

Orange Countywide Oversight Board

Agenda Item No. 5

Date: 4/16/2024

From: Successor Agency to the County of Orange Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Authorizing the Execution of a Termination Agreement to Dissolve the Orange County Public Financing Authority

Recommended Action:

Approve resolution authorizing the execution of a termination agreement which would dissolve the Orange County Public Financing Authority for the County of Orange Successor Agency

The County of Orange Successor Agency requests approval of the resolution to authorize the Termination Agreement to dissolve the Orange County Public Financing Authority (Authority).

On October 7, 1997, the County of Orange and the Orange County Development Agency created the Authority, a joint exercise of powers entity, to issue bonds for financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits, as determined by local agencies.

The Authority was the issuer for bonds related to the waste management system, telecommunications equipment projects, juvenile justice center and other debt in the 1990s and early 2000s. The Joint Powers Agreement between the County of Orange and the Orange County Development Agency permits the termination of the Authority provided the Authority has no outstanding bonds or other financial obligations. All bonds issued by the Authority have been redeemed and there are no other financial obligations. If not dissolved, filings with the California Attorney General, the Secretary of State, the State Controller's Office, the IRS, and the County's annual comprehensive financial report are still required for this Authority with no reportable activity.

On February 27, 2024, the County Board of Supervisors, acting for the County and the Successor Agency to the Orange County Development Agency, approved resolutions to dissolve the Authority. Approving the termination agreement to dissolve the Authority will remove any outstanding liens on pledged property and will conclude reporting requirements to various regulators. The County Executive Office will also file a termination notice with the County of Orange Clerk-Recorder noting that leases of County property in connection with the Authority's bonds are terminated and the property is formally vested with the County.

Impact on Taxing Entities

None

Staff Contact(s)

Christine Gardea, County Executive Office

Attachments

Attachment A – Resolution of the Oversight Board

Attachment B –Termination Agreement

Attachment C – Resolution No. 24-015 of the Board of Supervisors and Resolution No. 24-016 of the Successor Agency to the Orange County Successor Agency

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. 24020**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE COUNTY OF ORANGE AS
SUCCESSOR AGENCY TO THE ORANGE COUNTY DEVELOPMENT AGENCY
AUTHORIZING THE EXECUTION AND DELIVERY OF A TERMINATION AGREEMENT
WHICH WOULD DISSOLVE THE ORANGE COUNTY PUBLIC FINANCING AUTHORITY
AND PROVIDING OTHER MATTERS RELATING THERETO**

WHEREAS, the Orange County Development Agency (the “Former Agency”) was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the “Law”); and

WHEREAS, Assembly Bill X1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 (“AB 1484”), codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the “Dissolution Act”), and resulted in the dissolution of the Former Agency as of February 1, 2012, and the vesting in the County of Orange as the Successor Agency to the Orange County Development Agency (the “Successor Agency”) certain of the authority, rights, powers, duties and obligations of the Former Agency; and

WHEREAS, pursuant to Health and Safety Code 34179, on February 28, 2012, the County of Orange established the Oversight Board of the County of Orange as Successor Agency to the Orange County Development Agency (“Oversight Board”), which is tasked with the review of approval of enforceable obligations, termination of debt service obligations, and determining whether existing agreements should be terminated or renegotiated; and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency entered into a Joint Exercise of Powers Agreement (as amended, the “JPA Agreement”), dated October 7, 1997, with the County of Orange (the “County”); and

WHEREAS, the Former Agency and the County entered into the JPA Agreement in order to form a joint powers authority designated the “Orange County Public Financing Authority” (the “Authority”) under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) (the “JPA Law”), which Authority would allow the Former Agency and the County to undertake the financing of public capital improvements and working capital requirements while reducing local borrowing costs and promoting the greater use of existing and new financial instruments and mechanisms; and

WHEREAS, the Authority has served its purpose and is no longer a party to any outstanding financing of public capital improvements or working capital requirements and the Authority has no Bonds (as defined in the JPA Agreement) or obligations remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, pursuant to Government Code Section 6510 of the JPA Law, the JPA Agreement permits the termination of the Authority after December 31, 2013, provided there are no Bonds or other obligations of the Authority remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, the Successor Agency and the County have each approved a resolution authorizing the execution of the Termination Agreement, in substantially the form attached as Exhibit A to this resolution, in order to terminate the JPA Agreement pursuant to Government Code Section 6510 to dissolve the Authority; and

WHEREAS, the Successor Agency's entrance into the Termination Agreement and the dissolution of the Authority requires the approval of the Oversight Board pursuant to Health and Safety Code Section 34180(h).

NOW, THEREFORE, be it resolved by the Oversight Board of the County of Orange as Successor Agency of the Orange County Development Agency as follows:

Section 1. Dissolution of the Authority. The Oversight Board hereby determines it is in the best interests of the Successor Agency to dissolve the Authority effective as of the date of execution of the Termination Agreement.

Section 2. Termination of the JPA Agreement. The Oversight Board hereby approves the Termination Agreement, in substantially the form attached as Exhibit A hereto, and ratifies and approves the Chair of the Oversight Board to execute and deliver the Termination Agreement for and on behalf of the Oversight Board of the Successor Agency.

Section 3. Official Actions. The Oversight Board hereby ratifies and approves the authorization and direction of the Chair of the Oversight Board, to do all things and take any and all actions, which the Chair of the Oversight Board may deem necessary or advisable, in connection with the execution and delivery of the Termination Agreement and dissolution of the Authority.

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT (the "Termination Agreement") executed and entered into as of _____, 2024, is by and between the COUNTY OF ORANGE, a municipal corporation organized and existing under the laws of the State of California (the "County"), the COUNTY OF ORANGE AS SUCCESSOR AGENCY TO THE ORANGE COUNTY DEVELOPMENT AGENCY, a public body organized and existing under the laws of the State of California (the "Successor Agency"), as successor to the former ORANGE COUNTY DEVELOPMENT AGENCY (the "Former Agency"), and the OVERSIGHT BOARD OF THE COUNTY OF ORANGE AS SUCCESSOR AGENCY TO THE ORANGE COUNTY DEVELOPMENT AGENCY (the "OVERSIGHT BOARD").

RECITALS

WHEREAS, for the purpose of establishing a vehicle which could reduce local borrowing costs and promote the greater use of existing and new financial instruments and mechanisms, the County and the Former Agency previously entered into a Joint Exercise of Powers Agreement, dated as of October 7, 1997 (as amended, the "JPA Agreement"), through which agreement the County and the Former Agency formed a joint powers authority designated the "Orange County Public Financing Authority" (the "Authority") under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) (the "JPA Law");

WHEREAS, the Authority has served its purpose and is no longer a party to any outstanding financing of public capital improvements or working capital requirements and the Authority has no Bonds or obligations remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, pursuant to Health and Safety Code 34179, on February 28, 2012, the County of Orange established the Oversight Board of the County of Orange as Successor Agency to the Orange County Development Agency ("Oversight Board"), which is tasked with the review and approval of enforceable obligations, termination of debt service obligations, and determining whether existing agreements should be terminated or renegotiated; and

WHEREAS, pursuant to Government Code Section 6510 of the JPA Law, the JPA Agreement permits the termination of the Authority after December 31, 2013, provided there are no Bonds or other obligations of the Authority remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, subject to the provisions hereof, the County and the Successor Agency desire to, pursuant to Government Code Section 6510, to terminate JPA Agreement and to dissolve the Authority.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
TERMINATION

Pursuant to Government Code Section 6510 of the JPA Law, the County and the Successor Agency hereby agree that the JPA Agreement shall terminate, all obligations of the County and Successor Agency under the JPA Agreement shall cease, and all rights and powers of the Authority under the JPA Agreement shall cease, as of the date hereof. By virtue of the termination of the JPA Agreement, the Authority is dissolved as of the date hereof. The Oversight Board approves of the termination of the JPA Agreement.

The County and the Successor Agency agree that there are no assets of the Authority to be divided between them.

ARTICLE II
MISCELLANEOUS

Section 2.01. Binding Effect. This Termination Agreement shall inure to the benefit of and shall be binding upon the County, the Successor Agency and their respective successors and assigns.

Section 2.02. Severability. In the event any provision of this Termination Agreement shall be held invalid or unenforceable by any court or competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 2.03. Execution in Counterparts. This Termination Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 2.04. Applicable Law. This Termination Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Termination Agreement to be executed by their respective officers thereunto duly authorized, all as of the date and year first above written:

COUNTY OF ORANGE, CALIFORNIA

Finance Team Lead, County of Orange

**SUCCESSOR AGENCY TO THE ORANGE COUNTY
DEVELOPMENT AGENCY**

**Chairman of the Board of Supervisors of the
County of Orange as Successor Agency to the
Orange County Development Agency**

**OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY TO THE ORANGE COUNTY
DEVELOPMENT AGENCY**

**Chair, Oversight Board of the County of Orange
as Successor Agency to the Orange County
Development Agency**

RESOLUTION NO. 24-015

**A RESOLUTION OF THE COUNTY OF ORANGE BOARD OF SUPERVISORS
AUTHORIZING THE EXECUTION AND DELIVERY OF A TERMINATION AGREEMENT
WHICH WOULD DISSOLVE THE ORANGE COUNTY PUBLIC FINANCING AUTHORITY
AND PROVIDING OTHER MATTERS RELATING THERETO**

WHEREAS, the Orange County Development Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Law"); and

WHEREAS, Assembly Bill X1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 ("AB 1484"), codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act"), and resulted in the dissolution of the Former Agency as of February 1, 2012, and the vesting in the County of Orange as Successor Agency to the Orange County Development Agency (the "Successor Agency") certain authority, rights, powers, duties and obligations of the Former Agency; and

WHEREAS, pursuant to Health and Safety Code 34179, on February 28, 2012, the County of Orange established the Oversight Board of the County of Orange as Successor Agency to the Orange County Development Agency ("Oversight Board"), which is tasked with the review and approval of enforceable obligations, termination of debt service obligations, and determining whether existing agreements should be terminated or renegotiated; and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency entered into a Joint Exercise of Powers Agreement (as amended, the "JPA Agreement"), dated October 7, 1997, with the County of Orange (the "County"); and

WHEREAS, the Former Agency and the County entered into the JPA Agreement in order to form a joint powers authority designated the "Orange County Public Financing Authority" (the "Authority") under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) (the "JPA Law"), which Authority would allow the Former Agency and the County to undertake the financing of public capital improvements and working capital requirements while reducing local borrowing costs and promoting the greater use of existing and new financial instruments and mechanisms; and

WHEREAS, the Authority has served its purpose and is no longer a party to any outstanding financing of public capital improvements or working capital requirements and the Authority has no Bonds (as defined in the JPA Agreement) or obligations remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, pursuant to Government Code Section 6510 of the JPA Law, the JPA Agreement permits the termination of the Authority after December 31, 2013, provided there are no Bonds or other obligations of the Authority remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, the Successor Agency and the County desire to enter into a termination agreement (the "Termination Agreement") in order to terminate the JPA Agreement pursuant to Government Code Section 6510 to dissolve the Authority.

NOW, THEREFORE, be it resolved by the Board of Supervisors of the County of Orange as follows:

Section 1. Dissolution of the Authority. The Board of Supervisors of the County of Orange hereby determines it is in the best interests of the County of Orange to dissolve the Authority effective as of the date of execution of the Termination Agreement.

Section 2. Termination of the JPA Agreement. The Board of Supervisors of the County of Orange hereby approves the Termination Agreement in substantially the form attached as Exhibit A hereto and ratifies and approves the Finance Team Lead of the County of Orange to execute and deliver the Termination Agreement for and on behalf of the County of Orange.

Section 3. Official Actions. The Board of Supervisors of the County of Orange hereby ratifies and approves the authorization and direction of the Finance Team Lead of the County of Orange, to do all things and take any and all actions, which the Finance Team Lead may deem necessary or advisable, in connection with the execution and delivery of the Termination Agreement and dissolution of the Authority. The Finance Team Lead is directed to request the Oversight Board approve the dissolution of the Authority.

The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on February 27, 2024, to wit:

AYES: Supervisors: VICENTE SARMIENTO, KATRINA FOLEY, ANDREW DO
DOUG CHAFFEE, DONALD P. WAGNER
NOES: Supervisor(s):
EXCUSED: Supervisor(s):
ABSTAINED: Supervisor(s):

CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Board of 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 County Board of Supervisors

IN WITNESS WHEREOF, I have hereto set my hand and seal.



ROBIN STIELER
Clerk of the Board
County of Orange, State of California

Resolution No: 24-015
Agenda Date: 02/27/2024
Item No: 13



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, Orange County, State of California

Robin Stieler, Clerk of the Board of Supervisors

By: _____
Deputy

RESOLUTION NO. 24-016

**A RESOLUTION OF THE COUNTY OF ORANGE AS SUCCESSOR AGENCY TO THE
ORANGE COUNTY DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND
DELIVERY OF A TERMINATION AGREEMENT WHICH WOULD DISSOLVE THE ORANGE
COUNTY PUBLIC FINANCING AUTHORITY AND PROVIDING OTHER MATTERS
RELATING THERETO**

WHEREAS, the Orange County Development Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Law"); and

WHEREAS, Assembly Bill X1 26, effective June 29, 2011, together with AB 1484, effective June 27, 2012 ("AB 1484"), codified Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (as amended from time to time, the "Dissolution Act"), and resulted in the dissolution of the Former Agency as of February 1, 2012, and the vesting in the County of Orange as the Successor Agency to the Orange County Development Agency (the "Successor Agency") certain of the authority, rights, powers, duties and obligations of the Former Agency; and

WHEREAS, pursuant to Health and Safety Code 34179, on February 28, 2012, the County of Orange established the Oversight Board of the County of Orange as Successor Agency to the Orange County Development Agency ("Oversight Board"), which is tasked with the review of approval of enforceable obligations, termination of debt service obligations, and determining whether existing agreements should be terminated or renegotiated; and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency entered into a Joint Exercise of Powers Agreement (as amended, the "JPA Agreement"), dated October 7, 1997, with the County of Orange (the "County"); and

WHEREAS, the Former Agency and the County entered into the JPA Agreement in order to form a joint powers authority designated the "Orange County Public Financing Authority" (the "Authority") under the Joint Exercise of Powers Law of the State of California (constituting Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) (the "JPA Law"), which Authority would allow the Former Agency and the County to undertake the financing of public capital improvements and working capital requirements while reducing local borrowing costs and promoting the greater use of existing and new financial instruments and mechanisms; and

WHEREAS, the Authority has served its purpose and is no longer a party to any outstanding financing of public capital improvements or working capital requirements and the Authority has no Bonds (as defined in the JPA Agreement) or obligations remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, pursuant to Government Code Section 6510 of the JPA Law, the JPA Agreement permits the termination of the Authority after December 31, 2013, provided there are no Bonds

or other obligations of the Authority remaining under the terms of any indenture, trust agreement, contract, agreement, lease, sublease, or other instrument; and

WHEREAS, the Successor Agency and the County desire to enter into a termination agreement (the "Termination Agreement") in order to terminate the JPA Agreement pursuant to Government Code Section 6510 to dissolve the Authority; and

WHEREAS, the Successor Agency's entrance into the Termination Agreement and the dissolution of the Authority requires the approval of the Oversight Board pursuant to Health and Safety Code Section 34180(h).

NOW, THEREFORE, be it resolved by the County of Orange as Successor Agency of the Orange County Development Agency as follows:

Section 1. Dissolution of the Authority. The County of Orange as Successor Agency hereby determines it is in the best interests of the Successor Agency to dissolve the Authority effective as of the date of execution of the Termination Agreement.

Section 2. Termination of the JPA Agreement. The County of Orange as Successor Agency hereby approves the Termination Agreement in substantially the form attached as Exhibit A hereto and ratifies and approves the Chair of the Board of Supervisors to execute and deliver the Termination Agreement for and on behalf of the Successor Agency.

Section 3. Official Actions. The County of Orange as Successor Agency hereby ratifies and approves the authorization and direction of the Finance Team Lead of the County of Orange, to do all things and take any and all actions, which the Finance Team Lead may deem necessary or advisable, in connection with the execution and delivery of the Termination Agreement and dissolution of the Authority. The Finance Team Lead is directed to request that the Oversight Board approve the dissolution of the Authority.

The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, and Acting as the Successor Agency to the Orange County Development Agency, on February 27, 2024, to wit:

AYES: Supervisors: VICENTE SARMIENTO, KATRINA FOLEY, ANDREW DO
DOUG CHAFFEE, DONALD P. WAGNER
NOES: Supervisor(s):
EXCUSED: Supervisor(s):
ABSTAINED: Supervisor(s):

CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Board of 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 County Board of Supervisors and Acting as the Successor Agency to the Orange County Development Agency.

IN WITNESS WHEREOF, I have hereto set my hand and seal.



ROBIN STIELER
Clerk of the Board
County of Orange, State of California

Resolution No: 24-016
Agenda Date: 02/27/2024
Item No: 13



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, and Acting as the Orange County Development Agency, State of California

Robin Stieler, Clerk of the Board of Supervisors

By: _____
Deputy