



**Oversight Board  
To the City of Ridgecrest  
Successor Redevelopment Agency**

**AGENDA**

**Special Meeting  
Thursday, January 26, 2017  
6:00pm**

**City Hall  
100 West California Avenue  
Ridgecrest, CA 93555**

**Kern County Superintendent of Education  
Gary Rice**

**Chancellor California Community Colleges  
Lisa Couch**

**County Of Kern Board of Supervisors  
John O'Gara  
Richard 'Duke' Martin**

**City of Ridgecrest Mayor  
Tess Sloan  
Vacant**

**Kern County Water Agency  
Vacant**



**OVERSIGHT BOARD  
TO THE CITY OF RIDGECREST  
SUCCESSOR REDEVELOPMENT AGENCY**

**Special Meeting  
Thursday, January 26, 2017  
6:00 p.m.**

**CITY COUNCIL CHAMBERS  
100 West California Avenue  
Ridgecrest, CA 93555**

This meeting room is wheelchair accessible. Accommodations and access to City meetings for people with other handicaps may be requested of the Secretary of the Board (499-5062) five working days in advance of the meeting.

In compliance with Senate Bill 343, the Oversight Board Agenda and corresponding writings are available for public inspection at the following locations:

1. City of Ridgecrest City Hall, 100 W. California Ave., Ridgecrest, CA 93555
2. Kern County Library – Ridgecrest Branch, 131 E. Las Flores Avenue, Ridgecrest, CA 93555
3. City of Ridgecrest official website at <http://ci.ridgecrest.ca.us>

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF AGENDA**

**SWEARING IN OF NEW OFFICER(S)**

**APPROVAL OF MINUTES – April 21, 2016**

**PUBLIC COMMENT**

**STAFF UPDATES**

**DISCUSSION AND OTHER ACTION ITEMS**

1. **Review And Approve Recognized Obligations Payment Schedule (ROPS) 2017-18 Of The Ridgecrest Redevelopment Successor Agency And Approval Of Resolution 17-01** **Staff**

**BOARD MEMBER COMMENTS**

**STAFF COMMENTS**

**ADJOURNMENT**

**RESOLUTION NO. 17-01**

**A RESOLUTION OF THE RIDGECREST REDEVELOPMENT  
SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) 2017-18**

**WHEREAS**, the Ridgecrest Redevelopment Successor Agency Oversight Board has met and has duly considered a Draft Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2017 to June 30, 2018 in the form submitted by the Successor Agency staff (the "Draft ROPS17-18"); and,

**WHEREAS**, prior to its meeting on January 26, 2017, the members of the Ridgecrest Redevelopment Successor Agency Oversight Board have been provided with copies of the Draft ROPS17-18 and instruments referenced in the Draft ROPS17-18; and,

**WHEREAS**, the Ridgecrest Redevelopment Successor Agency Oversight Board has reviewed the Draft ROPS17-18 and those instruments referenced in the Draft ROPS17-18; and,

**WHEREAS**, the Ridgecrest Successor Redevelopment Successor Agency Oversight Board desires to express and memorialize its approval of the Draft ROPS17-18 with this Resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Ridgecrest Successor Redevelopment Successor Agency Oversight Board, as follows:

SECTION 1: The Ridgecrest Redevelopment Successor Agency Oversight Board finds and determines that the foregoing recitals are true and correct.

SECTION 2: The Ridgecrest Redevelopment Successor Agency Oversight Board approves as the Recognized Obligation Payment Schedule for the period July 1, 2017 to June 30, 2018.

SECTION 3: The Oversight Board is authorized and directed to submit the ROPS17-18 to the Ridgecrest Oversight Board for its review and approval for submission to the California Department of Finance.

SECTION 4: The Oversight Board shall maintain on file as a public record this Resolution and the ROPS17-18 as approved hereby.

**PASSED, APPROVED, AND ADOPTED** at a regular meeting of the Ridgecrest Redevelopment Successor Agency Oversight Board, held on this the 26th day of January, 2017 by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

ATTEST:

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Ricca Charlon, CMC  
City Clerk

**OVERSIGHT BOARD TO THE RIDGECREST REDEVELOPMENT  
SUCCESSOR AGENCY AGENDA ITEM**

**SUBJECT:**

Review And Approve Recognized Obligations Payment Schedule (ROPS) 2017-18 Of The Ridgecrest Redevelopment Successor Agency And Approval of Resolution

**PRESENTED BY:**

Gary Parsons

**SUMMARY:**

The City Council at their regular meeting of January 11, 2012 adopted Resolution No 12-02, electing to serve as the Successor Agency to the prior Ridgecrest Redevelopment Agency and making certain findings in connection therewith.

The staff has prepared the Ridgecrest Redevelopment Successor Agency Recognized Obligations Payment Schedule (ROPS) 2017-18 of the prior Ridgecrest Redevelopment Agency and is recommending approval by the Successor Agency and its submission to the Ridgecrest Redevelopment Oversight Board.

The Recognized Obligations Payment Schedule (ROPS) 2017-18 is for the ANNUAL reporting period of July 1, 2017 to June 30, 2018.

Staff will provide an overview and respond to any questions of the council acting as the Ridgecrest Redevelopment Successor Agency concerning the ROPS 2017-18 and recommends approval by resolution and submitting to the Oversight Board and the State of California Department of Finance (DOF).

**FISCAL IMPACT:** Funding of Recognized Obligations of the Successor Agency

**ACTION REQUESTED:**

Review and approval of ROPS 2017-18 and Corresponding Resolution

**CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:**

Review and Comment :

Submitted by: G. Parsons  
(Rev 2/13/12)

Action Date: January 26, 2017

Ridgecrest Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (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 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18B Total
2	2005 COP (Building Lease)	Bonds Issued On or Before	11/1/2005	3/1/2026	U.S. Bank via City of	Building Lease		\$ 40,228,394		\$ 5,774,514	\$ -	\$ -	\$ -	\$ 1,862,937	\$ 125,000	\$ 1,987,937	\$ -	\$ -	\$ -	\$ 3,661,577	\$ 125,000	\$ 3,786,577
3	2010 Tax Allocation Bonds	Bonds Issued On or Before	6/2/2010	6/30/2037	U.S. Bank	Bonds issued to fund housing/non projects		5,925,000	N	750,352				120,176		120,176				630,176		630,176
8	2005 COP (Building Lease)	Fees	11/1/2005	3/1/2026	BLX Group LLC	Arbitrage Analysis Report		1,500	N	1,500						-				1,500		1,500
9	Continuing Disclosure Reporting	Fees	11/1/2005	6/30/2037	Rosenow Spevacek Group	Annual Bond Reporting Requirement		6,000	N	6,000						-				6,000		6,000
10	2005 COP (Building Lease)	Fees	11/1/2005	3/1/2026	U.S. Bank	Bond Administration Fee		3,000	N	3,000						-				3,000		3,000
11	Bond Project Management	Project Management Costs	7/1/2013	6/30/2015	Project Management consultant Gary Parsons	Bond Project Management		-	N	-						-				-		-
12	Legal Cost	Legal	1/1/2014	6/30/2015	Stradling Yocca, Carlson	Attorney Bond Assistance		50,000	N	50,000					25,000	25,000					25,000	25,000
13	Employee Costs	Admin Costs	1/1/2014	6/30/2015	Various City Employees	Successor Agency & Debt Administration Costs		200,000	N	200,000					100,000	100,000					100,000	100,000
15	Attorney Fees	Admin Costs	1/1/2014	6/30/2015	Lemieux & O'neil	Legal Assistance (litigating )		-	N	-						-						-
18	Wastewater Loan	City/County Loans On or Before	6/27/11	11/3/2015	Ridgecrest WasteWater Fund / City of Ridgecrest	Loan to Finance Solar Park - Loan balance net of DOF partial approval (see item #39)		668,017	N	668,017						-				668,017		668,017
21	2010 Tax Allocation Bonds	Fees	1/1/2014	6/30/2038	BLX Group LLC	Arbitrage Analysis Report		2,000	N	2,000				2,000		2,000						-
23	2010 Tax Allocation Bonds	Fees	1/1/2014	6/30/2037	U.S. Bank	Fiscal Agent Fees		2,000	N	2,000				2,000		2,000						-
28	Ridgecrest Housing Authority	Admin Costs	1/1/2014	6/30/2015	Ridgecrest Housing Authority	Housing Agency Administration Costs allocations per AB 471		-	N	-						-				-		-
32	ROPS 13-14B	RPTTF Shortfall	1/1/2014	6/30/2014	City of Ridgecrest	RPTTF Shortfall - ROPS 13-14B		-	N	-						-				-		-
33	Retirement Unfunded Liability	Unfunded Liabilities	7/1/2014	6/30/2015	CalPERS	Pension Unfunded Liability		-	Y	-						-				-		-
34	OPEB Unfunded Liability	Unfunded Liabilities	7/1/2014	6/30/2015	CalPERS	OPEB Unfunded Liability		-	Y	-						-				-		-
35	PMP Implementation	Fees	12/15/2013	12/15/2018	Kosmont Associates	Consultant Fees		-	N	-						-				-		-
36	ROPS 15-16B	RPTTF Shortfall	1/1/2016	6/30/2016	City of Ridgecrest	RPTTF Shortfall - ROPS 15-16B		-	N	-						-				-		-
37	Agency Held Property	Fees	11/1/2016		IWV Water District	Assessment/Special Tax (Nov16 bill)		765	N	765				765		765						-
38	Senior Housing Loan	Third-Party Loans	12/12/2011		City of Ridgecrest/AMG	Loan to Senior Housing Developer		3,000,000	N	500,000						-				500,000		500,000
39	Wastewater Loan	City/County Loans On or Before	6/27/11	11/3/2015	Ridgecrest WasteWater Fund / City of Ridgecrest	Loan to Finance Solar Park - As partially approved by DOF		1,836,598	N	536,598				536,598		536,598						-
40	Wastewater Loan	City/County Loans On or Before	6/27/11	11/3/2015	Ridgecrest WasteWater Fund / City of Ridgecrest	Interest earned on Line#39 from 11/38/2010 to 11/3/2017 at 3%		385,686	N	185,686				185,686		185,686						-
41	ROPS 16-17	RPTTF Shortfall	7/1/2016		City of Ridgecrest	RPTTF Shortfall - ROPS 16-17		212,828	N	212,828				212,828		212,828						-
42									N	-						-						-
43									N	-						-						-
44									N	-						-						-
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97									N	-												

**Ridgecrest Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail**

July 1, 2017 through June 30, 2018

(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	
											17-18A (July - December)						17-18B (January - June)						
											Fund Sources						Fund Sources						
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 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18B Total	
98									N	\$ -						\$ -							\$ -
99									N	\$ -						\$ -							\$ -

**Ridgecrest Recognized Obligation Payment Schedule (ROPS 17-18) - 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	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information by ROPS Period</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>	
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>									
1	<b>Beginning Available Cash Balance (Actual 01/01/16)</b>	16,581,645				3,000	(44,297)	Previously reported balance was incorrectly reported due math error. The correct total ROPS 15-16A expenditure paid was \$1,289,570. It was incorrectly reported as \$1,278,803.	
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016						2,383,829		
3	<b>Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)</b>						3,205,911	included in this amount is \$401,011 accrual of item #30 & #31.	
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 15-16B RPTTF Balances Remaining</b>	No entry required							
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 16,581,645	\$ -	\$ -	\$ -	\$ 3,000	\$ (866,379)		





**Recognized Obligation Payment Schedule (ROPS 17-18) - Summary**

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: Ridgecrest  
 County: Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 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>	\$ 1,987,937	\$ 3,786,577	\$ 5,774,514
F RPTTF	1,862,937	3,661,577	5,524,514
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ 1,987,937	\$ 3,786,577	\$ 5,774,514

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



REVISED

October 21, 2016

Mr. Gary Parsons, Project Manager  
City of Ridgecrest  
100 West California Avenue  
Ridgecrest, CA 93555

Dear Mr. Parsons:

Subject: Oversight Board Action Determination

This letter supersedes the California Department of Finance's (Finance) Oversight Board (OB) Resolution No. 16-03 determination letter dated June 10, 2016. A revision is necessary to provide clarification to our original determination. The City of Ridgecrest Successor Agency (Agency) notified Finance of its April 21, 2016 OB Resolution on April 29, 2016. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, the Agency's OB Resolution No. 16-03 finding the loan from the former Redevelopment Agency of Ridgecrest (RDA) and City of Ridgecrest (City) was for legitimate redevelopment purposes, is partially approved.

It is our understanding pursuant to the Joint RDA/City Resolution No. 10-29 dated May 3, 2010, the City contracted with Trane U.S., Inc. for the construction of a Photovoltaic Solar Energy Production Field (Project). Subsequently, pursuant to the Joint RDA/City Resolution No. 10-49 dated June 16, 2010, the Agency agreed to reimburse the City up to \$3,620,248 for the Project. In reliance on the Joint Resolution Nos. 10-29 and 10-49, the contract for the Project meets the definition of a loan eligible for repayment pursuant to HSC section 34191.4 (b) (2) (C). HSC section 34191.4 (b) (2) (C) defines a loan to include agreements between the former RDA and City when the City contracts with a third party on behalf of the former RDA for the development of infrastructure and the former RDA was obligated to reimburse the City. Finance approves payments associated with the Trane U.S., Inc. contract as a loan eligible for repayment.

The Agency received a Finding of Completion on December 9, 2013. As a result of the OB finding the loan was for valid redevelopment purposes and Finance's approval of the Project costs associated with the Trane U.S., Inc. contract, the Agency may place the approved loan on a Recognized Obligation Payment Schedule (ROPS). The repayment amount of the loan is subject to the repayment formula outlined in HSC section 34191.4 (b) (3). Further, only costs associated with the Trane U.S., Inc. contract are eligible for repayment.

To date, Finance has determined that \$1,836,598 of expenses is associated with the contract and eligible for repayment. Any future request for funding is subject to Finance's review and approval to determine whether payment requests are associated with the contract. During such

additional review, Finance will consider additional documentation related to other expenses requested for repayment, if any.

In addition, HSC section 34191.4 (b) (3) requires any interest on the remaining principal amount of the loan that was previously unpaid after the original effective date of the loan to be recalculated from the date of origination of the loan on a quarterly basis, at a simple interest rate of three percent. Moneys repaid shall be applied first to the principal, and second to the interest. This will supersede any existing interest rates in the previous loan agreements. Therefore, the repayment amounts of the Agreement are subject to Finance's review and approval on a subsequent ROPS.

This is our determination with respect to the OB action taken.

Please direct inquiries to Kylie Oltmann, Supervisor, or Nicole Prisakar, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Program Budget Manager

cc: Ms. Tess Sloan, Assistant Finance Director, City of Ridgecrest  
Ms. Mary B Bedard, Auditor-Controller, Kern County