, the Oversight Board's action to approve the ROPS is not effective for five business days, pending a request for review by the Department of Finance.

The County Auditor-Controller will allocate property tax increment to the Successor Agency to pay down the dissolved Redevelopment Agency's enforceable obligations using the appropriate funding sources, once approved.

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

Submitted by: Kofi Antobam, Victor Valley Economic Development Authority Controller

Attachments: Resolution OB-VVEDA-18-001

RESOLUTION NO. OB-VVEDA-18-001

RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE PERIOD COMMENCING ON JULY 1, 2018 AND ENDING ON JUNE 30, 2019

WHEREAS, pursuant to Health and Safety Code section 34172, the Victor Valley Economic Development Authority is deemed dissolved; and

WHEREAS, pursuant to Resolution No. 12-002, the Board of Commissioners of the Victor Valley Economic Development Authority confirmed that the Victor Valley Economic Development Authority shall serve as the successor agency to the Victor Valley Economic Development Authority (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, pursuant to Health and Safety Code section 34179(a), each Successor Agency shall have an Oversight Board; and

WHEREAS, pursuant to Health and Safety Code section 34177(l)(2)(B), the Recognized Obligation Payment Schedule must be submitted to and duly approved by the Oversight Board;

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VICTOR VALLEY ECONOMIC DEVELOPMENT AUTHORITY 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 Health and Safety Code Section 34177, and based on the Recitals set forth above, the Oversight Board for the Successor Agency (the "Oversight Board") hereby approves and adopts the Recognized Obligation Payment Schedule 18-19 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 Recognized Obligation Payment Schedule on the Successor Agency and/or the Victor Valley Economic Development Authority website; (2) submit to, by mail or electronic means to the County Chief Administrative Officer, 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 Recognized Obligation Payment Schedule.

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 five days after its adoption.

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 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: Victor Valley
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
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 43,107,534	\$ 29,650,792	\$ 72,758,326
F RPTTF	42,857,534	29,400,792	72,258,326
G Administrative RPTTF	250,000	250,000	500,000
H Current Period Enforceable Obligations (A+E):	\$ 43,107,534	\$ 29,650,792	\$ 72,758,326

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

Victor Valley 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)					Q	18-19B (January - June)					W
											Fund Sources						Fund Sources					
											L	M	N	O	P		R	S	T	U	V	
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					18-19A Total						18-19B Total	
2	Joint Powers Authority Agreement (SCLAA Bonds 1-9)	Bonds Issued On or Before 12/31/10	5/23/2000	6/23/2052	City of Victorville/SCLAA	Bonds issued to fund projects	VVEDA Project Area	\$ 949,408,453	N	\$ 72,758,326	\$ -	\$ -	\$ -	\$ 42,857,534	\$ 250,000	\$ 43,107,534	\$ -	\$ -	\$ -	\$ 29,400,792	\$ 250,000	\$ 29,650,792
								680,691,768		\$ 21,489,392				13,495,014	\$ 13,495,014				7,994,378		\$ 7,994,378	
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 Agreement	VVEDA Project Area	71,197,016	N													
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 Agreement	VVEDA Project Area	66,249,815	N													
5	Joint Powers Authority Agreement (Apple Valley Bonds 2005 and 2007)	Bonds Issued On or Before 12/31/10	5/23/2000	6/23/2052	Town of Apple Valley	Bonds issued to fund projects	VVEDA Project Area	20,096,828	N	\$ 1,057,632				308,816		\$ 308,816				748,816		\$ 748,816
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 Agreement	VVEDA Project Area	30,196,541	N													
7	Administrative Costs	Admin Costs	5/29/2000	6/23/2052	Successor Agency	Agency administrative costs	VVEDA Project Area	16,250,000	N	\$ 500,000					250,000	\$ 250,000					250,000	\$ 250,000
18	Joint Powers Authority Agreement (SCLAA Bond Defaults)	Bonds Issued On or Before 12/31/10	5/23/2000	6/30/2052	City of Victorville/SCLAA	Payment of defaulted amounts owed for bonds related to Item #2.	VVEDA Project Area	6,682,884	N	\$ 6,682,884				6,682,884		\$ 6,682,884						\$ -
19	Joint Powers Authority Agreement (SCLAA Bond Reserves)	Bonds Issued On or Before 12/31/10	5/23/2000	6/30/2052	City of Victorville/SCLAA	Payment of reserve shortfalls related to Item #2.	VVEDA Project Area	3,667,534	N	\$ 3,667,534				3,667,534		\$ 3,667,534						\$ -
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(ii)(c)(k)(l)(m) and 8 of the JPA	VVEDA Project Area	13,999,789	N	13,999,789				6,999,895		6,999,895				6,999,894		6,999,894
21	Joint Powers Authority Agreement (SCLAA capital expenditures)	Improvement/Infrastructure	5/23/2000	6/30/2052	City of Victorville	SCLAA capital expenditures as provided for in Sections 3, 4(ii)(c)(k)(l)(m) and 8 of the JPA	VVEDA Project Area	21,120,815	N	21,120,815				10,560,408		10,560,408				10,560,407		10,560,407
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	673,067	N	673,067				336,534		336,534				336,533		336,533
23	Adelanto-Victorville Cooperative Agreement for Street Improvements	Improvement/Infrastructure	4/23/2003	6/23/2052	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	VVEDA Project Area	1,555,298	N	1,555,298				777,649		777,649				777,649		777,649
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	5,149,540	N	\$ -						\$ -						\$ -
25	LMIH Loan	LMIH Loans	3/16/2010	6/30/2052	Victorville Housing Successor Agency	Loan from housing to non-housing funds for general RDA activities	VVEDA Project Area	6,862,243	N	\$ -						\$ -						\$ -
26	SCLAA Bonds Trustee Fees	Bonds Issued On or Before 12/31/10	6/2/2005	12/31/2050	Bank of New York-Mellon	Banking Fees for SCLAA bonds	VVEDA Project Area	1,927,000	N	\$ 73,000				22,000		\$ 22,000				51,000		\$ 51,000
27	SCLAA Bonds Arbitrage Fees	Bonds Issued On or Before 12/31/10	6/2/2005	12/31/2050	BLX Group	Arbitrage fees for SCLAA bonds	VVEDA Project Area	217,800	N	\$ 6,600						\$ -				6,600		\$ 6,600
28	SCLAA Continuing Disclosure Costs	Bonds Issued On or Before 12/31/10	6/2/2005	12/31/2050	RSG, Inc.	Professional services to fulfill annual requirement of SCLAA bonds	VVEDA Project Area	659,000	N	\$ 21,000				1,000		\$ 1,000				20,000		\$ 20,000
29	Apple Valley Bonds Fiscal Agent Fees	Bonds Issued On or Before 12/31/10	5/25/2005	6/30/2037	US Bank	Banking Fees for Apple Valley bonds	VVEDA Project Area	116,000	N	\$ 5,800				5,800		\$ 5,800						\$ -
30	Apple Valley Continuing Disclosure Costs	Bonds Issued On or Before 12/31/10	5/25/2005	6/30/2037	Town of Apple Valley, RSG, Inc.	Professional services to fulfill annual requirement of Apple Valley bonds	VVEDA Project Area	200,000	N	\$ 10,000						\$ -				10,000		\$ 10,000
31	Reserve for SCLAA Bonds Shortfall	Bonds Issued On or Before 12/31/10	5/23/2000	6/23/2052	City of Victorville/SCLAA	Reserve to cover anticipated pledged revenues shortfall in the following period	VVEDA Project Area	1,895,515	N	\$ 1,895,515						\$ -				1,895,515		\$ 1,895,515

Victor Valley Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019

Item #	Notes/Comments
2	<p>The amounts requested for this item represent SCLA debt service amounts due during the ROPS 18-19 period, July 1, 2018 to June 30, 2019.</p> <p>18-19A requested amount totaling \$13,495,014 includes the following debt service payments due December 1, 2018: \$1,407,651.25 for the Tax Allocation Parity Bonds, Series 2005A \$1,414,475.00 for the Taxable Tax Allocation Revenue Parity Bonds, Series 2006 \$2,286,231.25 for the Tax Allocation Revenue Parity Bonds, Refunding Series 2006 \$1,492,803.75 for the Taxable Tax Allocation Revenue Parity Forward Bonds, 2006 \$2,672,443.75 for the Taxable Subordinate Tax Allocation Revenue Bonds, Series 2006 \$1,737,330.00 for the Subordinate Tax Allocation Revenue Bonds, Series 2007 \$246,562.50 for the Subordinate Tax Allocation Revenue Bonds, Series 2008A \$614,248.75 for the Tax Allocation Revenue Parity Refunding Housing Bonds 2006, and \$1,623,267.50 for the Taxable Housing Set-Aside Revenue Parity Bonds, Series 2007</p> <p>18-19B requested amount totaling \$8,130,014 includes the following debt service payments due June 1, 2019 \$361,510.63 for the Tax Allocation Parity Bonds, Series 2005A \$1,275,357.50 for the Taxable Tax Allocation Revenue Parity Bonds, Series 2006 \$1,203,706.25 for the Tax Allocation Revenue Parity Bonds, Refunding Series 2006 \$966,811.25 for the Taxable Tax Allocation Revenue Parity Forward Bonds, 2006 \$1,688,555.00 for the Taxable Subordinate Tax Allocation Revenue Bonds, Series 2006 \$1,064,726.88 for the Subordinate Tax Allocation Revenue Bonds, Series 2007 \$154,312.50 for the Subordinate Tax Allocation Revenue Bonds, Series 2008A \$323,192.50 for the Tax Allocation Revenue Parity Refunding Housing Bonds 2006, and \$956,205.00 for the Taxable Housing Set-Aside Revenue Parity Bonds, Series 2007</p>
2, 18, 19	<p>These items will be paid only from the portion of RPTTF revenue that corresponds to tax increment pledged for the SCLA bonds, including tax increment revenues generated on the parcels comprising the Airport and tax increment revenues pledged by the VVEDA Members from the VVEDA Project Area (100% from Victorville, 50% from all other VVEDA Members). This is in accordance with the definition of "Pledged Tax Revenues" as defined in the Bond Indentures pursuant to which the SCLA Bonds were issued. Please also see the letter dated January 21, 2016 from Norton Rose Fulbright, bond counsel in connection with the issuance of all of the currently outstanding SCLA Bonds.</p>
22, 23	<p>These items will be paid only from the portion of RPTTF revenue that corresponds to tax increment generated by the Adelanto portion of the VVEDA Project Area, excluding the 50% thereof pledged to SCLA Bonds. These items are valid funds owed from tax increment generated by the Adelanto portion of the VVEDA Project Area in accordance with Section 34 of the VVEDA JPA and a 4/23/2003 Cooperative Agreement pledging tax increment generated by the Adelanto portion of the VVEDA Project Area.</p>
31	<p>Based on a cash flow projection, the VVEDA Successor Agency will be able to repay defaults and replenish reserves for the SCLA Bonds in the ROPS 18-19B period. However, the projection indicates that there will be a shortfall in pledged tax increment revenues (pledged RPTTF) in the ROPS 19-20A period. Therefore, the Agency is requesting this item as a reserve from ROPS 18-19B set aside to cover the expected shortfall.</p>