

# A G E N D A

## REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

**TUESDAY, JANUARY 17, 2023, 8:30 AM**

Below is a link for the zoom

<https://us06web.zoom.us/j/82447645184>

Meeting ID: 824 4764 5184

One tap mobile +1-669-444-9171,,82447645184# US

### **HON. BRIAN PROBOLSKY**

Chairman

### **HON. STEVE JONES**

Vice Chairman

### **STEVE FRANKS**

Board Member

### **DEAN WEST, CPA**

Board Member

### **CHARLES BARFIELD**

Board Member

### **ANIL KUKREJA**

Board Member

### **HON. PHILLIP E. YARBROUGH**

Board Member

#### Staff

Hon. Andrew N. Hamilton, CPA, Auditor-Controller  
Kathy Tavoularis  
Chris Nguyen

#### Counsel

Patrick K. Bobko

#### Clerk of the Board

Kathy Tavoularis

*The Orange Countywide Oversight Board welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board encourages your participation. If you wish to speak on an item contained in the agenda, please complete a Speaker Form identifying the item(s) and deposit it in the Speaker Form Return box located next to the Clerk. If you wish to speak on a matter which does not appear on the agenda, you may do so during the Public Comment period at the close of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda. Speaker Forms are located next to the Speaker Form Return box. When addressing the Board, please state your name for the record prior to providing your comments.*

**\*\*In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Clerk of the Board 72 hours prior to the meeting at (714) 834-2458\*\***

The Orange Countywide Oversight Board encourages the public to participate by submitting emails at [kathy.tavoularis@ac.ocgov.com](mailto:kathy.tavoularis@ac.ocgov.com) by 7:30 AM the day of the meeting, or calling (714) 834-2458 and leaving a message before 7:30 AM the day of the meeting, if you want to provide comments on agenda items or other subject matters within the Orange Countywide Oversight Board's jurisdiction. The Orange Countywide Oversight Board and Staff thank you in advance for taking all precautions to prevent spreading COVID-19. If you have any questions, please contact the Orange County Auditor-Controller's Office at (714) 834-2458.

*All supporting documentation is available for public review online at <http://ocauditor.com/ob/> or in person in the office of the Auditor-Controller located at 1770 North Broadway, Santa Ana, California 92706 during regular business hours, 8:00 a.m. - 5:00 p.m., Monday through Friday*

# **A G E N D A**

## **REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD**

**8:30 A.M.**

### **DISCUSSION ITEMS:**

1. Call to Order
2. Pledge of Allegiance
3. Adopt Resolution Concerning Teleconferenced Meetings During State of Emergency
4. Approval of the Minutes from October 19, 2022 Special Meeting
5. Adopt Resolutions Regarding Requests by Successor Agencies for Annual Recognized Obligation Payment Schedule (ROPS) and Administrative Budget
  - a. City of Orange
  - b. Fountain Valley
  - c. Garden Grove
  - d. Irvine
  - e. Mission Viejo
6. Adopt Resolution Approving the Last and Final Recognized Obligation Payment Schedule (“ROPS”)
  - a. Fountain Valley

### **COMMENTS & ADJOURNMENT:**

#### **PUBLIC COMMENTS:**

*At this time members of the public may address the Board on any matter not on the agenda but within the jurisdiction of the Board. The Board may limit the length of time each individual may have to address the Board.*

#### **STAFF COMMENTS:**

- Next Meeting: January 24, 2023
- DOF Deadline for Annual ROPS – February 1, 2023

#### **BOARD COMMENTS:**

#### **CLOSED SESSION:**

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4):  
Number of Cases: One Case

### **ADJOURNMENT**

#### **NEXT MEETING:**

Regular Meeting            January 24, 2023 – 8:30 AM

# Orange Countywide Oversight Board

Date: 1/17/2023

Agenda Item No. 3

From: Staff to the Orange Countywide Oversight Board

Subject: Resolution of the Countywide Oversight Board Approving Teleconference Meetings During a Proclaimed State of Emergency

Recommended Action:

Approve resolution for continuing teleconference meetings during a proclaimed state of emergency.

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On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 (“AB 361”) into law, amending the Ralph M. Brown Act (Gov. Code, § 54950 et seq.) (the “Brown Act”). AB 361 codified certain modified requirements for teleconference meetings held by public agencies, similar to those previously authorized and extended by executive order during the COVID-19 State of Emergency until February 28, 2023.

AB 361 was introduced to provide a longer-term solution for teleconference meetings during states of emergency, effective until January 1, 2024. AB 361 amends Section 54953 of the Government Code to allow the legislative body of a local agency to meet remotely without complying with the normal teleconference rules for agenda posting, physical location access, or quorum rules. To do so, one of three scenarios must exist, all of which require that the Governor has proclaimed a State of Emergency pursuant to Government Code section 8625:

- A. State or local officials have imposed or recommended measures to promote social distancing;
- B. The agency is holding a meeting for the purpose of determining whether meeting in person would present imminent risks to the health or safety of attendees; or
- C. The agency is holding a meeting and has determined that meeting in person would present imminent risks to the health or safety of attendees.

(Gov. Code, § 54953(e)(1).)

An agency and any committee that is required to comply with the Brown Act, that holds a meeting under either of the three scenarios must continue to post its agenda in the time required by the Brown Act and ensure that the public is able to address the board directly through teleconference means. (Gov. Code, § 54953(e)(2)). If a disruption prevents the agency or committee from broadcasting the meeting or receiving public comments in real time, the agency or committee cannot take further action until those functions are restored; any actions taken during such a disruption are subject to legal challenge. (Gov. Code, § 54953(e)(2)).

During the period in which the State of Emergency remains in effect, if the Countywide Oversight Board for the County of Orange (the “Oversight Board”) wishes to continue meeting under the modified rules, then the Oversight Board must adopt an extension resolution. (Gov. Code, § 54953(e)(3)). The resolution must contain findings stating the Oversight Board reconsidered the circumstances of the State of Emergency and either: (1) the State of Emergency continues to directly impact the ability of the Oversight Board’s members to meet safely in person; or (2) State or local officials continue to impose or recommend measures to promote social distancing. (Gov. Code, § 54953(e)(3)).

Without the AB 361 exceptions, the Oversight Board will be required to return to normal in-person meetings or provide public access at each remote location under the traditional teleconference rules. Therefore, if the AB 361 authorization lapses and the Oversight Board wishes to hold a teleconference meeting, it will be required to post agendas and provide public access at each remote location, identify those locations in the agenda, and maintain a quorum of the board within agency boundaries. If a meeting is not held in conformity

with AB 361, board members may not teleconference from their residences or other locations which are not open and accessible to the public.

With COVID-19 case counts and hospitalizations rising (Orange County moved from “low” to “medium” levels of transmission on December 2 and to “high” levels of transmission on December 22), the Oversight Board may wish to retain the option of teleconference meetings, as needed.

Impact on Taxing Entities

None.

Attachment

Resolution

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD  
RESOLUTION NO. 23-001**

**RECOGNIZING A STATE OF EMERGENCY AND  
AUTHORIZING TELECONFERENCED MEETINGS PURSUANT TO AB 361**

WHEREAS, in response to the novel coronavirus (“COVID-19”) pandemic, Governor Newsom adopted a series of Executive Orders allowing the legislative bodies of local governments to meet remotely via teleconference, so long as other provisions of the Ralph M. Brown Act (“Brown Act”) were followed; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361, which immediately amended the Brown Act allowing governing boards to continue holding virtual meetings outside the teleconferencing requirements of Government Code section 54953(b), if the board makes a finding that there is a proclaimed State of Emergency, and either (1) state or local officials have imposed or recommended social distancing measures, or (2) meeting in person would present imminent risks to the health or safety of attendees due to the emergency; and

WHEREAS, on March 4, 2020, Governor Newsom declared a statewide emergency arising from COVID-19 pursuant to Government Code section 8625; and

WHEREAS, the Countywide Oversight Board within the County of Orange (“Oversight Board”) believes the spread of COVID-19 poses an imminent risk to the health and safety of in person meeting attendees; and

WHEREAS, the Oversight Board is committed to open and transparent governance in compliance with the Brown Act; and

WHEREAS, the Oversight Board is conducting virtual meetings by way of telephonic and/or internet-based services as to allow members of the public to fully participate in meetings and offer public comment; and

WHEREAS, the Oversight Board adopted Resolution No. 22-008, authorizing teleconferenced meetings pursuant to AB 361; and

WHEREAS, in light of rising COVID-19 case counts and hospitalizations that led Orange County to “medium” levels of transmission by December 2, 2022, and “high” levels of transmission by December 22, 2022, the Oversight Board may need to continue utilizing teleconference meetings to protect public health;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD that the recitals set forth above are true and correct and fully incorporated into this Resolution by this reference; and

BE IT FURTHER RESOLVED that the Oversight Board recognizes that a State of Emergency in the State of California continues to exist due to the COVID-19 pandemic; and

BE IT FURTHER RESOLVED that the governing board recognizes that social distancing measures remain recommended by state and local officials; and

BE IT FURTHER RESOLVED, the Oversight Board continues to authorize the use of teleconferencing, as needed, for meetings in accordance with Government Code section 54953(e) and all other applicable provisions of the Brown Act, for a period of 30 days from the date of the adoption of this resolution, or such time that the Oversight Board adopts a subsequent resolution in accordance with Government Code section 54953(e)(3).

**MINUTES  
SPECIAL MEETING OF THE  
ORANGE COUNTYWIDE OVERSIGHT BOARD**

**October 19, 2022, 8:00 a.m.**

**1. CALL TO ORDER**

A special meeting of the Orange Countywide Oversight Board was called to order at 8:03 AM on October 19, 2022 by Chairman Probolsky, presiding officer.

Present:	7	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Charles Barfield
		Board Member:	Steve Franks
		Board Member:	Anil Kukreja
		Board Member:	Dean West
		Board Member:	Phil Yarbrough

Absent: 0

**2. PLEDGE OF ALLEGIANCE**

Counsel Bobko led the group in the Pledge of Allegiance

**3. ADOPT RESOLUTION CONCERNING TELECONFERENCED MEETINGS DURING STATE OF EMERGENCY**

Board Member West moved and Board Member Franks seconded to adopt the Resolution concerning teleconferenced meetings during the state of emergency. Roll call vote.

YES – Probolsky, Barfield, Franks, Kukreja, West, Yarbrough  
NO – N/A  
N/A – N/A  
Absent - Jones

**4. APPROVAL OF THE MINUTES FROM SEPTEMBER 20, 2022 REGULAR MEETING**

Board Member Franks moved and Board Member Yarbrough seconded to approve the minutes from the September 20, 2022 Regular Meeting

YES – Probolsky, Franks, Kukreja, West, Yarbrough  
NO – N/A  
N/A – Barfield  
Absent – Jones

**5. APPROVE RESOLUTION APPROVING FIRST AMENDMENT TO THE JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE ANAHEIM PUBLIC FINANCING AUTHORITY**

Board Member Yarbrough moved and Board Member West seconded to approve the resolution approving first amendment to the joint exercise of powers agreement relating to the Anaheim Public Financing Authority

YES – Probolsky, Jones, Barfield, Franks, Kukreja, West, Yarbrough  
NO – N/A  
N/A – N/A  
Absent – N/A

**6. REVIEW ANY LA HABRA SUCCESSOR AGENCY SUBMISSIONS/ACTIONS REGARDING DISPOSITION OF ASSET (APN:018-381-64) AND DETERMINE BOARD'S NEXT STEPS, TO INCLUDE POTENTIAL LITIGATION**

Consultant Chris Nguyen summarized the history of APN:018-381-64, beginning with the Oversight Board's June 2, 2022 Resolution directing the La Habra Successor Agency to take steps to sell the property. That Resolution went into effect after the Department of Finance's (DOF) review. As such, the City of La Habra was then obligated to move forward with the property's sale no later than October 18, 2022. The Oversight Board scheduled today's special meeting to review what steps the La Habra Successor Agency has taken to prepare the property for sale, and gave notice to the La Habra Successor Agency on September 27<sup>th</sup>, 2022 of the special meeting's purpose. A response from the Successor Agency was received on September 29, 2022. Oversight Board staff has reviewed all City of La Habra Agendas dating back to June 2022, and, to date, no related actions have been agenzied.

Oversight Board Legal Counsel has not heard back from the La Habra Successor Agency or their counsel despite repeated attempts.

Chairman Probolsky asked Susan Kim, Director of Community Development for the City of La Habra, to give a report on behalf of the city.

Kim stated the first step of the process is to determine whether the property is surplus land, and the city has deferred to the California Department of Housing and Community Development (HCD) to make that determination. The city has not intended on delaying action but is currently awaiting HCD's response on the matter.

Chairman Probolsky recognized that HCD's determination would take time but asked why the Oversight Board has not heard from the city.

Kim apologized for failing to do so saying that responding to the Oversight Board simply got lost in the shuffle, it was not intentional.

Miranda Cole, Economic Development and Housing Manager for the City of La Habra, added that the city initially reached out to HCD in early February, and has followed up with them multiple times since. The city has not yet received HCD's initial response in February.



Counsel Bobko asked whether the Oversight Board could receive a summary in writing from the city detailing what actions and communications have transpired to date, and how the city plans to proceed within the next few weeks.

Chairman Probolsky stated that he considered that the bare minimum that the Oversight Board would need, and Kim agreed. He asked her to please stay in contact with Oversight Board staff, even if there is no movement to report.

**COMMENTS & ADJOURNMENT:**

**PUBLIC COMMENTS:**

*None.*

**STAFF COMMENTS:**

Clerk Tavoularis reported that the 2023 Meeting calendar has been sent to the Oversight Board Members and all successor agencies staff.

**BOARD COMMENTS:**

*None.*

**CLOSED SESSION:**

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4):  
Number of Cases: One Case

**ADJOURNMENT**

Chairman Probolsky adjourned the meeting at 8:44 A.M.

\_\_\_\_\_  
BRIAN PROBOLSKY  
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

\_\_\_\_\_  
KATHY TAVOULARIS  
CLERK OF THE BOARD

\_\_\_\_\_  
DATE

## Orange Countywide Oversight Board

Date: 1/17/2023

Agenda Item No. 5a

From: Successor Agency to the City of Orange 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 2023-24 ROPS and Administrative Budget for the City of Orange Successor Agency

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The City of Orange Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2023-2024.

The enforceable obligations included in the Annual ROPS are outstanding obligations and debts, for a request of \$4,021,006 from the Redevelopment Property Tax Trust Fund (RPTTF) distribution.

The Administrative Budget is \$58,500.

Resolution No. SAORA-036 was adopted on December 13, 2022 by the Governing Board of the Successor Agency to the Orange Redevelopment Agency. The City Council approved the Recognized Obligation Payment Schedule for the fiscal period covering July 1, 2023 through June 30, 2024 (ROPS 23-24), pursuant to Health and Safety Code Section 34177, and taking certain related actions.

### Impact on Taxing Entities

The preparation and submittal of the ROPS 23-24 allows the Successor Agency to pay its enforceable obligations for the period from July 1, 2023 through June 30, 2024. Items listed on the ROPS 23-24 will be included in the City's FY 23-24 Annual Budget. The ROPS 23-24 shall become operative after it is approved by the Oversight Board and the State of California Department of Finance.

### Attachments

- Proposed Oversight Board Resolution
- ROPS 23-24 for the July 1, 2023 to June 2024
- Successor Agency Governing Board Resolution No. SAORA-036

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD**  
**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH  
OVESIGHT OF THE SUCCESSOR AGENCY TO THE CITY OF ORANGE *APPROVING*  
*THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE [ROPS] FY 23-24 A-B* FOR THE  
ANNUAL FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2024, INCLUDING THE FY 23-  
24 ADMINISTRATIVE BUDGET, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE  
STATE DEPARTMENT OF FINANCE [DOF] PURSUANT TO DISSOLUTION LAW, AND  
AUTHORIZING POSTING AND TRANSMITTAL THEREOF

**WHEREAS**, the City of Orange (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Orange (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the City of Orange (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the FY 23-24 A-B fiscal period of July 1, 2023 to June 30, 2024 (“ROPS FY 23-24 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2023; and

**WHEREAS**, the ROPS 23-24, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 23-24 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 23-24 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 23-24 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 23-24 A-B submitted therewith and incorporated by this reference, including the FY 23-24 administrative budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 23-24 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Orange’s [Finance Director/Treasurer] or authorized designee is directed to post this Resolution, including the ROPS 23-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

**RESOLUTION NO. SAORA-036**

**A RESOLUTION OF THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD FROM JULY 1, 2023 THROUGH JUNE 30, 2024, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN RELATED ACTIONS**

**WHEREAS**, pursuant to Health and Safety Code Section 34177(o), the Successor Agency to the Orange Redevelopment Agency (the Successor Agency) must prepare a Recognized Obligation Payment Schedule listing the anticipated payments for enforceable obligations to be made by the Successor Agency during the fiscal period from July 1, 2023 through June 30, 2024 (ROPS 23-24) and submit ROPS 23-24 to the oversight board of the Successor Agency (the Oversight Board) for approval; and

**WHEREAS**, pursuant to Health and Safety Code Section 34177(1)(2)(B), at the same time that the Successor Agency submits ROPS 23-24 to the Oversight Board for approval, the Successor Agency must submit a copy of such ROPS 23-24 to the State Department of Finance (the DOF), the County administrative officer, and the County Auditor-Controller; and

**WHEREAS**, pursuant to Health and Safety Code Section 34177(1)(2) and Section 34177(o)(1), the Successor Agency must: (i) submit the Oversight Board-approved ROPS 23-24 to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2023, and (ii) post a copy of the Oversight Board-approved ROPS 23-24 on the Successor Agency's website.

**NOW THEREFORE, the Governing Board of the Successor Agency to the Orange Redevelopment Agency does hereby find, determine, resolve, and order as follows:**

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. ROPS 23-24, substantially in the form attached hereto as Exhibit A, is hereby approved. The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify ROPS 23-24 as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

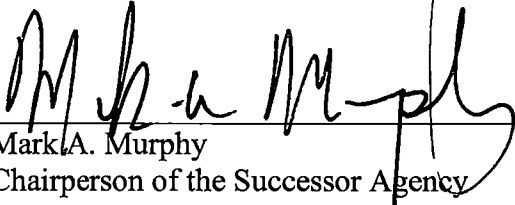
Section 3. Staff is hereby authorized and directed to submit a copy of ROPS 23-24 to the Oversight Board for approval and, at the same time, transmit a copy of ROPS 23-24 to the DOF, the County Auditor-Controller and the County administrative officer as designated by the County.

Section 4. Staff is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 23-24 to the DOF, the Office of the State Controller, and the County Auditor-Controller. If the Oversight Board has not approved ROPS 23-24 by February 1, 2023, Staff is hereby authorized and directed to transmit ROPS 23-24 to the DOF, the Office of the State Controller, and the County Auditor-Controller by February 1, 2023, with a written notification regarding the status of the Oversight Board's review. Written notice and information regarding the action of the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing.

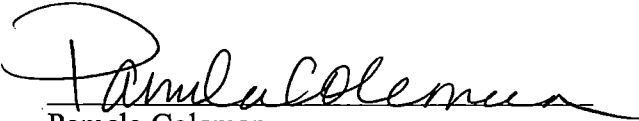
Section 5. Staff is hereby authorized and directed to post a copy of the Oversight Board-approved ROPS 23-24 on the Successor Agency's Internet website (being a page on the Internet website of the City of Orange).

Section 6. The officers and other Staff members of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including but not limited to requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and making adjustments to ROPS 23-24 pursuant to the DOF's instructions, and any such actions previously taken are hereby ratified and confirmed.

**PASSED AND ADOPTED** this 13th day of December 2022.

  
\_\_\_\_\_  
Mark A. Murphy  
Chairperson of the Successor Agency

**ATTEST:**

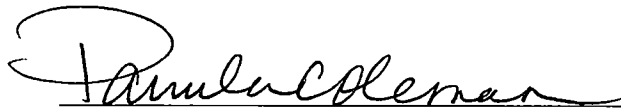
  
\_\_\_\_\_  
Pamela Coleman  
Clerk of the Successor Agency  
to the Orange Redevelopment Agency

Attachment: Exhibit A

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

I hereby certify that the foregoing Resolution was duly and regularly adopted by Governing Board of the Successor Agency to the Orange Redevelopment Agency at a regular meeting thereof held on the 13<sup>th</sup> day of December 2022, by the following vote:

AYES: BOARD MEMBERS: Nichols, Barrios, Dumitru, Tavoularis, Gutierrez,  
and Murphy  
NOES: BOARD MEMBERS: None  
ABSENT: BOARD MEMBERS: Monaco  
ABSTAIN: BOARD MEMBERS: None



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Pamela Coleman  
Clerk of the Successor Agency  
to the Orange Redevelopment Agency

**EXHIBIT A**

**SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(July 1, 2023 – June 30, 2024)**



**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary**  
**Filed for the July 1, 2023 through June 30, 2024 Period**

**Successor Agency:** Orange City

**County:** Orange

**Current Period Requested Funding for Enforceable Obligations (ROPS Detail)**

**23-24A Total      23-24B Total      ROPS 23-24**  
**(July - December)    (January - June)      Total**

<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 2,332,566</b>	<b>\$ 1,100,050</b>	<b>\$ 4,021,006</b>
F RPTTF	2,803,706	1,158,800	3,962,506
□ Administrative RPTTF	29,250	29,250	58,500
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 2,332,566</b>	<b>\$ 1,100,050</b>	<b>\$ 4,021,006</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 aboved named successor agency.

_____ Name	_____ Title
_____ Signature	_____ Date

**Orange City  
Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail  
July 1, 2023 through June 30, 2024**

Item	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					23-24A Total	ROPS 23-24B (Jan - Jun)					23-24B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
2	200 A B and 2014A Bonds	Fees	6/1/1997	9/1/2037	S Ban	Fiscal agent fees	Orange erged	174,165		\$ -	\$ -	\$ -	\$ -	\$ 2,037,706	\$ 29,250	\$ 2,32,956	\$ -	\$ -	\$ -	\$ 1,15,000	\$ 29,250	\$ 1,1,0,050
3	200 A B and 2014A Bonds	Fees	6/1/1997	9/1/2037	ildan	Bond disclosure fee	Orange erged	172,450		\$ -						\$ -						\$ -
4	200 A B and 2014A Bonds	Fees	5/22/2012	9/1/2037	Richards, atson ershon	Bond counsel	Orange erged	11,500	N	\$ 2,000					1,000	\$ 1,000					1,000	\$ 1,000
	Orange City Mills	Business Incentive Agreements	9/10/1996	1/20/2019	Mills Limited Partnership	Promissory note based on performance	Orange erged	0		\$ -						\$ -						\$ -
49	Retirement Cost Obligation	unfunded Liabilities	7/16/1993	7/5/2039	Cal PERS	Future retirement cost obligation	Orange erged			\$ -						\$ -						\$ -
60	200 Ta Allocation Bonds Series A	Bonds Issued On or Before 12/31/10	5/1/2003	5/1/2033	S Ban	To fund Orange erged Amended	Orange erged	0		\$ -						\$ -						\$ -
61	200 Ta Allocation Bonds Series B	Bonds Issued On or Before 12/31/10	5/1/2003	5/1/2033	S Ban	To fund Orange erged Amended	Orange erged	4,535,269	N	\$ 65,001				330,001		\$ 330,001				32,000		\$ 32,000
70	Successor Agency Administrative Costs	Admin Costs	7/16/1993	7/5/2039	various	Costs for maintaining Successor Agency operations	Orange erged	250,000	N	\$ 3,100					19,050	\$ 19,050					19,050	\$ 19,050
12	2014 Ta Allocation Refunding Bonds Series A	Bonds Issued After 12/31/10	12/4/2014	9/1/2023	S Ban	2014 Bond Refunding of the 1997 Ta Allocation Parity Bonds, Series A and the 2003 Ta Allocation Refunding Bonds, Series A. DOF approved Resolution No. OB-0055 that authorized the bond refunding and issuance.	Orange erged	11,21,750	N	\$ 2,01,625				2,01,625		\$ 2,01,625				0		\$ -
130	201 Ta Allocation Refunding Bonds Series A	Bonds Issued After 12/31/10	7/12/2013	9/1/2036	S Ban	201 Bond Refunding of the 200 Ta Allocation Bonds, Series A. DOF approved Resolution No. OB-007 that authorized the bond refunding and issuance.	Orange erged	30,025,250	N	\$ 1,25,000				455,000		\$ 455,000				30,000		\$ 30,000
131	200 B, 2014A, 201 A Bonds	Fees	6/1/1997	9/1/2036	S Ban	Fiscal agent fees	Orange erged	0,400	N	\$ 1,300					4,150	\$ 4,150					4,150	\$ 4,150
132	200 B, 2014A, 201 A Bonds	Fees	6/1/1997	9/1/2036	ildan	Bonds disclosure/arbitrage fees	Orange erged	71,400	N	\$ 10,100					5,050	\$ 5,050					5,050	\$ 5,050

**Orange City Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances**  
**July 1, 2020 through June 30, 2021**  
**(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	
		<b>Fund Sources</b>						
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>		
	<b>ROPS 20-21 Cash Balances (07 01 20 - 06 30 21)</b>	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	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07 01 20)</b> RPTTF amount should exclude prior period distribution amount	2,517	129	11,916	11,363	0	E1 PPA 17-19 \$10,566 PPA 18-19 \$495,000 PPA 19-20 \$135,532	
2	<b>Revenue/Income (Actual 06 30 21)</b> RPTTF amount should tie to the ROPS 17-19 total distribution from the County Auditor-Controller	5	30	0	9,192	5,451,423	2 ROPS 20-21B RPTTF \$2,120,720 ROPS 20-21A RPTTF \$2,630,695 (1920.10100 beg bal) \$5,451,423	
3	<b>Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06 30 21)</b>	2	155	10,566	114,234	5,352,719	E3 3 4 50 of 200 B 2014A \$12,500 5,000 \$5,630,715 PPA Actual Exp	
4	<b>Retention of Available Cash Balance (Actual 06 30 21)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	0	0	631,420	1,204	97,500	4 50 200 B \$12,500 (435,000 20-21B - 410,000 20-21A) / 2 + 50 2014A \$5,000 (3,400,000 20-210B - 3,310,000 20-21A) / 2 \$5,000	
5	<b>ROPS 20-21 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC	No entry required					1,204	ROPS 20-21 PPA
6	<b>Ending Actual Available Cash Balance (06 30 21)</b> C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)	\$ 2,414	\$ 4	\$ 0	\$ (5,113)	\$ 0		

**Orange City**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Notes**  
**July 1, 2023 through June 30, 2024**

<b>Item #</b>	<b>Notes/Comments</b>
4	
61	
70	
12□	
130	
131	
132	

**City of Orange**  
**FY23-24 ROPS**  
**Administrative Budget**

	2008B Bonds 940.9810.52440	2014A Bonds 940.9810.52440	2018A Bonds 940.9810.52440	Total	
1	Trustee fee from US Bank	2,700	2,500	3,100	8,300
2	Willdan Annual disclosure Service	1,100	1,100	2,500	4,700
	Willdan Annual disclosure Service-suppl	600	600	600	1,800
	Willdan Arbitage fee				2,800
	Wildan SB10209 CDIAC report preparation			300	300
	Dissemination to EMMA				400
	Willdan OC appeals database pass through fee				100
					<u>10,100</u>
3	Attorney fees : Richards, Watson & Gershon				2,000
4	Admin Salary (see "Administrative Salary Estimate")				38,100
Total	Administrative Budget for ROPS 22-23				<u>58,500</u>

**City of Orange**  
**Administrative Salary estimate**  
**FY23-24 ROPS**

	Annual	Twice a year	Quarterly	Monthly	One time	Total Annual	Billable Hourly Rate	Amount
City Manager					2	2	203	406.00
Assistant City Manager / Administrator	2			5	6	28	156	4,368.00
Assistant Finance Director	4				2	6	118	708.00
Chief Clerk					3	3	101	303.00
Accounting Manager	96	11		3	0	154	92	14,168.00
Senior Accountant	90			3		126	71	8,946.00
Accountant				3		36	62	2,232.00
Senior Admin Analyst			10			40	80	3,200.00
A/R Senior Finance Clerk				5		60	49	2,940.00
A/P Senior Finance Clerk		8				16	49	784.00
	192	19	15	14	11	471		38,100.00

19,050.00 July to Dec  
19,050.00 Jan to June

**Staff time notes:**

FY21-22

Assistant City Manager / Director of Admin. Svc	-Annual review of ROPS or PPA	2
	-Staff meetings	2
	-Attend oversight board meetings/other one time meetings	24
Assistant Finance Director	-Annual review of Prior Period Adjustm	4
	-Staff meetings	2
Accounting Manager	-Prior Period Adjustment	40
	-Year end audit schedules/prepare CAFR section/work with auditors	36
	-Staff meetings	2
	-Review and process enforceable obligations for bond payments (twice a year)	10
	-Review and process enforceable obligations for admin fees	10
	-Monthly journal entry to record commercial loan balances (3 hrs monthly)	36
	-Annual ROPS	20
Senior Accountant	-Prior Period Adjustment	50
	-Annual ROPS	40
	-Monthly	36
Accountant	JV	36
City Manager	-Meetings	2
Chief Clerk	-Meetings	3
Aaron	-Review contract and compliance	40
AP Sr Finance Clerk (2 staffs)	-Enter wire for bond payments / bank	16
	-Invoice payment for attorney and bank fee	
	-Invoice, MR receipts, reconcile commercial loans invoice - 5 hrs monthly	60

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## Orange Countywide Oversight Board

Agenda Item No. 5b

Date: 1/17/2023

From: Successor Agency to the Fountain Valley Agency for Community Development

Subject: Resolution of the Countywide Oversight Board Approving the Fountain Valley Recognized Obligation Payment Schedule (ROPS) 23-24

### Recommended Action:

Approve resolution approving FY 2023-24 ROPS and Administrative Budget for the Fountain Valley Successor Agency

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The Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) requests approval of its Recognized Obligation Payment Schedule for the 23-24 A-B annual fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 23-24 A-B”) and approval of the administrative budget for Fiscal Year 23-24 (“FY 23-24”), subject to submittal to and review by the State Department of Finance (“DOF”).

Under Section 34171(h), the ROPS is "the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year as provided in subdivision (o) of Section 34177." Under the mandatory dates in the Dissolution Law, the Successor Agency must submit a copy of the ROPS 23-24 A-B, after approval from the Orange Countywide Oversight Board (“Oversight Board”), and transmittal to the County Administrative Officer (“CAO”), County Auditor-Controller (“CAC”), State Controller’s Office (“SCO”), and DOF by February 1, 2023.

The ROPS 23-24 A-B contains the same enforceable obligations listed on the ROPS 22-23 A-B. There are no new line items on the ROPS 23-24 A-B, which include:

- *Palm Island Development Agreement (Line Item 9):* Item 9 is an enforceable obligation pursuant to an Owner Participation Agreement with Fountain Valley Senior Housing, LLC entered into prior to dissolution. This line item will be retired on November 16, 2026, per the agreement;
- *Successor Agency Administration (Line Item 10):* Although every successor agency may receive an administrative cost allowance, the formula under the Dissolution Law does not allow funds for this purpose to be distributed to the Successor Agency in 2023-24.

The administrative allowance is limited to the greater of \$250,000 per year, or three percent (3%) of the Redevelopment Property Tax Trust Fund (“RPTTF”) distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. However, the administrative allowance cannot exceed 50 percent (50%) of RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. In the ROPS 22-23 A-B period, the Successor Agency received \$0 of RPTTF. For this reason, no administrative cost allowance will be funded from RPTTF during 2023-24,

and the City General Fund would be responsible for these costs, which are not expected to exceed \$10,139.

- The Successor Agency adopted a resolution (copy attached) approving the ROPS 23-24 A-B and FY 23-24 administrative budget at its meeting on December 20, 2022. After review and action by this Oversight Board, if approved, then Successor Agency staff will transmit ROPS 23-24 A-B to the DOF, with copies to the CAO, CAC, and SCO. Upon receipt of an oversight board-approved ROPS, DOF has 45 days to make its determination of the enforceable obligations, including amounts and funding sources. Within five business days of DOF's determination, the Successor Agency may request additional review and an opportunity to meet and confer on disputed items. DOF has until 15 days prior to the date for property tax distribution to make its final decision after the meet and confer. The RPTTF distribution dates for the ROPS 23-24A period and 23-24B period are on or about June 1, 2023 and January 2, 2024, respectively.

### Impact on Taxing Entities

The proposed ROPS 23-24 A-B will reduce the RPTTF distribution to all other taxing entities by \$100,000 in the 23-24 A period and by \$0 in the 23-24 B period.

### Staff Contact

Ryan Smith, Finance Director, is the primary staff contact on this item and can be contacted via email at [Ryan.Smith@FountainValley.org](mailto:Ryan.Smith@FountainValley.org)

### Attachments

1. Orange Countywide Oversight Board Resolution Approving the ROPS 23-24
2. Exhibit A: Recognized Obligation Payment Schedule 23-24 A-B
3. Exhibit B: Fiscal Year 23-24 Administrative Budget
4. Successor Agency Resolution Approving ROPS 23-24 A-B



**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD**  
**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH  
OVESIGHT OF THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY  
FOR COMMUNITY DEVELOPMENT *APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE [ROPS] 23-24 A-B* FOR THE ANNUAL FISCAL PERIOD OF JULY  
1, 2023 TO JUNE 30, 2024, INCLUDING THE FY 2023-24 ADMINISTRATIVE BUDGET,  
SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF  
FINANCE [DOF] PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING  
AND TRANSMITTAL THEREOF

**WHEREAS**, the Fountain Valley Agency for Community Development (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 23-24 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2023; and

**WHEREAS**, the ROPS 23-24, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 23-24 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 23-24 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 23-24 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 23-24 A-B submitted therewith and incorporated by this reference, including the FY 2023-24 administrative budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 23-24 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Fountain Valley’s [Finance Director/Treasurer] or authorized designee is directed to post this Resolution, including the ROPS 23-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary**  
**Filed for the July 1, 2023 through June 30, 2024 Period**

**Successor Agency:** Fountain Valley

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>23-24A Total (July - December)</b>	<b>23-24B Total (January - June)</b>	<b>ROPS 23-24 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	\$ 100,000	\$ -	\$ 100,000
F RPTTF	100,000	-	100,000
<input type="checkbox"/> Administrative RPTTF	-	-	-
<b>H Current Period Enforceable Obligations (A+E)</b>	\$ 100,000	\$ -	\$ 100,000

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
 Name Title

/s/ \_\_\_\_\_  
 Signature Date

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail**  
**July 1, 2023 through June 30, 2024**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					23-24A Total	ROPS 23-24B (Jan - Jun)					23-24B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$400,000		\$100,000	\$-	\$-	\$-	\$100,000	\$-	\$100,000	\$-	\$-	\$-	\$-	\$-	\$-
6	OPA - Fry's	OPA/DDA/ Construction	07/06/ 1993	07/14/2025	Fry's Electronics Inc.	Assistance for development of site	Industrial Area	-	□	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
9	Palm Island Dev. Agreement	OPA/DDA/ Construction	02/02/ 1999	11/16/2026	Fountain Valley Senior Housing, LLC	Financial assistance for retirement community	Industrial Area	400,000	N	\$100,000	-	-	-	100,000	-	\$100,000	-	-	-	-	-	\$-
10	Successor Agency Administration	Admin Costs	02/01/ 2012	11/16/2026	City, Attorneys, Consultants	Salary, benefits, insurance, contract services	Industrial Area	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances**  
**July 1, 2020 through June 30, 2021**  
(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.							
A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)</b>	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	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07/01/20)</b> RPTTF amount should exclude 1A period distribution amount.			445,050	10,090	202,467	
2	<b>Revenue/Income (Actual 06/30/21)</b> RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller				7,201		
3	<b>Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)</b>					120,612	
4	<b>Retention of Available Cash Balance (Actual 06/30/21)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			445,050	4,966		
5	<b>ROPS 20-21 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC			No entry required		135,671	
6	<b>Ending Actual Available Cash Balance (06/30/21)</b> C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$21,205	\$10,104	

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Notes**  
**July 1, 2023 through June 30, 2024**

Item #	Notes Comments
6	
9	
10	

**EXHIBIT B**

**FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET**

**EXHIBIT B  
FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET**

**SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2023-24**

<b>DIRECT PERSONNEL COSTS</b>						
<b>Employee Classification</b>	<b>Department</b>	<b>Annual</b>	<b>Successor</b>		<b>Administrative Allocation</b>	
		<b>Cost of Salaries &amp; Benefits</b>	<b>Hourly Rate</b>	<b>Agency Hours</b>	<b>% Percentage</b>	<b>\$ Amount</b>
Finance Director	Finance	\$234,000	\$112.50	8	0.38%	\$900
Accounting Manager	Finance	184,000	88.46	8	0.38%	708
Budget Analyst	Finance	184,000	88.46	6	0.29%	531
<b>TOTAL DIRECT PERSONNEL COSTS</b>						<b>2,139</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Process payments for enforceable obligations</li> <li>• Maintain documentation of Agency financial and other records</li> <li>• Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Coordinate with auditors to audit the Successor Agency</li> <li>• Coordinate and hold Successor Agency meetings</li> <li>• Prepare staff reports, resolutions and the administrative budget</li> </ul>						
<b>OTHER DIRECT COSTS</b>						
<b>Contract Services</b>						<b>1,500</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Prepare ROPS and PPA</li> <li>• Coordinate with and answer questions for the Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Monitor and project cash flow to ensure sufficient revenues for obligations and inform Agency staff of expected revenues</li> </ul>						
<b>Successor Agency Audit Services</b>						<b>3,000</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Audit the Successor Agency's financial statements, which is performed by an independent certified public accounting firm in accordance with <i>generally accepted auditing standards</i> and the standards applicable to financial audits contained in <i>Government Auditing Standards</i>, issued by the Comptroller General of the United States</li> </ul>						
<b>Successor Agency Legal Services</b>						<b>3,500</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Review staff reports and resolutions</li> <li>• Provide legal services as needed</li> </ul>						
<b>TOTAL OTHER DIRECT COSTS</b>						<b>8,000</b>
<b>TOTAL ADMINISTRATIVE BUDGET</b>						<b>\$10,139</b>



**SUCCESSOR AGENCY RESOLUTION NO. 29**

**RESOLUTION OF THE SUCCESSOR AGENCY TO  
THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY  
DEVELOPMENT APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE 23-24 A-B FOR THE ANNUAL FISCAL PERIOD OF  
JULY 1, 2023 TO JUNE 30, 2024, INCLUDING THE FY 23-24  
ADMINISTRATIVE BUDGET, SUBJECT TO SUBMITTAL TO, AND  
REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND  
THE STATE DEPARTMENT OF FINANCE PURSUANT TO  
DISSOLUTION LAW; AUTHORIZING THE POSTING AND TRANSMITTAL  
THEREOF**

**WHEREAS**, the Fountain Valley Agency for Community Development ("Former Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code ("HSC") Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley ("City"); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law"); and

**WHEREAS**, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Fountain Valley Agency for Community Development ("Successor Agency") administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be one oversight board that is staffed by the county's auditor-controller; and

**WHEREAS**, the applicable consolidated oversight board overseeing this Successor Agency is called the Orange Countywide Oversight Board ("Oversight Board"); and

**WHEREAS**, every oversight board, both the prior local oversight board and this Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF"); and

**WHEREAS**, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B fiscal period of July 1, 2023 to June 30, 2024 ("ROPS 23-24 A-B") shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2023; and

**WHEREAS**, Section 34177(j) of the Dissolution Law requires the Successor Agency to prepare an administrative budget and submit it to the Oversight Board for approval; and

**WHEREAS**, the ROPS 23-24 A-B, in the form required by DOF, is attached as Exhibit A and the Fiscal Year ("FY") 2023-24 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Successor Agency has reviewed the ROPS 23-24 A-B along with the FY 2023-24 Administrative Budget and desires to approve this schedule and to authorize and direct Successor Agency staff to transmit the ROPS 23-24 A-B to the Oversight Board, with copies to the Orange County Administrative Officer ("CAO"), Orange County Auditor-Controller ("CAC"), the State Controller's Office ("SCO") and DOF as required by Dissolution Law.

**NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT:**

**Section 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**Section 2.** The Successor Agency hereby approves the ROPS 23-24 A-B including the FY 2023-24 Administrative Budget submitted herewith and fully incorporated by this reference.

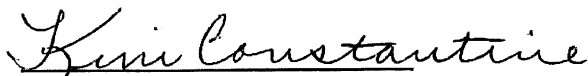
**Section 3.** The Successor Agency hereby authorizes and directs transmittal of the ROPS 23-24 A-B, with the FY 2023-24 Administrative Budget to the Oversight Board and then to the DOF and other bodies as required by law.

**Section 4.** The Director of Finance/Treasurer of the Successor Agency or their authorized designee is directed to post this Resolution, including the ROPS 23-24 A-B, on the Successor Agency website pursuant to the Dissolution Law, and to take such other actions required under the Dissolution Law, including Sections 34177 and 34179.

**Section 5.** The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this 20<sup>th</sup> day of December 2022.

Ayes: Bui, Cunneen, Grandis, Constantine  
Nays: None  
Absent: Harper  
Abstain: None



Kim Constantine, Chair

Successor Agency to the Fountain Valley Agency for Community Development

ATTEST:



Rick Miller, Secretary

Successor Agency to the Fountain Valley Agency for Community Development

STATE OF CALIFORNIA            )  
COUNTY OF ORANGE            ) ss.  
CITY OF FOUNTAIN VALLEY    )

I, Rick Miller, Secretary of the Successor Agency to the Fountain Valley Agency for Community Development, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the 20<sup>th</sup> day of December 2022, and that it was so adopted by the following vote:

AYES:            Bui, Cunneen, Grandis, Constantine

NOES:           None

ABSENT:        Harper

ABSTAIN:       None



---

Rick Miller, Secretary  
Successor Agency to the Fountain Valley Agency  
for Community Development

(SEAL)



Transmitted via e-mail

March 26, 2021

Jennifer Lampman, Finance Director  
City of Fountain Valley  
10200 Slater Avenue  
Fountain Valley, CA 92708

### **2021-22 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 27, 2021. Finance has completed its review of the ROPS 21-22.

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

- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$103,189 from Reserve Balances and \$4,966 from Other Funds, totaling \$108,155, available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF) funding. These items do not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding sources for the following items have been reclassified in the amounts specified below:
  - Item No. 6 – Owner Participation Agreement - Fry's obligation in the amount of \$20,000 is partially reclassified. Finance is approving RPTTF in the amount of \$11,845, the use of Reserve Balances in the amount of \$3,189, and the use of Other Funds in the amount of \$4,966, totaling \$20,000.
  - Item No. 9 – Palm Island Development Agreement in the requested amount of \$100,000 is reclassified from RPTTF to Reserve Balances.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 18-19 period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 21-22. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 21-22 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 21-22 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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.

Jennifer Lampman  
March 26, 2021  
Page 3

Please direct inquiries to Anna Kyumba, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Margaret Stanko, RSG (Consultant), City of Fountain Valley  
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County

**Attachment**

<b>Approved RPTTF Distribution July 2021 through June 2022</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 100,000	\$ 20,000	\$ 120,000
Administrative RPTTF Requested	0	0	0
<b>Total RPTTF Requested</b>	<b>100,000</b>	<b>20,000</b>	<b>120,000</b>
<b>RPTTF Requested</b>	<b>100,000</b>	<b>20,000</b>	<b>120,000</b>
<u>Adjustment(s)</u>			
Item No. 6	0	(8,155)	(8,155)
Item No. 9	(100,000)	0	(100,000)
	(100,000)	(8,155)	(108,155)
<b>RPTTF Authorized</b>	<b>0</b>	<b>11,845</b>	<b>11,845</b>
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>
ROPS 18-19 prior period adjustment (PPA)	0	(140,218)	(140,218)
Excess PPA	0	128,373	128,373
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary  
Filed for the July 1, 2021 through June 30, 2022 Period**

**Successor Agency:** Fountain Valley

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>21-22A Total (July - December)</b>	<b>21-22B Total (January - June)</b>	<b>ROPS 21-22 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	\$ 100,000	\$ 20,000	\$ 120,000
F RPTTF	100,000	20,000	120,000
<input type="checkbox"/> Administrative RPTTF	-	-	-
<b>H Current Period Enforceable Obligations (A+E)</b>	\$ 100,000	\$ 20,000	\$ 120,000

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date



**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail**  
**July 1, 2021 through June 30, 2022**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$3,315,000		\$120,000	\$-	\$-	\$-	\$100,000	\$-	\$100,000	\$-	\$-	\$-	\$20,000	\$-	\$20,000
6	OPA - Fry's	OPA/DDA/ Construction	07/06/ 1993	07/14/2025	Fry's Electronics Inc.	Assistance for development of site	Industrial Area	2,515,000	N	\$20,000	-	-	-	-	-	\$-	-	-	-	20,000	-	\$20,000
9	Palm Island Dev. Agreement	OPA/DDA/ Construction	02/02/ 1999	11/16/2026	Fountain Valley Senior Housing, LLC	Financial assistance for retirement community	Industrial Area	700,000	N	\$100,000	-	-	-	100,000	-	\$100,000	-	-	-	-	-	\$-
10	Successor Agency Administration	Admin Costs	02/01/ 2012	11/16/2026	City, Attorneys, Consultants	Salary, benefits, insurance, contract services	Industrial Area	100,000	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 2011 through June 30, 2011**  
(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.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	Comments
ROPS 1-1 Cash Balances (07/01/11 - 06/30/11)		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	<b>Beginning Available Cash Balance (Actual 07/01/11)</b> RPTTF amount should exclude 1A period distribution amount.	-	-	257,970		535,571	Column E Reserve for ROPS 1-19 Items 6-9 (15-16 PPA reclassified to reserves per 1-19 determination letter) Column 10 Reserve for ROPS 19-20 (\$253,104.37 16-17 PPA) and ROPS 20-21 (\$2,466.62 17-1 PPA)
2	<b>Revenue/Income (Actual 06/30/11)</b> RPTTF amount should tie to the ROPS 1-19 total distribution from the County Auditor-Controller				4,966	252,022	Column F Interest Revenue Column 11 RPTTF distribution
3	<b>Expenditures for ROPS 1-1 Enforceable Obligations (Actual 06/30/11)</b>		-	154,709		111,004	Columns E 12-14 Actual reported expenditures as reported on 1-19 PPA.
4	<b>Retention of Available Cash Balance (Actual 06/30/11)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					535,571	
5	<b>ROPS 1-1 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 1-19 PPA form submitted to the CAC		No entry required			140,210	1-19 PPA

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.

A	B	C	D	E	F	G	H
	<b>ROPS 1-1 Cash Balances (07011 - 06301)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
<b>6</b>	<b>Ending Actual Available Cash Balance (06301) C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)</b>	\$-	\$-	\$103,100	\$4,66	\$-	<b>Column E: Remaining reserve available to be spent Column F: Remaining other funds available to be spent Column G: Retained for 1-20 and 20-21</b>

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes Comments
6	
9	
10	



Transmitted via e-mail

March 11, 2022

Jennifer Lampman, Finance Director  
City of Fountain Valley  
10200 Slater Avenue  
Fountain Valley, CA 92708

### **2022-23 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 19, 2022. Finance has completed its review of the ROPS 22-23.

Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 22-23 at this time.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 22-23. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

Jennifer Lampman  
March 11, 2022  
Page 2

The ROPS 22-23 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 22-23 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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 Zuber Tejani, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Alex Lawrence, RSG (Consultant), City of Fountain Valley  
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 100,000	\$ 0	\$ 100,000
Administrative RPTTF Requested	0	0	0
<b>Total RPTTF Requested</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
<b>RPTTF Authorized</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>
ROPS 19-20 prior period adjustment (PPA)	(100,000)	(101,651)	(201,651)
Excess PPA	0	101,651	101,651
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognized Obligation Payment Schedule (ROPS 22-23) - Summary**  
**Filed for the July 1, 2022 through June 30, 2023 Period**

**Successor Agency:** Fountain Valley  
**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>22-23A Total (July - December)</b>	<b>22-23B Total (January - June)</b>	<b>ROPS 22-23 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	\$ 100,000	\$ -	\$ 100,000
F RPTTF	100,000	-	100,000
<input type="checkbox"/> Administrative RPTTF	-	-	-
<b>H Current Period Enforceable Obligations (A+E)</b>	\$ 100,000	\$ -	\$ 100,000

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date



**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail**  
**July 1, 2022 through June 30, 2023**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$500,000		\$100,000	\$-	\$-	\$-	\$100,000	\$-	\$100,000	\$-	\$-	\$-	\$-	\$-	\$-
6	OPA - Fry's	OPA/DDA/ Construction	07/06/ 1993	07/14/2025	Fry's Electronics Inc.	Assistance for development of site	Industrial Area	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
9	Palm Island Dev. Agreement	OPA/DDA/ Construction	02/02/ 1999	11/16/2026	Fountain Valley Senior Housing, LLC	Financial assistance for retirement community	Industrial Area	500,000	N	\$100,000	-	-	-	100,000	-	\$100,000	-	-	-	-	-	\$-
10	Successor Agency Administration	Admin Costs	02/01/ 2012	11/16/2026	City, Attorneys, Consultants	Salary, benefits, insurance, contract services	Industrial Area	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances**  
**July 1, 2011 through June 30, 2020**  
(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.

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 11-20 Cash Balances (07/01/11 - 06/30/20)</b>	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	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07/01/11)</b> RPTTF amount should exclude 11-12 period distribution amount.			525,074	4,966	253,104	
2	<b>Revenue Income (Actual 06/30/20)</b> RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				13,924	142,907	F Interest Revenue 11-12 RPTTF Distribution
3	<b>Expenditures for ROPS 11-20 Enforceable Obligations (Actual 06/30/20)</b>					194,360	
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			525,074	4,966		E \$103,109 reclassified in 21-22 for items 6 and 9, \$140,211 11-19 PPA held for 21-22, and \$22,467 17-11 PPA held for 20-21. F \$4,966 reclassified for item 6 in 21-22
5	<b>ROPS 11-20 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC		No entry required			201,651	19-20 PPA
6	<b>Ending Actual Available Cash Balance (06/30/20)</b> C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$13,024	\$-	

**Fountain Valley**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Notes**  
**July 1, 2022 through June 30, 2023**

Item #	Notes Comments
6	
9	
10	

# Orange Countywide Oversight Board

Agenda Item No. 5c

Date: 1/17/2023

From: Successor Agency to the Garden Grove 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 2023-2024 ROPS and Administrative Budget for the Garden Grove Successor Agency

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The Garden Grove Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2023-2024.

The attached Annual Recognized Obligation Payment Schedule (ROPS) is being presented to the Countywide Oversight Board for their approval in regards to the enforceable obligations of the former Garden Grove Redevelopment Agency, pending final approval by the State Department of Finance and State Controller's Office.

The ROPS 2023-2024 A-B contains many of the same enforceable obligations listed on the ROPS 2022-2023 A-B. There are no new line items on the ROPS 2023-2024 A-B.

Enforceable obligations are explained in further details as follows:

- Line Item No. 6 – Anticipated payment due to Katella Cottages Developer when net tax increment exceeds debt service amount pursuant to Promissory Note.
- Line Items No. 7, 39, and 56 – Constitute all bond and/or loan debt service payment obligations per debt service schedules.
- Line Item No. 16 - Required remediation for soil/groundwater monitoring of Sycamore Walk Residential Project per DDA.
- Line Item No. 18 – Fifth repayment of outstanding ERAF/SERAF Housing Deficit Fund Obligations per Final Determination Letter from the DOF Dated June 12, 2018 (*See Attachment No. 3*).
- Line Item No. 19 - Request is for TOT differential per section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement for the Waterpark Hotel. This has a Final and Conclusive Determination Letter approved on February 6, 2013 by the DOF (*See Attachment No. 4*).
- Line Item No. 20 – Anticipated expenses for continued implementation of Site B2 DDA.
- Line Items No. 24 and 37 – Labor cost for continued project coordination of Site B2 (Line No. 20) and Brookhurst Triangle (Line No. 22).
- Line Item No. 27 – Cost associated with maintenance of properties pending development or disposition.
- Line Items No. 52, 53, and 54 account for trustee and dissemination fees associated to bond and/or loan payments.
- Line Item No. 55 – Attorney's fees per Judgment Court Ruling. (*See Attachment No. 5*)

The Successor Agency administrative budget of \$250,000 listed as Line Item No. 31 consists of personnel cost, direct costs, and indirect costs.

- Personnel costs include 13 staff members contributing to the Successor Agency activities in some

capacity.

- Direct costs include legal fees and consultants.

The Garden Grove Successor Agency approved the ROPS 2023-2024 A-B and attached Resolution at its regularly scheduled meeting on Tuesday, January 10, 2023. Successor Agency approval is subject to submittal to and approval by the Countywide Oversight Board and by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution and ROPS 2023-2024 A-B to the City's website and to transmit the ROPS 2023-2024 A-B to the DOF. Further, the City of Garden Grove's Assistant City Manager and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

#### Impact on Taxing Entities

No fiscal impact until approved by DOF. If the DOF approves the ROPS as submitted, the Garden Grove Successor Agency will receive \$9,144,408 which includes \$250,000 for the administrative budget, for the period of July 1, 2023 through June 30, 2024 to pay the Successor Agency's enforceable obligations.

#### Staff Contact(s)

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Office of Economic Development

City of Garden Grove

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##### **Lisa Kim**

Assistant City Manager/Community and Economic Development Director

City of Garden Grove

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#### Attachments

- **Attachment No. 1** - Oversight Board Resolution Approving Annual Recognized Obligation Payment Schedule 23-24 A-B and Administrative Budget
  - Exhibit A** - Recognized Obligation Payment Schedule 23-24 A-B
  - Exhibit B** - ROPS 23-24 A-B Administrative Budget
- **Attachment No. 2** – Placeholder for Approved Garden Grove Successor Agency Resolution No. \_\_\_\_\_ for Recognized Obligation Payment Schedule 23-24 A-B
- **Attachment No. 3** - DOF Final Determination Letter Regarding Line Item No. 18, Dated June 12, 2018
- **Attachment No. 4** - DOF Final and Conclusive Determination Enforceable Obligation Regarding Line Item No. 19, Dated February 6, 2013
- **Attachment No. 5** - Court Judgment for Limon Legal for Line Item No. 55
- **Attachment No. 6** - Recognized Obligation Payment Schedule 22-23 A-B
- **Attachment No. 7** - ROPS 22-23 DOF Determination Letter
- **Attachment No. 8** - Recognized Obligation Payment Schedule 21-22 A-B
- **Attachment No. 9** - ROPS 21-22 DOF Determination Letter
- **Attachment No. 10** - Amended ROPS 20-21 DOF Determination Letter

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD**  
**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH  
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR  
COMMUNITY DEVELOPMENT APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE (ROPS) 23-24 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY  
1, 2023 TO JUNE 30, 2024, INCLUDING THE FY 23-24 ADMINISTRATIVE BUDGET,  
SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF  
FINANCE (DOF) PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING  
AND TRANSMITTAL THEREOF

**WHEREAS**, the Garden Grove Agency for Community Development (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Garden Grove (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to Garden Grove Agency for Community Development (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board subject to final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 23-24 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2023; and

**WHEREAS**, the ROPS 23-24 A-B, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) July 1, 2023 through June 30, 2024 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated herein by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 23-24 A-B and desires to approve it , and to authorize the Successor Agency, to cause posting of ROPS 23-24 A-B on the City of Garden Grove’s website: <http://ggcity.org> and to direct transmittal of such ROPS to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 23-24 A-B submitted therewith and incorporated by this reference, including the FY July 1, 2023 through June 30, 2024 Administrative Budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 23-24 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Garden Grove’s Assistant City Manager or her authorized designee is directed to post this Resolution, including the ROPS 23-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

**EXHIBIT A TO  
ORANGE COUNTYWIDE OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE 23-24 A-B  
FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2024**

(attached)



**EXHIBIT B TO  
ORANGE COUNTYWIDE OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_  
ADMINISTRATIVE BUDGET FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2023  
TO JUNE 30, 2024**

(attached)

**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary**  
**Filed for the July 1, 2023 through June 30, 2024 Period**

**Successor Agency:**  arden  rove

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>23-24A Total (July - December)</b>	<b>23-24B Total (January - June)</b>	<b>ROPS 23-24 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 6,700,341</b>	<b>\$ 2,356,067</b>	<b>\$ 9,144,400</b>
F RPTTF	6,700,341	2,356,067	9,144,400
<input type="checkbox"/> Administrative RPTTF	-	-	-
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 6,700,341</b>	<b>\$ 2,356,067</b>	<b>\$ 9,144,400</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

/s/ \_\_\_\_\_  
Signature Date

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail**  
**July 1, 2023 through June 30, 2024**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					23-24A Total	ROPS 23-24B (Jan - Jun)					23-24B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$67,165,770		\$9,144,400	\$-	\$-	\$-	\$6,700,341	\$-	\$6,700,341	\$-	\$-	\$-	\$2,356,067	\$-	\$2,356,067
6	Matella Cottages OPA	OPA/DDA/ Construction	06/10/2000	10/01/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	171,029	N	\$45,000	-	-	-	45,000	-	\$45,000	-	-	-	-	-	\$-
7	Matella Cottages Note	Bonds Issued On or Before 12/31/10	06/10/2000	10/01/2027	J.S. Bank	Land Acquisition and Project Improvements	C.P.A.	415,400	N	\$176,550	-	-	-	00,275	-	\$00,275	-	-	-	00,275	-	\$00,275
16	Sycamore Canal DDA	Remediation	11/12/1996	06/30/2023	Olson Urban Housing	Quarterly Soil/Water Monitoring Events	C.P.A.	24,699	N	\$19,971	-	-	-	19,971	-	\$19,971	-	-	-	-	-	\$-
10	Housing Fund Deficit	SERAF/ ERAF	02/01/2012	12/31/2020	Garden Grove Hsng Auth.	Repayment of Housing Fund from SERAF/ ERAF	n/a	5,044,260	N	\$10,000	-	-	-	-	-	\$-	-	-	-	10,000	-	\$10,000
19	Waterpark Hotel DDA	Business Incentive Agreements	05/12/2009	12/31/2031	Garden Grove LLC Various	Site Assembly/ Project Assistance	C.P.A.	6,736,090	N	\$1,036,106	-	-	-	-	-	\$-	-	-	-	1,036,106	-	\$1,036,106
20	Site B2 DDA	Business Incentive Agreements	06/26/2001	06/26/2025	Sam Sang Inc.	Project Assistance Site Assembly Preparation Costs	C.P.A.	2,507,379	N	\$49,761	-	-	-	-	-	\$-	-	-	-	49,761	-	\$49,761
22	Brookhurst Triangle DDA	OPA/DDA/ Construction	11/23/2010	12/31/2022	Ne Age Brookhurst, LLC Various	Site Preparation Costs	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
24	Project Management for Item 20 - Site B2	Project Management Costs	06/26/2001	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	71,113	N	\$51,556	-	-	-	25,770	-	\$25,770	-	-	-	25,770	-	\$25,770
27	Agency Property Maint/ Management	Property Maintenance	02/01/2012	12/31/2025	Various	Management and Maintenance of Successor Agency Owned	C.P.A.	4,311	N	\$29,406	-	-	-	14,743	-	\$14,743	-	-	-	14,743	-	\$14,743

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					23-24A Total	ROPS 23-24B (Jan - Jun)					23-24B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
						Property Awaiting Development or Disposal																
31	Administrative Allowance	Admin Costs	01/01/2014	06/30/2019	City of Garden Grove	Administrative Allowance per AB 1404	n.a.	2,994,450	N	\$250,000	-	-	-	125,000	-	\$125,000	-	-	-	125,000	-	\$125,000
33	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	Lang	See Notes.	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
34	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	City of Garden Grove	See Notes.	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
37	Project Management for Item 22 - Brookhurst	Project Management Costs	11/23/2010	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	5,660	N	\$59,200	-	-	-	29,644	-	\$29,644	-	-	-	29,644	-	\$29,644
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	06/26/2014	10/01/2029	U.S. Bank National Association	Refunding of 2003 Tax Allocation Bonds	C.P.A.	13,596,275	N	\$3,552,250	-	-	-	3,550,750	-	\$3,550,750	-	-	-	301,500	-	\$301,500
40	Limón La Suite Settlement	Litigation	09/20/2013	06/30/2015	Various	Settlement of Former Agency La Suite Associated with Item 19	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
47	Appraisals(s)	Admin Costs	07/01/2015	12/31/2015	TBD	Appraisals for Properties on the Long Range Property Management Plan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
49	Limón La Suite Settlement/Judgement	Litigation	06/05/2015	06/05/2020	Public Counsel	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
50	Limón La Suite Settlement/Judgement	Litigation	06/05/2015	06/05/2020	Various	Replacement Housing Obligation per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
52	Item 39 Trustee Fee (2014 TARB)	Fees	06/26/2014	10/01/2029	U.S. Bank National Association	Fees associated with Bond	C.P.A.	135,520	N	\$6,600	-	-	-	3,300	-	\$3,300	-	-	-	3,300	-	\$3,300

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					23-24A Total	ROPS 23-24B (Jan - Jun)					23-24B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
						payment																
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	05/12/2009	12/31/2026	S.S. Bank National Association	Fees associated with Bond payment	C.P.A.	22,020	N	\$5,200	-	-	-	2,600	-	\$2,600	-	-	-	2,600	-	\$2,600
54	Item 7 Trustee Fee (Matella Cottages Note)	Fees	06/10/200	10/01/2027	S.S. Bank National Association	Fees associated with Note	C.P.A.	10,740	N	\$2,060	-	-	-	1,030	-	\$1,030	-	-	-	1,030	-	\$1,030
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	06/05/2015	06/30/2021	S&CR and SS Firms	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	50,000	N	\$50,000	-	-	-	25,000	-	\$25,000	-	-	-	25,000	-	\$25,000
56	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	10/01/2016	10/01/2033	S.S. Bank	Refunding Bonds issued associated with project item 19	C.P.A.	35,710,000	N	\$3,500,500	-	-	-	2,657,250	-	\$2,657,250	-	-	-	643,250	-	\$643,250

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Notes**  
**July 1, 2023 through June 30, 2024**

Item #	Notes Comments
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City of Garden Grove Successor Agency  
 Administrative Cost Allowance  
 FY 23/24

saly

saly

Estimated Direct Personnel Cost

<u>Position</u>	<u>Dept/ Div</u>	<u>FY 21/22 Costs</u>	<u>Fully Burdened Hourly Rate</u>	<u>SA Hours</u>	<u>SA Administration Costs</u>	<u>% Time Used in SA</u>
Accounting Supervisor	Finance	\$ 189,252	\$ 90.99	310	\$ 28,206	14.9%
Accounting Tech	Finance	\$ 144,759	\$ 69.60	50	\$ 3,480	2.4%
Principal Account Specialist	Finance	\$ 129,733	\$ 62.37	60	\$ 3,742	2.9%
Sr. Account Specialist	Finance	\$ 117,429	\$ 56.46	25	\$ 1,411	1.2%
Finance Director	Finance	\$ 383,256	\$ 184.26	43	\$ 7,923	2.1%
Budget Manager	Finance	\$ 226,400	\$ 108.85	35	\$ 3,810	1.7%
Sr. Accountant - Budget/ Revenue	Finance	\$ 191,212	\$ 91.93	35	\$ 3,218	1.7%
City Clerk	City Clerk	\$ 237,937	\$ 114.39	140	\$ 16,015	6.7%
Deputy City Clerk	City Clerk	\$ 156,595	\$ 75.29	25	\$ 1,882	1.2%
Sr. Project Planner	Comm & Econ Dev	\$ 226,400	\$ 108.85	500	\$ 54,423	24.0%
Sr. Econ Dev Specialist	Comm & Econ Dev	\$ 174,793	\$ 84.04	23	\$ 1,933	1.1%
CEDD Director/ Assistant City Manager	Comm & Econ Dev	\$ 423,397	\$ 203.56	162	\$ 32,976	7.8%
Sr. Admin Analyst	Comm & Econ Dev	\$ 171,287	\$ 82.35	12	\$ 988	0.6%
<b>Total Direct Personnel Costs</b>					<u>160,007</u>	
<b>Other Direct Costs</b>	Legal Fees	\$ 80,000			\$ 80,000	100.0%
	Consultants	\$ 9,976			\$ 9,976	100.0%
<b>Total Other Direct Cost</b>					<u>89,976</u>	
<b>Total Successor Agency Admin Cost</b>					<u>\$ 249,983</u>	

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 23-24 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2024, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AND, AUTHORIZING THE POSTING AND TRANSMITTAL OF THE ROPS

WHEREAS, the Garden Grove Agency for Community Development ("Former Agency") was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Garden Grove ("City");

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law");

WHEREAS, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member Orange Countywide Oversight Board ("Oversight Board");

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Law;

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed, and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF");

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B fiscal period of July 1, 2023, to June 30, 2024 ("ROPS 23-24 A-B") shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2023;



WHEREAS, pursuant to Sections 34179.6 and 34177(l)(2)(B), the Successor Agency is required to submit the ROPS to the DOF with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office at the same time that the Successor Agency submits the ROPS to the Oversight Board for review;

WHEREAS, the Successor Agency has reviewed the draft ROPS 23-24 A-B, and desires to approve the ROPS 23-24 A-B and to authorize the Successor Agency staff to transmit the ROPS to the Oversight Board; and

WHEREAS, the Successor Agency staff is directed to post the ROPS 23-24 A-B on the City/Successor Agency website: <http://ggcity.org/econdev>.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. Pursuant to the Dissolution Law, the Successor Agency approves the ROPS 23-24 A-B, which schedule is incorporated herein by this reference; provided however, that the ROPS 23-24 A-B is approved subject to transmittal of the ROPS to the Oversight Board for review and approval with copies of the ROPS to be sent concurrently to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office. Further, the Community and Economic Development Director, or her designee, in consultation with legal counsel, is hereby authorized to request and complete meet and confer session(s) with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Successor Agency and the Oversight Board.

Section 3. After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved ROPS 23-24 A-B to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The Community and Economic Development Director, or her designee, is directed to post this Resolution, including the ROPS 23-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution.



Garden Grove Successor Agency

Resolution No. \_\_\_\_\_

Page 4

ATTACHMENT 1

to Successor Agency Resolution No.

RECOGNIZED OBLIGATION PAYMENT SCHEDULE 22-23 A-B  
FOR THE ANNUAL FISCAL PERIOD JULY 1, 2022 TO JUNE 30, 2023

(attached)



June 12, 2018

Ms. Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: Approval of Oversight Board Action

The City of Garden Grove Successor Agency (Agency) notified the California Department of Finance (Finance) of its April 25, 2018 Oversight Board (OB) resolution on April 27, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 58-18, establishing a schedule to repay the Low and Moderate Income Housing Fund (LMIHF) for funds advanced for Educational Revenue Augmentation Fund (ERAF) payments and Supplemental Educational Revenue Augmentation Fund (SERAF) payments pursuant to HSC section 34176 (e) (6) (B), is approved.

This Resolution approves five separate loans from the LMIHF, principal loan amounts totaling \$13,254,260. Of the five loans, three were used to make ERAF payments for fiscal years 2003-04, 2004-05, and 2005-06; principal amounts totaling \$3,721,376. The two remaining loans were used to make the SERAF payments for fiscal years 2009-10 and 2010-11; principal amounts totaling \$9,532,884.

The Agency may now request funding for this item on a subsequent Recognized Obligation Payment Schedule; subject to Finance's review and approval.

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

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

Sincerely,

ERIKA LI  
Program Budget Manager

cc: Ms. Lisa Kim, Community and Economic Development Director, City of Garden Grove  
Mr. Israel Guevara, Property Tax Manager, Orange County



February 6, 2013

Mr. Jim DellaLonga, Senior Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92842

Dear Mr. DellaLonga:

Subject: Approval of Final and Conclusive Enforceable Obligation

On November 20, 2012, the City of Garden Grove Successor Agency (Agency) submitted a petition to the California Department of Finance (Finance) requesting written confirmation that Item No. 19 – Waterpark Hotel Disposition and Development Agreement (DDA) as approved in the Recognized Obligation Payment Schedule for the period of January through June 2013 (ROPS III), is final and conclusive, based on the following criteria set forth in Health and Safety Code (HSC) section 34177.5 (i):

- The enforceable obligation submitted for review provides for an irrevocable commitment of property tax revenue.
- The allocation of the property tax revenue is expected to occur over time.
- The enforceable obligation was approved on a previous ROPS.

Finance has completed its review of your request, which included obtaining clarification and additional supporting documentation. Pursuant to the criteria outlined in HSC section 34177.5 (i), we are pleased to inform you that Item No. 19 – Waterpark Hotel DDA as listed on the approved ROPS III, is final and conclusive. Finance's review of the Waterpark Hotel DDA in future ROPS will be limited to confirming the scheduled payments as required by the obligation.

Finance's review of the property tax revenue is limited to the January through June 2012 ROPS, July through December 2012 ROPS, and ROPS III periods. Consequently, this final and conclusive determination does not guarantee a certain level of funding, nor is it approval for an irrevocable assurance of Redevelopment Property Tax Trust Fund (RPTTF) necessary to satisfy the obligation. The amount available from the RPTTF is not and never was an unlimited funding source. Therefore, the ability to fund any item approved as final and conclusive, as well as other items approved on a ROPS with property tax, is limited to the amount of funding available to the Agency in the RPTTF.

Please be further advised that there may be activities included in the enforceable obligation described in this letter that are permissive that the Agency may no longer have the statutory authority to carry out. This final and conclusive determination neither grants additional authority to the Agency nor does it authorize acts contrary to law. Additionally, any amendments to the above item are not subject to this final and conclusive determination; this final and conclusive determination is only valid for the Waterpark Hotel DDA.

Mr. Jim DellaLonga  
February 6, 2013  
Page 2

Please direct inquiries to Nichelle Thomas, Supervisor or Alex Watt, Lead Analyst at  
(916) 445-1546.

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Mr. Matthew Fertal, City Manager, City of Garden Grove  
Mr. Kingsley Okereke, Director of Finance, City of Garden Grove  
Mr. Frank Davies, Property Tax Manager, County of Orange  
California State Controller's Office

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**FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE  
CIVIL COMPLEX LITIGATION CENTER

**JUN 10 2014**

ALAN CARLSON, Clerk of the Court  
*Alan Carlson*  
BY B. ZUANICH

ELECTRONICALLY RECEIVED  
Superior Court of California,  
County of Orange  
06/09/2014 at 10:06:50 AM  
Clerk of the Superior Court  
By Olga Lopez, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ORANGE

MARINA LIMON, *et al.*,  
  
Plaintiffs and Petitioners,  
  
v.  
  
GARDEN GROVE AGENCY FOR  
COMMUNITY DEVELOPMENT, a municipal  
entity, *et al.*,  
  
Defendants and Respondents.  

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GARDEN GROVE MXD, LLC, and  
MCWHINNEY REAL ESTATE SERVICES,  
and DOES 21 through 40,  
  
Real Parties in Interest.

) Case No. 30-2009-00291597

) **JUDGMENT**

) Complaint Filed: August 10, 2009  
) Dept.: CX-102  
) Judge: Robert J. Moss

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IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

Judgment is entered in favor of Plaintiff Maria Malta and against Defendants pursuant to the terms stated below.

1. As used herein, the term "Low Income Households" shall have the meaning set forth in Health and Safety Code section 50079.5.

2. As used herein, the term "Very Low Income Households" shall have the meaning set forth in Health and Safety Code section 50105.

3. As used herein, the term "Low Income Rent" shall be rent affordable to lower income households as set forth in Health and Safety Code section 50053(b)(3).

4. As used herein, the term "Very Low Income Rent" shall be rent affordable to very low income households as set forth in Health and Safety Code section 50053(b)(2).

5. Within the timeframe described in Paragraph 9, below, the Successor Agency or, at its discretion, the Housing Successor (hereinafter "Successors"), shall develop replacement housing. Pursuant to this paragraph funds held in the Low and Moderate Income Housing Asset Fund, as defined in Health and Safety Code section 34176, shall be available for development of the replacement housing pursuant to this Judgment. The Successors shall develop or cause to be developed twenty five (25) additional new construction dwelling units as replacement housing for the Travel Country Recreational Vehicle Park ("Park") to address Plaintiff Malta's claims for development of replacement housing pursuant to Health and Safety Code section 33413. No less than twelve (12) of the units developed pursuant to this paragraph shall be covenanted to be leased at Very Low Income Rent and restricted to occupancy by Very Low Income Households; the balance of thirteen (13) units shall be covenanted to be leased at Low Income Rent and restricted to occupancy by Low Income Households.

6. In addition to the dwelling units described in Paragraph 6, within the timeframe described in Paragraph 9, below Successors shall develop or cause to be developed thirteen (13) additional dwelling units, either as new construction or Substantial Rehabilitation (as defined below), as replacement housing for the Park to address Plaintiff Malta's claims for development



1 of replacement housing pursuant to Health and Safety Code section 33413. No less  
2 than seven (7) of the units developed pursuant to this paragraph shall be covenanted to be leased  
3 at Very Low Income Rent and restricted to occupancy by Very Low Income Households; the  
4 balance of six (6) units shall be covenanted to be leased at Low Income Rent and restricted to  
5 occupancy by Low Income Households.

6 7. The Successors may reduce the number of dwelling units required to be developed  
7 pursuant to Paragraph 7 (but not Paragraph 6) by one dwelling unit for each dwelling unit offered  
8 to a household listed on Exhibit A hereto that is rejected by such household provided that a  
9 household's rejection of a unit under this section will not disqualify that household from  
10 eligibility under Paragraph 11. In order to reduce the unit count, (1) a displaced household must  
11 receive an offer of affordable replacement housing after a determination (provided to the  
12 displaced household in writing) by the operator of that housing that the displaced household  
13 is eligible for occupancy of the replacement housing with respect to all of its qualifications and  
14 restrictions, including but not limited to income, family size, rental history and credit score, (2)  
15 the offer of affordable housing must be either hand delivered to the displaced household as  
16 evidenced by a proof of personal service, or through regular and certified U.S. mail, and (3) the  
17 displaced household must be allowed ten (10) business days after receipt of the offer to accept or  
18 reject the offer.

19 8. The Successors shall develop, rehabilitate, construct or cause the development,  
20 rehabilitation or construction (as applicable) of the dwelling units described in Paragraphs 6 and  
21 7 ("Replacement Units") within four years from entry of judgment in this case.

22 9. "Substantial Rehabilitation" shall have the same meaning as contained in Health  
23 and Safety Code section 33413.

24 10. In accordance with Health and Safety Code section 33411.3, all residents displaced  
25 by the Redevelopment Agency shall have priority in occupancy of the Replacement Units  
26 developed pursuant to this Judgment. Successors shall provide for such priority in any agreement  
27

1 for development or administration of the Replacement Units, and shall maintain a list of eligible  
2 persons and families displaced by the Redevelopment Agency.

3 11. Pursuant to action of the California Legislature in Stats. 2012, Ch. 5 (Assembly  
4 Bill No. 26, 2011-2012 1st Ex. Sess.) (the "Dissolution Act"), effective June 29, 2011,  
5 redevelopment agencies throughout California began a dissolution process. The Dissolution Act  
6 provides that the city "that authorized the creation of each redevelopment agency" became the  
7 "successor agency" to that redevelopment agency, by operation of law, unless the designated  
8 successor entity elected not to serve as the successor agency. California Health and Safety Code  
9 sections 34173(a), (d). The Garden Grove City Council adopted resolutions electing to serve as  
10 the Successor Agency to the dissolved Redevelopment Agency pursuant to Health and Safety  
11 Code section 34173, and designating the Garden Grove Housing Authority as the Housing  
12 Successor pursuant to Health and Safety Code section 34176. City of Garden Grove Resolution  
13 Nos. 9072-11 (July 12, 2011) and 9089-12 (Jan 17, 2012). As prescribed by the Dissolution Act,  
14 the amounts the Successor Agency is obligated to pay pursuant to the terms of this Judgment shall  
15 be included as an enforceable obligation of the Successor Agency on each applicable Recognized  
16 Obligation Payment Schedule ("ROPS"), as defined in California Health and Safety Code section  
17 34171(h) and in accordance with Health and Safety Code section 34177(l), (m), and as set forth  
18 below.

19 12. The Successor Agency shall include in the ROPS due to be completed and  
20 approved by the oversight board of the Successor Agency no later than October 3, 2015 (ROPS  
21 2015-16B), amounts for Replacement Units that will be expended during the January 1, 2016  
22 through June 30, 2016 period. The amounts to be expended during this ROPS 2015-16B period  
23 shall be appropriate to complete development of the Replacement Units for occupancy within  
24 four years from entry of the Judgment.

25 13. The Successor Agency shall pay \$9,000 in attorneys' fees to counsel for Plaintiff  
26 Malta. The entire amount of attorneys' fees shall be placed on the ROPS due to be completed by  
27 the oversight board of the Successor Agency no later than October 3, 2014 (ROPS 2014-15B).

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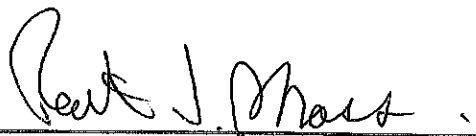
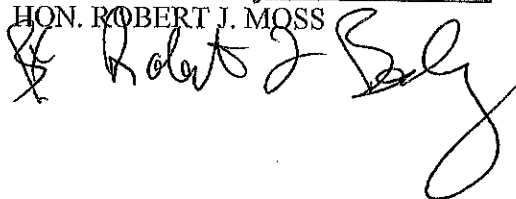
14. The obligations contained herein are obligations of the Garden Grove Agency for Community Development ("Redevelopment Agency"), now dissolved, prior to enactment of the Dissolution Act. The obligations set forth herein are not and under no circumstances shall they be construed as obligations of the City or Garden Grove Housing Authority other than in their roles as Successor Agency and Housing Successor, respectively. Consistent with Health and Safety Code § 34173(e), Successor Agency's liability for amounts owing pursuant to this Judgment shall be limited to the extent of the total sum of property tax revenues the Successor Agency and the Housing Successor receive pursuant to the ROPS process and the value of the assets received by the Successor Agency and the Housing Successor. The Successor Agency shall continue to list the obligations of this Judgment on each ROPS until all obligations required by the Judgment are satisfied.

15. The Court shall have continuing jurisdiction to enforce the terms of this settlement and Judgment pursuant to California Code of Civil Procedure section 664.6.

16. This Judgment represents the sole obligation among the parties hereto and all other causes of action and/or claims arising out of this action are dismissed with prejudice and forever waived.

IT IS SO ORDERED.

DATED: 6/10/15

  
\_\_\_\_\_  
HON. ROBERT J. MOSS  


**Recognized Obligation Payment Schedule (ROPS 22-23) - Summary**  
**Filed for the July 1, 2022 through June 30, 2023 Period**

**Successor Agency:** Garden Grove

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>22-23A Total (July - December)</b>	<b>22-23B Total (January - June)</b>	<b>ROPS 22-23 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 3,211,442</b>	<b>\$ -</b>	<b>\$ 3,211,442</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,281,942	-	3,281,942
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 13,161,712</b>	<b>\$ 3,643,445</b>	<b>\$ 16,805,157</b>
F RPTTF	13,029,983	3,505,036	16,535,019
G Administrative RPTTF	138,809	138,809	277,618
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 16,450,734</b>	<b>\$ 3,643,445</b>	<b>\$ 20,094,179</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

/s/ \_\_\_\_\_  
Signature Date

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail**  
**July 1, 2022 through June 30, 2023**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$87,362,860		\$20,094,579	\$-	\$-	\$3,281,942	\$13,029,983	\$138,809	\$16,450,734	\$-	\$-	\$-	\$3,505,036	\$138,809	\$3,643,845
6	Katella Cottages OPA	OPA/DDA/ Construction	06/10/ 2008	10/01/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	216,029	N	\$45,000	-	-	-	45,000	-	\$45,000	-	-	-	-	-	\$-
7	Katella Cottages Note	Bonds Issued On or Before 12/ 31/10	06/10/ 2008	10/01/2027	U.S. Bank	Land Acquisition and Project Improvements	C.P.A.	591,950	N	\$179,500	-	-	-	156,700	-	\$156,700	-	-	-	22,800	-	\$22,800
16	Sycamore Walk DDA	Remediation	11/12/ 1996	06/30/2023	Olson Urban Housing	Quarterly Soil/ Ground Water Monitoring Events	C.P.A.	24,699	N	\$20,301	-	-	-	20,301	-	\$20,301	-	-	-	-	-	\$-
18	Housing Fund Deficit	SERAF/ ERAF	02/01/ 2012	12/31/2020	Garden Grove Hsng Auth.	Repayment of Housing Fund from SERAF/ ERAF	n/a	5,054,260	N	\$1,000,000	-	-	-	-	-	\$-	-	-	-	1,000,000	-	\$1,000,000
19	Waterpark Hotel DDA	Business Incentive Agreements	05/12/ 2009	12/31/2031	Garden Grove MXD & Various	Site Assembly/ Project Assistance	C.P.A.	7,773,084	N	\$1,194,979	-	-	-	-	-	\$-	-	-	-	1,194,979	-	\$1,194,979
20	Site B2 DDA	Business Incentive Agreements	06/26/ 2001	06/26/2025	Kam Sang Inc.	Project Assistance & Site Assembly & Preparation Costs	C.P.A.	2,557,140	N	\$56,000	-	-	-	-	-	\$-	-	-	-	56,000	-	\$56,000
22	Brookhurst Triangle DDA	OPA/DDA/ Construction	11/23/ 2010	12/31/2022	New Age Brookhurst, LLC & Various	Site Preparation Costs	C.P.A.	7,200,000	N	\$6,404,640	-	-	-	6,404,640	-	\$6,404,640	-	-	-	-	-	\$-
24	Project Management for Item 20 - Site B2	Project Management Costs	06/26/ 2001	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	122,668	N	\$66,182	-	-	-	33,091	-	\$33,091	-	-	-	33,091	-	\$33,091
27	Agency Property Maint/ Management	Property Maintenance	02/01/ 2012	12/31/2025	Various	Management and Maintenance of Successor Agency Owned Property	C.P.A.	113,797	N	\$86,725	-	-	-	30,000	-	\$30,000	-	-	-	56,725	-	\$56,725

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
					Awaiting Development or Disposal																		
31	Administrative Allowance	Admin Costs	01/01/2014	06/30/2019	City of Garden Grove	Administrative Allowance per AB 1484	n.a.	3,244,458	N	\$277,618	-	-	-	-	138,809	\$138,809	-	-	-	-	-	138,809	\$138,809
33	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	Wang	See Notes.	C.P.A.	1,790,971	N	\$1,790,971	-	-	1,790,971	-	-	\$1,790,971	-	-	-	-	-	-	\$-
34	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	City of Garden Grove	See Notes.	C.P.A.	1,490,971	N	\$1,490,971	-	-	1,490,971	-	-	\$1,490,971	-	-	-	-	-	-	\$-
37	Project Management for Item 22 - Brookhurst	Project Management Costs	11/23/2010	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	85,668	N	\$66,182	-	-	-	33,091	-	\$33,091	-	-	-	33,091	-	\$33,091	
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	06/26/2014	10/01/2029	U.S. Bank National Association	Refunding of 2003 Tax Allocation Bonds	C.P.A.	17,448,525	N	\$3,851,875	-	-	-	3,471,125	-	\$3,471,125	-	-	-	380,750	-	\$380,750	
40	Limón Law Suit Settlement	Litigation	09/20/2013	06/30/2015	Various	Settlement of Former Agency Lawsuit Associated with Item 19	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
47	Appraisals(s)	Admin Costs	07/01/2015	12/31/2018	TBD	Appraisals for Properties on the Long Range Property Management Plan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
49	Limón Law Suit Settlement/ Judgement	Litigation	06/05/2015	06/05/2020	Public Counsel	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
50	Limón Law Suit Settlement/ Judgement	Litigation	06/05/2015	06/05/2020	Various	Replacement Housing Obligation per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
51	Housing Successor Administration	Admin Costs	01/01/2016	06/30/2016	Garden Grove Housing Authority	Administration of the Housing Successor		-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
52	Item 39	Fees	06/26/2014	10/01/2029	U.S. Bank	Fees	C.P.A.	142,120	N	\$6,600	-	-	-	3,300	-	\$3,300	-	-	-	3,300	-	\$3,300	

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	Trustee Fee (2014 TARB)		2014		National Association	associated with Bond payment																	
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	05/12/2009	12/31/2026	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	233,220	N	\$4,100	-	-	-	2,050	-	\$2,050	-	-	-	2,050	-	\$2,050	
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	06/10/2008	10/01/2027	U.S. Bank National Association	Fees associated with Note	C.P.A.	12,800	N	\$2,060	-	-	-	2,060	-	\$2,060	-	-	-	-	-	\$-	
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	06/05/2015	06/30/2021	SYCR and WSS Firms	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	50,000	N	\$50,000	-	-	-	25,000	-	\$25,000	-	-	-	25,000	-	\$25,000	
56	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	10/01/2016	10/01/2033	U.S. Bank	Refunding Bonds issued associated with project item 19	C.P.A.	39,210,500	N	\$3,500,875	-	-	-	2,803,625	-	\$2,803,625	-	-	-	697,250	-	\$697,250	
58	Item 14 Dissemination Fees	Fees	05/01/2008	06/01/2020	Union Bank of California	Fees associated with loan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances**  
**July 1, 2011 through June 30, 2020**  
(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.							
A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 11-20 Cash Balances (07/01/11 - 06/30/20)</b>	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	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07/01/11)</b> RPTTF amount should exclude "A" period distribution amount.	178,908	3,908,503	4,680,696	499,509	1,659,447	E1: \$2,747,247 17-18 PPA + \$1,933,449 18-19 PPA = \$4,680,696; F1: \$301,992 18-19 End Bal + \$197,517 retain fr Other Fds = \$499,509; G1: \$1,659,447 16-17 PPA to be spent in ROPS 19-20
2	<b>Revenue Income (Actual 06/30/20)</b> RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				349,524	18,235,562	G2: 19-20 RPTTF
3	<b>Expenditures for ROPS 11-20 Enforceable Obligations (Actual 06/30/20)</b>				305,911	10,275,557	
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	178,908	3,908,503	4,680,696	499,509	6,404,640	F4: Retain \$144,018 (item 7 ROPS 20-21) +\$53,499 (item 27 ROPS 30-21) + \$301,992 (item 39 ROPS 21-22) = \$499,509; G4: Retain \$6,404,640 (transferred from ROPS 19-20 RPTTF to reserve for item 22 ROPS 21-22 ).



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.

A	B	C	D	E	F	G	H
	<b>ROPS 1-20 Cash Balances (07/01/11 - 06/30/20)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
<b>5</b>	<b>ROPS 1-20 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC		<b>No entry required</b>			3,214,812	19-20 PPA
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/20)</b> C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	<b>\$43,613</b>	\$-	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Notes**  
**July 1, 2022 through June 30, 2023**

Item #	Notes Comments
6	
7	
16	
18	
19	This item has a Final and Conclusive Determination approved on February 6, 2013 by the DOF. Request is for TOT differential per Section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement.
20	Anticipated work for current ROPS delayed due to COVID-19. Will not be completed until ROPS 2022-23. Asking amount previously approved for ROPS 2020-21 be approved for ROPS 2022-23 in order to complete the work.
22	Dry utility planning anticipated in ROPS 2019-20 will continue through ROPS 2022-23. Requesting previously approved ROPS 2019-20 funds to be approved for ROPS 2022-23 to complete the work. DDA requires Successor Agency pay Developer \$6,400,000 at closing of Phase II Property from Housing Set Aside Fund if developer increases number of affordable rental units from 60 to 120 per Section 510 of the DDA. Developer has committed to increase # of affordable units and is requesting Successor Agency pay them \$6,400,000 at closing of Phase II. All cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency. The Successor Agency is requesting the \$6,400,000 payment due to Developer required by Section 510 be paid from ROPS 2022-23 because of unforeseen delays in ROPS 21-22 that included a delayed response in utility companies, continued negotiations with developer, changes in the economy, and COVID-19.
24	
27	
31	
33	This property was acquired in 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of Garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these items should be "Other Funds". Due to delays related to COVID-19, the sale and transfer of the property previously scheduled in ROPS 2020-21 will now take place in ROPS 2022-23.
34	This property was acquired in 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of Garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these items should be "Other Funds". Due to delays related to COVID-19, the sale and transfer of the property previously scheduled in ROPS 2020-21 will now take place in ROPS 2022-23.
37	
39	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Notes**  
**July 1, 2022 through June 30, 2023**

Item #	Notes Comments
40	
47	
49	
50	
51	
52	
53	Requesting \$2,050 which includes an overage of \$160 from ROPS FY19-20
54	
55	
56	
58	



Transmitted via e-mail

March 25, 2022

Grace E. Lee, Sr. Economic Development Specialist  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

### **2022-23 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Garden Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 25, 2022. Finance has completed its review of the ROPS 22-23.

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

- Item No. 22 – Brookhurst Triangle Disposition and Development Agreement in the requested amount of \$6,404,640 is not allowed for funding from the Redevelopment Property Tax Trust Fund (RPTTF). The County Auditor-Controller (CAC) reports the Agency received an RPTTF distribution equal to the amounts Finance approved for the July 1, 2020 through June 30, 2021 (ROPS 20-21) period. Therefore, the Agency was provided sufficient funding and \$6,404,640 has been reclassified from RPTTF to Reserve Balances.
- On the ROPS 22-23 form, the Agency reported cash balances and activity for the period July 1, 2019 through June 30, 2020 (ROPS 19-20). According to our review, the Agency has approximately \$43,613 from Other Funds available to fund enforceable obligations on the ROPS 22-23. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. The item below does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source has been reclassified in the amount specified below:
  - Item No. 39 – 2014 Tax Allocation Refunding Bonds in the amount of \$3,851,875 is partially reclassified. Finance is approving RPTTF in the amount of \$3,808,262 and the use of Other Funds in the amount of \$43,613, totaling \$3,851,875.

- The claimed administrative costs exceed the allowance by \$27,618. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for fiscal year 2022-23.

Although \$277,618 is claimed for ACA, only \$250,000 is available pursuant to the cap. Therefore, as noted in the table below, \$27,618 in excess ACA is not allowed:

<b>Administrative Cost Allowance (ACA) Calculation</b>	
Actual RPTTF distributed for fiscal year 2021-22	\$7,697,961
Less distributed Administrative RPTTF	(188,886)
<b>RPTTF distributed for 2021-22 after adjustments</b>	<b>\$7,509,075</b>
ACA Cap for 2022-23 per HSC section 34171 (b)	\$250,000
<b>Total ACA</b>	<b>\$ 277,618</b>
<b>ACA in Excess of the Cap</b>	<b>(\$ 27,618)</b>

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the CAC's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$714,292, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance approves the remaining items listed on the ROPS 22-23 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 22-23, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 22-23. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 22-23 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 22-23 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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 Todd Vermillion, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Lisa Kim, Assistant City Manager, City of Garden Grove  
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 13,029,983	\$ 3,505,036	\$ 16,535,019
Administrative RPTTF Requested	138,809	138,809	277,618
<b>Total RPTTF Requested</b>	<b>13,168,792</b>	<b>3,643,845</b>	<b>16,812,637</b>
<b>RPTTF Requested</b>	<b>13,029,983</b>	<b>3,505,036</b>	<b>16,535,019</b>
<u>Adjustment(s)</u>			
Item No. 22	(6,404,640)	0	(6,404,640)
Item No. 39	(43,613)	0	(43,613)
	(6,448,253)	0	(6,448,253)
<b>RPTTF Authorized</b>	<b>6,581,730</b>	<b>3,505,036</b>	<b>10,086,766</b>
<b>Administrative RPTTF Requested</b>	<b>138,809</b>	<b>138,809</b>	<b>277,618</b>
Excess Administrative Costs	(0)	(27,618)	(27,618)
<b>Administrative RPTTF Authorized</b>	<b>138,809</b>	<b>111,191</b>	<b>250,000</b>
ROPS 19-20 prior period adjustment (PPA)	(6,720,539)	(2,901,935)	(9,622,474)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 714,292</b>	<b>\$ 714,292</b>

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary**  
**Filed for the July 1, 2021 through June 30, 2022 Period**

**Successor Agency:** Garden Grove

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>21-22A Total (July - December)</b>	<b>21-22B Total (January - June)</b>	<b>ROPS 21-22 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 3,311,□42</b>	<b>\$ 26,□□□</b>	<b>\$ 3,33□,□41</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,311,942	26,899	3,338,841
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 13,037,2□3</b>	<b>\$ 3,301,040</b>	<b>\$ 16,33□,333</b>
F RPTTF	12,848,407	3,112,154	15,960,561
G Administrative RPTTF	188,886	188,886	377,772
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 16,34□,235</b>	<b>\$ 3,327,□3□</b>	<b>\$ 1□,677,174</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

/s/ \_\_\_\_\_  
Signature Date



**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail**  
**July 1, 2021 through June 30, 2022**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
							\$100,890,623			\$19,677,174	\$-	\$-	\$3,311,942	\$12,848,407	\$188,886	\$16,349,235	\$-	\$-	\$26,899	\$3,112,154	\$188,886	\$3,327,939
6	Katella Cottages OPA	OPA/DDA/ Construction	06/10/ 2008	10/01/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	3,925,400	N	\$45,000	-	-	-	-	-	\$-	-	-	-	45,000	-	\$45,000
7	Katella Cottages Note	Bonds Issued On or Before 12/ 31/10	06/10/ 2008	10/01/2027	U.S. Bank	Land Acquisition and Project Improvements	C.P.A.	768,950	N	\$177,000	-	-	-	150,300	-	\$150,300	-	-	-	26,700	-	\$26,700
16	Sycamore Walk DDA	Remediation	11/12/ 1996	06/30/2023	Olson Urban Housing	Quarterly Soil/ Ground Water Monitoring Events	C.P.A.	24,699	N	\$20,301	-	-	-	20,301	-	\$20,301	-	-	-	-	-	\$-
18	Housing Fund Deficit	SERAF/ ERAF	02/01/ 2012	12/31/2020	Garden Grove Hsng Auth.	Repayment of Housing Fund from SERAF/ ERAF	n/a	6,054,260	N	\$1,000,000	-	-	-	-	-	\$-	-	-	-	1,000,000	-	\$1,000,000
19	Waterpark Hotel DDA	Business Incentive Agreements	05/12/ 2009	12/31/2031	Garden Grove MXD & Various	Site Assembly/ Project Assistance	C.P.A.	8,146,542	N	\$373,458	-	-	-	-	-	\$-	-	-	-	373,458	-	\$373,458
20	Site B2 DDA	Business Incentive Agreements	06/26/ 2001	06/26/2025	Kam Sang Inc.	Project Assistance & Site Assembly & Preparation Costs	C.P.A.	2,928,570	N	\$371,430	-	-	-	-	-	\$-	-	-	-	371,430	-	\$371,430
22	Brookhurst Triangle DDA	OPA/DDA/ Construction	11/23/ 2010	12/31/2025	New Age Brookhurst, LLC & Various	Site Preparation Costs	C.P.A.	7,200,000	N	\$6,404,640	-	-	-	6,404,640	-	\$6,404,640	-	-	-	-	-	\$-
24	Project Management for Item 20 - Site B2	Project Management Costs	06/26/ 2001	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	182,334	N	\$59,666	-	-	-	29,833	-	\$29,833	-	-	-	29,833	-	\$29,833
25	Project Legal for Items 19-20	Legal	06/26/ 2001	12/31/2026	SYCR and WSS Firms	Legal Costs Associated with project items 19 & 20	C.P.A.	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
27	Agency Property Maint/	Property Maintenance	02/01/ 2012	12/31/2025	Various	Management and Maintenance	C.P.A.	113,797	N	\$56,899	-	-	30,000	-	-	\$30,000	-	-	26,899	-	-	\$26,899

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
	Management					of Successor Agency Owned Property Awaiting Development or Disposal																
31	Administrative Allowance	Admin Costs	01/01/2014	06/30/2019	City of Garden Grove	Administrative Allowance per AB 1484	n.a.	3,622,230	N	\$377,772	-	-	-	-	188,886	\$188,886	-	-	-	-	188,886	\$188,886
33	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	Wang	See Notes.	C.P.A.	1,790,971	N	\$1,790,971	-	-	1,790,971	-	-	\$1,790,971	-	-	-	-	-	\$-
34	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2025	City of Garden Grove	See Notes.	C.P.A.	1,490,971	N	\$1,490,971	-	-	1,490,971	-	-	\$1,490,971	-	-	-	-	-	\$-
37	Project Management for Item 22 - Brookhurst	Project Management Costs	11/23/2010	12/31/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	145,334	N	\$59,666	-	-	-	29,833	-	\$29,833	-	-	-	29,833	-	\$29,833
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	06/26/2014	10/01/2029	U.S. Bank National Association	Refunding of 2003 Tax Allocation Bonds	C.P.A.	21,323,875	N	\$3,875,350	-	-	-	3,419,225	-	\$3,419,225	-	-	-	456,125	-	\$456,125
40	Limón Law Suit Settlement	Litigation	09/20/2013	06/30/2015	Various	Settlement of Former Agency Lawsuit Associated with Item 19	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
47	Appraisals(s)	Admin Costs	07/01/2015	12/31/2018	TBD	Appraisals for Properties on the Long Range Property Management Plan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
49	Limón Law Suit Settlement/ Judgement	Litigation	06/05/2015	06/05/2020	Public Counsel	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
50	Limón Law Suit Settlement/ Judgement	Litigation	06/05/2015	06/05/2020	Various	Replacement Housing Obligation per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
51	Housing Successor	Admin Costs	01/01/2016	06/30/2016	Garden Grove	Administration of the		-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
	Administration				Housing Authority	Housing Successor																
52	Item 39 Trustee Fee (2014 TARB)	Fees	06/26/2014	10/01/2029	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	148,720	N	\$6,600	-	-	-	3,300	-	\$3,300	-	-	-	3,300	-	\$3,300
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	05/12/2009	12/31/2026	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	237,320	N	\$4,100	-	-	-	2,050	-	\$2,050	-	-	-	2,050	-	\$2,050
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	06/10/2008	10/01/2027	U.S. Bank National Association	Fees associated with Note	C.P.A.	14,400	N	\$1,600	-	-	-	800	-	\$800	-	-	-	800	-	\$800
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	06/05/2015	06/30/2021	SYCR and WSS Firms	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	50,000	N	\$50,000	-	-	-	25,000	-	\$25,000	-	-	-	25,000	-	\$25,000
56	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	10/01/2016	10/01/2033	U.S. Bank	Refunding Bonds issued associated with project item 19	C.P.A.	42,722,250	N	\$3,511,750	-	-	-	2,763,125	-	\$2,763,125	-	-	-	748,625	-	\$748,625
57	Project Management for Item 19 - Water Park	Business Incentive Agreements	06/26/2009	12/31/2026	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
58	Item 14 Dissemination Fees	Fees	05/01/2008	06/01/2020	Union Bank of California	Fees associated with loan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 201 through June 30, 201**  
(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.							
A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 1-1 Cash Balances (07011 - 06301)</b>	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	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 07011)</b> RPTTF amount should exclude "A" period distribution amount.	175,517	3,881,440	2,912,771	197,517	2,747,247	Reserve balance are unspent funds from the ROPS 15-16 period reserved to be spent on Line#2 of ROPS 18-19 per the April 13, 2018 determination letter. RPTTF balance agrees to the ROPS17-18PPA reported by the CAC.
2	<b>Revenue Income (Actual 06301)</b> RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				435,735	13,759,951	
3	<b>Expenditures for ROPS 1-1 Enforceable Obligations (Actual 06301)</b>			2,912,771	5,204	12,239,565	
4	<b>Retention of Available Cash Balance (Actual 06301)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				197,517		As per determination letter dated April 9, 2020, \$144,018 of other funds will be applied to Line#7 of ROPS 20-21 and \$53,499 will be applied to Line#27.
5	<b>ROPS 1-1 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC		<b>No entry required</b>			1,933,449	

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.

A	B	C	D	E	F	G	H
	<b>ROPS 1□-1□ Cash Balances (07□01□ - 06□30□)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
<b>6</b>	<b>Ending Actual Available Cash Balance (06□30□)</b> <b>C to F □ (1 + 2 - 3 - 4), G □ (1 + 2 - 3 - 4 - 5)</b>	<b>\$175,517</b>	<b>\$3,□□1,440</b>	<b>\$-</b>	<b>\$430,531</b>	<b>\$2,334,1□4</b>	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes Comments
6	
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19	This item has a Final and Conclusive Determination approved on February 6, 2013 by the DOF. Request is for a TOT differential per Section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement.
20	Anticipated work for current ROPS delayed due to COVID-19. Will not be completed until ROPS 2021-22. Asking amount previously approved for ROPS 2020-21 be approved for ROPS 2021-22 in order to complete the work.
22	Dry utility planning anticipated in ROPS 2019-20 will continue through ROPS 2021-22. Requesting previously approved ROPS 2019-20 funds to be approved for ROPS 2021-22 to complete the work. DDA requires Successor Agency pay Developer \$6,400,000 at closing of Phase II Property from Housing Set Aside Fund if developer increases number of affordable rental units from 60 to 120 per Section 510 of the DDA. Developer has committed to increase # of affordable units and is requesting Successor Agency pay them \$6,400,000 at closing of Phase II. All cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency. The Successor Agency is requesting the \$6,400,000 payment due to Developer required by Section 510 be paid from ROPS 2021-22 because of unforeseen delays in ROPS 20-21 that included a delayed response in utility companies, continued negotiations with developer, changes in the economy, and COVID-19.
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33	This property was acquired in 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of Garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these items should be "Other Funds". Due to delays related to COVID-19, the sale and transfer of the property previously scheduled in ROPS 2020-21 will now take place in ROPS 2021-22.
34	This property was acquired in 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of Garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these items should be "Other Funds". Due to delays related to COVID-19, the sale and transfer of the property previously scheduled in ROPS 2020-21 will now take place in ROPS 2021-22.
37	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes Comments
39	
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Transmitted via e-mail

April 8, 2021

Grace E. Lee, Senior Economic Development Specialist  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

### **2021-22 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Garden Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 19, 2021. Finance has completed its review of the ROPS 21-22.

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

- Item No. 6 – Katella Cottages Owner Participation Agreement in the total outstanding amount of \$3,925,400 is overstated. Based on our review of documents provided by the Agency, the outstanding amount is \$261,029. Therefore, Finance reduced the outstanding balance on the Agency's ROPS Detail Form by \$3,664,371 to \$261,029. Additionally, Finance is approving \$45,000 requested in Redevelopment Property Tax Trust Fund (RPTTF) funding; and therefore, the outstanding balance on the subsequent ROPS Detail Form should be updated accordingly.
- Item No. 22 – Brookhurst Triangle Disposition and Development Agreement in the requested amount of \$6,404,640 is not allowed for funding from RPTTF. The County Auditor-Controller (CAC) reports the Agency received RPTTF distribution equal to the amounts Finance approved for the July 1, 2019 through June 30, 2020 and July 1, 2020 through June 30, 2021 periods. Consequently, the Agency has sufficient funds; therefore, \$6,404,640 has been reclassified from RPTTF to Reserve Balances.
- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$301,992 from Other Funds available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. This item does not require payment from property tax revenues; therefore, with the Agency's concurrence, the following item has been reclassified:
  - Item No. 39 – 2014 Tax Allocation Refunding Bonds in the amount of \$3,875,350 is partially reclassified. Finance is approving RPTTF in the amount of \$3,573,358 and Other Funds in the amount of \$301,992, totaling \$3,875,350.



Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 18-19 period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the CAC's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$7,697,961, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 21-22. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 21-22 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 21-22 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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.

Grace E. Lee  
April 8, 2021  
Page 3

Please direct inquiries to Anna Kyumba, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Lisa Kim, Assistant City Manager, City of Garden Grove  
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2021 through June 2022</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 12,848,407	\$ 3,112,154	\$ 15,960,561
Administrative RPTTF Requested	188,886	188,886	377,772
<b>Total RPTTF Requested</b>	<b>13,037,293</b>	<b>3,301,040</b>	<b>16,338,333</b>
<b>RPTTF Requested</b>	<b>12,848,407</b>	<b>3,112,154</b>	<b>15,960,561</b>
<u>Adjustment(s)</u>			
Item No. 22	(6,404,640)	0	(6,404,640)
Item No. 39	(301,992)	0	(301,992)
	(6,706,632)	0	(6,706,632)
<b>RPTTF Authorized</b>	<b>6,141,775</b>	<b>3,112,154</b>	<b>9,253,929</b>
<b>Administrative RPTTF Authorized</b>	<b>188,886</b>	<b>188,886</b>	<b>377,772</b>
ROPS 18-19 prior period adjustment (PPA)	(1,933,740)	0	(1,933,740)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 4,396,921</b>	<b>\$ 3,301,040</b>	<b>\$ 7,697,961</b>



Transmitted via e-mail

April 9, 2020

Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

### **2020-21 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Garden Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on January 23, 2020. Finance has completed its review of the ROPS 20-21.

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

- Item No. 6 – Katella Cottages OPA in the total outstanding amount of \$3,970,400 is overstated. Based on our review of documents provided by the Agency, the outstanding amount is \$306,029. Therefore, Finance reduced the outstanding balance on the Agency's ROPS Detail Form by \$3,664,371 to \$306,029. Additionally, Finance is approving \$45,000 requested in Redevelopment Property Tax Trust Fund (RPTTF) funding; and therefore, the outstanding balance on the subsequent ROPS Detail Form should be updated accordingly.
- On the ROPS 20-21 form, the Agency reported cash balances and activity for the period July 1, 2017 through June 30, 2018 (ROPS 17-18). According to our review, the Agency has approximately \$144,018 from Other Funds available to fund enforceable obligations on the ROPS 20-21. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funds. This item does not require payment from property tax revenues; therefore, the funding source for the following item has been partially reclassified in the amount specified below:
  - Item No. 7 – Katella Cottages Note in the amount of \$179,050. Finance is approving RPTTF in the amount of \$35,032 and the use of Other Funds in the amount of \$144,018, totaling \$179,050.
- 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 (prior period adjustments) for the ROPS 17-18 period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF authorized includes the prior period adjustment (PPA) resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$16,926,684, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 20-21. If the Agency disagrees with our determination with respect to any items on the ROPS 20-21, except items which 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 20-21. 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 20-21 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 20-21 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.

Monica L. Covarrubias  
April 9, 2020  
Page 3

The amount available from the RPTF is the same as the amount of property tax increment available prior to the enactment of the 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 RPTF.

Please direct inquiries to Anna Kyumba, Supervisor, or Satveer Ark, Staff, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Lisa Kim, Assistant City Manager, City of Garden Grove  
Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

<b>Approved RPTTF Distribution July 2020 through June 2021</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>ROPS 20-21 Total</b>
RPTTF Requested	\$ 12,788,725	\$ 6,516,307	\$ 19,305,032
Administrative RPTTF Requested	256,459	256,458	512,917
<b>Total RPTTF Requested</b>	<b>13,045,184</b>	<b>6,772,765</b>	<b>19,817,949</b>
<b>RPTTF Requested</b>	<b>12,788,725</b>	<b>6,516,307</b>	<b>19,305,032</b>
<u>Adjustment</u>			
Item No. 7	(144,018)	0	(144,018)
<b>RPTTF Authorized</b>	<b>12,644,707</b>	<b>6,516,307</b>	<b>19,161,014</b>
<b>Administrative RPTTF Authorized</b>	<b>256,459</b>	<b>256,458</b>	<b>512,917</b>
ROPS 17-18 prior period adjustment (PPA)	(2,747,247)	0	(2,747,247)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 10,153,919</b>	<b>\$ 6,772,765</b>	<b>\$ 16,926,684</b>

# Orange Countywide Oversight Board

Agenda Item No. 5d

Date: 1/17/2023

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 2023-2024 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 2023-2024. Attachment 1 is the proposed Orange County Oversight Board Resolution for Irvine's 2023-2024 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, 2023 through June 30, 2024 (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 \$94,695,356 million.

The Administrative Budget for the Successor Agency is \$80,000 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 2023 is estimated to be \$7,000,000 and is included as item #4 on the FY 2023-2024 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 \$87,615,356 million and is included as item #18 on the FY 2023-2024 ROPS.

The City Council of the City of Irvine – serving as the Successor Agency’s governing body – approved the FY 2023-2024 ROPS and Administrative Budget at its meeting on November 22, 2022. (Attachment 7)

Additional attachments include:

- Attachment 8 – Orange County Oversight Board Resolution 21-004 for Irvine (ROPS July 2021 – June 2022)
- Attachment 9 – Orange County Oversight Board Resolution 22-006 for Irvine (ROPS July 2022 – June 2023)
- Attachments 10 and 11 – Department of Finance Review Letters for Irvine for FY 2021-22 and 2022-23, respectively
- Attachments 12 and 13 – Irvine’s Two Prior Year’s Approved ROPS Payments for FY 2021-22 and 2022-23, 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 2023.

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 \$204,384,644 million, leaving an outstanding balance of \$87,615,356 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

#### Attachments

1. Proposed Oversight Board Resolution No. 2023-\_\_\_\_
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 2023-24 ROPS Schedule
6. Irvine 2023-24 Admin Budget
7. Irvine Successor Agency ROPS Meeting Minutes November 22, 2022
8. Orange County Oversight Board Resolution 21-004 for Irvine (ROPS July 2021 – June 2022)
9. Orange County Oversight Board Resolution 22-006 for Irvine (ROPS July 2022 – June 2023)
10. Department of Finance Review Letter for Irvine ROPS 21-22
11. Department of Finance Review Letter for Irvine ROPS 22-23
12. Irvine Approved ROPS for 21-22 A and B
13. Irvine Approved ROPS for 22-23 A and B

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH  
OVESIGHT OF THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE  
REDEVELOPMENT AGENCY OF THE CITY OF IRVINE, CALIFORNIA *APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE [ROPS] 2023-24 A-B FOR THE  
ANNUAL FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2024, INCLUDING THE FY  
2023-24 ADMINISTRATIVE BUDGET, SUBJECT TO SUBMITTAL TO, AND REVIEW BY  
THE STATE DEPARTMENT OF FINANCE [DOF] PURSUANT TO DISSOLUTION LAW,  
AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF*

**WHEREAS**, the Irvine Redevelopment Agency (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Irvine (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the Dissolved Irvine Redevelopment Agency (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 2023-24 A-B fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 2023-24 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2023; and

**WHEREAS**, the ROPS 2023-24, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2023-24 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 2023-24 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 2023-24 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 2023-24 A-B submitted therewith and incorporated by this reference, including the FY 2023-24 administrative budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 2023-24 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Irvine’s Finance Director or authorized designee is directed to post this Resolution, including the ROPS 2023-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

**CONTRACTS  
SCAN SHEET**

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

*Bull Campbell* SN

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	 <p>SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD</p> <p>ATTEST: <u>[Signature]</u> DARLENE J. BLOOM CLERK OF THE BOARD OF SUPERVISORS ORANGE COUNTY, CALIFORNIA</p>
	<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.

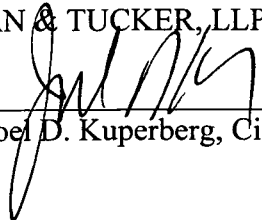
Dated: 3/18, 2005

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

**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

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

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**

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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/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

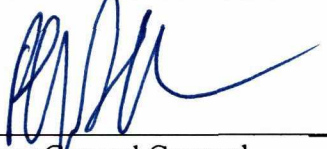
ATTEST:  
 \_\_\_\_\_  
City Clerk

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

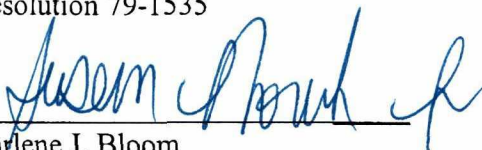


COUNTY OF ORANGE, a political subdivision of  
the State of California

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

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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

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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

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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.

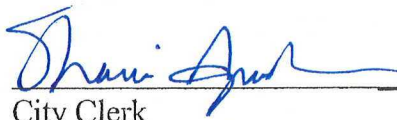
IN WITNESS WHEREOF, the parties hereto have entered into this Implementation Agreement No. 2 as of the date first written above.

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

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



ATTEST:

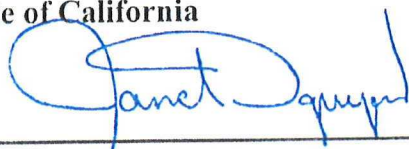
  
\_\_\_\_\_  
City Clerk

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

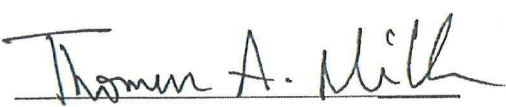
Signed and certified that a copy of this  
document has been delivered to the  
Chair of the Board per G.C. Sec. 25103,  
Resolution 79-1535

  
Darlene J. Bloom

Clerk of the Board of Supervisors  
Orange County, California

APPROVED AS TO FORM:  
County Counsel, COUNTY of Orange



  
Deputy

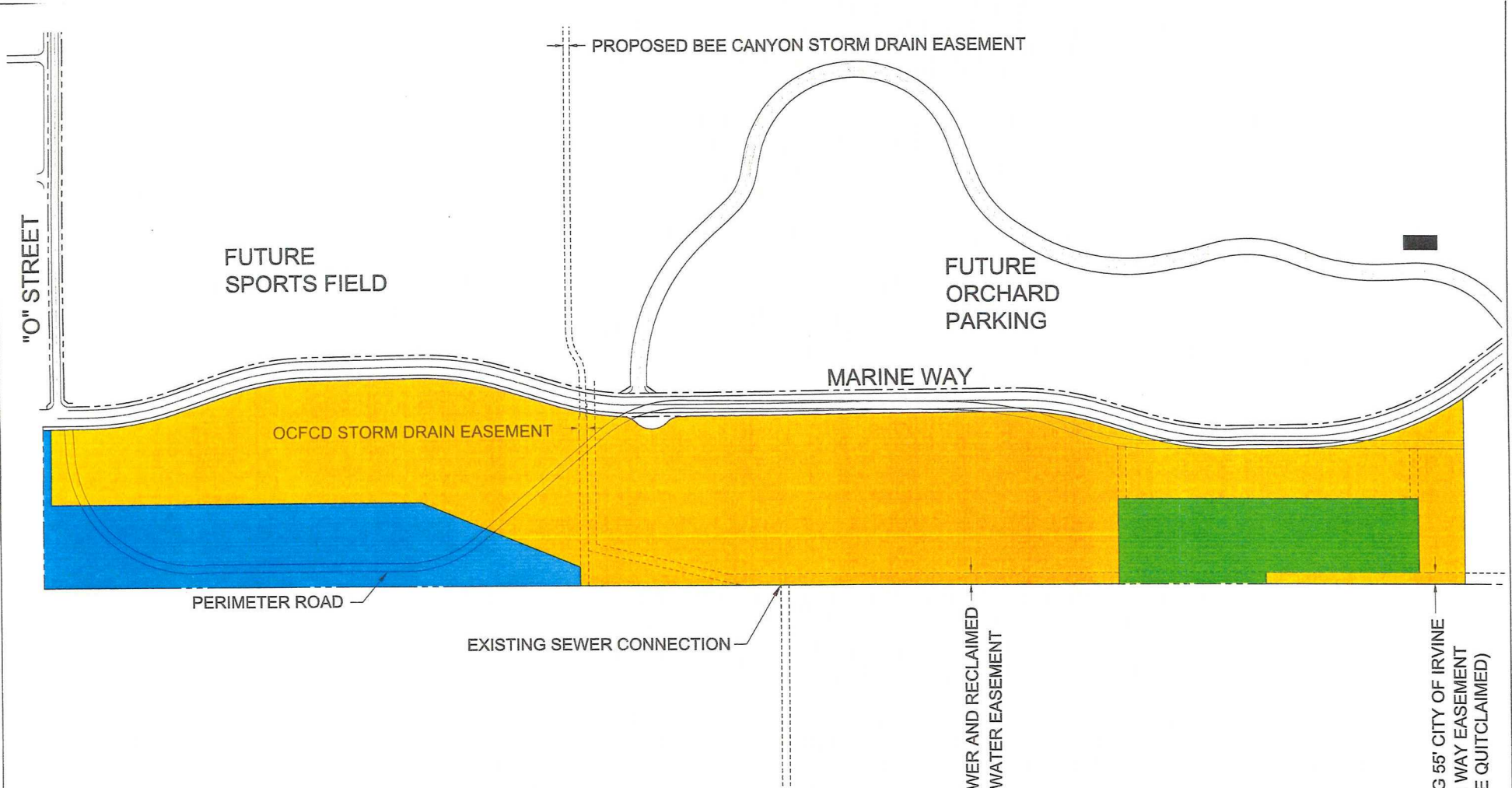
**HERITAGE FIELDS EL TORO, LLC,  
a Delaware limited liability company**

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

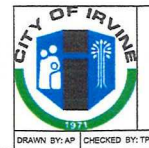
**By: Lennar-LNR Heritage Fields, LLC, a  
Delaware limited liability company  
Its: Administrative Member**

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

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



- LEGEND**
- ORANGE COUNTY PARCEL (100.0 AC)
  - CITY PARCEL
  - HOME 1 AND 5
  - EASEMENT LINE
  - BOUNDARY LINE



**COUNTY PARCEL  
EXHIBIT 1**

## 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

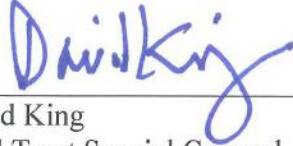
Approved as to form:

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

---


Seth E. Goldstein  
Deputy Attorney General  
Attorneys for Respondents

HENSLEY LAW GROUP

---

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 23-24) - Summary

Filed for the July 1, 2023 through June 30, 2024 Period

**Successor Agency:** Irvine  
**County:** Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	23-24A Total (July - December)	23-24B Total (January - June)	ROPS 23-24 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 50,847,678</b>	<b>\$ 43,847,678</b>	<b>\$ 94,695,356</b>
F RPTTF	50,807,678	43,807,678	94,615,356
G Administrative RPTTF	40,000	40,000	80,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 50,847,678</b>	<b>\$ 43,847,678</b>	<b>\$ 94,695,356</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  
 /s/ \_\_\_\_\_  
 Signature Date

ATTACHMENT I



**Irvine Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances**  
**July 1, 2020 through June 30, 2021**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 20-21 Actuals (07/01/20 - 06/30/21)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	Beginning Available Cash Balance (Actual 07/01/20)					83,353	3,219,211	Beginning cash balance \$3,302,564, less interest of \$83,353 equals \$3,219,211	
2	Revenue/Income (Actual 06/30/21)					128,903	45,685,571	20-21A Payment - \$14,262,085 20-21B Payment - \$31,423,486 Total 20-21A&B Payments = \$45,685,571 (includes \$150,000 for Admin Budget)	
3	Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)						42,157,049	Enforceable obligation - \$38,882,497 Implementation payment - \$3,255,476.69 Admin Cost - \$19,074.97 Total Expenditures = \$42,157,048.66	
4	Retention of Available Cash Balance (Actual 06/30/21)							Include all prior PPAs not yet applied to obligation	
5	ROPS 20-21 RPTTF Balances Remaining	No entry required						3,528,522	
6	Ending Actual Available Cash Balance (06/30/21) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 212,256	\$ 3,219,211		





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

Proposed Administrative Budget  
July 1, 2023 – June 30, 2024

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions, legal expenses, and audit fees	\$66,300
Administrative overhead, duplicating, materials, and supplies	\$13,700
<u>Total Proposed Administrative Budget</u>	<u>\$80,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$80,000
<u>Total Proposed Sources of Payment</u>	<u>\$80,000</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.

**City of Irvine Successor Agency  
Proposed ROPS 23-24 Administrative Budget**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$15,000
Consultant Fees	Annual audits for financial statement	\$19,500
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$3,700
SUBTOTAL:		\$48,200

<b>Position</b>	<b>Duties</b>	<b>Salaries and Benefits Estimated Cost</b>
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$3,498
Finance Officer	Oversees RPTTF funding distribution per agreements	\$5,567
Finance Administrator	Tracks RPTTF funding received	\$844
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	\$18,694
Management Analyst I	Prepares Successor Agency agenda items	\$1,663
Administrative Secretary	Assists with preparation of Successor Agency documents	\$1,533
SUBTOTAL:		\$31,798
<b>TOTAL:</b>		<b>\$80,000</b>



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

The City Council of the City of Irvine, at an adjourned regular joint meeting held on November 22, 2022, with the Successor Agency to the dissolved Irvine Redevelopment Agency, took the following action:

**3. CONSENT CALENDAR – SUCCESSOR AGENCY**

**3.6 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, 2023 THROUGH JUNE 30, 2024**

**ACTION:**

- 1) Adopted the Recognized Obligation Payment Schedule of the former Irvine Redevelopment Agency for July 1, 2023 through June 30, 2024, 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, 2023 through June 30, 2024

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

AYES:	4	COUNCILMEMBERS:	Agran, Kim, Kuo and Khan
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	1	COUNCILMEMBERS:	Carroll
ABSTAIN:	0	COUNCILMEMBERS:	None

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

I, Carl Petersen, City Clerk of the City of Irvine, DO HEREBY CERTIFY that the foregoing is the true and correct action taken at a joint regular meeting of the Irvine City Council held on the 22<sup>nd</sup> day of November, 2022.



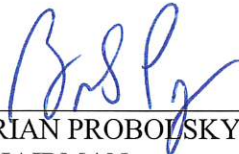
\_\_\_\_\_  
Carl Petersen, MPA, CMC  
City Clerk

DATE: November 28, 2022

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 19, 2021

YES: CHARLES BARFIELD, STEVE FRANKS, CHRIS GAARDER, STEVE JONES, BRIAN PROBOLSKY, DEAN WEST, PHILLIP E. YARBROUGH

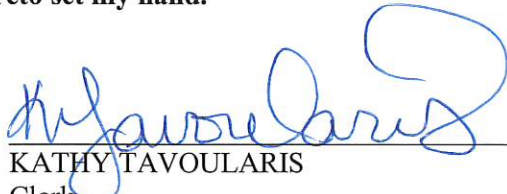
NOES:  
EXCUSED:  
ABSTAINED:

  
\_\_\_\_\_  
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: 21-004

Agenda Date: Tuesday, January 19, 2021

Item No: 4D

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD  
RESOLUTION NO. 21-004**

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 [ROPS] 2021-22 A-B* FOR THE  
ANNUAL FISCAL PERIOD OF JULY 1, 2021 TO JUNE 30, 2022, INCLUDING THE FY  
2021-22 ADMINISTRATIVE BUDGET, SUBJECT TO SUBMITTAL TO, AND REVIEW BY  
THE STATE DEPARTMENT OF FINANCE [DOF] PURSUANT TO DISSOLUTION LAW,  
AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF

**WHEREAS**, the Irvine Redevelopment Agency (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Irvine (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the Dissolved Irvine Redevelopment Agency (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 2021-22 A-B fiscal period of July 1, 2021 to June 30, 2022 (“ROPS 2021-22 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2021; and

**WHEREAS**, the ROPS 2021-22, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2021-22 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 2021-22 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 2021-22 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 2021-22 A-B submitted therewith and incorporated by this reference, including the FY 2021-22 administrative budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 2021-22 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Irvine’s Finance Director or authorized designee is directed to post this Resolution, including the ROPS 2021-22 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary**

Filed for the July 1, 2021 through June 30, 2022 Period

Successor Agency: Irvine  
 County: Orange

	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>			
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>			
F RPTTF	92,285,757	85,774,804	178,060,561
G Administrative RPTTF	50,000	50,000	100,000
<b>H Current Period Enforceable Obligations (A+E):</b>			
	\$ 92,285,757	\$ 85,774,804	\$ 178,060,561
	\$ 92,285,757	\$ 85,774,804	\$ 178,060,561

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.

/s/ Brian Probolsky, chairman Title  
Brian Probolsky Signature Date 11/9/21





**Irvine Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 2018 through June 30, 2019**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>ROPS 18-19 Actuals (07/01/18 - 06/30/19)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/18)</b>						1,000,858		
2	<b>Revenue/Income (Actual 06/30/19)</b> RPTTF amounts should tie to the ROPS 18-19 total distribution from the County Auditor-Controller						27,615,656		
3	<b>Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)</b>						26,062,798		
4	<b>Retention of Available Cash Balance (Actual 06/30/19)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 18-19 RPTTF Balances Remaining</b>	No entry required							
6	<b>Ending Actual Available Cash Balance (06/30/19)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,553,716		



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

<b>Item #</b>	<b>Notes/Comments</b>

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

Proposed Administrative Budget  
July 1, 2021 – June 30, 2022

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$86,200
Administrative overhead, duplicating, materials, and supplies	\$13,800
<u>Total Proposed Administrative Budget</u>	<u>\$100,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$100,000
<u>Total Proposed Sources of Payment</u>	<u>\$100,000</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.

**City of Irvine Successor Agency  
Administrative Budget  
ROPS 21-22**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$ 25,000
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	\$ 3,800
SUBTOTAL:		\$ 58,800

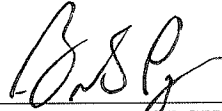
<b>Position</b>	<b>Duties</b>	<b>Salaries and Benefits Estimated Cost</b>
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$ 3,400
Finance Officer	Oversees RPTTF funding distribution per agreements	\$ 5,450
Senior Management Analyst	Develops annual ROPS 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:		\$ 41,200
<b>TOTAL:</b>		<b>\$ 100,000</b>

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 18, 2022

YES: STEVE FRANKS, STEVE JONES, ANIL KUKREJA, BRIAN PROBOLSKY, DEAN WEST

NOES:  
EXCUSED: CHARLES BARFIELD, PHILLIP E. YARBROUGH

ABSTAINED:




\_\_\_\_\_  
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: 22-006

Agenda Date: Tuesday, January 18, 2022

Item No: 5e

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD  
RESOLUTION NO. 22-006**

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 [ROPS] 2022-23 A-B FOR THE  
ANNUAL FISCAL PERIOD OF JULY 1, 2022 TO JUNE 30, 2023, INCLUDING THE FY  
2022-23 ADMINISTRATIVE BUDGET, SUBJECT TO SUBMITTAL TO, AND REVIEW BY  
THE STATE DEPARTMENT OF FINANCE [DOF] PURSUANT TO DISSOLUTION LAW,  
AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF*

**WHEREAS**, the Irvine Redevelopment Agency (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Irvine (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the Dissolved Irvine Redevelopment Agency (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 2022-23 A-B fiscal period of July 1, 2022 to June 30, 2023 (“ROPS 2022-23 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2022; and



**WHEREAS**, the ROPS 2022-23, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2022-23 Administrative Budget is attached as Exhibit B, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 2022-23 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 2022-23 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Orange Countywide Oversight Board hereby approves ROPS 2022-23 A-B submitted therewith and incorporated by this reference, including the FY 2022-23 administrative budget included herewith.

**SECTION 3.** The Orange Countywide Oversight Board authorizes transmittal of the ROPS 2022-23 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

**SECTION 4.** The City of Irvine’s Finance Director or authorized designee is directed to post this Resolution, including the ROPS 2022-23 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**SECTION 6.** The Clerk of the Board shall certify to the adoption of this Resolution.

## Recognized Obligation Payment Schedule (ROPS 22-23) - Summary

Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Irvine  
 County: Orange

		22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 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>\$ 72,357,471</b>	<b>\$ 66,357,471</b>	<b>\$ 138,714,942</b>
F	RPTTF	72,317,471	66,317,471	138,634,942
G	Administrative RPTTF	40,000	40,000	80,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 72,357,471</b>	<b>\$ 66,357,471</b>	<b>\$ 138,714,942</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.

/s/ Brian Probolsky Chairman  
 Name Title  
 Signature [Signature] Date 1-18-22

Irvine Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail

July 1, 2022 through June 30, 2023

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	22-23A (July - December)					Q	22-23B (January - June)					W		
											Fund Sources						Fund Sources							
											L	M	N	O	P		R	S	T	U	V			
																							Bond Proceeds	Reserve Balance
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 22-23 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	22-23A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	22-23B Total		
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCCGP	\$ 30,000,000	N	\$ 6,000,000						\$ 6,000,000								
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCCGP	\$ 650,000	N	\$ -				\$ 6,000,000		\$ -								
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other support	OCCGP	\$ 80,000	N	\$ 80,000						\$ 40,000							\$ 40,000	
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.	OCCGP	\$ 132,634,942	N	\$ 132,634,942				\$ 66,317,471		\$ 66,317,471				\$ 66,317,471			\$ 66,317,471	
23										\$ -						\$ -							\$ -	
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**Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances**  
**July 1, 2019 through June 30, 2020**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 19-20 Actuals (07/01/19 - 06/30/20)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/19) - SHOULD INCLUDE PRIOR PERIOD ADJUSTMENT, IF ANY, THAT REDUCED RPTTF DISTRIBUTIONS FOR THE CURRENT REPORTING PERIOD (DO NOT INCLUDE ROPS A PERIOD DISTRIBUTION)</b>					76,934	1,192,907	Beginning cash balance - \$1,269,840.69 Less the interest for 17-18 (\$47,616) and 18-19 (\$29,318) = \$1,192,907	
2	<b>Revenue/Income (Actual 06/30/20)</b> RPTTF amounts should tie to the ROPS 19-20 total distribution from the County Auditor-Controller.					83,353	42,290,564	19-20A Payment - \$12,066,877 19-20B Payment - \$30,223,687 Total 19-20A&B Payments = \$42,290,564 (includes \$250,000 for Admin Budget)	
3	<b>Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)</b>						40,341,194	Enforceable obligation - \$37,707,089 Implementation payment - \$2,612,088 Admin Cost - \$22,017 Total Expenditures = \$40,341,194	
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 19-20 RPTTF Balances Remaining - RPTTF amount should tie to the Agency's PPA form submitted to the CAC for the current period.</b>	No entry required						1,949,370	
6	<b>Ending Actual Available Cash Balance (06/30/20)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 160,287	\$ 1,192,907		



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

Proposed Administrative Budget  
July 1, 2022 – June 30, 2023

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions, legal expenses, and audit fees	\$66,180
Administrative overhead, duplicating, materials, and supplies	\$13,820
<u>Total Proposed Administrative Budget</u>	<u>\$80,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$80,000
<u>Total Proposed Sources of Payment</u>	<u>\$80,000</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.

**City of Irvine Successor Agency  
Administrative Budget  
ROPS 22-23**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$15,000
Consultant Fees	Annual audits for financial statement	\$15,000
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$3,820
<b>SUBTOTAL:</b>		<b>\$43,820</b>

<b>Position</b>	<b>Duties</b>	<b>Salaries and Benefits Estimated Cost</b>
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$3,397
Finance Officer	Oversees RPTTF funding distribution per agreements	\$5,463
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	\$22,942
Finance Administrator	Tracks RPTTF funding received	\$1,766
Management Analyst I	Prepares Successor Agency agenda items	\$1,407
Administrative Secretary	Assists with preparation of Successor Agency documents	\$1,204
<b>SUBTOTAL:</b>		<b>\$36,180</b>
<b>TOTAL:</b>		<b>\$80,000</b>



Transmitted via e-mail

April 12, 2021

Angie Burgh, Senior Management Analyst  
City of Irvine  
1 Civic Center Plaza  
Irvine, CA 92623

### **2021-22 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 July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 26, 2021. Finance has completed its review of the ROPS 21-22.

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

- Item No. 18 – Stipulated Judgment Enforceable Obligation in the total outstanding amount of \$171,449,608 has been updated. It is our understanding the reported total outstanding obligation amount of \$171,449,608 did not account for the payment of \$31,348,486 in the period of January 1, 2021 through June 30, 2021 (ROPS 20-21B). As such, the total outstanding obligation is overstated by \$31,348,486. Therefore, to accurately reflect the total outstanding obligation, Finance decreased the total outstanding obligation by \$31,348,486 to \$140,101,122. Therefore, the requested amount of \$171,449,608 (\$85,724,804 each in both the July 1, 2021 through December 31, 2021 (ROPS A) and the January 1, 2022 through June 30, 2022 (ROPS B) periods) was decreased by \$31,348,486 (\$15,674,243 each in both ROPS A and ROPS B periods), approving a total of \$140,101,122 for Redevelopment Property Tax Trust Fund (RPTTF) funding.
- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$76,934 from Other Funds available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. This item does not require payment from property tax revenues; therefore, with the Agency's concurrence, the following item has been reclassified:
  - Item No. 18 – Stipulated Judgment Enforceable Obligation in the amount of \$140,101,122, after adjustments above, is partially reclassified. Finance is approving RPTTF in the amount of \$140,024,188 and the use of Other Funds in the amount of \$76,934, totaling \$140,101,122.



Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 18-19 period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's (CAC) review of the PPA form submitted by the Agency, as adjusted by Finance. Specifically, with the Agency's and CAC's concurrence, Finance updated actual RPTTF expenditure for Item No. 4 from \$2,612,088 to \$3,973,015, resulting in a PPA of \$191,931.

The Agency's maximum approved RPTTF distribution for the reporting period is \$146,443,210, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the ROPS A period, and one distribution for the ROPS B period, based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 21-22. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 21-22 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 21-22 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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.

Angie Burgh  
April 12, 2021  
Page 3

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the 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 Anna Kyumba, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Teri Washle, Finance Officer, City of Irvine  
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2021 through June 2022</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 92,235,757	\$ 85,724,804	\$ 177,960,561
Administrative RPTTF Requested	50,000	50,000	100,000
<b>Total RPTTF Requested</b>	<b>92,285,757</b>	<b>85,774,804</b>	<b>178,060,561</b>
<b>RPTTF Requested</b>	<b>92,235,757</b>	<b>85,724,804</b>	<b>177,960,561</b>
<u>Adjustment(s)</u>			
Item No. 18*	(15,751,177)	(15,674,243)	(31,425,420)
<b>RPTTF Authorized</b>	<b>76,484,580</b>	<b>70,050,561</b>	<b>146,535,141</b>
<b>Administrative RPTTF Authorized</b>	<b>50,000</b>	<b>50,000</b>	<b>100,000</b>
ROPS 18-19 prior period adjustment (PPA)	(191,931)	0	(191,931)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 76,342,649</b>	<b>\$ 70,100,561</b>	<b>\$ 146,443,210</b>

\*Item No. 18 ROPS A period adjustment of \$15,751,177 reflects a combined adjustment of \$15,674,243 and \$76,934.



Transmitted via e-mail

April 13, 2022

Angie Burgh, Senior Management Analyst  
City of Irvine  
1 Civic Center Plaza  
Irvine, CA 92623

### **2022-23 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 July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 24, 2022. Finance has completed its review of the ROPS 22-23.

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

- Item No. 18 – Stipulated Judgment in the total outstanding amount of \$132,634,942 is partially approved. It is our understanding the reported total outstanding obligation amount of \$132,634,942 did not account for the payment of \$32,819,273 received in the ROPS 21-22B period. As such, the total outstanding obligation is overstated by \$32,819,273. Therefore, to accurately reflect the total outstanding obligation, Finance decreased the total outstanding obligation by \$32,819,273 to \$99,815,669. In addition, the requested amount of \$132,634,942 was decreased by \$32,819,273, approving a total of \$99,815,669 from Redevelopment Property Tax Trust Fund (RPTTF) funding.
- On the ROPS 22-23 form, the Agency reported cash balances and activity for the period July 1, 2019 through June 30, 2020 (ROPS 19-20). According to our review, the Agency has approximately \$83,353 from Other Funds available to fund enforceable obligations on the ROPS 22-23. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF funding. The item below does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source has been reclassified in the amount specified below:
  - Item No. 18 – Stipulated Judgment in the amount of \$99,815,669 is partially reclassified. Finance is approving RPTTF in the amount of \$99,732,316 and the use of Other Funds in the amount of \$83,353, totaling \$99,815,669. Total adjustments to Item No. 18 equals \$32,902,626 (\$32,819,273 + \$83,353).

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 19-20 period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$102,564,653, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance approves the remaining items listed on the ROPS 22-23 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 22-23, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 22-23. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 22-23 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 22-23 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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.

Angie Burgh  
April 13, 2022  
Page 3

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the 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 Todd Vermillion, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Teri Washle, Finance Officer, City of Irvine  
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 72,317,471	\$ 66,317,471	\$ 138,634,942
Administrative RPTTF Requested	40,000	40,000	80,000
<b>Total RPTTF Requested</b>	<b>72,357,471</b>	<b>66,357,471</b>	<b>138,714,942</b>
<b>RPTTF Requested</b>	<b>72,317,471</b>	<b>66,317,471</b>	<b>138,634,942</b>
<u>Adjustment(s)</u>			
Item No. 18	(16,492,990)	(16,409,636)	(32,902,626)
<b>RPTTF Authorized</b>	<b>55,824,481</b>	<b>49,907,835</b>	<b>105,732,316</b>
<b>Administrative RPTTF Authorized</b>	<b>40,000</b>	<b>40,000</b>	<b>80,000</b>
ROPS 19-20 prior period adjustment (PPA)	(3,247,663)	0	(3,247,663)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 52,616,818</b>	<b>\$ 49,947,835</b>	<b>\$ 102,564,653</b>

## Recognized Obligation Payment Schedule (ROPS 21-22) - Summary

Filed for the July 1, 2021 through June 30, 2022 Period

Successor Agency: Irvine  
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 92,285,757</b>	<b>\$ 85,774,804</b>	<b>\$ 178,060,561</b>
F RPTTF	92,235,757	85,724,804	177,960,561
G Administrative RPTTF	50,000	50,000	100,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 92,285,757</b>	<b>\$ 85,774,804</b>	<b>\$ 178,060,561</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 \_\_\_\_\_  
*BP* \_\_\_\_\_ *1/19/21*  
 Signature \_\_\_\_\_ Date \_\_\_\_\_





**Irvine Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 2018 through June 30, 2019**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>ROPS 18-19 Actuals (07/01/18 - 06/30/19)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/18)</b>						1,000,858		
2	<b>Revenue/Income (Actual 06/30/19)</b> RPTTF amounts should tie to the ROPS 18-19 total distribution from the County Auditor-Controller						27,615,656		
3	<b>Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)</b>						26,062,798		
4	<b>Retention of Available Cash Balance (Actual 06/30/19)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 18-19 RPTTF Balances Remaining</b>	No entry required							
6	<b>Ending Actual Available Cash Balance (06/30/19)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,553,716		



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

<b>Item #</b>	<b>Notes/Comments</b>

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

Proposed Administrative Budget  
July 1, 2021 – June 30, 2022

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$86,200
Administrative overhead, duplicating, materials, and supplies	\$13,800
<u>Total Proposed Administrative Budget</u>	<u>\$100,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$100,000
<u>Total Proposed Sources of Payment</u>	<u>\$100,000</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.

**City of Irvine Successor Agency  
Administrative Budget  
ROPS 21-22**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$ 25,000
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	\$ 3,800
SUBTOTAL:		\$ 58,800

<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
Finance 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:		\$ 41,200
<b>TOTAL:</b>		<b>\$ 100,000</b>

**Recognized Obligation Payment Schedule (ROPS 22-23) - Summary**

Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Irvine  
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	\$ 72,357,471	\$ 66,357,471	\$ 138,714,942
F RPTTF	72,317,471	66,317,471	138,634,942
G Administrative RPTTF	40,000	40,000	80,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ 72,357,471	\$ 66,357,471	\$ 138,714,942

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 *1-18-22*  
 Signature \_\_\_\_\_ Date \_\_\_\_\_





**Irvine Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances**  
**July 1, 2019 through June 30, 2020**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 19-20 Actuals (07/01/19 - 06/30/20)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/19) - SHOULD INCLUDE PRIOR PERIOD ADJUSTMENT, IF ANY, THAT REDUCED RPTTF DISTRIBUTIONS FOR THE CURRENT REPORTING PERIOD (DO NOT INCLUDE ROPS A PERIOD DISTRIBUTION)</b>					76,934	1,192,907	Beginning cash balance - \$1,269,840.69 Less the interest for 17-18 (\$47,616) and 18-19 (\$29,318) = \$1,192,907	
2	<b>Revenue/Income (Actual 06/30/20)</b> RPTTF amounts should tie to the ROPS 19-20 total distribution from the County Auditor-Controller.					83,353	42,290,564	19-20A Payment - \$12,066,877 19-20B Payment - \$30,223,687 Total 19-20A&B Payments = \$42,290,564 (includes \$250,000 for Admin Budget)	
3	<b>Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)</b>						40,341,194	Enforceable obligation - \$37,707,089 Implementation payment - \$2,612,088 Admin Cost - \$22,017 Total Expenditures = \$40,341,194	
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 19-20 RPTTF Balances Remaining - RPTTF amount should tie to the Agency's PPA form submitted to the CAC for the current period.</b>	No entry required						1,949,370	
6	<b>Ending Actual Available Cash Balance (06/30/20)</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 160,287	\$ 1,192,907		



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

Proposed Administrative Budget  
July 1, 2022 – June 30, 2023

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions, legal expenses, and audit fees	\$66,180
Administrative overhead, duplicating, materials, and supplies	\$13,820
<u>Total Proposed Administrative Budget</u>	<u>\$80,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$80,000
<u>Total Proposed Sources of Payment</u>	<u>\$80,000</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.

**City of Irvine Successor Agency  
Administrative Budget  
ROPS 22-23**

<b>Administrative Budget</b>	<b>Description</b>	<b>Estimated Cost</b>
Attorney Fees	Counsel for Successor Agency	\$15,000
Consultant Fees	Annual audits for financial statement	\$15,000
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$3,820
<b>SUBTOTAL:</b>		<b>\$43,820</b>

<b>Position</b>	<b>Duties</b>	<b>Salaries and Benefits Estimated Cost</b>
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$3,397
Finance Officer	Oversees RPTTF funding distribution per agreements	\$5,463
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	\$22,942
Finance Administrator	Tracks RPTTF funding received	\$1,766
Management Analyst I	Prepares Successor Agency agenda items	\$1,407
Administrative Secretary	Assists with preparation of Successor Agency documents	\$1,204
<b>SUBTOTAL:</b>		<b>\$36,180</b>
<b>TOTAL:</b>		<b>\$80,000</b>

# Orange Countywide Oversight Board

Agenda Item No. 5e

Date: 1/17/2023

From: Successor Agency to the Mission Viejo 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 2023-24 ROPS and Administrative Budget for the Mission Viejo Successor Agency

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The Mission Viejo Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2023-24.

The Successor Agency to the Community Development Agency of the City of Mission Viejo (Successor Agency) is performing its functions under the Dissolution Law, Division 24, Parts 1.8 and 1.85 of the Health and Safety Code, as amended by Assembly Bill 1484 and other subsequent legislation (together, as amended, the “Dissolution Law”), to administer the enforceable obligations and otherwise unwind the former Agency's affairs, all subject to the review and approval by the seven-member Oversight Board. Under Section 34171(h) of Part 1.85, as amended, the ROPS is “the document setting forth the minimum payment amounts required by enforceable obligations for each fiscal year as provided in subdivision (o) of Section 34177.” Under the dates in the Dissolution Law, the Successor Agency and Oversight Board are required to consider and adopt the ROPS for the 23-24 fiscal period of July 1, 2023 to June 30, 2024, and submit such approved FY 23-24 ROPS to the Department of Finance (DOF) on or before February 1, 2023.

The FY 23-24 ROPS attached to the Oversight Board resolution included with this agenda report sets forth comparable listings of the Enforceable Obligations listed in prior ROPS and include:

Line item no. 1 – Mall Bond debt service payment pledge under the Pledge Agreement between the former redevelopment agency and the Mission Viejo Community Development Financing Authority. The amount requested of \$1,724,799 is equal to the debt service payment required during FY 23-24.

Line item no. 4 – Payments for services of \$16,500 to calculate net tax increment revenue obligated under the Pledge Agreement for debt service payment to the Mall Bond trustee under line item no. 1. This calculation is performed 3 times a year and the calculations are shared with the Orange County Auditor-Controller's office.

Line item no. 37 – Estimated payment of \$2,950 for the arbitrage calculation on the Mall Bond debt issue.

Line item no. 58 – Estimated payments of \$7,500 to Mall Bond trustee for annual trustee fees.

Also included as part of the ROPS is the FY 23-24 administrative budget of \$186,000 on line item no. 27, an amount allowed under dissolution law. This amount has declined by \$64,000 from prior year requests. Attached is a line item budget justifying administrative costs. Direct personnel costs are based on time projected to be spent by staff working directly on Successor Agency matters on a regular basis during fiscal year 2023-24. Projected hours by employee have been included as part of the justification to assist the Oversight Board in understanding the City's time commitment to Successor Agency matters. Other direct costs are estimates of costs anticipated during FY 23-24. These will include legal costs, annual audit fees and other miscellaneous expenses. Indirect costs are based on the approved FY 22-23 budget and the City's Cost Allocation Plan and other areas of operation that have a relationship to Successor Agency matters. As

an example, in order to conduct Successor Agency business, staff must utilize a wide range of software programs that run on the Information Technology (IT) network, including accounting software, Outlook, Microsoft Office, PDF, agenda preparation software, document imaging software, etc. Therefore, it is necessary to allocate a percentage of cost of the IT program to the Successor Agency. Additionally, there have been a few agreements executed by the former redevelopment agency that DOF would not approve as separate enforceable obligations and DOF directed Mission Viejo to allocate any costs associated with management and enforcement of these agreements to administrative allowance. The most relevant of these agreements are separate owner participation agreements (OPA) with the Kaleidoscope Center and Simon Properties, owners of the Shops at Mission Viejo (Mall). The City spends both staff time and third-party consultant time related to these matters. For FY 23-24, the City anticipates the need to enforce the covenants of the Mall OPA related to on-site improvements, tenant issues for potential fifth pad and misuse of the parking structure by the Mall owners. Enforcement of the Kaleidoscope OPA include landscaping, tenant issues and potential sale of the site property.

The attached ROPS for 23-24 and administrative budget (attachments 2 and 3) were presented for approval by the Mission Viejo Successor Agency on September 27, 2022. The signed resolution supporting approval by the Successor Agency Board is attachment number 4.

The Mission Viejo Successor Agency requests that the Orange Countywide Oversight Board adopt the attached Resolution approving the FY 23-24 ROPS and Administrative Budget for the Mission Viejo Successor Agency.

Also attached to this agenda are prior year ROPS for 22-23 and 21-22 for easy reference by the Board as to the types of enforceable obligations approved in the two most recent fiscal years and the respective DOF determination letters demonstrating DOF's approval of those ROPS and to demonstrate that DOF had no substantive issues regarding our enforceable obligations. As for the administrative budget, DOF did note in the ROPS 22-23 determination letter (attachment 5) their opinion that the approved administrative allowance amount appeared to be excessive. In response to this comment, the City has reduced its administrative budget by \$64,000 for the ROPS fiscal year 2023-24.

#### Impact on Taxing Entities

Amounts approved for distribution from Mission Viejo's Redevelopment Property Tax Trust Fund (RPTTF) for the 2023-24 period in the amount of \$1,937,749 are funds that will not be available for distribution to all other taxing entities. Mission Viejo's taxing entities include: County of Orange, County of Orange Flood Control District, County of Orange Harbors, Beaches & Parks County Service Area #26, Orange County Fire Authority, Orange County Superintendent of Schools, Saddleback Community College District; Capistrano Unified School District, Saddleback Valley Unified School District and the Mission Viejo Library.

#### Staff Contact(s)

Cheryl Dyas, Director of Administrative Services  
[cdyas@cityofmissionviejo.org](mailto:cdyas@cityofmissionviejo.org)  
949-470-3082

#### Attachments

1. Orange Countywide Oversight Board Resolution
2. Mission Viejo ROPS 23-24
3. Mission Viejo Administrative Budget 23-24
4. Mission Viejo Successor Agency Resolution 22-01
5. DOF Determination Letter 22-23
6. DOF Determination Letter 21-22
7. Mission Viejo ROPS 22-23
8. Mission Viejo ROPS 21-22

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD  
RESOLUTION NO. 23-xxx**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH  
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE MISSION VIEJO  
REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE 23-24 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2023  
TO JUNE 30, 2024, INCLUDING THE FY 23-24 ADMINISTRATIVE BUDGET, SUBJECT  
TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE  
PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING AND  
TRANSMITTAL THEREOF

**WHEREAS**, the former Community Development Agency of the City of Mission Viejo (“Former Agency”) was established as a community redevelopment agency that was organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Mission Viejo (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Community Development Agency of the City of Mission Viejo (“Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that each Recognized Obligation Payment Schedule (“ROPS”) is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State of California, Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(l) and Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 23-24

A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2023; and

**WHEREAS**, the ROPS 23-24 A-B, in the form required by DOF, is attached as Exhibit 1 and the Fiscal Year 23-24 Administrative Budget is attached as Exhibit 2, and both attachments are fully incorporated by this reference; and

**WHEREAS**, the Oversight Board has reviewed and considered the Successor Agency’s ROPS 23-24 A-B and desires to approve the ROPS 23-24 A-B, including the FY 23-24 Administrative Budget and to authorize the Successor Agency, to cause posting of ROPS 23-24 A-B on the City’s website: ([www.cityofmissionviejo.org](http://www.cityofmissionviejo.org)) and to transmit the ROPS 23-24 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (SCO”) as required under the Dissolution Law;

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

**SECTION 1.** The foregoing recitals are hereby incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Oversight Board hereby approves the ROPS 23-24 A-B submitted therewith and incorporated by this reference, including the FY 23-24 administrative budget included herewith as Exhibits 1 and 2.

**SECTION 3.** The Oversight Board authorizes transmittal of the ROPS 23-24 A-B to the DOF, with copies to the CEO, CAC and the SCO.

**SECTION 4.** The City of Mission Viejo’s Director of Administrative Services/City Treasurer, or her authorized designee(s), is directed to post this Resolution, including the ROPS 23-24 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

**SECTION 5.** Under Section 34179(h) written notice and information about certain actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

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



**Recognized Obligation Payment Schedule (ROPS 23-24) - Summary  
Filed for the July 1, 2023 through June 30, 2024 Period**

**Successor Agency:** Mission Viejo

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>23-24A Total (July - December)</b>	<b>23-24B Total (January - June)</b>	<b>ROPS 23-24 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	\$ 959,620	\$ 978,129	\$ 1,937,749
F RPTTF	866,620	885,129	1,751,749
G Administrative RPTTF	93,000	93,000	186,000
<b>H Current Period Enforceable Obligations (A+E)</b>	\$ 959,620	\$ 978,129	\$ 1,937,749

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - ROPS Detail**  
**July 1, 2023 through June 30, 2024**

A	B	C	D	E	F	G	H	I	J	K	ROPS 23-24 (Jul - Dec)				ROPS 23-24B (Jan - Jun)				W							
											Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total		Fund Sources			Fund Sources			23-24B Total
																				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	
1	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall Improvement Project)	Bonds Issued On or Before 12/31/10	05/01/1999	09/01/2028	BNY Mellon Corporate Trust	Bond Pledge	1	\$9,801,842	N	\$1,937,749	\$959,620	\$866,620	\$93,000	\$885,129	\$866,429	\$93,000	\$978,129	\$866,429								
2	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall Improvement Project)	OPA/DDA/ Construction	02/20/2012	09/01/2028	Stradling Yocca Carlson Rauth	OPA-Bond/ Covenant Compliance	1	-	N	\$-	\$858,370	-	-	-	-	-	-	-								
4	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall Improvement Project)	Fees	07/01/2010	09/01/2028	HdL Coren & Cone	Net Tax Increment Calculations per Pledge Agreement	1	99,000	N	\$16,500	\$8,250	8,250	-	8,250	-	-	8,250	\$8,250								
7	Camino Capistrano Bridge Improvements	OPA/DDA/ Construction	02/20/2012	06/30/2033	Stradling Yocca Carlson Rauth	Project Development	1	-	N	\$-	-	-	-	-	-	-	-	-								
8	Camino Capistrano Bridge Improvements	OPA/DDA/ Construction	09/04/2002	06/30/2033	Davis Company	Economic Planning	1	-	N	\$-	-	-	-	-	-	-	-	-								
27	Administration	Admin Costs	02/01/2012	06/30/2033	City of Mission Viejo	Administration	1	186,000	N	\$186,000	\$93,000	-	93,000	-	-	93,000	\$93,000	\$93,000								
33	Camino Capistrano Bridge Improvements	Improvement/ Infrastructure	01/27/1993	06/30/2033	Contractor	Construction of Improvements	1	-	N	\$-	-	-	-	-	-	-	-	-								
37	1999 Variable	Bonds Issued	07/01/	06/30/2028	Arbitrage	Arbitrage	1	5,900	N	\$2,950	-	-	-	-	-	-	2,950	\$2,950								



**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Report of Cash Balances**  
**July 1, 2020 through June 30, 2021**  
 (Report Amounts in Whole Dollars)

A		B		C		D	E			F	G		H
							Fund Sources				RPTTF		
							Bond Proceeds	Reserve Balance	Other Funds		RPTTF	Comments	
ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)		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							
<b>1 Beginning Available Cash Balance (Actual 07/01/20)</b> RPTTF amount should exclude "A" period distribution amount.		-	-	851,768	-	-	Exhibit 1						
<b>2 Revenue/Income (Actual 06/30/21)</b> RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller		-	-	-	-	1,732,413							
<b>3 Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)</b>				273,576	-	1,731,209	Amount in column E equals amount allowed per DOF ROPS 20-21 approval letter dated April 10, 2020						
<b>4 Retention of Available Cash Balance (Actual 06/30/21)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		-	-	578,192	-	-	Column E equals \$372,334 from ROPS period 18-19 distributed to ROPS period 21-22 by DOF; \$222,358 from ROPS period 19-20 distributed to ROPS period 22-23 by DOF; netted with \$16,500 which represents amount paid in 17-18 for line item 4 and disputed by MV until resolved with approval of ROPS 21-22.						
<b>5 ROPS 20-21 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 20-21 PPA				No entry required		1,204							

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.							
A	B	C	D	E	F	G	H
	ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)	Fund Sources					
		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	Comments
		\$-	\$-	\$-	\$-	\$-	
	form submitted to the CAC						
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/21)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	\$-	\$-	\$-	\$-	\$-	

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 23-24) - Notes**  
**July 1, 2023 through June 30, 2024**

Item #	Notes/Comments
1	
2	
4	
7	
8	
27	
33	
37	
58	

**City of Mission Viejo**  
**FY 23/24**  
**Administrative Allowance Estimated Expenditures**

	<u>Fiscal Year</u> <u>2023/2024</u>	<u>Est. Costs</u>	<u>Hourly Rate</u>	<u>Successor</u> <u>Agency Hours</u>	<u>SA</u> <u>Administration</u>	<u>% of Est.</u>
						<u>Time Spent</u> <u>on SA</u> <u>Issues</u>
<b>Direct Personnel Costs</b>						
<b>Department</b>						
City Manager	City Manager	\$ 375,561	\$ 180.56	12	\$ 2,167	0.58%
Assistant City Manager/Director of Public Services	City Manager	365,438	175.69	6	1,054	0.29%
Executive Administrator	City Manager	74,495	47.75	3	143	0.14%
City Council	City Council	137,541	65.50	2	131	0.10%
City Clerk	City Clerk	192,826	92.70	2	185	0.10%
Director of Administrative Services	Administrative Services	290,682	139.75	85	11,879	4.09%
AS Manager-Treasury	Administrative Services	175,923	84.58	16	1,374	0.78%
Treasury Analyst	Administrative Services	124,823	60.01	76	4,561	3.65%
Administrative Assistant	Administrative Services	95,214	45.78	6	275	0.29%
<b>Total Direct Personnel Costs</b>				208	<b>21,769</b>	
<b>Other Direct Costs</b>						
Attorneys						
Stradling Yocca Carlson & Rauth	SA Attorney				35,135	
Audit Fees					2,400	
Bank Fees/Delivery/Postage/Office Supplies/Meeting costs					200	
<b>Total Other Direct Cost</b>					<b>37,735</b>	
<b>Indirect Costs (applied at rate for each central service per cost study)</b>						
Central Service Departments (per 6/2019 cost study)						
Interdepartmental		2,207,187	2.01%		44,364	
City Council Administration (non-payroll)		56,648	3.56%		2,017	
Commissions		89,909	0.36%		324	
City Manager Administration (non-payroll)		324,982	2.01%		6,532	
City Clerk Administration (non-payroll)		17,743	3.56%		632	
Council Support (non-payroll)		3,650	3.56%		130	
Elections (non-payroll)		97,450	3.56%		3,469	
Community Relations Admin		103,747	3.56%		3,693	
Community Relations Public Info		455,385	3.56%		16,212	
Community Relations Records Mgmt		66,070	1.40%		925	
Administrative Services Admin (non-payroll)		13,379	3.56%		476	
Accounting and Payroll		697,057	0.39%		2,719	
Financial Planning and Budget		80,048	3.56%		2,850	
Purchasing		160,011	0.13%		208	
Treasury (non-payroll)		93,150	3.56%		3,316	
Risk Management		323,681	0.45%		1,457	
Human Resources		563,786	0.46%		2,593	
Information Technology		3,698,762	0.29%		10,726	
Fleet Maintenance		183,775	0.02%		37	
Facilities Maintenance		880,589	0.71%		6,252	
Cable Television		201,061	3.56%		7,157	
Community Development Admin		294,457	1.11%		3,267	
Community Development-Current Planning		315,856	1.11%		3,505	
Community Development-Code Enforcement		327,506	1.11%		3,634	
<b>Total Indirect Cost</b>					<b>126,495</b>	
<b>Total Estimated Admin Allowance</b>					<b>\$ 186,000</b>	

**City of Mission Viejo  
 FY 23/24  
 Administrative Allowance  
 Personnel Justification**

<i>Position</i>	<i>Department</i>	<i>Summary of Job Duties Pertaining to Successor Agency</i>	<i>Hours</i>	<i>Frequency</i>	<i>Total</i>
City Manager	City Manager	Oversees the entire dissolution process. Attend 2 SA meetings. Review all SA related documentes including agenda reports for both SA and OB meetings, and resolutions. Oversees contract with the City Attorney in relation to SA matters, including processing invoices and contract amendments. Oversees the activity at the Mall. Meets with the Mall manager regularly to discuss compliance with Mall Bond covenants, including uses of parking structure, tenancy and maintenance issues. Meets monthly with the Director of Community Development for updates on Mall issues. Meets with the Kaleidoscope manager regularly to discuss compliance with the covenants on that property, including tenancy, signage and maintenance issues and property sale issues.	1	12	<u>12</u>
<b>Total City Manager</b>					<b>12</b>
Assistant City Manager	City Manager	Provides support to the CM on oversight of entire dissolution process. Attend 2 SA meetings. Review SA related documentes including agenda reports and resolutions. Oversees the activity at the Mall. Meets with the Mall manager regularly to discuss compliance with Mall Bond covenants, including uses of parking structure, tenancy and maintenance issues. Review and approve plans related to the NCA development located on the Mall Bond site property. Meets with the Kaleidoscope manager regularly to discuss compliance with the covenants on that property, including tenancy, signage and maintenance issues and property sales issues.	0.5	12	<u>6</u>
<b>Total Assistant City Manager</b>					<b>6</b>
Executive Administrator	City Manager	Direct assistant to the City Manager and Asst City Manager in SA and OB related meetings, transaction processing (i.e. meet and confer related travel requests) and document prep. Estimate is equal to .25 hours per month.	0.25	12	<u>3</u>
<b>Total Executive Administrator</b>					<b>3</b>
City Council	City Council	Attendance at Successor Agency Meetings for 5 members	0.25	5	1.25
		Attendance at Successor Agency agenda planning mtgs for 2 members	0.25	2	0.5
		Execution of SA resolutions by Mayor	0.25	1	<u>0.25</u>
<b>Total City Council</b>					<b>2</b>



**City of Mission Viejo  
 FY 23/24  
 Administrative Allowance  
 Personnel Justification**

<i>Position</i>	<i>Department</i>	<i>Summary of Job Duties Pertaining to Successor Agency</i>	<i>Hours</i>	<i>Frequency</i>	<i>Total</i>
City Clerk	City Clerk	Preparation of Successor Agency Board meetings, including review of agenda	0.25	1	0.25
		Preparation of Successor Agency Board agendas	0.25	1	0.25
		Attendance at Successor Agency Board meetings	0.25	1	0.25
		Attendance at Successor Agency agenda planning meetings	0.25	1	0.25
		Preparation of minutes of Successor Agency Board meetings	0.25	1	0.25
		Review and execution of SA resolutions	0.25	1	0.25
		Filing and posting of SA resolutions in City document system	0.5	1	<u>0.5</u>
<b>Total City Clerk</b>					<b>2</b>
Director of Administrative Services	Administrative Services	Direct hours reported on timesheet for ROPS preparation, Mall Bond issues, preparation of SA and OB staff reports, attendance at meetings, etc. Based on 21-22 actuals hours.	85	1	<u>85</u>
<b>Total Director of Admin Services</b>					<b>85</b>
AS Manager-Treasury	Administrative Services	Direct hours reported on timesheet for ROPS preparation, Mall Bond issues, preparation of SA and OB staff reports, attendance at meetings, etc. Based on 21-22 actual hours.	16.25	1	<u>16.25</u>
<b>Total Treasury Manager</b>					<b>16.25</b>
Treasury Analyst	Administrative Services	Direct hours reported on timesheet for daily cash review, preparation of monthly bank reconciliation and Treasurer's Reports, processing invoices, update Mall Bond spreadsheets, preparation of wire transfers, etc. Based on 21-22 actuals hours.	76	1	<u>76</u>
<b>Total Treasury Analyst</b>					<b>76</b>
Administrative Assistant	Administrative Services	Direct assistant to the Director of Administrative Services for both SA and OB related meetings, transaction processing (i.e. meet and confer related travel requests) and document prep. Estimate is equal to .5 hours per month.	0.5	12	<u>6</u>
<b>Total Administrative Assistant</b>					<b>6</b>
					<u>208.3</u>

## SUCCESSOR AGENCY RESOLUTION 22-01

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MISSION VIEJO APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 23-24 A-B ENFORCEABLE OBLIGATIONS FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2024, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND BY THE DEPARTMENT OF FINANCE UNDER THE DIVISION 24, PART 1.85 OF THE CALIFORNIA HEALTH AND SAFETY CODE, AND AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF**

**WHEREAS**, the former Community Development Agency of the City of Mission Viejo (“former Agency”) was established as a community redevelopment agency that was organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency by action of the City Council of the City of Mission Viejo (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, as amended, the “Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the former Agency was dissolved under the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Community Development Agency of the City of Mission Viejo (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”); and

**WHEREAS**, prior to July 1, 2018 under Dissolution Law, in particular Sections 34179 and 34180, all Mission Viejo Successor Agency actions were subject to the review and approval by a local seven-member oversight board, which oversaw and administered the Mission Viejo Successor Agency activities during the period from dissolution until June 30, 2018; and

**WHEREAS**, as of, on and after July 1, 2018 under Dissolution Law, in particular Sections 34179(j), in every California county there shall be only one oversight board that is staffed by the county auditor-controller, with certain exceptions that do not apply here; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under Dissolution Law, in particular Sections 34188; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that each Recognized Obligation Payment Schedule (“ROPS”) is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State of California, Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 23-24 A-B annual fiscal period of July 1, 2023 to June 30, 2024 (“ROPS 23-24 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2023; and to submit a copy of the ROPS 23-24 A-B to the County Auditor-Controller (“CAC”), the State Controller’s Office (“SCO”) and the DOF at the same time that the Successor Agency submits such ROPS to the Oversight Board for review; and

**WHEREAS**, the Successor Agency has reviewed the ROPS 23-24 A-B Enforceable Obligations, including the FY 23-24 administrative allowance budget, and desires to approve the ROPS 23-24 A-B Enforceable Obligations and to authorize the Successor Agency staff to transmit the ROPS to the Oversight Board; and

**WHEREAS**, the Successor Agency staff is directed to post ROPS 23-24 A-B on the Successor Agency website ([www.cityofmissionviejo.org](http://www.cityofmissionviejo.org)).

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MISSION VIEJO DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are hereby incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** The Successor Agency hereby approves the following ROPS 23-24 A-B Enforceable Obligations.

Item #	Project Name	Payee	Description	ROPS 23-24 Total	A Period July-Dec	B Period Jan-June
1	1999 Variable Rate Demand Bonds (MV Mall Improvement Project)	BNY Mellon Corporate Trust	Bond Pledge (Debt Service Payments)	\$1,724,799	\$858,370	\$866,429
4	1999 Variable Rate Demand Bonds (MV Mall Improvement Project)	HdL Coren & Cone	Net Tax Increment Calculations per Pledge Agreement	\$16,500	\$8,250	\$8,250
27	Administration	City of Mission Viejo/SA	Administration	\$186,000	\$93,000	\$93,000
37	1999 Variable Rate Demand Bonds (MV Mall Improvement Project)	Arbitrage Compliance Specialists, Inc.	Arbitrage rebate calculation	\$2,950	\$0	\$2,950
58	1999 Variable Rate Demand Bonds (MV Mall Improvement Project)	BNY Mellon Corporate Trust	Bond Trustee fees	\$7,500	\$0	\$7,500
<b>Totals</b>				\$1,937,749	\$959,620	\$978,129

**SECTION 3.** The Successor Agency directs staff to incorporate the Enforceable Obligations referenced in Section 2 into the ROPS format prescribed by DOF under the

requirements of the Dissolution Law, transmit the ROPS 22-23 A-B to the Oversight Board for review and approval and a copy of the ROPS is sent concurrently to the CAC, SCO, and DOF. Further, the Director of Administrative Services or her designee(s), in consultation with legal counsel, is hereby authorized to request and complete meet and confer session(s), if any, with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Successor Agency.

**SECTION 4.** After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved ROPS 23-24 A-B again to the CAC, SCO and DOF.

**SECTION 5.** The Director of Administrative Services of the Successor Agency, or her authorized designee(s), is directed to post this Resolution, including the ROPS 23-24 A-B, on the Successor Agency website ([www.cityofmissionviejo.org](http://www.cityofmissionviejo.org)) under the Dissolution Law.

**SECTION 5.** The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this 27<sup>th</sup> day of September 2022.

  
Wendy Bucknum, Chair  
Successor Agency to the Community  
Development Agency of the City of Mission Viejo

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE    ) ss.  
CITY OF MISSION VIEJO    )

I, Kimberly Schmitt, Secretary of the Successor Agency to the Community Development Agency of the City of Mission Viejo, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the 27<sup>th</sup> day of September 2022, and that it was so adopted by the following vote:

AYES:           Bucknum, Goodell, Kelley, Raths, and Sachs  
NOES:           None  
ABSENT:       None

  
Kimberly Schmitt, Secretary  
Successor Agency to the Community  
Development Agency of the City of Mission Viejo



Transmitted via e-mail

March 11, 2022

Cheryl Dyas, Director of Administrative Services  
City of Mission Viejo  
200 Civic Center  
Mission Viejo, CA 92691

### **2022-23 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Mission Viejo Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 20, 2022. Finance has completed its review of the ROPS 22-23.

Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 22-23 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 (prior period adjustments) for the July 1, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,773,618, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 22-23. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 22-23 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 22-23 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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 Todd Vermillion, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Sherry Merrifield, Administrative Assistant, City of Mission Viejo  
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 865,000	\$ 880,976	\$ 1,745,976
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>990,000</b>	<b>1,005,976</b>	<b>1,995,976</b>
<b>RPTTF Authorized</b>	<b>865,000</b>	<b>880,976</b>	<b>1,745,976</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
ROPS 19-20 prior period adjustment (PPA)	(222,358)	0	(222,358)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 767,642</b>	<b>\$ 1,005,976</b>	<b>\$ 1,773,618</b>



Transmitted via e-mail

April 8, 2021

Cheryl Dyas, Director of Administrative Services  
City of Mission Viejo  
200 Civic Center  
Mission Viejo, CA 92691

### **2021-22 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Mission Viejo Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 28, 2021. Finance has completed its review of the ROPS 21-22.

Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 21-22 at this time.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2018 through June 30, 2019 (ROPS 18-19) period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,640,817, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 21-22. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 21-22 form submitted by the Agency and this determination letter will be posted on our website:

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



Cheryl Dyas  
April 8, 2021  
Page 2


This determination is effective for the ROPS 21-22 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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 Anna Kyumba, Supervisor, or Garrett Fujitani, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Sherry Merrifield, Administrative Assistant, City of Mission Viejo  
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County

<b>Approved RPTTF Distribution July 2021 through June 2022</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 879,128	\$ 884,023	\$ 1,763,151
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>1,004,128</b>	<b>1,009,023</b>	<b>2,013,151</b>
<b>RPTTF Authorized</b>	<b>879,128</b>	<b>884,023</b>	<b>1,763,151</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
ROPS 18-19 prior period adjustment (PPA)	(372,334)	0	(372,334)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 631,794</b>	<b>\$ 1,009,023</b>	<b>\$ 1,640,817</b>

**Recognized Obligation Payment Schedule (ROPS 22-23) - Summary  
Filed for the July 1, 2022 through June 30, 2023 Period**

**Successor Agency:** Mission Viejo

**County:** Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 990,000</b>	<b>\$ 1,005,976</b>	<b>\$ 1,995,976</b>
F RPTTF	865,000	880,976	1,745,976
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 990,000</b>	<b>\$ 1,005,976</b>	<b>\$ 1,995,976</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]* 1/18/22  
Signature Date

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail**  
**July 1, 2022 through June 30, 2023**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$11,614,640		\$1,995,976	\$-	\$-	\$-	\$65,000	\$125,000	\$990,000	\$-	\$-	\$-	\$10,976	\$125,000	\$1,005,976
1	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	Bonds Issued On or Before 12/31/10	05/01/1999	09/01/2023	BN Mellon Corporate Trust	Bond Pledge	1	11,190,740	N	\$1,721,976	-	-	-	\$56,750	-	\$56,750	-	-	-	\$65,226	-	\$65,226
2	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	OPA/DDA/Construction	02/20/2012	09/01/2023	Stradling Bocca Carlson Rauth	OPA-Bond/Covenant Compliance	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
4	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	Fees	07/01/2010	09/01/2023	HdL Coren Cone	Net Tax Increment Calculations per Pledge Agreement	1	115,500	N	\$16,500	-	-	-	\$250	-	\$250	-	-	-	\$250	-	\$250
7	Camino Capistrano Bridge Improvements	OPA/DDA/Construction	02/20/2012	06/30/2033	Stradling Bocca Carlson Rauth	Project Development	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
	Camino Capistrano Bridge Improvements	OPA/DDA/Construction	09/04/2002	06/30/2033	Davis Company	Economic Planning	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
27	Administration	Admin Costs	02/01/2012	06/30/2033	City of Mission Viejo	Administration	1	250,000	N	\$250,000	-	-	-	-	125,000	\$125,000	-	-	-	-	125,000	\$125,000
33	Camino Capistrano Bridge Improvements	Improvement/Infrastructure	01/27/1993	06/30/2033	Contractor	Construction of Improvements	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	ROPS 22-23A (Jul - Dec)					22-23A Total	ROPS 22-23B (Jan - Jun)					22-23B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
37	1999 Variable Rate Demand Revenue Bonds (Issuance View of all Improvement Project)	Bonds Issued On or Before 12/31/10	07/01/2014	06/30/2024	Arbitrage Compliance Specialists, Inc.	Arbitrage rebate calculation	1	5,900	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
5	1999 Variable Rate Demand Revenue Bonds (Issuance View of all Improvement Project)	Bonds Issued On or Before 12/31/10	05/01/1999	09/01/2024	BN Mellon Trust	Bond Trustee fees	1	52,500	N	\$7,500	-	-	-	-	-	\$-	-	-	-	7,500	-	\$7,500
6	Settlement Agreement dated August 2014	Litigation	07/17/2014	09/01/2024	Issuance View of Successor Agency	Reimbursement for costs paid to Hdl for ROPS line item 4 during the 17/18 ROPS period.	1	-		\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances**  
**July 1, 2011 through June 30, 2020**  
(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.

A	B	C	D	E	F	G	H	
		<b>Fund Sources</b>						
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>		
	<b>ROPS 11-20 Cash Balances (07/01/11 - 06/30/20)</b>	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	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/11)</b> RPTTF amount should exclude 11-12 period distribution amount.			629,410		367,636		
2	<b>Revenue Income (Actual 06/30/20)</b> RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller					1,306,364		
3	<b>Expenditures for ROPS 11-20 Enforceable Obligations (Actual 06/30/20)</b>			-		1,451,642		
4	<b>Retention of Available Cash Balance (Actual 06/30/20)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			629,410			Column E equals \$257,076 from ROPS period 17-18 distributed to ROPS period 20-21 by DOF and \$372,334 from ROPS period 11-19 distributed to ROPS period 21-22 by DOF.	
5	<b>ROPS 11-20 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC		No entry required				222,350	
6	<b>Ending Actual Available Cash Balance (06/30/20)</b>	\$-	\$-	\$-	\$-	\$-		

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.

A	B	C	D	E	F	G	H
	<b>ROPS 1-20 Cash Balances (07/01/11 - 06/30/20)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
	<b>C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)</b>						

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 22-23) - Notes**  
**July 1, 2022 through June 30, 2023**

Item #	Notes Comments
1	
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**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary**  
**Filed for the July 1, 2021 through June 30, 2022 Period**

**Successor Agency:** Mission Viejo


**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>21-22A Total (July - December)</b>	<b>21-22B Total (January - June)</b>	<b>ROPS 21-22 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 1,004,128</b>	<b>\$ 1,009,023</b>	<b>\$ 2,013,151</b>
F RPTTF	879,128	884,023	1,763,151
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 1,004,128</b>	<b>\$ 1,009,023</b>	<b>\$ 2,013,151</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 Probofsky, chairman  
 Name Title

/s/   
 Signature Date

1/12/21  
 Date

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail**  
**July 1, 2021 through June 30, 2022**

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$13,377,709		\$2,013,151	\$-	\$-	\$-	\$79,120	\$125,000	\$1,004,120	\$-	\$-	\$-	\$4,023	\$125,000	\$1,009,023
1	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	Bonds Issued On or Before 12/31/10	05/01/1999	09/01/2020	BN Mellon Corporate Trust	Bond Pledge	1	12,913,309	N	\$1,722,651	-	-	-	54,370	-	54,370	-	-	-	60,273	-	60,273
2	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	OPA/DDA/Construction	02/20/2012	09/01/2020	Stradling Bocca Carlson Rauth	OPA-Bond/Covenant Compliance	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
4	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Fall Improvement Project)	Fees	07/01/2010	09/01/2020	HdL Coren Cone	Net Tax Increment Calculations per Pledge Agreement	1	132,000	N	\$16,500	-	-	-	0,250	-	0,250	-	-	-	0,250	-	0,250
7	Camino Capistrano Bridge Improvements	OPA/DDA/Construction	02/20/2012	06/30/2033	Stradling Bocca Carlson Rauth	Project Development	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
	Camino Capistrano Bridge Improvements	OPA/DDA/Construction	09/04/2002	06/30/2033	Davis Company	Economic Planning	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
27	Administration	Admin Costs	02/01/2012	06/30/2033	City of Mission Viejo	Administration	1	250,000	N	\$250,000	-	-	-	-	125,000	\$125,000	-	-	-	-	125,000	\$125,000
33	Camino Capistrano Bridge Improvements	Improvement/Infrastructure	01/27/1993	06/30/2033	Contractor	Construction of Improvements	1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
37	1999 Variable	Bonds Issued	07/01/	06/30/2020	Arbitrage	Arbitrage	1	5,900	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

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	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	Rate Demand Revenue Bonds (Issuance Via Ball Improvement Project)	On or Before 12/31/10	2014		Compliance Specialists, Inc.	rebate calculation																	
5	1999 Variable Rate Demand Revenue Bonds (Issuance Via Ball Improvement Project)	Bonds Issued On or Before 12/31/10	05/01/1999	09/01/2020	BN Mellon Trust	Bond Trustee fees	1	60,000	N	\$7,500	-	-	-	-	-	\$-	-	-	-	7,500	-	\$7,500	
6	Settlement Agreement dated August 2010	Litigation	07/1/2010	09/01/2020	Issuance Via Successor Agency	Reimbursement for costs paid to HdI for ROPS line item 4 during the 17/1 ROPS period.	1	16,500	N	\$16,500	-	-	-	16,500	-	\$16,500	-	-	-	-	-	-	\$-

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances**  
**July 1, 2011 through June 30, 2011**  
(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.

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 11-1 Cash Balances (070111 - 063011)</b>	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	<b>Comments</b>
1	<b>Beginning Available Cash Balance (Actual 070111)</b> RPTTF amount should exclude 1A period distribution amount.			730,639	7,100		
2	<b>Revenue Income (Actual 063011)</b> RPTTF amount should tie to the ROPS 11-19 total distribution from the County Auditor-Controller			13,095		1,651,320	Cell E2. Amount is receipt by the Successor Agency from the City for DOF disallowed costs in 16/17.
3	<b>Expenditures for ROPS 11-1 Enforceable Obligations (Actual 063011)</b>			119,022	7,100	1,270,995	
4	<b>Retention of Available Cash Balance (Actual 063011)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			641,212			\$367,636 is RPTTF from 16-17 distributed to ROPS 19-20 by DOF and \$273,576 is RPTTF from 17-11 distributed to ROPS 20-21 by DOF
5	<b>ROPS 11-1 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 11-19 PPA form submitted to the CAC			No entry required			
6	<b>Ending Actual Available Cash Balance (063011)</b> C to F (1 + 2 - 3 - 4), G (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$(16,500)	\$-	\$372,333	

**Mission Viejo**  
**Recognized Obligation Payment Schedule (ROPS 21-22) - Notes**  
**July 1, 2021 through June 30, 2022**

Item #	Notes Comments
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6□	DOF reclassified item 4 on the 17/1□ ROPs to admin. The settlement agreement (section 1.b.) specifically states that DOF agrees to reverse classification and fund as a separate enforceable obligation. City tried to amend the 1□/19 ROPS to receive these funds but □ere denied. City tried to report the amount as an enforceable obligation on the 17/1□ PPA, but DOF cla□ed it bac□ and applied the amount to ROPS period 20/21. City is no□ re□esting the amount as a separate line so DOF □ill approve funding and honor the settlement agreement.

## Orange Countywide Oversight Board

Agenda Item No. 6a

Date: 1/17/2023

From: Successor Agency to the Fountain Valley Agency for Community Development

Subject: Resolution of the Countywide Oversight Board Approving the Fountain Valley Last and Final Recognized Obligation Payment Schedule (“ROPS”)

Recommended Action:

Adopt resolution approving the Fountain Valley Successor Agency Last and Final Recognized Obligation Payment Schedule for Fiscal Years (“FY”) 2023-24 through 2026-27.

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The Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) requests approval of its Last and Final Recognized Obligation Payment Schedule for FY 2023-24 through 2026-27 (“Last and Final ROPS”) subject to submittal to and review by the State Department of Finance (“DOF”).

Pursuant to Health and Safety Code section 34191.6, successor agencies may submit a Last and Final ROPS for approval at any time if all of the following conditions are met:

- 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules,
- 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and
- 3) the Successor Agency is not party to outstanding or unresolved litigation.

The Fountain Valley Successor Agency meets all the conditions to submit a Last and Final ROPS.

A Last and Final ROPS is beneficial to the Successor Agency as it provides an avenue for the near automation of the ROPS process. Agencies that submit and receive approval for a Last and Final ROPS no longer have to undergo the annual ROPS process, which reduces the administrative burden on the Successor Agency, Oversight Board, County Auditor Controller, and DOF. However, the Annual ROPS 23-24 must be submitted concurrently with the Last and Final ROPS. This ensures the Successor Agency receives funding for the next period in the event the Last and Final ROPS is not approved.

Accompanying the attached resolution is the Successor Agency’s proposed Last and Final ROPS. Since dissolution began, the Successor Agency has retired several previous enforceable obligations, resulting in three remaining items listed on the annual ROPS 23-24 request. The Last and Final ROPS seeks funding for only one of these. Specifically, the proposed Successor Agency Last and Final ROPS lists the following:

- *Palm Island Development Agreement:* The Palm Island Development Agreement is an enforceable obligation pursuant to an Owner Participation Agreement (“OPA”) with Fountain Valley Senior Housing, LLC entered into prior to dissolution. According to section 3(a) of the OPA, the Successor Agency must request \$100,000 every ROPS. These payments will continue until the OPA retires on November 16, 2026, per the agreement. Over the next three ROPS periods the Successor Agency will be requesting a total of \$400,000 in RPTTF for this agreement.

Although every successor agency may receive an administrative cost allowance, the formula under the Dissolution Law may not allow funds for this purpose to be distributed in FY 2023-24 through 2026-27. The administrative allowance cannot exceed 50 percent (50%) of RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. The Successor Agency will not receive any administrative allowance in FY 2023-24 and 2024-25 as a result of the formula and may not receive any RPTTF in 2025-26 and 2026-27 due to excess RPTTF funds held by the Successor Agency. As a result, no administrative allowance is being requested.

#### Impact on Taxing Entities

The proposed Last and Final ROPS will reduce the RPTTF distribution to all other taxing entities by \$100,000 in the FY 2023-24 through 2026-27 period.

#### Staff Contact

Ryan Smith, Finance Director, is the primary staff contact on this item and can be contacted via email at [ryan.smith@fountainvalley.org](mailto:ryan.smith@fountainvalley.org).

#### Attachments

1. Orange Countywide Oversight Board Resolution Approving the Last and Final ROPS
2. Exhibit A: Last and Final Recognized Obligation Payment Schedule
3. Successor Agency Resolution Approving Last and Final ROPS

**ORANGE COUNTYWIDE OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2027, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING AND TRANSMITTAL THEREOF**

**WHEREAS**, the Fountain Valley Agency for Community Development (“Former Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

**WHEREAS**, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Fountain Valley Agency for Community Development (“Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be only one oversight board that is staffed by the county’s auditor-controller; and

**WHEREAS**, as of and after July 1, 2018, the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

**WHEREAS**, every oversight board, both the prior local oversight board and this Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, pursuant to Health and Safety Code Section 34191.6 successor agencies may submit a Last and Final Recognized Obligated Payment Schedule (“ROPS”) for approval if all of the following conditions are met: 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules, 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and 3) the Successor Agency is not party to outstanding or unresolved litigation; and

**WHEREAS**, the Agency meets the conditions required to submit a Last and Final ROPS, and



**WHEREAS**, the Agency has evaluated the implications of preparing a Last and Final ROPS and has determined that it reduces the administrative burden for dissolving the former Fountain Valley Agency for Community Development; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that a Last and Final ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, the Last and Final ROPS, in draft form, is attached as Exhibit A and is fully incorporated by this reference; and

**WHEREAS**, the Oversight Board held a regular meeting on January 17, 2023; and

**WHEREAS**, the Oversight Board has reviewed and considered the Successor Agency’s Last and Final ROPS and desires to approve it and authorize and direct the Successor Agency staff to transmit the Last and Final ROPS to the DOF, with copies to the County Administrative Officer (“CAO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law.

**NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT:**

**Section 1** □ The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**Section 2** □ The Oversight Board hereby approves the Last and Final ROPS submitted therewith and incorporated by this reference.

**Section 3** □ The Oversight Board authorizes transmittal of the Last and Final ROPS to the DOF, with copies to the CAO, the CAC, and the SCO.

**Section 4** □ The City of Fountain Valley’s Finance Director/Treasurer or his authorized designee is directed to post this Resolution, including the Last and Final ROPS, on the City/Successor Agency website pursuant to the Dissolution Law.

**Section 5** □ Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF’s choosing. The Orange Countywide Oversight Board’s action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

**Section 6** □ The Clerk of the Board shall certify to the adoption of this Resolution.

**EXHIBIT A**

**SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY  
DEVELOPMENT LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE**

**Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary  
Filed for the July 1, 2023 through June 30, 2027 Period**

**Successor Agency:** Fountain Valley  
**County:** Orange  
**Initial ROPS Period:** 23-24A  
**Final ROPS Period:** 26-27B

<b>Requested Funding for Enforceable Obligations</b>		<b>Total Outstanding Obligation</b>
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C)</b>	<b>\$-</b>
B	Bond Proceeds	-
C	Other Funds	-
<b>D</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (E+F)</b>	<b>\$400,000</b>
E	RPTTF	400,000
F	Administrative RPTTF	-
<b>G</b>	<b>Total Outstanding Obligations (A+D)</b>	<b>\$400,000</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

/s/ \_\_\_\_\_  
Signature Date

**Fountain Valley**  
**Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary by ROPS Period**  
**July 1, 2023 through June 30, 2027**

A Period July - December					
ROPS Period	Fund Sources				Six-Month Total
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	
	\$-	\$-	\$400,000	\$-	\$400,000
ROPS 23-24A	-	-	100,000	-	\$100,000
ROPS 24-25A	-	-	100,000	-	\$100,000
ROPS 25-26A	-	-	100,000	-	\$100,000
ROPS 26-27A	-	-	100,000	-	\$100,000

B Period January - June						Twelve-Month Total
ROPS Period	Fund Sources				Six-Month Total	
	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF		
	\$-	\$-	\$-	\$-	\$-	\$400,000
ROPS 23-24B	-	-	-	-	\$-	\$100,000
ROPS 24-25B	-	-	-	-	\$-	\$100,000
ROPS 25-26B	-	-	-	-	\$-	\$100,000
ROPS 26-27B	-	-	-	-	\$-	\$100,000

**Fountain Valley**  
**Last and Final Recognized Obligation Payment Schedule (ROPS) - ROPS Detail**  
**July 1, 2023 through June 30, 2027**  
**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H	I
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation
								<b>\$400,000</b>
6	OPA - Fry's	OPA/DDA/Construction	07/06/1993	07/14/2025	Fry's Electronics Inc.	Assistance for development of site	Industrial Area	-
9	Palm Island Dev. Agreement	OPA/DDA/Construction	02/02/1999	11/16/2026	Fountain Valley Senior Housing, LLC	Financial assistance for retirement community	Industrial Area	400,000
10	Successor Agency Administration	Admin Costs	02/01/2012	11/16/2026	City, Attorneys, Consultants	Salary, benefits, insurance, contract services	Industrial Area	-

A	L	T	AB	AJ
	23-24A (Jul-Dec)	24-25A (Jul-Dec)	25-26A (Jul-Dec)	26-27A (Jul-Dec)
Item #	RPTTF	RPTTF	RPTTF	RPTTF
	\$100,000	\$100,000	\$100,000	\$100,000
6	-	-	-	-
9	100,000	100,000	100,000	100,000
10	-	-	-	-

**EXHIBIT A**  
**RECOGNIZED OBLIGATION PAYMENT WORKSHEET 23-24**

Fountain Valley  
 Recognized Obligation Payment Schedule (ROPS 23-24) - Last & Final Worksheet

Period	Non-RPTTF			RPTTF			Total Obligations	NOTES
	Bond Proceeds	Reserve Balance	Other Funds	N/A	N/A	Admin RPTTF		
23-24A	-	-	-	-	100,000	100,000	100,000	100,000
23-24B	-	-	-	-	-	-	-	-
24-25A	-	-	-	-	100,000	100,000	100,000	100,000
24-25B	-	-	-	-	-	-	-	-
25-26A	-	-	-	-	100,000	100,000	100,000	100,000
25-26B	-	-	-	-	-	-	-	-
26-27A	-	-	-	-	100,000	100,000	100,000	100,000
26-27B	-	-	-	-	-	-	-	-
27-28A	-	-	-	-	-	-	-	-
27-28B	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>

**SUCCESSOR AGENCY RESOLUTION NO. 30**

**RESOLUTION OF THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD OF JULY 1, 2023 TO JUNE 30, 2027 SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND THE STATE DEPARTMENT OF FINANCE PURSUANT TO DISSOLUTION LAW; AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF**

**WHEREAS**, the Fountain Valley Agency for Community Development ("Former Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code ("HSC") Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Fountain Valley ("City"); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law"); and

**WHEREAS**, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic the Successor Agency to the Fountain Valley Agency for Community Development ("Successor Agency") administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be one oversight board that is staffed by the county's auditor-controller; and

**WHEREAS**, the applicable consolidated oversight board overseeing this Successor Agency is called the Orange Countywide Oversight Board ("Oversight Board"); and

**WHEREAS**, every oversight board, both the prior local oversight board and this Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

**WHEREAS**, pursuant to HSC Section 34191.6 successor agencies may submit a Last and Final Recognized Obligated Payment Schedule ("ROPS") for approval if all of the following conditions are met: 1) the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations with defined payment schedules, 2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF pursuant to HSC Section 34177, and 3) the Successor Agency is not party to outstanding or unresolved litigation; and

**WHEREAS**, the Agency meets the conditions required to submit a Last and Final ROPS, and

**WHEREAS**, the Agency has evaluated the implications of preparing a Last and Final ROPS and has determined that it reduces the administrative burden for dissolving the former Fountain Valley Agency for Community Development; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that a Last and Final ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF"); and

**WHEREAS**, the Last and Final ROPS, in draft form, is attached as Exhibit A and is fully incorporated by this reference; and

**WHEREAS**, the Successor Agency has reviewed the Last and Final ROPS and desires to approve this schedule and to authorize and direct Successor Agency staff to transmit the Last and Final ROPS to the Oversight Board, with copies to the Orange County Administrative Officer ("CAO"), Orange County Auditor-Controller ("CAC"), the State Controller's Office ("SCO") and DOF as required by Dissolution Law.

**NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT:**

**Section 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**Section 2.** The Successor Agency hereby approves the Last and Final ROPS submitted herewith and fully incorporated by this reference.

**Section 3.** The Successor Agency hereby authorizes and directs transmittal of the Last and Final ROPS to the Oversight Board and then to the DOF and other bodies as required by law.

**Section 4.** The Director of Finance/Treasurer of the Successor Agency or their authorized designee is directed to post this Resolution, including the Last and Final ROPS, on the Successor Agency website pursuant to the Dissolution Law, and to take such other actions required under the Dissolution Law, including Sections 34177 and 34179.


**Section 5.** The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this 20<sup>th</sup> day of December 2022.

Ayes: Bui, Cunneen, Grandis, Constantine  
Nays: None  
Absent: Harper  
Abstain: None



Kim Constantine, Chair  
Successor Agency to the Fountain Valley Agency for Community  
Development

ATTEST: 

Rick Miller, Secretary  
Successor Agency to the Fountain Valley Agency for Community  
Development



STATE OF CALIFORNIA            )  
COUNTY OF ORANGE            ) ss.  
CITY OF FOUNTAIN VALLEY    )

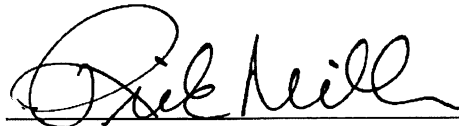
I, Rick Miller, Secretary of the Successor Agency to the Fountain Valley Agency for Community Development, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the 20<sup>th</sup> day of December 2022, and that it was so adopted by the following vote:

AYES:            Bui, Cunneen, Grandis, Constantine

NOES:           None

ABSENT:        Harper

ABSTAIN:       None



---

Rick Miller, Secretary  
Successor Agency to the Fountain Valley Agency  
for Community Development

(SEAL)

**EXHIBIT A**

**LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

**EXHIBIT A**  
**RECOGNIZED OBLIGATION PAYMENT WORKSHEET 23-24**

Fountain Valley  
Recognized Obligation Payment Schedule (ROPS 23-24) - Last & Final Worksheet

Period	Non-RPTTF			RPTTF			Total Obligations	NOTES
	Bond Proceeds	Reserve Balance	Other Funds	N/A	N/A	Admin RPTTF		
23-24A	-	-	-	100,000	100,000	100,000	100,000	100,000
23-24B	-	-	-	-	-	-	-	-
24-25A	-	-	-	100,000	100,000	100,000	100,000	100,000
24-25B	-	-	-	-	-	-	-	-
25-26A	-	-	-	100,000	100,000	100,000	100,000	100,000
25-26B	-	-	-	-	-	-	-	-
26-27A	-	-	-	100,000	100,000	100,000	100,000	100,000
26-27B	-	-	-	-	-	-	-	-
27-28A	-	-	-	-	-	-	-	-
27-28B	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>

**EXHIBIT B**

**FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET**

**EXHIBIT B  
FISCAL YEAR 23-24 ADMINISTRATIVE BUDGET**

**SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2023-24**

<b>DIRECT PERSONNEL COSTS</b>						
<b>Employee Classification</b>	<b>Department</b>	<b>Annual</b>	<b>Successor</b>		<b>Administrative Allocation</b>	
		<b>Cost of Salaries &amp; Benefits</b>	<b>Hourly Rate</b>	<b>Agency Hours</b>	<b>% Percentage</b>	<b>\$ Amount</b>
Finance Director	Finance	\$234,000	\$112.50	8	0.38%	\$900
Accounting Manager	Finance	184,000	88.46	8	0.38%	708
Budget Analyst	Finance	184,000	88.46	6	0.29%	531
<b>TOTAL DIRECT PERSONNEL COSTS</b>						<b>2,139</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Process payments for enforceable obligations</li> <li>• Maintain documentation of Agency financial and other records</li> <li>• Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Coordinate with auditors to audit the Successor Agency</li> <li>• Coordinate and hold Successor Agency meetings</li> <li>• Prepare staff reports, resolutions and the administrative budget</li> </ul>						
<b>OTHER DIRECT COSTS</b>						
<b>Contract Services</b>						<b>1,500</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Prepare ROPS and PPA</li> <li>• Coordinate with and answer questions for the Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Monitor and project cash flow to ensure sufficient revenues for obligations and inform Agency staff of expected revenues</li> </ul>						
<b>Successor Agency Audit Services</b>						<b>3,000</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Audit the Successor Agency's financial statements, which is performed by an independent certified public accounting firm in accordance with <i>generally accepted auditing standards</i> and the standards applicable to financial audits contained in <i>Government Auditing Standards</i>, issued by the Comptroller General of the United States</li> </ul>						
<b>Successor Agency Legal Services</b>						<b>3,500</b>
<b><u>Primary Responsibilities:</u></b>						
<ul style="list-style-type: none"> <li>• Review staff reports and resolutions</li> <li>• Provide legal services as needed</li> </ul>						
<b>TOTAL OTHER DIRECT COSTS</b>						<b>8,000</b>
<b>TOTAL ADMINISTRATIVE BUDGET</b>						<b>\$10,139</b>



Transmitted via e-mail

March 26, 2021

Jennifer Lampman, Finance Director  
City of Fountain Valley  
10200 Slater Avenue  
Fountain Valley, CA 92708

### **2021-22 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2021 through June 30, 2022 (ROPS 21-22) to the California Department of Finance (Finance) on January 27, 2021. Finance has completed its review of the ROPS 21-22.

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

- On the ROPS 21-22 form, the Agency reported cash balances and activity for the period July 1, 2018 through June 30, 2019 (ROPS 18-19). According to our review, the Agency has approximately \$103,189 from Reserve Balances and \$4,966 from Other Funds, totaling \$108,155, available to fund enforceable obligations on the ROPS 21-22. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting Redevelopment Property Tax Trust Fund (RPTTF) funding. These items do not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding sources for the following items have been reclassified in the amounts specified below:
  - Item No. 6 – Owner Participation Agreement - Fry's obligation in the amount of \$20,000 is partially reclassified. Finance is approving RPTTF in the amount of \$11,845, the use of Reserve Balances in the amount of \$3,189, and the use of Other Funds in the amount of \$4,966, totaling \$20,000.
  - Item No. 9 – Palm Island Development Agreement in the requested amount of \$100,000 is reclassified from RPTTF to Reserve Balances.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 18-19 period. The ROPS 18-19 prior period adjustment (PPA) will offset the ROPS 21-22 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2021 through December 31, 2021 period (ROPS A period), and one distribution for the January 1, 2022 through June 30, 2022 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 21-22 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted items, Finance does not object to the remaining items listed on the ROPS 21-22. If the Agency disagrees with our determination with respect to any items on the ROPS 21-22, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 21-22. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 21-22 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 21-22 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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.

Jennifer Lampman  
March 26, 2021  
Page 3

Please direct inquiries to Anna Kyumba, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Margaret Stanko, RSG (Consultant), City of Fountain Valley  
Wendy Tsui, Administrative Manager I, Property Tax Unit, Orange County



**Attachment**

<b>Approved RPTTF Distribution July 2021 through June 2022</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 100,000	\$ 20,000	\$ 120,000
Administrative RPTTF Requested	0	0	0
<b>Total RPTTF Requested</b>	<b>100,000</b>	<b>20,000</b>	<b>120,000</b>
<b>RPTTF Requested</b>	<b>100,000</b>	<b>20,000</b>	<b>120,000</b>
<u>Adjustment(s)</u>			
Item No. 6	0	(8,155)	(8,155)
Item No. 9	(100,000)	0	(100,000)
	(100,000)	(8,155)	(108,155)
<b>RPTTF Authorized</b>	<b>0</b>	<b>11,845</b>	<b>11,845</b>
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>
ROPS 18-19 prior period adjustment (PPA)	0	(140,218)	(140,218)
Excess PPA	0	128,373	128,373
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>



Transmitted via e-mail

March 11, 2022

Jennifer Lampman, Finance Director  
City of Fountain Valley  
10200 Slater Avenue  
Fountain Valley, CA 92708

### **2022-23 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) to the California Department of Finance (Finance) on January 19, 2022. Finance has completed its review of the ROPS 22-23.

Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 22-23 at this time.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2019 through June 30, 2020 (ROPS 19-20) period. The ROPS 19-20 prior period adjustment (PPA) will offset the ROPS 22-23 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency. Total authorized RPTTF is insufficient to allow the entire PPA to be applied this ROPS period, resulting in an excess PPA that should be applied prior to requesting RPTTF on future ROPS.

The Agency's maximum approved RPTTF distribution for the reporting period is \$0, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2022 through December 31, 2022 period (ROPS A period), and one distribution for the January 1, 2023 through June 30, 2023 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 22-23 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 22-23. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

Jennifer Lampman  
March 11, 2022  
Page 2

The ROPS 22-23 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 22-23 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted 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 the 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 Zuber Tejani, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,

Original signed by Cheryl L. McCormick for:

JENNIFER WHITAKER  
Program Budget Manager

cc: Alex Lawrence, RSG (Consultant), City of Fountain Valley  
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County

**Attachment**

<b>Approved RPTTF Distribution July 2022 through June 2023</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 100,000	\$ 0	\$ 100,000
Administrative RPTTF Requested	0	0	0
<b>Total RPTTF Requested</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
<b>RPTTF Authorized</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>0</b>	<b>0</b>
ROPS 19-20 prior period adjustment (PPA)	(100,000)	(101,651)	(201,651)
Excess PPA	0	101,651	101,651
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>