

RESOLUTION NO. 2018-01

RESOLUTION OF THE OVERSIGHT BOARD FOR THE INLAND VALLEY DEVELOPMENT AGENCY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE INLAND VALLEY DEVELOPMENT AGENCY (IVDA SA) APPROVING A RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE (ROPS) FOR THE PERIOD JULY 1, 2018 THROUGH JUNE 30, 2019 (ROPS 18-19)

WHEREAS, the Inland Valley Development Agency (the “IVDA”) is a joint powers authority created pursuant to Government Code Sections 6500, et seq., established in January 1990 pursuant to that certain Amended Joint Exercise of Powers Agreement (Inland Valley Development Agency), dated as of February 12, 1990, by and among the City of San Bernardino, the City of Colton, the City of Loma Linda and the County of San Bernardino, as amended (the “Agreement”); and

WHEREAS, pursuant to the provisions of ABx1 26, effective June 29, 2011, and as upheld by the California Supreme Court in *CRA v. Matosantos*, redevelopment agencies were dissolved effective February 1, 2012; and

WHEREAS, before dissolution, the entity which formed a redevelopment agency could designate itself as the successor agency thereto; and

WHEREAS, on January 25, 2012, the IVDA Board adopted Resolution No. 2012-03, declaring pursuant to Health and Safety Code Section 34173 to serve as the successor agency to the IVDA; and

WHEREAS, the Oversight Board for the IVDA acting as the successor agency to the IVDA commenced meeting on or about April, 2012; and

WHEREAS, certain successor agency actions are reviewed and approved by an Oversight Board composed of representatives of taxing agencies within the jurisdiction of the successor agency, which actions specifically include the review and approval of the Recognized Obligations Payment Schedule (ROPS) in advance for each period for which former tax increment now in the Redevelopment Property Tax Trust Fund (RPTTF) will be distributed; and

WHEREAS, effective September 22, 2015, the Dissolution law was amended by SB 107, which now provides for an annual ROPS, for which the Department of Finance (“DOF”) and IVDA SA staff previously prepared and submitted the first annual ROPS, ROPS 16-17, in the form

required by the DOF pursuant to the recently adopted provisions of SB 107 and submitted ROPS 17-18, in the form required by DOF, as approved by the Oversight Board; and additionally submitted an amended ROPS 17-18; and

WHEREAS, IVDA SA staff has prepared the attached ROPS 18-19, incorporated as **Exhibit “A”** to this Resolution, in the form required by the DOF; and

WHEREAS, on December 28, 2017, the Sacramento Superior Court granted a judgment in favor of IVDA and against DOF as to pension obligations to the San Bernardino Employees Retirement Agency (SBCERA) improperly denied on ROPS 16-17, and required that the amount of that judgment (\$1,602, 816) be placed on ROPS 18-19 for payment by DOF which amount is set out on lines 19, 98, 99, and ~~105~~105 of the 18-19 ROPS; and

WHEREAS, that judgment further ordered DOF to engage in a meaningful meet and confer process regarding IVDA’s request for necessary airport operations funding set out on line 13 of ROPS 16-17, and that amount plus additional amounts needed for this ROPS period as well as ROPS 17-18, and 18-19 are set out on lines 13, 96, 97, and 104; and the following findings again are made by the Oversight Board:

As shown by the ROPS approval letter from DOF dated May 17, 2016 and November 15, 2016 (ROPS), DOF actually approved the enforceable obligation but funded it at zero; then subsequently denied the item in ROPS 17-18. IVDA has contested this **additional** error in an action-~~entitled.~~

- A. Successor Agency staff has advised that a continuing failure to fund the airport operations will result in a default on Military Base Reuse Obligations and create significant and immediate impacts to SBIAA’s ability to maintain core support of commercially certificated U.S Department of Transportation, Federal Aviation Administration (FAA) Part-139 airport services including operations, maintenance, navigational aids, air traffic control tower, and security services necessary to comply with Federally-designated public airport safety requirements.
- B. Additionally, as to the Military Base Reuse and Financing Agreement, aka Airport Operations, Items 13, 96, 97, and Line 104 sets out the amount of the enforceable obligation going forward.
- C. As presented by staff to the Oversight Board, DOF repeatedly has reviewed and approved Airport Operations payments as enforceable obligations. The Successor Agency and its obligees relied upon such approvals and funding. DOF cannot and should not now claim such past funding was in error.

WHEREAS, as allowed by state law, the costs of the litigation against DOF resulting in the favorable judgment for IVDA shall be paid from RPTTF, and that amount is set out at line 106; and

WHEREAS, a Successor Agency shall be reimbursed for its attorneys' fees from RPTTF when the Successor Agency prevails in litigation against the Department of Finance.

WHEREAS, as to Items 107 and 108 regarding JPA Contributions, for the reasons set out in past correspondence and Meet and Confer with DOF, IVDA continues to request the payment of JPA Contributions or, alternatively, confirmation by DOF to the San Bernardino County Auditor Controller Tax Collector (Auditor-Controller) that DOF approves such payments by the Auditor-Controller in whatever form they may be described, i.e. as pass-through payments or enforceable obligations. Such payments constitute member entity contributions pursuant to the Joint Power Agreement and Cooperation Agreement and were made from non-RDA funds of the member entities prior to adoption of a Redevelopment Plan; and

WHEREAS, upon approval by the Oversight Board, a copy of ROPS 18-19 shall be submitted before February 1, 2018 in the manner required by Health & Safety Code Section 34180(j) to the County Auditor-Controller, the State Controller and the Department of Finance and posted on the successor agency's website.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE INLAND VALLEY DEVELOPMENT AGENCY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE INLAND VALLEY DEVELOPMENT AGENCY, AS FOLLOWS:

SECTION 1. The above Recitals are true and correct and are incorporated herein by this reference.

SECTION 2. The Recognized Obligations Payment Schedule for the Period July 1, 2018 through June 30, 2019 for the Inland Valley Development Agency, Successor Agency is approved. The Oversight Board directs the submission of such amended ROPS 18-19 to the State of California Department of Finance and other appropriate government agencies.

SECTION 3. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED AND ADOPTED this 31st day of January 2018.

Michael Burrows, Vice-Chair
Oversight Board of the Inland Valley Development
Agency, acting as the Successor Agency to the
Inland Valley Development Agency

(SEAL)

Attest:

Brandi Goodman, Deputy Clerk of the Oversight Board
of the Inland Valley Development Agency,
acting as the Successor Agency to the
Inland Valley Development Agency

I, Brandi Goodman, Deputy Clerk of the Oversight Board of the Inland Valley Development Agency, acting as the Successor Agency to the Inland Valley Development Agency do hereby certify that the foregoing Resolution No. 2018-01 was duly and regularly passed and adopted by the Oversight Board of the Inland Valley Development Agency acting as Successor Agency at a special meeting thereof held on the 31st day of January 2018 and that the foregoing is a full, true and correct copy of said Resolution and has not been amended or repealed.

(SEAL)

Attest:

Brandi Goodman, Deputy Clerk of the Oversight Board
of the Inland Valley Development Agency,
acting as the Successor Agency to the
Inland Valley Development Agency

EXHIBIT A

**RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE
FOR THE PERIOD
JULY 1, 2018 THROUGH JUNE 30, 2019 (ROPS 18-19)**