

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT
BOARD GOVERNED COUNTY SERVICE AREAS
AND RECORD OF ACTION**

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

August 25, 2020

FROM

MATTHEW ERICKSON, County Chief Financial Officer, Finance and Administration

SUBJECT

Subordination of tax increment revenues from the County of San Bernardino Redevelopment Agency

RECOMMENDATION(S)

1. Acting as the governing body of the County of San Bernardino, Board Governed County Service Areas, San Bernardino County Fire Protection District, and San Bernardino County Flood Control District approve the subordination of the statutory pass through payments for the proposed County of San Bernardino San Sevine Redevelopment Project Area bond issuance and authorize the Chief Executive Officer to sign the approval.
2. Acting as the governing body of the County of San Bernardino, Board Governed County Service Areas, San Bernardino County Fire Protection District, and San Bernardino County Flood Control District approve the subordination of the statutory pass through payments for the proposed County of San Bernardino Cedar Glen Recovery Redevelopment Project Area bond issuance and authorize the Chief Executive Officer to sign the approval.

(Presenter: Katrina Turturro, Deputy Executive Officer, 387-5423)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

Based on the financial projections, there will be no impact to the County, Board Governed County Services Areas, San Bernardino County Fire Protection District and the County Flood Control District. Should property tax revenue in the redevelopment area decline, resulting in insufficient funds to meet all obligations, debt service payments would be made prior to the County receiving any of its property tax revenues.

BACKGROUND INFORMATION

The Successor Agency to the Redevelopment Agency of the County of San Bernardino (Successor Agency) has submitted a request pursuant to the California Health and Safety Code Section 34177.5(c) to subordinate the County's and other named agencies' statutory pass

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through payments to a proposed bond issuance for the Successor Agency. Approval of this request places debt service payments above the County's and other named agencies' statutory pass through payment in priority order. Requests made under 34177.5(c) can only be denied if substantial evidence shows that the Successor Agency will not be able to pay both the debt service and the County's tax increment. The Successor Agency has provided estimated future revenues and expenses that indicate that it will have sufficient revenue to meet its debt service obligations and continue to pay the County its statutory pass through payments.

Previously, on July 27, 2010 (Item No.26), the Board of Supervisors (Board) approved the subordination of the County's and other related agencies' statutory pass through payments for the proposed Cedar Glen Disaster Recovery Project Area bond issuance. In addition, on September 14, 2010 (Item No. 41), the Board approved the subordination of the County's and other related agencies' statutory pass through payments for the proposed San Sevaine Redevelopment Project Area bond issuance. This new request for subordination will allow the issuance of refunding which will provide additional revenue to the effected taxing agencies.

PROCUREMENT

Not applicable

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Michelle Blakemore, County Counsel, 387-5445) on August 11, 2020; Finance (Amanda Trussell, Principal Administrative Analyst, 387-5423) on August 3, 2020; and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on August 3, 2020.

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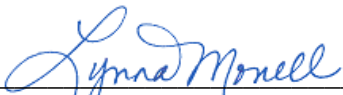
Record of Action of the Board of Supervisors
County of San Bernardino
San Bernardino County Flood Control District
Board Governed County Service Areas

Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Josie Gonzales Seconded: Robert A. Lovingood
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD/SECRETARY

BY 
DATED: August 25, 2020



cc: File- Finance and Administration
la 09/8/2020