

# Orange Countywide Oversight Board

Date: 1/21/2020

Agenda Item No. 5C

From: Successor Agency to the Irvine Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Annual Recognized Obligation Payment Schedule (ROPS) and Administrative Budget

Recommended Action:

Approve resolution approving FY 2020-2021 ROPS and Administrative Budget for the Irvine Successor Agency

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The Irvine Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2020-2021. Attachment 1 is the proposed Orange Countywide Oversight Board Resolution for Irvine's 2020-2021 ROPS.

Enforceable obligations of the Successor Agency include payments to the County of Orange for Implementation Agreement No. 1 (Attachment 2) for property tax revenues related to the City's annexation of the former military base, Implementation Agreement No. 2 (Attachment 3) for repairs to County-owned property in the project area, and the Stipulated Judgment (Attachment 4) negotiated with the State for \$292 million. The Department of Finance has previously approved all of the requested items.

The ROPS for July 1, 2020 through June 30, 2021 (Attachment 5) requests payment for the balance of the Stipulated Judgment, funding necessary to meet the Successor Agency's obligation related to County Implementation Agreement No. 1 and administrative costs for ongoing Successor Agency operations. The total amount requested for these three enforceable obligations, covering both "A" and "B" periods, is \$213.4 million.

The Administrative Budget for the Successor Agency is \$150,000 and includes personnel costs for City employees, audit, consulting and legal fees. (Attachment 6).

*Implementation Agreement No. 1* (Attachment 2)

On March 8, 2005, the City of Irvine and the County of Orange entered into County Implementation Agreement No. 1 to satisfy section 2.2.8 of the 2003 Agreement. Section 2.2.8(ii) of the 2003 Agreement provided that the City and the County enter into an agreement for the (then) Irvine Redevelopment Agency to annually pay to the County an amount equal to 100 percent of the County's share of property taxes generated by property in the Redevelopment Project Area that the County would have received but for the adoption of the Redevelopment Plan. The Implementation Agreement No. 1 obligation due to the County of Orange in July 2020 is estimated to be \$4,200,000 and is included as item #4 on the FY 2020-2021 ROPS.

*Stipulated Judgment* (Attachment 4)

The City and Successor Agency filed three lawsuits in Sacramento Superior Court seeking to have the following former redevelopment agency contracts upheld as enforceable obligations: the Purchase Sale and Financing Agreement, the Amended and Restated Development Agreement and the Redevelopment Affordable Housing Funds Grant Agreement. The third action was filed jointly with the Irvine Community Land Trust.

On July 9, 2014, the parties to the lawsuits entered into a Settlement Agreement and Release of Claims. The Sacramento Superior Court approved the Stipulated Judgment totaling \$292 million. The terms of the settlement agreement call for the affected taxing entities to receive \$4.38 million in residual property taxes

each fiscal year, before the Successor Agency receives payment towards the Stipulated Judgment. The Irvine Successor Agency is requesting payment for the balance of the Stipulated Judgment for \$209 million and is included as item #18 on the FY 2020-2021 ROPS.

The City Council of the City of Irvine – serving as the Successor Agency’s governing body – approved the FY 2020-2021 ROPS and Administrative Budget at its meeting on November 26, 2019. (Attachment 7)

Additional attachments include:

- Attachment 8 – Irvine Oversight Board Resolution 2018-02 (ROPS July 2018 – June 2019)
- Attachment 9 – Orange Countywide Oversight Board Resolution 19-008 for Irvine (ROPS July 2019 – June 2020)
- Attachments 10 and 11 – Department of Finance Review Letters for Irvine for FY 2018-19 and 2019-20, respectively
- Attachments 12 and 13 – Irvine’s Two Prior Year’s Approved ROPS Payments for FY 2018-19 and 2019-20, respectively

#### Impact on Taxing Entities

The terms of the settlement agreement call for the affected taxing entities to receive \$4.38 million in residual property taxes each fiscal year, before the Successor Agency receives payment towards the Stipulated Judgment. This amount is in addition to the payment made pursuant to Implementation Agreement No. 1. The County will receive payment related to Implementation Agreement No. 1 in July 2020.

In accordance with City of Irvine City Council action, the Irvine Community Land Trust (ICLT) receives 10 percent of the Settlement Agreement amount of \$292 million, or \$29.2 million. The Successor Agency to date has received \$82.9 million, leaving an outstanding balance of \$209 million to be paid towards the Settlement Agreement.

#### Staff Contact(s)

Angie Burgh, Senior Management Analyst, Email – [aburgh@cityofirvine.org](mailto:aburgh@cityofirvine.org), Phone – 949-724-6036

Michael Solorza, Manager of Fiscal Services, Email – [msolorza@cityofirvine.org](mailto:msolorza@cityofirvine.org), Phone – 949-724-6154

#### Attachments

1. Proposed Oversight Board Resolution No. 20-\_\_\_\_
2. Implementation Agreement No. 1 between the Irvine Redevelopment Agency and the County of Orange dated March 18, 2005
3. Implementation Agreement No. 2 between the Irvine Redevelopment Agency and the County of Orange dated August 17, 2010
4. Executed Settlement Agreement and Release of Claims (Stipulated Judgment) between the City of Irvine, the Successor Agency, the Irvine Community Land Trust and the California Department of Finance dated July 9, 2014
5. Irvine 2020-21 ROPS Schedule
6. Irvine 2020-21 Admin Budget
7. Irvine Successor Agency ROPS Meeting Minutes November 26, 2019
8. Irvine Oversight Board Resolution 2018-02 (ROPS July 2018 – June 2019)
9. Orange Countywide Oversight Board Resolution 19-008 for Irvine (ROPS July 2019 – June 2020)
10. Department of Finance Review Letter for Irvine ROPS 18-19
11. Department of Finance Review Letter for Irvine ROPS 19-20
12. Irvine Approved ROPS for 18-19 A and B
13. Irvine Approved ROPS for 19-20 A and B

Resolution No. 20-\_\_\_\_

A RESOLUTION OF THE ORANGE COUNTYWIDE  
OVERSIGHT BOARD WITH OVERSIGHT OF THE  
SUCCESSOR AGENCY TO THE DISSOLVED IRVINE  
REDEVELOPMENT AGENCY OF THE CITY OF IRVINE,  
CALIFORNIA, APPROVING THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE AND THE  
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR  
THE PERIOD JULY 1, 2020 THROUGH JUNE 30, 2021

WHEREAS, California Health and Safety Code Section 34179(e) requires all action items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, in accordance with California Health and Safety Code Section 34179(j), the twenty-five oversight boards in place in Orange County have consolidated into one Orange Countywide Oversight Board, effective July 1, 2018; and

WHEREAS, Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021, has been prepared; and

WHEREAS, the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Countywide Oversight Board for its consideration at a regular meeting of the Countywide Oversight Board held on January 21, 2020;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

SECTION 1. The Countywide Oversight Board, at its regular meeting of January 21, 2020, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.

SECTION 2. The Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Countywide Oversight Board.

SECTION 3. The Successor Agency Administrative Budget for the period July 1, 2020 through June 30, 2021, as set forth in Exhibit “B” attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 4. The Irvine Successor Agency staff shall transmit the approved Recognized Obligation Payment Schedule to the Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of the Amended Dissolution Act. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency. The Countywide Oversight Board further authorizes and directs the Irvine Successor Agency staff to make any technical modifications to the Recognized Obligation Payment Schedule as may be required by the Department of Finance, and/or State Controller, including any formatting or technical changes required by any of the foregoing bodies. Any such modifications or changes shall not require re-approval by the Countywide Oversight Board.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Countywide Oversight Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

SECTION 6. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.



**CONTRACTS  
SCAN SHEET**

CONTRACT NUMBER:	<b>4972</b>
AMENDMENT:	
CONTRACT TYPE:	<b>IMPLEMENTATION</b>
CONTRACT NAME:	<b>IRVINE REDEVELOPMENT AGENCY; CITY OF IRVINE</b>
CONTRACT DATE:	<b>03-08-05</b>
EXPIRATION DATE:	
ENTRY DATE:	
CONTRACT SUBJECT:	<b>IMPLEMENTATION AGREEMENT &amp; ACKNOWLEDGEMENT AND WAIVER</b>
ITEM NUMBER:	<b>CC 3.2; RDA 2.1</b>
CONTRACT AMOUNT:	
MEETING DATE:	<b>03-08-05</b>
COUNCIL ACTION:	<b>APPROVED</b>

## **IMPLEMENTATION AGREEMENT NO. 1**

THIS IMPLEMENTATION AGREEMENT NO. 1 ("Implementation Agreement") is made and entered into as of the 8<sup>th</sup> day of March, 2005, by and between the IRVINE REDEVELOPMENT AGENCY (the "Agency") and the COUNTY OF ORANGE (the "County"). Agency and County may sometimes individually be referred to herein as a "party" and collectively as the "parties."

### ***RECITALS:***

A. Agency, County, and the City of Irvine ("City") entered into that certain Property Tax Transfer and Pre-Annexation Agreement, dated March 4, 2003 (the "2003 Agreement"), regarding the annexation and reuse of the former Marine Corp Air Station El Toro (the "Base").

B. Section 2.2.8(ii) of the 2003 Agreement provides that prior to the City and Agency placing the Base or any part thereof into a redevelopment project area the Agency and County shall enter into an agreement reasonably satisfactory to the County providing for the Agency to annually pay to the County an amount equal to one hundred percent (100%) of the County's share of tax increment paid to the Agency from the Base or portion thereof included within a redevelopment project area for use by the County for legally allowable County infrastructure, facilities, and development needs on or related to the Base, including certain uses identified in Section 2.2.3 of the 2003 Agreement, as determined by the County. The foregoing described agreement is also to include a payment structure for such tax increment that would permit the County to issue bonds that are secured by and paid from such Agency payments of tax increment to the County.

C. Agency and City have initiated proceedings which may lead to adoption of an ordinance approving and adopting a Redevelopment Plan ("Plan") for the Orange County Great Park Redevelopment Project Area ("Project Area"). If such ordinance is adopted, the Project Area would include all of the Base now located within the territorial boundaries of the City, with the exception, due to the existing pattern of assessor parcels, of a portion of the area known as the Habitat Reserve Area.

D. The Parties desire to enter into this Implementation Agreement as the agreement between the Agency and County as described in Section 2.2.8(ii) of the 2003 Agreement.

### ***AGREEMENT:***

NOW, THEREFORE, in consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Recitals Incorporated The foregoing Recitals are incorporated herein and made a part hereof.

2. Definitions. In addition to terms defined elsewhere in this Implementation Agreement, the following definitions shall apply:

2.1 "Auditor-Controller" means the office of the Auditor-Controller of the County.

2.2 "Agency" means the Irvine Redevelopment Agency, a public body, corporate and politic, organized and existing under the CRL.

2.3 "Agency Payments" shall have the meaning ascribed in Section 3.

2.4 "City" means the City of Irvine, a charter city organized and existing under the Constitution of the State of California. City is not a party to this Implementation Agreement and shall have no obligation hereunder.

2.5 "County" means the County of Orange, California, which for purposes of this Implementation Agreement is defined, collectively as the following, each of which levies property taxes on property in the Project Area: (a) County General Fund; (b) County Library; and (c) County Harbors, Beaches, and Parks.

2.6 "County Account" shall mean an account established with the Orange County Treasurer into which the Agency Payments shall be deposited. The County shall establish the County Account prior to the first Agency Payment.

2.7 "County Parcels" shall mean the parcels defined in Section 2.2.3 of the 2003 Agreement.

2.8 "County Tax Increment Portion" means the percentage of the property taxes generated by property in the Project Area that the County would have received but for the adoption of the Plan which are paid to the Agency as Property Tax Increment, as computed by the County Auditor-Controller (subject to the right of Agency to challenge such computation) in accordance with the applicable provisions of the Revenue and Taxation Code. In calculating the County Tax Increment Portion, the percentage shall be the same as the percentage of the property taxes generated by property in the Project Area that the County General Fund, the County Library, and the County Harbor, Beaches and Parks would have received but for the adoption of the Plan.

2.9 "County Share" means the County Tax Increment Portion of the Property Tax Increment less the Statutory Pass-Through Payment.

2.10 "CRL" means the Community Redevelopment Law of the State of California, Part 1 of Division 24 (commencing with Section 33000) of the California Health and Safety Code.

2.11 "Fiscal Year" means the period from July 1 to, and including, the following June 30.

2.12 "Plan" means the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area, adopted or which may be adopted by ordinance of the City.

2.13 "Project Area" means the Orange County Great Park Redevelopment Project Area which is defined in the Plan.

2.14 "Property Tax Increment" means the full amount of property tax revenues generated from within the Project Area that are allocated to and paid to the Agency pursuant to Health and Safety Code Section 33670(b), which amounts are attributable to increases in assessed valuation of property in the Project Area above the valuation shown on the last equalized assessment roll prior to the effective date of the ordinance adopting the Plan. Property Tax Increment refers to those taxes collected as a result of the 1% levy allowed under Article XIII A of the California Constitution and shall not include those taxes levied in excess of the 1% general levy.

2.15 "Statutory Pass-Through Payment" means the payment from Property Tax Increment required to be paid by the Agency to the County (i.e., the County General Fund, County Library, and County Harbors, Beaches and Parks) pursuant to Health and Safety Code Section 33607.5.

### 3. Agency Payment.

3.1 The Agency Payment for each Fiscal Year shall consist of two components: (a) the County Share and (b) the Statutory Pass-Through Payment.

3.2 Agency, within thirty (30) days after the end of each Fiscal Year, shall calculate and deposit into the County Account or pay to the County, in accordance with this Section 3.2, the following amounts with respect to that Fiscal Year's Property Tax Increment payments to the Agency by the Auditor-Controller: (i) the County Share with respect to that Fiscal Year's Property Tax Increment payment to the Agency by the Auditor-Controller, and (ii) the Statutory Pass-Through Payment with respect to that Fiscal Year's Property Tax Increment payment to the Agency by the Auditor-Controller (the foregoing two components are collectively defined herein as the "Agency Payment"). The County Share portion of the Agency Payment shall be deposited into the County Account. The Statutory Pass-Through Payment portion of the Agency Payment shall be paid to the County, unless the County notifies the Agency in writing that the Statutory Pass-Through Payment portion of the Agency Payment should be deposited into the County Account. At least five (5) days prior to making a deposit to the County Account, the Agency shall notify the County in writing of the amount of the deposit and the expected date of the deposit. The Agency shall, within ten (10) days after it makes the annual deposit into the County Account, notify the County in writing of the deposit to the County Account and provide the County with a detailed written explanation of the calculation of the Agency Payment and the components thereof; provided, however, that Agency's failure to provide such notice or explanation without having received a written request therefor from County shall not be a default of Agency hereunder. The parties acknowledge that, from time to time, lesser or greater Agency Payments may need to be made to reconcile any inadvertent underpayments or overpayments. The parties shall cooperate on periodic audits or reconciliations of the Agency Payments.

3.3 Notwithstanding anything in this Implementation Agreement to the contrary, if the Agency and the County agree to Agency funding, directly or indirectly, from Agency's own Property Tax Increment (which shall not include Agency Payments or funds on deposit in the County Account), pursuant to Health and Safety Code Section 33445, 33445.5, 33445.6, 33446, or any other provision of law other than Health and Safety Code Section 33607.5, for or in connection with the cost of a public facility owned or leased by the County, then the agreement between the Agency and County for that funding may provide that the Agency shall be permitted to withdraw from the County Account, and to deduct from subsequent Agency Payments if the amount withdrawn from the County Account is insufficient to cover all such amounts paid by the Agency.

3.4 The Orange County Treasurer is authorized to invest the funds in the County Account in the same manner that other similar funds established with the Orange County Treasurer are invested. Any interest earned on funds in the County Account shall accrue to the benefit of, and be deposited in, the County Account. Any loss incurred in the County Account incurred as a result of such investment shall not be the responsibility of Agency. If the Treasurer is authorized by law to charge, assess, or levy any fees or other charges for administering the County Account, including but not limited to in connection with the receipt, deposit, custody, investment, payment, or disbursement of funds to or from the County Account, performing any accounting, or issuing any statements or reports, those fees or charges shall be paid from the County Account or by the County. The Agency shall not be responsible for paying such fees and charges.

3.5 The parties acknowledge and agree that (a)(i) all funds payable to the County by application of Health and Safety Code Section 33670(a), and (ii) any funds payable to the County which may result in the future by virtue of the application of Health and Safety Code Section 33607.7, are not subject to this Implementation Agreement, and (b) this Implementation Agreement is not an "agreement" referred to in Health and Safety Code Section 33607.7(b)(1).

3.6 The parties agree that if there is any court or other legal determination that requires the Statutory Pass-Through Payment component of the Agency Payment to be reduced by the amount of the County Share component of the Agency Payment, then this Implementation Agreement shall be deemed amended as follows:

(i) The County, at the County's sole option, may notify the Agency in writing that the Agency shall not be required to make the Statutory Pass-Through Payment with respect to any or all of the County General Fund, County Library, County Harbors, Beaches and Parks. If the County so notifies the Agency, then (1) Agency shall not make, and shall be entitled to retain as its own funds, the Statutory Pass-Through Payment component of the Agency Payment with respect to the County fund specified in the notice and (2) the County Share component of the Agency Payment shall be increased by a corresponding amount.

(ii) Should the court or other legal determination that causes the County to issue the written notice specified in clause (i) of this Section 3.6 not permit the parties to calculate the County Share in the manner specified in clause (i) of this

Section 3.6, the Agency and the County shall meet and confer in good faith in an attempt to resolve the issue in a manner that implements the intent of the parties that the Agency Payment for a Fiscal Year be the sum of the County Share plus the Statutory Pass-Through Payment.

4. Use of County Account.

4.1 After County's written notification to the Agency as required by Section 4.2, the County shall withdraw funds from the County Account to pay for the cost of County infrastructure, facilities, and development needs within the Project Area, or outside the Project Area but serving the Project Area, as determined by the County. As used herein, the term "infrastructure, facilities, and development needs" includes, but is not limited to, buildings, structures, utilities, roadways, sewer lines, and other types of infrastructure needs that are necessary to service one or more of the County Parcels and the uses described in Section 2.2.4 of the 2003 Agreement. At the request of the Agency, the County shall provide to the Agency or cause the Treasurer to provide to the Agency an accounting of the amount in and the withdrawals from the County Account.

4.2 The written notification from the County to the Agency regarding withdrawal of funds from the County Account shall be given at least ten (10) days prior to the expected date of withdrawal and shall specify the amount of funds to be withdrawn and precise payment to be made with such withdrawn funds. Such withdrawn funds from the County Account shall then promptly be paid as specified in the written notification given to the Agency to the contractor or other person as County has directed.

4.3 County acknowledges that prior to making any payments from the County Account, Agency, City, and County may each be required to comply with Health and Safety Code Sections 33445 and 33679 or other provisions of the CRL to the extent applicable. County and Agency agree, and Agency agrees to cooperate in causing City, to act diligently to hold any hearings or take any actions required to comply with Health and Safety Code Sections 33445 and 33679 or other provisions of the CRL to the extent applicable, including, if necessary amendment of the Agency's implementation plan adopted pursuant to Health and Safety Code Section 33490.

4.4 County shall protect, defend, indemnify, and hold harmless Agency and the City and their respective officers, officials, members, employees, agents, and representatives, and each of them, jointly and severally, against and from any and all claims, demands, causes of action, damages, costs, expenses, losses and liabilities, at law or in equity, of every kind or nature whatsoever, and including but not limited to attorneys' fees and expert witness fees, arising out of or in any manner directly or indirectly connected with the disbursement or payment from the County Account as directed by the County.

5. County Bonds. Agency acknowledges that County may wish to pledge the Agency Payments or a portion thereof as security for repayment on bonds to be issued by the County, including for the purposes set forth in Section 2.2.5 of the 2003 Agreement. Agency shall reasonably cooperate with the County in the County's issuance of such bonds, provided: (i) the proceeds of any bonds issued by or on behalf of the County, the repayment of which or the

security for the payment of which shall come from Agency Payments or portion thereof, shall be used for the same purposes that the County Account may be used under this Implementation Agreement; and (ii) if bonds issued by or on behalf of the County are to be repaid from sources in addition to the Agency Payments or portion thereof, or the security for repayment is from sources in addition to the Agency Payments, the proceeds of such bonds to be devoted to the same purposes for which the County Account may be used under this Implementation Agreement shall not be less than the proportional amount the Agency Payments or portion thereof providing repayment or security for the bonds is to the total of all sources of repayment or security for the bonds.

6. Agency Bonds & Other Indebtedness. Nothing in this Implementation Agreement shall be construed to give the County the right to approve any Agency bonded or other indebtedness. Notwithstanding the foregoing, Agency shall not pledge as repayment, or as security for repayment, for any Agency bonded or other indebtedness any Agency Payment or any unused or unencumbered amount in the County Account unless otherwise authorized in writing by the County.

7. Subordination Under Health & Safety Code Section 33607.5(e). Nothing in this Implementation Agreement shall supersede the right of the Agency to request the County subordinate the Statutory Pass-Through Payment portion of the Agency Payment, pursuant to Health and Safety Code Section 33607.5(e).

8. Agreement Is Agency Indebtedness; Tax Increment Limit. Unless otherwise required by law: (a) Agency's obligations under this Implementation Agreement constitute an indebtedness of Agency within the meaning of Health and Safety Code Section 33670(b); and (b) amounts paid by Agency to County under this Implementation Agreement shall not count against the limit on the total number of dollars to be allocated as Property Tax Increment to the Agency under the Plan. The Agency shall claim its obligations under this Implementation Agreement as a debt of the Agency on its statements filed pursuant to Health and Safety Code Section 33675.

9. Covenant Not to Sue.

9.1 County, on behalf of itself and all County-controlled entities, hereby expressly waives any and all causes of action, claims, demands, counts, actions, losses, breaches of equitable duty, claims for equitable relief, and/or complaints, known or unknown, suspected or unsuspected, fixed or contingent, related to, and agrees not to challenge, (i) the validity of the Plan, or (ii) the ordinance(s) adopting the Plan including but not limited to the findings set forth therein, or (iii) the validity of bonds to finance or refinance, in whole or in part, the Plan on the grounds of the invalidity of the Plan, including without limiting the generality of the foregoing clauses (i), (ii) or (iii), the legality and validity of all proceedings taken or in any way connected with the designation of the survey area, the Project Area, findings under Health and Safety Code Section 33492.18, the formulation of the Preliminary Plan, the adoption of the Plan, and the future preparation and certification of the environmental impact report for the redevelopment of the Base pursuant to Health and Safety Code Section 33492.18 and the California Environmental Quality Act. County further agrees not to promote, fund, or assist any other person in any claim or challenge related to any of the foregoing.

9.2 County acknowledges that it is familiar with Civil Code Section 1542 which provides:

**"A general release does not extend to claims a creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor."**

County expressly WAIVES any rights it may have under Civil Code Section 1542 with respect to the matters specified in Section 9.1 above. By initialing below, County acknowledges that it has read the above waiver and understands its effect and has been advised by County Counsel regarding its effect, and agrees to it with advice of counsel.

County's Initials

*Ball Campbell* <sub>5N</sub>

10. City and Agency Obligations. City shall have no financial or other liabilities or obligations by virtue of this Implementation Agreement. Agency shall have no financial or other liabilities by virtue of this Implementation Agreement other than the obligations set forth in this Implementation Agreement.

11. Defaults. Subject to the extensions of time set forth in Section 16, failure or delay by either party to perform any term or provision of this Implementation Agreement constitutes a default under this Implementation Agreement. A party claiming a default shall give written notice of default to the other party, specifying the default complained of and the actions required to correct such default. The claimant shall not institute proceedings against the other party if the other party, within thirty (30) days from receipt of such notice, immediately and with due diligence commences to cure, correct or remedy such failure or delay and completes such cure, correction or remedy as soon as reasonably practicable after receipt of such notice. If the default is not cured or commenced to be cured by the defaulting party within said thirty (30) day period, the defaulting party shall be entitled to pursue whatever remedies at law or in equity to which such party may be entitled.

12. Notices. All notices required to be delivered under this Implementation Agreement or under applicable law shall be personally delivered, or delivered by United States mail, prepaid, certified, return receipt requested, or by reputable document delivery service that provides a receipt showing date and time of delivery. Notices personally delivered or delivered by a document delivery service shall be effective upon receipt. Notices delivered by mail shall be effective as of the earlier of (i) actual receipt, or (ii) Noon on the third business day following dispatch. Notices shall be delivered to the following addresses:



If to Agency: Irvine Redevelopment Agency  
Attn: Executive Director  
Irvine City Hall  
One Civic Center Plaza  
Irvine, CA 92623

With copy to: Joel D. Kuperberg  
Rutan & Tucker  
611 Anton Blvd., Suite 1400  
Costa Mesa, CA 92626

If to County: County of Orange  
Attn: County Executive Officer  
10 Civic Center Plaza  
Santa Ana, CA 92701

With copy to: Office of County Counsel  
Attn: Benjamin de Mayo, County Counsel  
10 Civic Center Plaza  
Santa Ana, CA 92701

Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Section.

13. Non-liability of Public Officers and Employees.

13.1 No officer, official, member, employee, agent, or representative of Agency shall be personally liable to County, or any successor or assign of same, in the event of any default or breach by Agency, or for any amount which may become due to County, or any successor or assign of same, or for breach of any obligation of the terms of this Implementation Agreement.

13.2 No officer, official, member, employee, agent, or representative of County shall be personally liable to Agency, or any successor or assign of same, in the event of any default or breach by County, or for any amount which may become due to Agency, or any successor or assign of same, or for breach of any obligation of the terms of this Implementation Agreement.

14. Binding Effect; Assignment Prohibited Without Prior Consent of Other Party. This Implementation Agreement, and all covenants and releases set forth herein, shall be binding upon and shall inure to the benefit of the respective parties and their respective legal representatives, successors and assigns. Neither party to this Implementation Agreement may assign its rights or obligations under this Implementation Agreement without the prior written approval of the other party hereto.

15. Satisfaction of Section 2.2.8 of 2003 Agreement. This Implementation Agreement satisfies in full the requirements set forth in Section 2.2.8 of the 2003 Agreement concerning an agreement to be entered into between the Agency and County with respect to the portion of the Base (as defined in the 2003 Agreement) included in the Project Area. County, on behalf of itself and County-controlled entities, and Agency on behalf of itself and Agency-controlled entities, hereby knowingly, voluntarily, and expressly waive any right to challenge the validity of the 2003 Agreement or this Implementation Agreement. County and Agency, on behalf of themselves and their respective controlled entities, further agree (i) to include in any agreements pertaining to use or development of the Project Area a similar provision whereby the parties to the agreement waive any right to challenge the validity of the 2003 Agreement or this Implementation Agreement, and (ii) not to promote, fund, or assist any other person in any claim or challenge related to any of the foregoing.

16. Enforced Delay. In addition to specific provisions of this Implementation Agreement, performance by either party hereunder shall not be deemed to be in default, and all performance under this Implementation Agreement shall be extended, where delays or defaults are due to war; terrorism; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor; subcontractor or supplier; acts or omissions of the other party; acts or failures to act of any other public or governmental agency or entity other than the Agency or County; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform.

17. Interpretation; Governing Law. This Implementation Agreement shall be construed according to its fair meaning and as if prepared by all of the parties hereto. This Implementation Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Implementation Agreement.

18. Rights and Remedies Are Cumulative; Inaction Not Waiver of Default. Except as may otherwise be expressly stated in this Implementation Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party. Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

19. Further Assurances. Each party hereto agrees, without further consideration, to execute such other and further documents, and to perform such other and further acts, as may be necessary or proper, in order to consummate the transactions set forth in and contemplated by this Implementation Agreement.

20. Representations and Warranties by Parties. Each party represents and warrants to the other that:

20.1 such party has the power and capacity to enter into this Implementation Agreement;

20.2 such party lacks actual knowledge of any agreement that would be violated by such party's entry into this Implementation Agreement;

20.3 such party lacks actual knowledge of any agreement, obligation, pending litigation, or asserted claim that would materially affect such party's obligation to enter into this Implementation Agreement or to perform its obligations hereunder;

20.4 such party has been represented by legal counsel in the preparation and execution of this Implementation Agreement; and

20.5 such party acknowledges and agrees that it enters into this Implementation Agreement based upon its own investigation, knowledge, and voluntary assumption of all of the risks associated with the transactions contemplated hereby, and that such party has read and understands this Implementation Agreement and has been advised by its legal counsel as to its effects.

21. Representations and Warranties by Signatories. Each signatory of a party to this Implementation Agreement represents and warrants to the other party hereto that:

21.1 the signatory has actual authority to execute this Agreement on behalf of the party for which the signatory has signed; and

21.2 the signatory is duly authorized to execute and deliver this Implementation Agreement on behalf of said party for whom the signatory has signed.

22. Conditions to Effectiveness, Effect of Litigation. This Implementation Agreement, even if signed by all the parties hereto, shall not be effective unless and until all of the following have occurred:

(i) The City has adopted an ordinance approving and adopting the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area, and such ordinance has become effective in accordance with applicable law.

(ii) Approval of this Implementation Agreement by the parties and its execution by the parties, and the initialing of Section 9.2 by the County.

(iii) Approval and execution of the attached Acknowledgment and Waiver by the City of Irvine.

If litigation challenging the approval and adoption of the Plan or of the ordinance adopting the Plan is filed, the parties' obligations under this Implementation Agreement shall remain in full force and effect until a final judgment or settlement agreement. If, during the

pendency of such litigation, the Agency receives Property Tax Increment, the terms of this Implementation Agreement shall be implemented but the County shall not withdraw or pledge any funds from the County Account or direct Agency to make any payments from the County Account until the litigation has been resolved or the parties otherwise agree, each in their sole discretion, to the withdrawal. If such litigation results in validation of the Plan, this Implementation Agreement shall remain in full force and effect. If such litigation results in invalidation of the Plan, this Implementation Agreement shall be void *ab initio*, and in such case the parties shall cooperate in good faith to implement Section 2.2.8 of the 2003 Agreement if the City thereafter proposes to adopt a new redevelopment plan, the adoption of which would be subject to the 2003 Agreement.

23. Cooperation in Event of Challenge to Agreement. In the event any third party files any claim or litigation challenging the approval and adoption of this Implementation Agreement, or its validity, the parties hereto agree to cooperate in the defense of such challenge.

24. Inadmissibility of Agreement. In the event this Implementation Agreement fails to become effective, or ceases to be effective, for any reason, then, notwithstanding anything to the contrary in Evidence Code Sections 1152 and 1600, neither this Implementation Agreement nor any prior drafts or negotiations with respect to this Implementation Agreement shall be admissible as evidence in any proceeding or litigation for any purpose, except to prove the terms of this Implementation Agreement.

25. Fees Incurred. Each party shall be responsible for its own costs and fees incurred with the negotiation and preparation of this Implementation Agreement, including but not limited to attorneys fees.

26. Section Headings. The section headings in this Implementation Agreement are included for convenience and reference only. They do not form a part hereof, and do not in any way codify, interpret, or reflect the intent of the parties. Said headings shall not be used to construe or interpret any provision of this Agreement.

27. Entire Agreement. This Implementation Agreement and the 2003 Agreement reflect the entire agreement between the parties with respect to the subject matter hereof, and integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

28. Severability. If any section or portion of this Implementation Agreement shall be held, found, or determined by a court of competent jurisdiction to be unenforceable or invalid for any reason, the parties declare that they would have approved this Implementation Agreement without such unenforceable or invalid section or portion and the parties hereto, in such event, agree to take such further actions as may be reasonably necessary, proper, and available to them to effectuate the intent of the parties as to all provisions set forth in this Implementation Agreement.


29. Amendments. This Implementation Agreement may be amended by the parties by written instrument approved and signed by the parties.

30. Counterparts. This Implementation Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same agreement.

31. Effective Date. The Effective Date of this Implementation Agreement shall be the latest of the dates set next to the signatures of the parties hereto after both parties hereto have signed this Implementation Agreement. That latest date shall be inserted into the preamble of this Implementation Agreement.

[end—signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Implementation Agreement as of the Effective Date.

	<b>IRVINE REDEVELOPMENT AGENCY</b>
DATED: <u>3/18/05</u>	By: <u>[Signature]</u> Chairperson
ATTEST: By: <u>[Signature]</u> Jeri Stately, Agency Secretary	
APPROVED AS TO FORM: RUTAN & TUCKER, LLP By: <u>[Signature]</u> Joel D. Kuperberg Agency General Counsel	 SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD ATTEST: <u>[Signature]</u> DARLENE J. BLOOM CLERK OF THE BOARD OF SUPERVISORS ORANGE COUNTY, CALIFORNIA
	<b>COUNTY OF ORANGE</b>
DATED: _____	By: <u>[Signature]</u> Chairman of the Board of Supervisors
<del>ATTEST: By: _____ Clerk of the Board of Supervisors</del>	
APPROVED AS TO FORM: By: <u>[Signature]</u> Benjamin de Mayo 2/24/05 County Counsel	

**ACKNOWLEDGMENT AND WAIVER BY CITY OF IRVINE**

The defined terms used hereinbelow shall have the same meaning as set forth in the foregoing Implementation Agreement No. 1 to which this Acknowledgment and Waiver is attached. By action of the City Council of the City of Irvine, taken on March 8, 2005, (i) the City hereby acknowledges the foregoing Implementation Agreement by and between the Agency and the County; (ii) the City, on behalf of itself and its respective controlled entities, knowingly, voluntarily, and expressly waives any right to challenge the validity of the 2003 Agreement or the Implementation Agreement; (iii) the City, on behalf of itself and its respective controlled entities, agrees to include in any agreements pertaining to use or development of the Project Area a similar provision whereby the parties to the agreement waive any right to challenge the validity of the 2003 Agreement or the Implementation Agreement; (iv) the City, on behalf of itself and its respective controlled entities, agrees not to promote, fund, or assist any other person in any claim or challenge related to any of the foregoing; and (v) the City agrees to act diligently to hold any hearings or take any actions required to comply with Health and Safety Code Sections 33445 and 33679 or other provisions of the CRL in connection with any payments or funding from the County Account.

Dated: 3/18, 2005

CITY OF IRVINE

By: 

MAYOR OF THE CITY OF IRVINE

ATTEST:

By: 

Jeri Stately, City Clerk

APPROVED AS TO FORM:

RUTAN & TUCKER, LLP

By: 

Joel D. Kuperberg, City Attorney



611 ANTON BOULEVARD, FOURTEENTH FLOOR  
COSTA MESA, CALIFORNIA 92626-1931  
DIRECT ALL MAIL TO: POST OFFICE BOX 1950  
COSTA MESA, CALIFORNIA 92628-1950  
TELEPHONE 714-641-5100 FACSIMILE 714-546-9035  
INTERNET ADDRESS [www.rutan.com](http://www.rutan.com)

ORANGE COUNTY

SILICON VALLEY  
(408) 289-8777

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

Dan Slater

Direct Dial: (714) 641-3437

E-mail: [dslater@rutan.com](mailto:dslater@rutan.com)

April 7, 2005

**VIA OVERNITE EXPRESS**

Ann Fletcher  
Senior Deputy County Counsel  
County of Orange  
County Counsel's Office  
10 Civic Center Plaza  
Santa Ana, CA 92702

2005 APR 11 AM 11:22  
RECEIVED  
CITY OF IRVINE  
CITY CLERK'S OFFICE

Re: Executed Originals of County-Irvine Implementation Agreement No. 1

Dear Ann:

Enclosed please find the three (3) fully executed originals of Implementation Agreement No. 1, dated as of March 8, 2005, by and between the County of Orange and Irvine Redevelopment Agency, with the signed Acknowledgment and Waiver by the City of Irvine attached to each.

The three originals enclosed are marked in the upper right hand corner of page 1 with, respectively, "Original--Clerk of the Board Orange County," "Duplicate Original--Attorney," and "Duplicate Original--CEO."

Please contact me with any questions or concerns. Thanks again for your assistance and cooperation.

Very truly yours,

RUTAN & TUCKER, LLP

Dan Slater

Encl.

cc: Jeri Stately, City Clerk, City of Irvine (w/o encl)  
Tina Christiansen, Executive Director, Irvine Redevelopment Agency (w/o encl)  
Joel D. Kuperberg, Esq., City Attorney, City of Irvine (w/o encl)



# CONTRACTS SCAN SHEET

CONTRACT NUMBER: 6804

CONTRACT TYPE: AGREEMENT

DEPARTMENT: PUBLIC WORKS  
Department initiating contract

CONTRACT DATE: 8/17/2010  
As stated in Terms section of Contract

EXPIRATION DATE:  
As stated in Terms section of Contract

MEETING DATE: 8/10/2010  
Date of meeting where contract was approved

ITEM NUMBER: 3.7  
Item number of meeting where contract was approved

CONTRACT AMOUNT:  
As stated in Budget section of Contract

CONTRACT NAME: IRVINE REDEVELOPMENT AGENCY;  
As stated in 1<sup>st</sup> paragraph of contract COUNTY OF ORANGE

CONTRACT SUBJECT: IMPLEMENTATION AGREEMENT NO.  
As stated in Description of Services section of contract 2 BETWEEN CITY OF IRVINE, IRVINE  
REDEVELOPMENT AGENCY AND  
COUNTY OF ORANGE

**3.6    *DEFINED BENEFIT AND DEFINED CONTRIBUTION PENSION PLAN  
AUDITS FOR THE YEAR ENDED DECEMBER 31, 2009***

**ACTION:**

Received and file the Defined Benefit Pension Plan and the Defined Contribution Pension Plan audits for the year ended December 31, 2009.

**3.7    *SUBLEASE AGREEMENT WITH THE COUNTY OF ORANGE FOR 100  
ACRE PARCEL IN PLANNING AREA 51***

**ACTION:**

- 1) Adopted RESOLUTION NO. 10-90 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE APPROVING THE POTENTIAL PAYMENT BY THE IRVINE REDEVELOPMENT AGENCY OF CERTAIN COSTS FOR THE POTENTIAL FUTURE RECONSTRUCTION OR REPLACEMENT OF CERTAIN FLOOD CONTROL FACILITIES LOCATED ON CERTAIN REAL PROPERTY LOCATED WITHIN THE REDEVELOPMENT PROJECT AREA, AND MAKING FINDINGS UNDER HEALTH AND SAFETY CODE SECTION 33445 FOR THE EXPENDITURE OF AGENCY FUNDS THEREFOR as amended to include revisions for Exhibit D-1 to include a proposed sewer and reclaimed water easement along the westerly edge of the property and Exhibit D-2 to depict an existing reclaimed water line across the property.
- 2) Authorized the Mayor to execute a Sublease Agreement and Implementation Agreement No. 2 with the County of Orange to provide the County with a 100 acre parcel in accordance with the 2003 Property Tax Transfer and Pre-Annexation Agreement as amended to include revisions for Exhibit D-1 to include a proposed sewer and reclaimed water easement along the westerly edge of the property and Exhibit D-2 to depict an existing reclaimed water line across the property.
- 3) Authorized the Mayor to execute a Reciprocal License Agreement with the County of Orange and Heritage Fields as amended to include revisions for Exhibit D-1 to include a proposed sewer and reclaimed water easement along the westerly edge of the property and Exhibit D-2 to depict an existing reclaimed water line across the property.

**3.8    *DESIGNATION OF CITY CONSULTANT AS AUTHORIZED CITY  
REPRESENTATIVE TO EXAMINE SALES AND USE TAX RECORDS***

**ACTION:**

Adopted RESOLUTION NO. 10-91 - A RESOLUTION OF THE CITY

**IMPLEMENTATION AGREEMENT NO. 2  
BETWEEN CITY OF IRVINE, IRVINE REDEVELOPMENT AGENCY AND COUNTY  
OF ORANGE**

---

This IMPLEMENTATION AGREEMENT NO. 2 BETWEEN CITY OF IRVINE, IRVINE REDEVELOPMENT AGENCY AND COUNTY OF ORANGE ("Implementation Agreement No. 2") is entered into as of August 17, 2010 (the "Effective Date"), by and between the **City of Irvine**, a California charter city ("City"), the **Irvine Redevelopment Agency** ("Agency") and the **County of Orange**, a political subdivision of the State of California ("County").

RECITALS

A. The City, Agency and County entered into a written "Property Tax Transfer and Pre-Annexation Agreement Regarding the Annexation and Re-Use of Former MCAS El Toro" ("Pre-Annexation Agreement"), dated March 4, 2003, and that agreement titled "Implementation Agreement No.1", ("Implementation Agreement No.1"), dated March 8, 2005, regarding the former United States Marine Corps Air Station El Toro ("El Toro"), which was then located immediately adjacent to but outside the jurisdictional boundaries of the City. A copy of the Pre-Annexation Agreement is attached hereto as **Exhibit "A,"** and a copy of the Implementation Agreement No.1 is attached hereto as **Exhibit "B."** Section 2.2.3 of the Pre-Annexation Agreement provides, among other things, that the City will provide the County with a one hundred (100) acre parcel of property located in the southwesterly corner of El Toro for County's use (the "Premises").

B. In accordance with the Pre-Annexation Agreement, the County and City have entered into a Sublease Agreement, of even date herewith ("Sublease"), attached hereto as **Exhibit "C,"** by which the City has subleased a portion of the Premises (the "Subleased Property") to the County as a precursor to transfer of fee title to the Premises, all as set forth in the Sublease.

C. The County, Agency and City now desire to enter into this Implementation Agreement No. 2 to set forth the agreements among the parties with respect to the long-term development and use of the Premises by the County.

AGREEMENT

NOW, THEREFORE, based upon the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Agency and the County hereby agree as follows:

1. Use and Improvements on Premises

1.1 The terms of the Sublease set forth the terms of the County's use and possession of the Subleased Property during the term of the Sublease, as well as the circumstances of the eventual transfer of the Premises to the County in fee.

1.1.1 The City and County acknowledge and agree that modifications to the precise boundaries of the Subleased Property/Premises may be necessary to accommodate the ultimate alignment of the roadway that ultimately will be used as the primary access road to the Subleased Property/Premises. The current alignment of the roadway is shown on City of Irvine Master Subdivision Map 17008 (as amended) (as amended, the "MSM") and is referred to as Marine Way on said MSM, and is currently designed as a "Primary" four-lane arterial highway ("Primary Access Road"). The parties further acknowledge that the roadway could, and likely will, ultimately undergo a name change, realignment and/or redesign from what is depicted on the MSM. The parties agree that if the roadway is realigned or redesigned from that shown on the MSM, the Subleased Property/Premises shall continue to have access to and abut a roadway along the entire frontage of the Subleased Property/Premises which frontage (and abutment to the Primary Access Road) is conceptually depicted on the attached **Exhibit "D"**. The parties acknowledge that in the event that significant realignment takes place to the Primary Access Road, such that a minor exchange or re-conveyance of property, as set forth more completely in this paragraph, is not feasible, the County may be provided access to portions of the Subleased Property/Premises by a secondary access road ("Secondary Access Road"), such that 100% of the Subleased Property/Premises frontage shall be abutted and have access to either the Primary Access Road or the Secondary Access Road (provided that, at a minimum, no less than approximately 90% of the linear frontage of the Subleased Property/Premises shall abut the Primary Access Road). Said abutment shall be continuous such that no non-County landowners or other non-County land interests (including but not limited to easements, licenses, etc.), other than those reflected on **Exhibit "D"** (as they may be modified or amended to correspond with any realignment or redesign of the Primary Access Road), shall exist between the Subleased Property/Premises and either the Primary Access Road or the Secondary Access Road as the case may be. Should a realignment or redesign of the Primary Access Road occur at any time after conveyance of the Subleased Property/Premises to the County, the parties intend to adjust the boundaries of the Subleased Property/Premises in accordance with the provisions set forth in this paragraph. In doing so, the parties agree to cooperate in good faith to implement the redesign and/or realignment, including an exchange or re-conveyance of property as necessary to effectuate such redesign and/or realignment, provided that the County shall be left with no less, and not materially more, than a 100 acre parcel. The parties agree that no additional consideration shall be required of either party to the other as a result of said boundary line adjustment. The parties further agree that the cost for the design and construction of the Secondary Access Road, should it be required, shall be done at no additional cost to the County other than County's agreed "Fair Share" contribution as is set forth herein and in **Exhibit "E,"** attached hereto.

1.2 . The parties acknowledge that City, through Heritage Fields El Toro LLC, a Delaware limited liability company ("HF" or "Heritage Fields"), intends to construct, or cause to be constructed, certain infrastructure adjacent to or within portions of the Subleased Property and/or the Premises, including Marine Way (including the roadway, parkway, sidewalks, sewer lines, water lines, storm drains, electrical lines, and other utility lines) and the Bee Canyon Channel, as well as certain additional sewer and reclaimed water improvements. The final sewer and final reclaimed water improvements, and Bee Canyon Channel (storm drain) are intended to be constructed beneath the Premises within the "easement areas" generally described on

**Exhibit "D"** (the parties recognize and acknowledge that interim infrastructure improvements may be constructed partially above ground but shall be relocated or removed at no cost to County if necessary for County use of the Premises as deemed necessary by County in its sole discretion), provided that the City, Agency, and County agree and acknowledge that modifications to the precise boundaries of the easement areas may be necessary to accommodate the technical, logistic and/or design requirements of the applicable infrastructure component and/or the applicable utility provider and easement holder and each such party agrees to reasonably cooperate in effectuating the necessary adjustments to the boundaries of the easement areas as required by such utility providers and easement holders. The Marine Way improvements (i.e., the roadway, parkway, sidewalks, sewer lines, water lines, electrical lines, and other utility lines) will be constructed outside the Premises. The portion of Bee Canyon Channel which crosses the Premises ("County Channel Portion") shall be improved as a reinforced concrete box ("RCB") at no cost to the County (as indicated in that certain Master Plan for Drainage prepared by City and HF and approved by the County pursuant to County's approval letter dated November 25, 2008) capable of withstanding a vehicular parking lot on the surface of the ground, and shall be included within the Premises. Such RCB shall be designed and constructed to Orange County Flood Control District's standards. The cost to construct the RCB on the Premises shall be at HF's cost, with no additional deposit required by the Orange County Flood Control District ("OC Flood") for future repairs or replacement (as part of the backbone infrastructure work described in the Amended MIA, as defined below). The future cost to reconstruct, repair, or replace the RCB shall be paid by the Agency up to a maximum of six hundred and fifty thousand dollars (\$650,000) or its successor, provided the County is still the owner of the Premises at the time, and if not, then the current owner of the Premises at that time according to OC Flood's policy then in effect. When the County Channel Portion is improved as a RCB and the sewer and reclaimed water improvements are made, regardless of who causes and pays for said improvements, County shall be granted the sole and exclusive right to use the surface area over the said County Channel Portion and any easement areas that fall within the boundaries of the Subleased Property/Premises, subject to such rights of access as are required by The Irvine Ranch Water District ("IRWD") and/or the OC Flood for maintenance, repair and other activities for which IRWD and/or OC Flood typically retain access rights. To the extent reasonably possible, and subject to the requirements of the applicable utility providers and easement holders, the City, Agency, and County agree to work together so as to mitigate the size of any required easements on the Premises, provided that the parties agree and acknowledge that modifications to the precise boundaries of the easement areas may be necessary to accommodate the requirements of the applicable utility provider and easement holder and each such party agrees to reasonably cooperate in effectuating the necessary adjustments to the boundaries of the easement areas as required by such utility providers and easement holders. Once the easement areas have been approved by the applicable utility provider and easement holder, then the easements may be recorded, with prior County approval as to the form of such easement documents, which approval shall not be unreasonably withheld, conditioned, or delayed, in the official records so long as the easement areas substantially conform to the areas shown on **Exhibit "D."** Concurrently herewith, the City, County, and Heritage Fields each shall enter into a non-exclusive license for reciprocal access purposes ("Reciprocal License Agreement") for the County, the City, and Heritage Fields, and their respective employees, officials, contractors, representatives, tenants, purchasers, invitees, successors and assigns, and to the non-profit organizations utilizing the "Home 1" and "Home 5" parcels that are adjacent to the

Subleased Property, over the alignment reflected on **Exhibit "1"** to the Reciprocal License Agreement, which is attached hereto as **Exhibit "G."**

### 1.3 [RESERVED]

1.4 The County hereby grants to the City, HF and/or their respective contractors, subcontractors, and agents temporary construction access rights and licenses over portions of the Premises in order to construct Marine Way, Bee Canyon Channel improvements, and the remaining sewer and reclaimed water and other utility improvements, as well as appropriate access rights to allow for the access necessary to install and/or maintain the utility lines in the existing easement areas on the Subleased Property and/or the Premises. As necessary, upon or after conveyance of a deed to the Premises from the City to the County, the County shall convey appropriate utility easements to HF and their respective applicable utility providers in compliance with **Exhibit "D,"** to the extent that such easements have not been granted and recorded prior to such conveyance in accordance with the Section 1.2, above.

1.5 The County acknowledges and agrees that, to the extent that it does, the County shall connect to the roadways, utilities, and other Infrastructure (as that term is defined in Paragraph 2.1) not located on the Subleased Property and/or the Premises, as well as any utilities, and Infrastructure that crosses the Premises, in a manner that complies with standard City requirements and standards. City shall permit such connection at no additional charge by the City to the County (i.e., no charge beyond that described as the County's fair share contribution in Section 2, below) provided that County shall be solely responsible for any connection fees of any utility provider, and provided further that County shall be responsible for any alterations to the alignment of Infrastructure necessary to accommodate County's site plan(s) for use of the Subleased Property.

1.6 An approved water quality management plan ("WQMP") has been completed that includes the Subleased Property and Premises, and County may use such plan, at no cost to the City, to the extent permitted by applicable regulatory authorities, for development of the Subleased Property and Premises. The City makes no representation, warranty or guaranty that any entity other than the City may use the WQMP, nor does the City make any representation, warranty and/or guaranty concerning whether the County's use of the WQMP will be opposed by any other regulatory or private party or body.

1.7 The County acknowledges that the Premises are adjacent to an entrance to the proposed "Orange County Great Park" to be developed by or on behalf of the City, and that the maintenance of the Subleased Property and the Premises may influence the perception of the "Orange County Great Park" by the public. It is the intention of the parties hereto that the County's future development or use of the Premises (not including interim use of existing facilities or any buildings or improvements that exist on the Premises as of the date of this Implementation Agreement No. 2) will not materially visually detract from the properties that are immediately adjacent to the Premises. To that end, the County has every intention of being a "good neighbor" to the City and the Orange County Great Park. Therefore, in the event City determines that it has a legitimate concern that the County's development or proposed development visually detracts from properties that are immediately adjacent to the County's roadway frontage along the Premises (viewed from Marine Way along said roadway frontage,

and no other elevation), County agrees to meet with the City and discuss City's concerns and take those steps that County deems to be reasonable and necessary to address City's concerns. In addressing City's concerns, County agrees to employ similar types of screening techniques used by properties adjacent to the County's roadway frontage along the Premises. For the purposes of this Section 1.7 only, "City" shall refer to the City Manager or the City Council and no other City staff.

1.8 The County and City mutually acknowledge that the Program EIR (State Clearinghouse No. 2002101020) prepared and certified by the City in connection with the City's annexation of El Toro and the City's approval of a general plan amendment, zone change and adoption of the "Great Park Development Agreement" for the reuse of the Base Property (the "Great Park EIR") analyzes the proposed development of the Base Property by HF and the City at a general plan and zoning level, but does not analyze any specific development plan or project for the Subleased Property and/or the Premises. The County understands and agrees both that it is solely responsible for all compliance with the California Environmental Quality Act, Public Resources Code Section 21000, et seq. ("CEQA") that is necessary in connection with any future uses or improvements within the Subleased Property and/or the Premises. The County and the City shall confer with one another concerning CEQA compliance activities and throughout the CEQA process for uses of County parcels and the Orange County Great Park parcels, and the County's CEQA compliance will be conducted as though the Subleased Property and/or the Premises remained unincorporated. The County acknowledges that it is responsible for any impacts it may cause as a result of the intensification or alteration of uses on the Subleased Property and/or the Premises beyond those studied in the Great Park EIR, and shall mitigate any such impacts in accordance with CEQA. The City reserves its rights to comment on the environmental analysis of such proposed land uses, including but not limited to the impacts of such proposed uses, the thresholds of significance and impact analysis methodology utilized, the execution of the impact analysis methodology utilized, and the sufficiency of the mitigation proposed to address identified impacts. In the event either party intends to prepare and circulate an EIR or amendment to an existing EIR (including addendums or supplements to an existing EIR), that would increase the current average daily trip ("ADT") generation (based on a total of 30,000 ADTs for Marine Way under the City's existing Great Park EIR), said party will give the other party 30 days notice prior to circulating said document(s).

## 2. Fair Share Formula.

2.1 The County, in accordance with the Fair Share Formula set forth in **Exhibit "E"** of this Implementation Agreement No. 2, shall pay its fair share of the costs ("Fair Share") for developing and installing the infrastructure improvements directly related to servicing the Premises more particularly described in **Exhibit "E-1"** ("Infrastructure"). The parties understand and acknowledge that to the extent additional or expanded infrastructure above and beyond that described in **Exhibit "E-1"** is required to serve the level of development of the Premises described in the Great Park EIR, any additional contribution required by the City of the County toward the costs of that additional and expanded infrastructure shall, as set forth in Section 2.2.5 of the Pre-Annexation Agreement, be limited to costs associated with those utilities, roadways, sewer lines and other types of infrastructure needs that are necessary to service the Premises, if any. The Infrastructure shall be designed and constructed in accordance with applicable City and OC Flood standards. City shall be the lead agency for the development

and installation of the Infrastructure and may provide for the installation of the Infrastructure in the manner set forth in that certain Amended and Restated Master Implementation Agreement by and between the City and HF ("Amended MIA"). County shall not be a member of, nor shall the Premises be subject, while under County ownership, to any assessment through any Community Facility Districts ("CFD"), assessment districts, landowners associations, or similar infrastructure financing or construction programs, and shall not be required to pay dues or assessments for the City's/Great Park's or Base maintenance costs other than as specified in this Implementation Agreement No. 2 and the exhibits attached hereto.

2.2 The parties hereto may enter into subsequent agreements on timing, design, costs, construction, and other Infrastructure issues affecting the Premises, and these agreements may include the City, the County, the Orange County Transportation Authority, the OC Flood and HF, as necessary. If the County decides that it is necessary to accelerate the construction of the portion of Marine Way that would access the Premises ("Marine Way Portion") and/or the County Channel Portion, (i.e., to provide for the installation of the Marine Way Portion and/or the County Channel Portion sooner than it would otherwise be constructed by the City and/or HF) the County may propose an agreement with the City and/or HF, as necessary, designating the County as the lead agency for the construction of such infrastructure and the City shall cooperate with the County to approve such agreement and shall cooperate with the County in attempting to secure the approval of HF, if necessary, as well as the relocation or termination of the temporary road across the Premises (as more fully described in the Reciprocal Access License), as necessary. In the event that the City or HF decides to perform such infrastructure construction on County's accelerated time-table, County shall agree to the extent that it does not delay the County's use of the Premises. In the event that the County constructs the Marine Way Portion and/or the County Channel Portion, the City shall credit any amounts spent by the County to construct said infrastructure toward the County's Fair Share of the County's Infrastructure costs (such amounts may include County actual administrative costs, including but not limited to actual County charges and overhead, in an amount not to exceed twenty percent (20%) of the costs for any design and construction). In the event the County's cost to construct the Marine Way Portion and/or the County Channel Portion exceeds County's Fair Share of the Infrastructure costs, the City and County, prior to commencement of work, will meet and enter into a funding and phased reimbursement plan that will reimburse the County for said excess cost by remitting to the County, with interest, funds that would otherwise have been paid to a third party for Marine Way Portion and/or County Channel Portion construction.

2.3 County's Fair Share of Infrastructure costs shall be paid from funds deposited in the County Account established pursuant to Implementation Agreement No. 1, a copy of which is attached hereto marked **Exhibit "B,"** unless the County, in its reasonable discretion, chooses to pay such costs with other available funds, and County pursuant to Implementation Agreement No. 1 may, among other things, use the amounts in the County Account to issue bonds or authorize payment by the Agency from said County Account for each invoice submitted by the City within thirty (30) days of receipt of the invoice. In the event there are insufficient funds in the County Account to pay, in full, any invoice when due, then said unpaid invoice(s) or portion thereof, shall – together with interest on the unpaid portion at a rate equal to what the County Treasurer received on its pooled investment for the period said amount(s) remained unpaid, or at the rate of interest City is required to pay on the unpaid amount(s), whichever amount is greater – be deducted from the next available funds deposited



into the County Account, and, in the event the next available funds deposited into the County Account are insufficient to pay said invoice(s), said unpaid amounts with interest shall continue to be deducted in like manner until such time as the full Fair Share amount owing has been recouped by the City, unless the County chooses to pay such outstanding invoices with other County funds. Notwithstanding the foregoing, County agrees, to the degree that sufficient funds are deposited annually into the County Account, to maintain an amount in the County Account sufficient to pay an annual debt service payment on a bond issue of no more than Fifteen Million Six Hundred Thousand Dollars (\$15,600,000) once the construction of Marine Way (as it may be renamed, realigned or redesigned) commences, and until the County's Infrastructure "Fair Share" contribution is paid in full.

2.4 The County's Fair Share responsibility for the maintenance of the existing alignment of Marine Way (also known as "Perimeter Road") shall be as set forth in Reciprocal License Agreement.

### 3. Indemnification and Release

3.1 County shall indemnify, defend and hold harmless the City, the Orange County Great Park Corporation and the Agency, and each of their respective officers, officials, employees, agents, representatives, contractors, successors and assigns (collectively, the "City-Related Parties") from and against any and all claims, demands, causes of action, obligations, setoffs, liabilities, losses, injuries and damages of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, foreseen or unforeseen, liquidated or unliquidated (collectively, "Claims") that may be asserted or claimed by any person or entity arising in any way out of the County's activities under this Implementation Agreement No. 2, whether or not there is concurrent passive negligence on the part of the City or any City-Related Party, but excluding such Claims or Liabilities to the extent they arise from the active negligence or willful misconduct of the City or City-Related Party or the acts of independent third parties on the Premises.

3.2 City and the Agency shall indemnify, defend and hold harmless the County and each and its officers, officials, employees, agents, representatives, contractors, successors and assigns ("County-Related Parties") from and against any and all Claims of any kind that may be asserted or claimed by any person or entity arising in any way out of the City's or Agency's activities under this Implementation Agreement No. 2, including liability arising out of any condition, maintenance or repair of the Perimeter Road, whether or not there is concurrent passive negligence on the part of the County or any County-Related Party, but excluding such Claims or Liabilities to the extent they arise from the active negligence or willful misconduct of the County or County-Related Party or the acts of independent third parties on the Premises.

### 4. Miscellaneous

4.1 Notices. All notices, transmittals of documentation and other writings required or permitted to be delivered or transmitted to either of the parties under this Implementation Agreement No. 2 shall be personally served or deposited in a United States mail depository, first class postage prepaid, and addressed as follows:

If to the City: City of Irvine  
One Civic Center Plaza  
P.O. Box 19575  
Irvine, CA 92623  
Attention: City Manager

with copy to: Orange County Great Park Corporation  
One Civic Center Plaza  
P.O. Box 19575  
Irvine, CA 92623  
Attention: Chief Executive Officer

If to the County: County of Orange  
10 Civic Center Plaza  
P.O. Box 1379  
Santa Ana, CA 92702  
Attention: County Executive Officer

or such other addresses any party may direct to the other party in writing. All such notices and communications shall be deemed to have been duly given when delivered by hand, if personally delivered. Except where service is by registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed forty-eight (48) hours after deposit in the United States mail depository.

4.2 Assignment. During the term of this Implementation Agreement No. 2, the County's rights and obligations may be assigned, transferred or otherwise conveyed to any third party upon notice to the City and consistent with and subject to the terms of the Sublease, on condition that such assignee or transferee agrees in writing to assume all of the obligations and requirements of the County as Sub-lessee under this Implementation Agreement No. 2.

4.3 No Third Party Beneficiaries. Nothing expressed or mentioned in this Implementation Agreement No. 2 is intended or shall be construed to give any person, other than the parties hereto and their respective authorized successors and assigns, any legal or equitable right, remedy or claim under or in respect to this Implementation Agreement No. 2 or any of the provisions contained herein. This Implementation Agreement No. 2 and each and every condition and provision hereof are intended to be for the sole and exclusive benefit of the City, Agency and the County, and their respective authorized successors and assigns, and for the benefit of no other person or entity.

4.4 Governing Law. This Implementation Agreement No. 2 shall be governed by and construed in accordance with the laws of the State of California applicable to subleases made and to be performed within the State.

4.5 Waiver; Remedies. No failure on the part of either party hereto to insist upon or demand the strict performance by the other party of any covenant, term, condition or promise of this Implementation Agreement No. 2, or to exercise any right or remedy as a result of any breach of the Implementation Agreement No. 2, shall constitute a continuing waiver of any such

breach or of any such covenant, term, condition, promise, right or remedy. No waiver of any breach shall in any way affect, alter or modify this Implementation Agreement No. 2, but each and every covenant, term, condition and promise of this Implementation Agreement No. 2 shall continue in full force and effect. No single or partial exercise of any right, remedy, power or privilege under this Implementation Agreement No. 2 shall preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege under this Implementation Agreement No. 2.

4.6 Status of the Parties. Nothing in this Implementation Agreement No. 2 shall be construed to make the parties joint venturers or partners, or to create any relationship of principal and agent, and the parties specifically disavow such relationships.

4.7 Interpretation. This Implementation Agreement No. 2 has been negotiated at arms' length between persons sophisticated and knowledgeable in the matters addressed herein, and both parties have had the opportunity to consult with legal counsel of such party's choosing regarding this Sublease. Accordingly, any rule of law (including California Civil Code § 1654) or legal decision that would require interpretation of this Implementation Agreement No. 2 against the drafter hereof is not applicable and is waived.

4.8 Entire Agreement. This Implementation Agreement No. 2, in conjunction with the Pre-Annexation Agreement and Implementation Agreement No. 1, and the Sublease is intended by the parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect to the subject matter contained herein. It is not the intention of the parties that this Implementation Agreement No. 2 shall supersede any prior agreement, including the Pre-Annexation Agreement and Implementation Agreement No. 1. There are no restrictions, promises, warranties or undertakings relating to the subject matter of this Implementation Agreement No. 2, other than those set forth or referred to herein and in the Pre-Annexation Agreement. To the extent that there are inconsistencies between the terms of this Implementation Agreement No. 2 and the Pre-Annexation Agreement, this Implementation Agreement No. 2 supersedes the Pre-Annexation Agreement with respect to those inconsistencies, except with respect to: (i) Section 2.2.4 of the Pre-Annexation Agreement; (ii) the portions of Section 2.2.3 of the Pre-Annexation Agreement related to the conveyance of property other than the Premises, the City's statement that it "will also provide for land use designations that will allow for the intended uses indicted on the attached Exhibit [to the Pre-Annexation Agreement]," and Section 2.2.3.1, and (iii) those portions of Section 2.2.5 that limit the County's Fair Share obligation for the Premises to infrastructure (other than the Infrastructure specifically addressed in this Agreement) that is directly related to servicing the Premises. It is the intention of the parties hereto that this Implementation Agreement No. 2 not alter or vary the terms of Implementation Agreement No. 1.

4.9 Warranty of Authority. Each officer of the City and the County affixing his or her signature below thereby warrants and represents that he or she has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this Implementation Agreement No. 2; that his or her respective party has the full legal right, power, capacity and authority to enter into this Sublease and perform all the obligations herein; and that no other approvals or consents are necessary in connection therewith.

4.10 Modifications. Neither this Implementation Agreement No. 2 nor any provision hereof may be changed, waived, discharged or terminated orally or in writing, except that any provision of this Implementation Agreement No. 2 may be amended by a writing signed by the parties, in the observance of any provision of the Implementation Agreement No. 2 may be waived (either generally or in a particular instance in either retroactively or prospectively) by a writing signed by the party against whom such waiver is to be asserted.

4.11 Headings. The headings in this Implementation Agreement No. 2 are for convenience of reference only, and shall not limit or otherwise affect the meaning of this Implementation Agreement No. 2.

4.12 Successors and Assigns. Subject to Section 4.2 above, this Implementation Agreement No. 2 shall inure to the benefit of, and be binding upon, the City, the County, and their respective successors and assigns.

4.13 Exhibits. This Implementation Agreement No. 2 contains exhibits, attached hereto and made a part hereof by this reference. Said exhibits are identified as follows:

- A Pre-Annexation Agreement
- B Implementation Agreement No. 1
- C Sublease
- D Encumbrances on Premises
- D-1 Depiction of Proposed Future Encumbrances
- D-2 Depiction of Existing Encumbrances
- E Fair Share Formula
- F [RESERVED]
- G Reciprocal Access License

IN WITNESS WHEREOF, the parties hereto have entered into this Implementation Agreement No. 2 as of the date first written above.

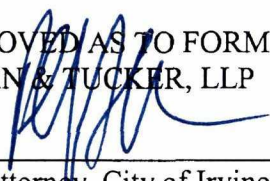
**CITY OF IRVINE, a charter municipal corporation**

By:  \_\_\_\_\_  
Mayor

ATTEST:

 \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP

 \_\_\_\_\_  
City Attorney, City of Irvine


**IRVINE REDEVELOPMENT AGENCY**

By:  \_\_\_\_\_  
Chair

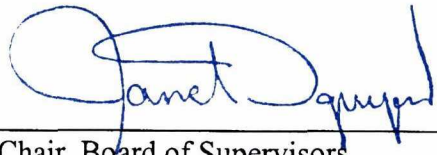
ATTEST:

 \_\_\_\_\_  
Agency Secretary

APPROVED AS TO FORM:

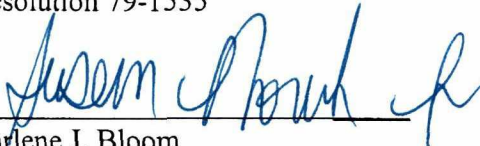
 \_\_\_\_\_  
Agency General Counsel

COUNTY OF ORANGE, a political subdivision of  
the State of California

By:   
Chair, Board of Supervisors

Signed and certified that a copy of this  
document has been delivered to the  
Chair of the Board per G.C. Sec. 25103,  
Resolution 79-1535



  
Darlene J. Bloom  
Clerk of the Board of Supervisors  
Orange County, California

APPROVED AS TO FORM:  
COUNTY COUNSEL, COUNTY OF ORANGE

  
Deputy

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL  
THIS AGREEMENT TO:**

City of Irvine  
One Civic Center Plaza  
P.O. Box 19575  
Irvine, CA 92623  
Attention: City Manager

Recorded in Official Records, Orange County  
Tom Daly, Clerk-Recorder

 NO FEE

2011000036334 2:31 pm 01/20/11

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(Space Above for Recorder's Use)

**RECIPROCAL LICENSE AGREEMENT**

This RECIPROCAL LICENSE AGREEMENT (the "**Agreement**") is made as of this 17<sup>th</sup> day of AUGUST, 2010, by, between, and among the City of Irvine ("**City**"), the County of Orange, a political subdivision of the State of California ("**County**"), and Heritage Fields, El Toro, LLC, a Delaware limited liability company ("**Heritage Fields**"). The parties to this Reciprocal License Agreement are hereinafter jointly referred to as "the Parties."

**RECITALS**

A. City, County, and Heritage Fields each hold certain possessory interests, including fee interests, leasehold interests, and sub-leasehold interests, in certain land located in City of Irvine Planning Area No. 51 which is on and/or adjacent to the former Marine Corps Air Station, El Toro, and which is improved with that certain roadway that is currently referred to as "Perimeter Road" and/or "Old Marine Way" (hereinafter, "**Parties' Property**"). The current alignment of said roadway is depicted on **Exhibit "1"** hereto, and is hereinafter referred to as "**Perimeter Road**."

B. Concurrent with the execution of this Agreement, the City and the County have entered into (i) a "Sublease Between City of Irvine and County of Orange For Institutional Parcel Within El Toro LIFOC Parcel 3," ("**Sublease**") and (ii) an "Implementation Agreement No. 2 Between City of Irvine, Irvine Redevelopment Agency and County of Orange" ("**Implementation Agreement No. 2**"). The Sublease and Implementation Agreement No. 2 provide, *inter alia*, for the immediate transfer of a sub-leasehold interest in 100 acres of property to the County ("**Subleased County**")

**Property**”), followed by the later transfer of fee title to at least 100 acres of property to the County (“**County Property**”).

C. The Sublease and Implementation Agreement No. 2 also contemplate the construction of a primary access road (“**Primary Access Road**”), and potentially a secondary access road (as applicable, the “**Potential Secondary Access Road**”), that will provide vehicular access to, among other properties, the Parties’ Property and the properties currently utilized by the non-profit organizations operating at the “Home 1” and “Home 5” parcels depicted on **Exhibit “1”** (the “**Non-Profits**”).

D. The timing and phasing of the construction of the Primary Access Road and Potential Secondary Access Road is uncertain, and the Parties therefore each recognize the need to preserve the ability to maintain reciprocal rights to access to the properties in which they hold possessory interests from and over the existing Perimeter Road alignment until such time as the Primary Access Road and Potential Secondary Access Road are constructed.

E. The provision of reciprocal access rights over the existing alignment of Perimeter Road is not intended by the parties to be permanent, and is not intended to delay the design, construction, and operation of the Primary Access Road and the Potential Secondary Access Road, subject to the provisions set forth below.

F. Each of the Parties desires to grant to the other Parties, their respective employees, officials, contractors, representatives, tenants, purchasers, invitees, successors and assigns, (collectively “**successors**”), and the Non-Profits a license on and over that portion of Perimeter Road depicted on **Exhibit "1"** attached hereto that is located on each such Parties’ Property for the purpose of accessing, maintaining, and traveling upon such portion of Perimeter Road.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and subject to all of the terms and conditions which follow, the Parties hereto agree as follows:

1. Grant of License. Each of the Parties hereby grants to each of the other Parties, their respective Successors, and the Non-Profits a temporary, non-exclusive, uninterrupted license (the “**License**”) upon, over, and along that portion of Perimeter Road depicted on **Exhibit "1"** attached hereto that is located on each such Parties’



Property, as may be required for the purpose of accessing, maintaining, and traveling upon such portion of Perimeter Road. No Party shall install any fence or other barrier that prevents the full access to and use of such portion of Perimeter Road during the term of this License. The reciprocal access rights provided herein do not include the ability to upgrade the existing Perimeter Road, except as may be necessary to facilitate continued access during construction activities related to the new alignment of the Primary Access Road and the Potential Secondary Access Road. The Parties shall not use the reciprocal access rights provided herein as a basis to delay the development of the Primary Access Road and (if applicable) the Potential Secondary Access Road. The Parties acknowledge and agree that nothing contained herein shall require the construction of the Primary Access Road and (if applicable) the Potential Secondary Access Road on any particular time period, given that the timing of the construction of such road shall continue to be governed by the contractual arrangement between the City and Heritage Fields for the construction of backbone infrastructure. The Parties further acknowledge and agree that they may, in their sole and absolute respective discretion and at their sole cost, relocate portions of Perimeter Road located on their respective properties, so long as Perimeter Road continues to connect uninterrupted with those portions of Perimeter Road located on each other Party's property.

2. Maintenance of Perimeter Road. During the term of this License, each Party shall be responsible for maintaining that portion of Perimeter Road that crosses the portion of the Parties' Property in which such Party holds a possessory interest; provided, however, that the County shall not be responsible for maintaining Perimeter Road so long as (i) it does not hold fee interest in the County Property, and (ii) the County Subleased Property is neither physically occupied by County personnel on a regular basis (not including routine inspections and provision of security) or its Successors nor undergoing actual physical development by the County or its Successors (the term "physical development" as used herein does not include routine maintenance of weeds or landscaping, pest control, trash removal or improvements made as a result of infrastructure installation not related to the County's development of the County Property). Nothing in this Agreement shall be construed as a modification to any agreement existing between the Parties, or any of them, concerning maintenance responsibilities for Perimeter Road or any other facilities on the Parties' Property. Nor shall anything in this Agreement prohibit the Parties, or any of them, from subcontracting the maintenance responsibilities set forth herein to another person or entity.

3. Termination. This Agreement, and the license provided herein, shall terminate upon the earlier of (i) parties mutual agreement, or (ii) the opening for public access of the Primary Access Road and (as necessary) the Potential Secondary Access Road.

4. Indemnification. In the event that any Party and/or its Successors use any portion of Perimeter Road located on the other Party's property (an "Access Road User") said

Access Road User shall and does hereby agree to indemnify, defend and hold the other Parties and their respective Successors harmless from all costs, expenses, attorneys' fees and court costs, liens, losses, damages, liabilities, claims and demands for property damage or bodily injury or death of any person (collectively, "Loss") arising from such Access Road User's use of Perimeter Road; provided, however, this indemnity shall not apply or extend to any Loss arising with respect to or as a result of another Party's negligence or willful misconduct.

5. Survival of Obligations. The Parties obligations pursuant to Sections 4 shall survive the termination of this Agreement.

6. Notices. No notice, request, demand, instruction or other document to be given hereunder to any party shall be effective for any purpose unless (i) personally delivered to the person at the address set forth below in which event such notice shall be deemed effective only upon delivery, or (ii) delivered by registered or certified mail at the address set forth below, return receipt requested, or (iii) sent by facsimile at the facsimile number set forth below on a business day, during business hours and provided that the original notice shall be sent by overnight courier for arrival the next business day at the address set forth below:

If to the City:

City of Irvine  
One Civic Center Plaza  
P.O. Box 19575  
Irvine, CA 92623  
Attention: City Manager

with copy to:

Orange County Great Park Corporation  
One Civic Center Plaza  
P.O. Box 19575  
Irvine, CA 92623  
Attention: Chief Executive Officer

If to the County:

County of Orange  
10 Civic Center Plaza  
P.O. Box 1379  
Santa Ana, CA 92702  
Attention: County Executive Officer

---

If to Heritage Fields:

Heritage Fields El Toro LLC  
25 Enterprise, Fourth Floor  
Aliso Viejo, CA 92656  
Attention: Lynn Jochim

With a copy to:

Allen Matkins Leck Gamble Mallory & Natsis LLP  
1900 Main Street, Fifth Floor  
Irvine, CA 92614-7321  
Attention: Michael Alvarado, Esq.

Notices so mailed shall be deemed to have been given seventy-two (72) hours after deposit in the United States Post Office, postage prepaid, and properly addressed, or, if sent by telefacsimile, upon completion of the transmission. The addresses and addressees for the purposes of this section may be changed by giving notice of such change in the manner herein provided for giving notice.

7. Assignment. During the term of this Agreement, the license provided herein shall remain a binding obligation upon, and inure to the benefit of, each of the Parties respective Successors.

8. No Third Party Beneficiaries. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, other than the parties hereto and their respective authorized Successors, any legal or equitable right, remedy or claim under or in respect to this Agreement or any of the provisions contained herein. This Agreement and each and every condition and provision hereof are intended to be for the sole and exclusive benefit of the Parties, and their respective Successors and for the benefit of no other person or entity.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. Waiver; Remedies. No failure on the part of any Party hereto to insist upon or demand the strict performance by the other party of any covenant, term, condition or promise of this Agreement, or to exercise any right or remedy as a result of any breach of the Agreement, shall constitute a continuing waiver of any such breach or of any such covenant, term, condition, promise, right or remedy. No waiver of any breach shall in any

way affect, alter or modify this Agreement, but each and every covenant, term, condition and promise of this Agreement shall continue in full force and effect. No single or partial exercise of any right, remedy, power or privilege under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege under this Agreement.

11. Status of the Parties. Nothing in this Agreement shall be construed to make the parties joint venturers or partners, or to create any relationship of principal and agent, and the parties specifically disavow such relationships.

12. Interpretation. This Agreement has been negotiated at arms' length between persons sophisticated and knowledgeable in the matters addressed herein, and both parties have had the opportunity to consult with legal counsel of such party's choosing regarding this Sublease. Accordingly, any rule of law (including California Civil Code § 1654) or legal decision that would require interpretation of this Agreement against the drafter hereof is not applicable and is waived.

13. Entire Agreement. As between the City and County, this Agreement, in conjunction with the Sublease and Implementation Agreement No. 2, is intended as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of these two Parties hereto in respect to the subject matter contained herein. As among the City, the County and Heritage Fields, this Agreement is intended as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the three Parties hereto in respect to the subject matter contained herein. It is not the intention of the Parties that this Agreement shall supersede any prior agreement. There are no restrictions, promises, warranties or undertakings relating to the subject matter of this Agreement, other than those set forth or referred to herein.

14. Warranty of Authority. Each Party represents and warrants that each officer or representative of the Parties affixing his or her signature below has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this Agreement; that his or her respective party has the full legal right, power, capacity and authority to enter into this Agreement and perform all the obligations herein; and that no other approvals or consents are necessary in connection therewith.

15. Modifications. Neither this Agreement nor any provision hereof may be changed, waived, discharged or terminated orally or in writing, except that any provision of this Agreement may be amended by a writing signed by the Parties, in the observance of any provision of the Agreement may be waived (either generally or in a particular instance in either retroactively or prospectively) by a writing signed by the party against whom such

waiver is to be asserted.

16. Headings. The headings in this Agreement are for convenience of reference only, and shall not limit or otherwise affect the meaning of this Agreement.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

IN WITNESS WHEREOF, the parties hereto have entered into this Implementation Agreement No. 2 as of the date first written above.

**CITY OF IRVINE, a charter municipal  
corporation**

By: \_\_\_\_\_  
Mayor



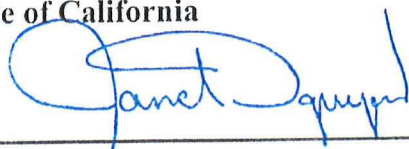
ATTEST:

  
\_\_\_\_\_  
City Clerk

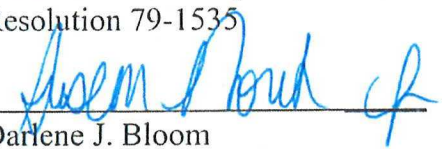
APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP

  
\_\_\_\_\_  
City Attorney, City of Irvine

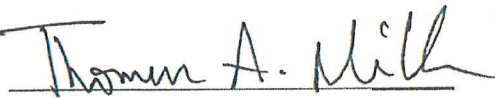
**COUNTY OF ORANGE, a political subdivision of  
the State of California**

By:   
Chair, Board of Supervisors

Signed and certified that a copy of this  
document has been delivered to the  
Chair of the Board per G.C. Sec. 25103,  
Resolution 79-1535

  
Darlene J. Bloom  
Clerk of the Board of Supervisors  
Orange County, California  
APPROVED AS TO FORM:  
County Counsel, COUNTY of Orange



  
Deputy

**HERITAGE FIELDS EL TORO, LLC,  
a Delaware limited liability company**

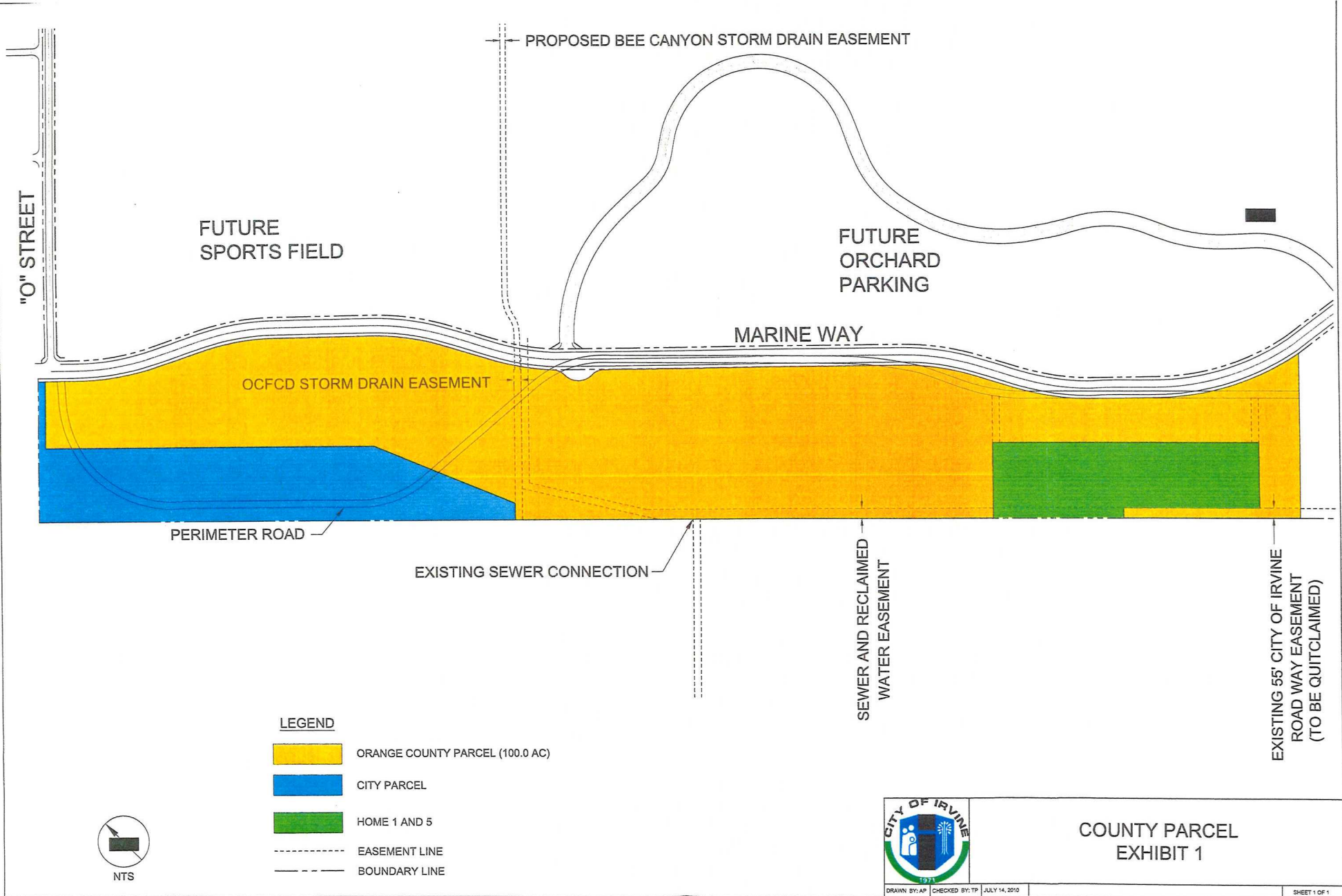
By: Heritage Fields, LLC, a Delaware  
limited liability company  
Its: Sole Member

By: Lennar-LNR Heritage Fields, LLC, a  
Delaware limited liability company  
Its: Administrative Member

By: Lennar Homes of California, Inc., a  
California corporation  
Its: Managing Member

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_





## SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Settlement Agreement and Release of Claims ("**Agreement**") is made and entered into by and between Petitioners and Plaintiffs City Of Irvine ("**City**"), the Successor Agency to the Dissolved Irvine Redevelopment Agency ("**Successor Agency**"), and the Irvine Community Land Trust ("**Land Trust**") (collectively, "**Petitioners**"), on the one hand, and, on the other hand Respondents and Defendants California Department Of Finance ("**DOF**") and Michael Cohen in his official capacity as the Director of the California Department of Finance (collectively, "**Respondents**"). Petitioners and Respondents are sometimes collectively referred to as the "**Parties**."

### RECITALS

A. City, and Successor Agency have filed the following two Sacramento Superior Court actions, both of which remain pending, against Respondents, (1) *City of Irvine v. Cohen*, case no. 34-2013-80001682 ("**Irvine v. Cohen Case**"), (2) *City of Irvine v. Matosantos*, case no. 34-2012-80001161 ("**Irvine v. Matosantos Case**"); in addition, Land Trust, City, and Successor Agency have filed a petition, which remains pending, against Respondents in *Irvine Community Land Trust v. Matosantos*, case no. 34-2013-80001535 ("**Land Trust Case**") (the *Irvine v. Cohen Case*, the *Irvine v. Matosantos Case*, and the *Land Trust Case* are collectively referred to as the "**Sacramento Actions**").

B. The Sacramento Actions relate to the wind down of the Irvine Redevelopment Agency ("**RDA**") pursuant to Assembly Bill 26 of the 2011-12 First Extraordinary Session of the California Legislature ("**AB x1 26**") in conjunction with the decision of the California Supreme Court in *Community Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231 ("**CRA v. Matosantos**"), and as amended by Assembly Bill 1484 of the 2011-12 Regular Session of the California Legislature ("**AB 1484**") (AB x1 26 and AB 1484, collectively the "**Dissolution Act**").

C. Under AB x1 26, as interpreted by *CRA v. Matosantos*, the RDA was dissolved on February 1, 2012. Following the dissolution of the RDA, the Successor Agency submitted a series of Recognized Obligation Payment Schedules ("**ROPS**") to Petitioners in accordance with the Dissolution Act. In those ROPS, Petitioners claimed that three separate agreements are enforceable obligations under the Dissolution Act. Respondents' disapprovals of those three agreements as enforceable obligations under the Dissolution Act are the subjects of the Sacramento Actions.

D. The three separate ROPS items at issue in the Sacramento Actions are: (1) The Purchase and Sale and Financing Agreement ("**PSFA**"), originally dated August 14, 2007 and allegedly reentered on June 12, 2012, by and between the RDA and the City, with an alleged value of approximately Eight Hundred Twelve Million Dollars (\$812,000,000); (2) the Amended and Restated Development Agreement ("**ARDA**"), dated December 27, 2010, which is an alleged obligation of the former RDA to construct the Orange County Great Park with an alleged value of approximately One Billion Four Hundred Million Dollars (\$1,400,000,000); and (3) the Redevelopment Affordable Housing Funds Grant Agreement ("**Land Trust Agreement**"), dated



February 8, 2011, between the RDA and the Land Trust with an alleged value of approximately Seven Hundred Thirty One Million Dollars (\$731,000,000).

E. The City and the Successor Agency allegedly re-entered into the PSFA on June 12, 2012. That action was approved by the Oversight Board to the Successor Agency to the Dissolved Irvine Redevelopment Agency by Resolution 2012-11 on June 14, 2012. DOF claims that as a valid post-finding of completion enforceable obligation pursuant to Health & Safety Code section 34191.4, the One Hundred Thirty Four Million Dollar (\$134,000,000) principal amount on the PSFA loan is entitled to repayment at an interest rate of thirty two one hundredths of one percent (0.32%) per year. Petitioners claim that the PSFA loan should be treated as a valid reentered agreement pursuant to Health & Safety Code section 34178 and should bear interest at nine percent (9%) per year.

F. The Parties have concluded that it would be in their mutual best interests, and in the public interest, to settle all disputes raised in the Sacramento Actions between Petitioners and Respondents according to the terms described in this Agreement, which shall be incorporated fully by reference into a stipulated judgment to be approved by the Court pursuant to Code of Civil Procedure section 664.6. By this Agreement, the Parties intend to fully and completely resolve any and all remaining disputes between the Parties pertaining to, or in any way relating to, the Sacramento Actions.

### **TERMS OF AGREEMENT**

Accordingly, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. City, Successor Agency, and Respondents (the "**Cohen Case Parties**") will jointly submit a stipulated judgment to the Court for approval in *Irvine v. Cohen Case* ("**Stipulated Judgment**"). This Agreement will be attached to the Stipulated Judgment as Exhibit A, and incorporated fully therein by reference. It is the intent of the Cohen Case Parties, and therefore the Cohen Case Parties shall jointly request to the Court in the *Irvine v. Cohen Case*, that the court retain jurisdiction over the Cohen Case Parties until performance in full of the terms of this settlement (as memorialized in this Agreement and the Stipulated Judgment).

2. The Cohen Case Parties agree to expeditiously jointly submit a motion to the Court for the approval of the Stipulated Judgment in the *Irvine v. Cohen* action, and the Cohen Case Parties shall remain bound to proactively seek (or, in the case of the Land Trust, not oppose) court approval of the Stipulated Judgment *even if* a change in law (by legislation, by promulgation of administrative rules, or by appellate or supreme court precedent) or the dissemination of persuasive authority (by administrative interpretation, release of superior court tentative or final decisions, or release of unpublished appellate decisions, or other statements or comments from superior or appellate court judges) occurs after the execution of this Agreement but prior to Court action on the request for approval of the Stipulated Judgment.

3. If the Court does not enter a Stipulated Judgment pursuant to the terms of this Agreement, this Agreement shall be null and void *ab initio*, without further action of any Party.

Petitioners may then elect not to dismiss the Sacramento Actions and, instead, proceed to prosecute them.

4. If the Court approves the Stipulated Judgment, Respondents shall recognize the Stipulated Judgment as an enforceable obligation with a value of Two Hundred Ninety Two Million Dollars (\$292,000,000), which shall be paid from Redevelopment Property Tax Trust Fund ("RPTTF") moneys to the Successor Agency. Such funds shall be paid from the Successor Agency to the City in satisfaction of the PSFA loan (the "**Stipulated Judgment Enforceable Obligation**"). DOF shall continue to abide by the Stipulated Judgment Enforceable Obligation, by approving payment by the Orange County auditor-controller of the full amount of RPTTF over to the Successor Agency, less the withholding of Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) per year described in paragraph 8 below, until such time as the Two Hundred Ninety Two Million Dollars (\$292,000,000) in RPTTF is fully paid over to the Successor Agency for payment to the City on the PSFA loan. No interest shall be paid on this sum. The total amount paid shall be Two Hundred Ninety Two Million Dollars (\$292,000,000) regardless of the time it takes to receive the payments.

5. Petitioners shall never again claim on any future ROPS or otherwise that the PSFA loan is an enforceable obligation of the former RDA; instead, the Stipulated Judgment shall be the item claimed, and recognized by Respondents, on future ROPS. Petitioners shall also never again claim on any future ROPS that the ARDA or Land Trust Agreement is an enforceable obligation of the former RDA.

6. Respondents shall never claim, in response to any future ROPS submission or otherwise, that the Stipulated Judgment is not an enforceable obligation under the Dissolution Act.

7. Petitioners shall request the dismissal with prejudice of the *City of Irvine v. Matosantos Case* in its entirety, and *Land Trust Case* in its entirety, within five (5) business days of the Court signing and entering the Stipulated Judgment in the *City of Irvine v. Cohen Case*.

8. Unless the Successor Agency directs otherwise, all RPTTF shall be applied to the Stipulated Judgment line item on the ROPS until the Stipulated Judgment is fully paid; provided, however, that Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) of RPTTF funds will be paid over to the taxing entities each fiscal year pursuant to Health & Safety Code section 34183(a)(4) until the Stipulated Judgment Enforceable Obligation is satisfied. Once the Stipulated Judgment Enforceable Obligation is satisfied, the limitation on residual payments to taxing entities will be lifted. The Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) per year will be sent to the taxing entities from the first RPTTF distribution that occurs each fiscal year (as specified in Paragraph 4, above); if there are insufficient funds in the first RPTTF distribution to send the full Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) per year from RPTTF to the taxing entities, the necessary remaining funds shall come from the second RPTTF distribution. If in a given year there is less than Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) available for this distribution of RPTTF payments to the taxing entities, the taxing entities shall receive whatever funds are available, and



the Successor Agency shall not receive any funds toward the satisfaction of the Stipulated Judgment during that year.

9. Upon receipt of RPTTF monies for payment of approved enforceable obligations in each ROPS period, the Successor Agency shall prioritize, pursuant to direction of the City as to any city-RDA loans, repayment of the Two Hundred Ninety Two Million Dollars (\$292,000,000) so that it is paid prior to, following, or concurrent with the other enforceable obligations payable under Health and Safety Code section 34183(a)(2)(C), including those qualifying as enforceable obligations pursuant to section 34191.4.

10. The Successor Agency and City agree that they will not challenge the determination of State Controller's Office in its April 28, 2014 audit with regard to the Five Million Five Hundred Thousand Dollar (\$5,500,000) interest payment made by the RDA to the City in March 2011. The City will return the Five Million Five Hundred Thousand Dollars (\$5,500,000) to the Successor Agency which will then submit it to the county auditor-controller, both of which shall occur within five (5) business days of the Court signing and entering the Stipulated Judgment. The county auditor-controller will thereafter distribute said funds to the taxing entities. Except as stated elsewhere in this paragraph, this Agreement and Stipulated Judgment does not resolve any other possible disputes between Petitioners and the State Controller's Office with respect to the April 28, 2014 audit.

11. The Parties shall each bear their respective attorney fees and costs incurred in the litigation, provided, however, that nothing in this agreement abridges the Successor Agency's rights (if any) to recover its legal fees under the Dissolution Act.

12. The Agreement and Stipulated Judgment do not constitute, nor shall they be construed as, an admission or concession by any of the Parties for any purpose. This Agreement is a compromise settlement of the Sacramento Actions, and by executing this Agreement, none of the Parties admits wrongdoing, liability, or fault in connection with either the Sacramento Actions or the allegations asserted in the Sacramento Actions. Respondents do not admit that Petitioners are entitled to any recovery. This Agreement does not reflect in any way on the merits of the claims asserted by Petitioners or the defenses asserted by the Respondents in the Sacramento Actions.

13. The Parties hereby specifically and mutually release and forever discharge each other, including their respective officers, directors, commission members, trustees, agents, employees, representatives, attorneys, insurers, departments, divisions, sections, successors and assigns, and each of them, from all obligations, damages, costs, expenses, liens, attorney fees of any nature whatsoever, whether known or unknown, suspected or not suspected to exist, claimed or not claimed, disputed or undisputed, pertaining to the Sacramento Actions.

14. The Parties each represent and warrant that they fully understand that if the facts pertaining in any way to the Sacramento Actions are later found to be different from the facts now believed to be true by any Party, each of them expressly accepts and assumes the risk of such possible differences in facts and agrees that this Agreement and Stipulated Judgment shall remain effective notwithstanding such differences in facts.

15. This Agreement and Stipulated Judgment shall be binding upon the Parties' respective officers, directors, commission members, trustees, agents, employees, representatives, attorneys, departments, divisions, sections, successors and assigns, and each of them.

16. The Parties each represent that they know and understand the contents of the Agreement and Stipulated Judgment and that this Agreement and Stipulated Judgment have been executed voluntarily. The Parties each further represent that they have had an opportunity to consult with an attorney of their choosing and that they have been fully advised by the attorney with respect to their rights and obligations and with respect to the execution of this Agreement and the Stipulated Judgment.

17. Except as indicated in the following sentence, no promise, inducement, understanding, or agreement not herein expressed has been made by or on behalf of the Parties, and this Agreement and the Stipulated Judgment contain the entire agreement between the Parties related to the Sacramento Actions. Notwithstanding the foregoing, the Parties acknowledge that the City, Successor Agency, and the Land Trust have entered into, and will abide by, a *Dismissal Agreement In Connection with State of California Department of Finance Settlement Negotiations* ("Dismissal Agreement"), which sets forth certain obligations with regard to the disposition of the funds paid to the Successor Agency pursuant to the Stipulated Judgment; provided, however, that nothing in the Dismissal Agreement is binding upon the Respondents. Additionally, the City, Successor Agency, and Land Trust's obligations under this Agreement and the Stipulated Judgment are separate and distinct from their obligations under the Dismissal Agreement.

18. Each Party represents and warrants that it has not assigned, transferred, or purported to assign or transfer to any person or entity any matter released herein. Petitioners also agree to indemnify and hold harmless Respondents and their successors and assigns against any claims, demands, causes of action, damages, debts, liabilities, costs or expenses, including, but not necessarily limited to, attorney fees, arising out of or in connection with any such transfer, assignment, or purported transfer or assignment.

19. It is expressly understood and agreed that this Agreement and the Stipulated Judgment may not be altered, amended, modified, or otherwise changed in any respect whatsoever except by a writing duly executed by the Parties or by authorized representatives of the Parties. The Parties agree that they will make no claim at any time or place that this Agreement and the Stipulated Judgment have been orally altered or modified or otherwise changed by oral communication of any kind or character.

20. This Agreement and the Stipulated Judgment shall be governed by the laws of the State of California. If any Party to this Agreement or the Stipulated Judgment brings a lawsuit to enforce or interpret this Agreement or the Stipulated Judgment, the lawsuit shall be filed in the Superior Court for the County of Sacramento, California.



21. Each Party represents that they have the authority to enter into and perform the obligations necessary to provide the consideration described in this Agreement and the Stipulated Judgment.

22. Each person signing this Agreement represents and warrants that they have the authority to sign on behalf of the Party for which they sign.

23. The Parties recognize and acknowledge that terminology, the number of ROPS cycles per year, and/or other mechanical aspects of the wind-down of redevelopment pursuant to the Dissolution Act (as it may be amended from time to time), may change during the term of this Agreement. To address those changes, the Parties agree that their intent under this Agreement and the Stipulated Judgment is that the City receive, on an annual basis, all of the available RPTTF (or its functional equivalent), less Four Million Three Hundred Eighty Thousand Dollars (\$4,380,000) per year, until such time as the full Two Hundred Ninety Two Million Dollars (\$292,000,000) has been paid over to the Successor Agency for distribution by the Successor Agency to the City in satisfaction of the PSFA.

24. The Parties agree to take such further actions as are necessary to accomplish the delivery of the consideration provided for under this Agreement. In furtherance of the foregoing, upon the submittal to DOF of a resolution of the Oversight Board to the Successor Agency to the Dissolved Irvine Redevelopment Agency approving this Agreement, DOF shall within five (5) business days approve such resolution. Further, if such resolution has been submitted to DOF prior to the Court's entry of the Stipulated Judgment, the Court's entry of the Stipulated Judgment shall constitute DOF's approval of such resolution. If the Oversight Board does not approve this Agreement within ninety (90) days of the date this Agreement is last signed by any Party, this Agreement shall be null and void *ab initio*, without further action of any Party. Petitioners may then elect not to dismiss the Sacramento Actions and, instead, proceed to prosecute them.

25. If any Party to this Agreement or Stipulated Judgment files a lawsuit to enforce or interpret this Agreement or Stipulated Judgment, the prevailing Party in any such suit shall be entitled to reimbursement for reasonable attorney fees for which the Party was invoiced and that the Party paid.

26. This Agreement may be executed in two or more counterparts, each of which will be an original and all of which shall constitute a part of this Agreement.

This Agreement consists of Recital Paragraphs A - F and Paragraphs 1 – 26.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

CITY OF IRVINE

DATED: July 9, 2014



By: Dr. Steven Choi  
Mayor

SUCCESSOR AGENCY TO THE DISSOLVED IRVINE  
REDEVELOPMENT AGENCY

DATED: July 9, 2014



By: Dr. Steven Choi  
Director

IRVINE COMMUNITY LAND TRUST

DATED: July 9, 2014



By: Mark Asturias  
Executive Director

DEPARTMENT OF FINANCE AND MICHAEL COHEN,  
AS DIRECTOR OF THE DEPARTMENT OF FINANCE

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Kari Krogseng  
Assistant Chief Counsel

Approved as to form:

RUTAN & TUCKER, LLP



Jeffrey T. Melching

Attorneys for Petitioners City of Irvine and Successor Agency

[SIGNATURES CONTINUE, AND CONCLUDE, ON FOLLOWING PAGE]

CITY OF IRVINE

DATED: \_\_\_\_\_

By: Dr. Steven Choi  
Mayor

SUCCESSOR AGENCY TO THE DISSOLVED IRVINE  
REDEVELOPMENT AGENCY

DATED: \_\_\_\_\_

By: Dr. Steven Choi  
Director

IRVINE COMMUNITY LAND TRUST

DATED: \_\_\_\_\_

By: Mark Asturias  
Executive Director

DEPARTMENT OF FINANCE AND MICHAEL COHEN,  
AS DIRECTOR OF THE DEPARTMENT OF FINANCE

DATED: July 9, 2014

By: Kari Krogseng  
Kari Krogseng  
Assistant Chief Counsel

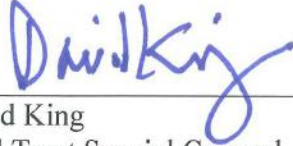
Approved as to form:

RUTAN & TUCKER, LLP

\_\_\_\_\_  
Jeffrey T. Melching  
Attorneys for Petitioners City of Irvine and Successor Agency

[SIGNATURES CONTINUE, AND CONCLUDE, ON FOLLOWING PAGE]

HENSLEY LAW GROUP



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David King  
Land Trust Special Counsel

CALIFORNIA DEPARTMENT OF JUSTICE  
OFFICE OF THE ATTORNEY GENERAL

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Seth E. Goldstein  
Deputy Attorney General  
Attorneys for Respondents

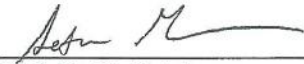


HENSLEY LAW GROUP

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David King  
Land Trust Special Counsel

CALIFORNIA DEPARTMENT OF JUSTICE  
OFFICE OF THE ATTORNEY GENERAL



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Seth E. Goldstein  
Deputy Attorney General  
Attorneys for Respondents

## Recognized Obligation Payment Schedule (ROPS 20-21) - Summary

Filed for the July 1, 2020 through June 30, 2021 Period

**Successor Agency:**

Irvine

**County:**

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 108,816,153</b>	<b>\$ 104,616,153</b>	<b>\$ 213,432,306</b>
F	RPTTF	108,741,153	104,541,153	213,282,306
G	Administrative RPTTF	75,000	75,000	150,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 108,816,153</b>	<b>\$ 104,616,153</b>	<b>\$ 213,432,306</b>

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

0 \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Irvine Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail																						
July 1, 2020 through June 30, 2021																						
(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
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 20-21 Total	20-21A (July - December)					20-21A Total	20-21B (January - June)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 243,067,306		\$ 213,432,306	\$ -	\$ -	\$ -	\$ 108,741,153	\$ 75,000	\$ 108,816,153	\$ -	\$ -	\$ -	\$ 104,541,153	\$ 75,000	\$ 104,616,153
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCGP	33,185,000	N	4,200,000				4,200,000		4,200,000						
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCGP	650,000	N	\$ -						\$ -						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other support	OCGP	150,000	N	\$ 150,000					75,000	\$ 75,000					75,000	\$ 75,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N													
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated Judgment.	OCGP	209,082,306	N	\$ 209,082,306				104,541,153		\$ 104,541,153				104,541,153		\$ 104,541,153
23										\$ -						\$ -						\$ -
24									N	\$ -						\$ -						\$ -
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**Irvine Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances**  
**July 1, 2017 through June 30, 2018**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (I), 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						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		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>ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)</b>							
1	<b>Beginning Available Cash Balance (Actual 07/01/17)</b>						19,255	
2	<b>Revenue/Income (Actual 06/30/18)</b> RPTTF amounts should tie to the <b>ROPS 17-18</b> total distribution from the County Auditor-Controller						24,671,290	
3	<b>Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)</b>						24,568,644	
4	<b>Retention of Available Cash Balance (Actual 06/30/18)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	<b>ROPS 17-18 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC	No entry required						
6	<b>Ending Actual Available Cash Balance (06/30/18)</b> <b>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,901	



CITY OF IRVINE, AS SUCCESSOR AGENCY  
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget  
July 1, 2020 – June 30, 2021

Estimated Administrative Costs:

Administrative Expenses – personnel costs of City employees carrying out dissolution functions; audit fees; and legal expenses.	\$140,000
Training, duplicating, supplies	\$10,000
<u>Total Proposed Administrative Budget</u>	<u>\$150,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$150,000
<u>Total Proposed Sources of Payment</u>	<u>\$150,000</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year. The Successor Agency is requesting less than this maximum allowed amount as wind-down of the former redevelopment agency continues.

**City of Irvine Successor Agency  
Administrative Budget  
ROPS 20-21**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$ 50,000
Consultant Fees	Annual audits for financial statement	\$ 20,000
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$ 10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$ 10,000
SUBTOTAL:		\$ 90,000

<b>Position</b>	<b>Duties</b>	<b>Salaries and Benefits Estimated Cost</b>
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$ 3,400
Manager of Fiscal Services	Manages and directs administration of ROPS and administrative budget	\$ 18,800
Fiscal Services Officer	Oversees RPTTF funding distribution per agreements	\$ 5,450
Senior Management Analyst	Develops annual ROPS and administrative budget for submission to County Oversight Board and Dept. of Finance; prepares staff reports for Successor Agency meetings; manages distribution of RPTTF funding per agreements; processes invoices for Successor Agency	\$ 29,600
Treasury Specialist	Tracks RPTTF funding received	\$ 1,400
Administrative Coordinator	Prepares Successor Agency agenda items	\$ 1,350
SUBTOTAL:		\$ 60,000

**TOTAL: \$ 150,000**



**CITY OF IRVINE  
CITY CLERK'S OFFICE  
MINUTE ORDER OF CITY OF IRVINE  
AS SUCCESSOR AGENCY TO THE DISSOLVED  
IRVINE REDEVELOPMENT AGENCY BOARD ACTION**

The City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency Board of the City of Irvine, at a regular joint meeting with the Irvine City Council held on November 26, 2019, took the following action:

**3. CONSENT CALENDAR – SUCCESSOR AGENCY**

**3.2 ADOPTION OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE OF THE FORMER IRVINE REDEVELOPMENT AGENCY AND THE ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY, FOR JULY 1, 2020 THROUGH JUNE 30, 2021**

**ACTION:**

- 1) Adopted the Recognized Obligation Payment Schedule of the former Irvine Redevelopment Agency for July 1, 2020 through June 30, 2021, and authorize revisions to the reporting format, if needed, to comply with potential form changes by the State of California Department of Finance.
- 2) Adopted the Administrative Budget for the Successor Agency for July 1, 2020 through June 30, 2021.

**The motion carried by the following vote:**

AYES:	5	BOARDMEMBERS:	Carroll, Fox, Khan, Kuo, and Shea
NOES:	0	BOARDMEMBERS:	None
ABSENT:	0	BOARDMEMBERS:	None

STATE OF CALIFORNIA)  
COUNTY OF ORANGE ) ss  
CITY OF IRVINE )

I, Carl Petersen, Assistant City Clerk of the City of Irvine, DO HEREBY CERTIFY that the foregoing is the true and correct action taken at a regular joint meeting of the City of Irvine as Successor Agency to the dissolved Irvine Redevelopment Agency with the Irvine City Council held on the 26<sup>th</sup> day of November, 2019.

  
\_\_\_\_\_  
Carl Petersen, CMC  
Assistant City Clerk

DATE: December 2, 2019



OVERSIGHT BOARD RESOLUTION NO. 2018-02

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY OF THE CITY OF IRVINE, CALIFORNIA, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2018 THROUGH JUNE 30, 2019

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency has been appointed pursuant to the provisions of Health and Safety Code Section 34179; and

WHEREAS, Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period July 1, 2018 through June 30, 2019, has been prepared; and

WHEREAS, the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period July 1, 2018 through June 30, 2019; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Oversight Board for its consideration at a regular meeting of the Oversight Board held on January 4, 2018.

NOW, THEREFORE BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. The Oversight Board, at its regular meeting of January 4, 2018, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.

SECTION 2. The Recognized Obligation Payment Schedule for the period July 1, 2018 through June 30, 2019, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 3. The Successor Agency Administrative Budget for the period July 1, 2018 through June 30, 2019, as set forth in Exhibit "B" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 4. The Oversight Board authorizes and directs the Successor Agency staff to revise the reporting format for the Recognized Obligation Payment Schedule for July 1, 2018 through June 30, 2019 if needed to comply with form changes by the State of California Department of Finance.

PASSED AND ADOPTED by the Oversight Board at a regular meeting held on the 4<sup>th</sup> of January, 2018.

  
\_\_\_\_\_  
LUCY DUNN, CHAIR

ATTEST:

  
\_\_\_\_\_  
MELINDA NEUMANN, SECRETARY

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )  
CITY OF IRVINE )

I, MELINDA NEUMANN, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a regular meeting of the Oversight Board, held on the 4<sup>th</sup> day of January 2018.

AYES:	6	BOARDMEMBERS:	Compton, Dolleschel, Dunn, Fogarty, Landers, Opel
NOES:	0	BOARDMEMBERS:	
ABSENT:	0	BOARDMEMBERS:	
ABSTAIN:	0	BOARDMEMBERS:	

  
\_\_\_\_\_  
MELINDA NEUMANN, SECRETARY

## Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:

Irvine

County:

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 3,027,626</b>	<b>\$ -</b>	<b>\$ 3,027,626</b>
<b>B</b>	Bond Proceeds	-	-	-
<b>C</b>	Reserve Balance	-	-	-
<b>D</b>	Other Funds	3,027,626	-	3,027,626
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 131,276,587</b>	<b>\$ 129,970,739</b>	<b>\$ 261,247,326</b>
<b>F</b>	RPTTF	131,151,587	129,845,739	260,997,326
<b>G</b>	Administrative RPTTF	125,000	125,000	250,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 134,304,213</b>	<b>\$ 129,970,739</b>	<b>\$ 264,274,952</b>

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.

Lucy Dunn, Chair  
 Name Title  
[Signature] 1/04/18  
 Signature Date

EXHIBIT A

Irvine 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	L	M	N	O	P	Q	R	S	T	U	V	W
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 (July - December)					18-19A Total	18-19B (January - June)					18-19B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 302,564,477		\$ 264,274,952	\$ -	\$ -	\$ 3,027,626	\$ 131,151,587	\$ 125,000	\$ 134,304,213	\$ -	\$ -	\$ -	\$ 129,845,739	\$ 125,000	\$ 129,970,739
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCGP	41,973,000	N	4,333,475				4,333,475		4,333,475						
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCGP	650,000	N	\$ -						\$ -						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other	OCGP	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N													
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated	OCGP	259,691,477	N	\$ 259,691,477			3,027,626	126,818,112		\$ 129,845,738				129,845,739		\$ 129,845,739
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82									N	\$ -						\$ -						\$ -
83									N	\$ -						\$ -						\$ -

**Irvine Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances**  
**July 1, 2015 through June 30, 2016**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (I), 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 for ROPS 15-16 Actuals (07/01/15 - 06/30/16)	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
1	Beginning Available Cash Balance (Actual 07/01/15)					3,027,626		Transfer from Irvine Community Land Trust per SCO audit finding
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during January 2016 and June 2016.						20,514,321	
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)						20,392,687	
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 15-16 RPTTF Balances Remaining	No entry required						
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 3,027,626	\$ 121,634	

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

[illegible]

CITY OF IRVINE, AS SUCCESSOR AGENCY  
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget  
July 1, 2018 – June 30, 2019

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$240,000
Training, duplicating, supplies	<u>\$10,000</u>
<u>Total Proposed Administrative Budget</u>	<u>\$250,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$250,000
<u>Total Proposed Sources of Payment</u>	<u>\$250,000</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Dissolution costs will be recorded within the General Fund, but separately from other City functions. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year.



Resolution No. 19-008

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY OF THE CITY OF IRVINE, CALIFORNIA, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020

WHEREAS, California Health and Safety Code Section 34179(e) requires all action items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, in accordance with California Health and Safety Code Section 34179(j), the twenty-five oversight boards in place in Orange County have consolidated into one Orange Countywide Oversight Board, effective July 1, 2018; and

WHEREAS, Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, has been prepared; and

WHEREAS, the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Countywide Oversight Board for its consideration at a regular meeting of the Countywide Oversight Board held on January 22, 2019;

NOW, THEREFORE BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD as follows:

~~SECTION 1. The Countywide Oversight Board, at its regular meeting of January 22, 2019, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.~~

SECTION 2. The Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Countywide Oversight Board.

SECTION 3. The Successor Agency Administrative Budget for the period July 1, 2019 through June 30, 2020, as set forth in Exhibit "B" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 4. The Irvine Successor Agency staff shall transmit the approved Recognized Obligation Payment Schedule to the Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of the Amended Dissolution Act. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency. The Countywide Oversight Board further authorizes and directs the Irvine Successor Agency staff to make any technical modifications to the Recognized Obligation Payment Schedule as may be required by the Department of Finance, and/or State Controller, including any formatting or technical changes required by any of the foregoing bodies. Any such modifications or changes shall not require re-approval by the Countywide Oversight Board.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Countywide Oversight Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

SECTION 6. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 22, 2019

YES:

STEVE FRANKS, CHRIS GAARDER, STEVE JONES,  
BRIAN PROBOLSKY, DEAN WEST, PHILLIP E.  
YARBROUGH

NOES:

EXCUSED:

ABSTAINED:

CHARLES BARFIELD

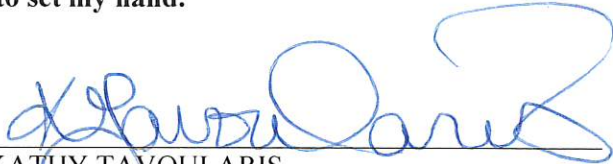


\_\_\_\_\_  
BRIAN PROBOLSKY  
CHAIRMAN

STATE OF CALIFORNIA     )  
                                      )  
COUNTY OF ORANGE     )

**I, KATHY TAVOULARIS, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.**

**IN WITNESS WHEREOF, I have hereto set my hand.**



\_\_\_\_\_  
KATHY TAVOULARIS  
Clerk  
Orange Countywide Oversight Board

Resolution No: 19-008

Agenda Date: Tuesday, January 22, 2019

Item No: 5G

**Recognized Obligation Payment Schedule (ROPS 19-20) - Summary**  
**Filed for the July 1, 2019 through June 30, 2020 Period**

Successor Agency:

Irvine

County:

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 126,633,868</b>	<b>\$ 118,105,868</b>	<b>\$ 244,739,736</b>
F	RPTTF	126,508,868	117,980,868	244,489,736
G	Administrative RPTTF	125,000	125,000	250,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 126,633,868</b>	<b>\$ 118,105,868</b>	<b>\$ 244,739,736</b>

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.

Brian Probolsky, Chairman  
Name Title  
/s/ [Signature] 1/24/19  
Signature Date



Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail  
July 1, 2019 through June 30, 2020  
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 270,046,736		\$ 244,739,736	\$ 0	\$ 0	\$ 0	\$ 126,508,868	\$ 125,000	\$ 126,633,868	\$ 0	\$ 0	\$ 0	\$ 117,980,868	\$ 125,000	\$ 118,105,868
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCGP	33,185,000	N	\$ 8,528,000				8,528,000		\$ 8,528,000						\$ -
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCGP	650,000	N	\$ -						\$ -						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other	OCGP	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated	OCGP	235,961,736	N	\$ 235,961,736				117,980,868		\$ 117,980,868				117,980,868		\$ 117,980,868
23									N	\$ -						\$ -						\$ -
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Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances  
July 1, 2016 through June 30, 2017  
(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 <a href="#">Cash Balance Tips Sheet</a> .							
A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount				3,027,626	873,037	Transfer from Irvine Community Land Trust per SCO audit finding
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					20,514,321	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					20,414,028	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 3,027,626	\$ 973,330	

**Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020**

[illegible]

CITY OF IRVINE, AS SUCCESSOR AGENCY  
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget  
July 1, 2019 – June 30, 2020

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$240,000
Training, duplicating, supplies	\$10,000
<u>Total Proposed Administrative Budget</u>	<u>\$250,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$250,000
<u>Total Proposed Sources of Payment</u>	<u>\$250,000</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Dissolution costs will be recorded within the General Fund, but separately from other City functions. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year.





DEPARTMENT OF  
**FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

REVISED

May 17, 2018

Ms. Amy Roblyer, Senior Management Analyst  
City of Irvine  
1 Civic Center Place  
Irvine, CA 92623

Dear Ms. Roblyer:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule determination letter for the period July 1, 2018 through June 30, 2019 (ROPS 18-19) dated April 13, 2018. A revision is necessary to address the settlement of litigation related to the *City of Irvine, et al, v. Cohen, et al, Case No. 34-2017-800002663*.

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Irvine Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to Finance on January 19, 2018. Finance has completed its review of the ROPS 18-19.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- Item No. 4 – Implementation Agreement No. 1 (Agreement) in the amount of \$4,333,475. A settlement was reached May 15, 2018 related to the Agreement. Although the item is now considered an enforceable obligation and eligible for repayment from Redevelopment Property Tax Trust Funds (RPTTF), Finance's approval is conditioned on receiving documentation to support the amounts requested, as follows:
  - The amount of RPTTF requested, including a calculation of the County Share.
  - The amount of former tax increment generated in the Orange County Great Park Project Area.
  - An updated projection of estimated repayments for this item and the Stipulated Judgment Enforceable Obligation (Item No. 18).

The Agency has provided Finance with the calculations and applicable support. However, Finance notes the calculations provided to support the amount requested have been updated since the initial ROPS submission. Therefore, based on the information provided, and with the Agency's concurrence, Finance has increased the amount requested by \$638,731, from \$4,333,475 to \$4,972,206.

- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$261,886,057 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

This is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 18-19 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Ms. Amy Roblyer  
May 17, 2018  
Page 3

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erika Li", with a large circular flourish on the left side.

ERIKA LI  
Program Budget Manager

cc: Ms. Teri Washle, Finance Administrator, City of Irvine  
Ms. Cindy Wong, Property Tax Manager, Orange County

**Attachment**

Approved RPTTF Distribution For the period of July 2018 through June 2019			
	ROPS A Period	ROPS B Period	ROPS 18-19 Total
RPTTF Requested	\$ 131,151,587	\$ 129,845,739	\$ 260,997,326
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>131,276,587</b>	<b>129,970,739</b>	<b>261,247,326</b>
<b>RPTTF Requested</b>	<b>131,151,587</b>	<b>129,845,739</b>	<b>260,997,326</b>
<u>Adjustment</u>			
Item No. 4	638,731	0	638,731
<b>RPTTF Authorized</b>	<b>131,790,318</b>	<b>129,845,739</b>	<b>261,636,057</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 131,915,318</b>	<b>\$ 129,970,739</b>	<b>\$ 261,886,057</b>

March 22, 2019

Ms. Amy Roblyer, Senior Management Analyst  
City of Irvine  
1 Civic Center Place  
Irvine, CA 92623

Dear Ms. Roblyer:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Irvine Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 30, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$243,441,443 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).



RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:


<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Ms. Teri Washle, Finance Administrator, City of Irvine  
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

**Attachment**

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 126,508,868	\$ 117,980,868	\$ 244,489,736
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>126,633,868</b>	<b>118,105,868</b>	<b>244,739,736</b>
RPTTF Authorized	126,508,868	117,980,868	244,489,736
Administrative RPTTF Authorized	125,000	125,000	250,000
<b>Total RPTTF Authorized for Obligations</b>	<b>126,633,868</b>	<b>118,105,868</b>	<b>244,739,736</b>
Prior Period Adjustment	(1,298,293)	0	(1,298,293)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 125,335,575</b>	<b>\$ 118,105,868</b>	<b>\$ 243,441,443</b>



## Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:

Irvine

County:

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 3,027,626</b>	<b>\$ -</b>	<b>\$ 3,027,626</b>
<b>B</b>	Bond Proceeds	-	-	-
<b>C</b>	Reserve Balance	-	-	-
<b>D</b>	Other Funds	3,027,626	-	3,027,626
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 131,276,587</b>	<b>\$ 129,970,739</b>	<b>\$ 261,247,326</b>
<b>F</b>	RPTTF	131,151,587	129,845,739	260,997,326
<b>G</b>	Administrative RPTTF	125,000	125,000	250,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 134,304,213</b>	<b>\$ 129,970,739</b>	<b>\$ 264,274,952</b>

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.

Lucy Dunn, Chair  
 Name Title  
[Signature] 1/04/18  
 Signature Date

EXHIBIT A

Irvine 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	L	M	N	O	P	Q	R	S	T	U	V	W
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 (July - December)					18-19A Total	18-19B (January - June)					18-19B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 302,564,477		\$ 264,274,952	\$ -	\$ -	\$ 3,027,626	\$ 131,151,587	\$ 125,000	\$ 134,304,213	\$ -	\$ -	\$ -	\$ 129,845,739	\$ 125,000	\$ 129,970,739
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCGP	41,973,000	N	4,333,475				4,333,475		4,333,475						
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCGP	650,000	N	\$ -						\$ -						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other	OCGP	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N													
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated	OCGP	259,691,477	N	\$ 259,691,477			3,027,626	126,818,112		\$ 129,845,738				129,845,739		\$ 129,845,739
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**Irvine Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances**  
**July 1, 2015 through June 30, 2016**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (I), 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 for ROPS 15-16 Actuals (07/01/15 - 06/30/16)	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
1	Beginning Available Cash Balance (Actual 07/01/15)					3,027,626		Transfer from Irvine Community Land Trust per SCO audit finding
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during January 2016 and June 2016.						20,514,321	
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)						20,392,687	
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 15-16 RPTTF Balances Remaining	No entry required						
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 3,027,626	\$ 121,634	

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

[illegible]

CITY OF IRVINE, AS SUCCESSOR AGENCY  
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget  
July 1, 2018 – June 30, 2019

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$240,000
Training, duplicating, supplies	<u>\$10,000</u>
<u>Total Proposed Administrative Budget</u>	<u>\$250,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$250,000
<u>Total Proposed Sources of Payment</u>	<u>\$250,000</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Dissolution costs will be recorded within the General Fund, but separately from other City functions. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year.

**Recognized Obligation Payment Schedule (ROPS 19-20) - Summary**  
**Filed for the July 1, 2019 through June 30, 2020 Period**

**Successor Agency:**

Irvine

**County:**

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 126,633,868</b>	<b>\$ 118,105,868</b>	<b>\$ 244,739,736</b>
F	RPTTF	126,508,868	117,980,868	244,489,736
G	Administrative RPTTF	125,000	125,000	250,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 126,633,868</b>	<b>\$ 118,105,868</b>	<b>\$ 244,739,736</b>

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.

Brian Probolsky, Chairman  
Name \_\_\_\_\_ Title \_\_\_\_\_  
/s/ [Signature] \_\_\_\_\_ Date 1/24/19  
Signature \_\_\_\_\_ Date \_\_\_\_\_



Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail  
July 1, 2019 through June 30, 2020  
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 270,046,736		\$ 244,739,736	\$ 0	\$ 0	\$ 0	\$ 126,508,868	\$ 125,000	\$ 126,633,868	\$ 0	\$ 0	\$ 0	\$ 117,980,868	\$ 125,000	\$ 118,105,868
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCGP	33,185,000	N	\$ 8,528,000				8,528,000		\$ 8,528,000						\$ -
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCGP	650,000	N	\$ -						\$ -						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other	OCGP	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCGP		N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated	OCGP	235,961,736	N	\$ 235,961,736				117,980,868		\$ 117,980,868				117,980,868		\$ 117,980,868
23									N	\$ -						\$ -						\$ -
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Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances  
July 1, 2016 through June 30, 2017  
(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 <a href="#">Cash Balance Tips Sheet</a> .							
A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount				3,027,626	873,037	Transfer from Irvine Community Land Trust per SCO audit finding
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					20,514,321	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					20,414,028	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 3,027,626	\$ 973,330	

**Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020**

[illegible]

CITY OF IRVINE, AS SUCCESSOR AGENCY  
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget  
July 1, 2019 – June 30, 2020

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$240,000
Training, duplicating, supplies	\$10,000
<u>Total Proposed Administrative Budget</u>	<u>\$250,000</u>

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