

**RESOLUTION NO. SACRA 17-01-17-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE SAN JUAN CAPISTRANO REDEVELOPMENT AGENCY ADOPTING AN ANNUAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JULY 1, 2017, THROUGH JUNE 30, 2018**

**WHEREAS**, the San Juan Capistrano Community Redevelopment Agency ("Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq., which was 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 San Juan Capistrano ("City"); and,

**WHEREAS**, Assembly Bill X1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and,

**WHEREAS**, on December 29, 2011, in the petition California Redevelopment Association v. Matosantos, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012, under the dates in the Dissolution Act that were reformed and extended thereby; and,

**WHEREAS**, the Agency is now a dissolved redevelopment agency pursuant to the Dissolution Act; and,

**WHEREAS**, by a resolution considered and approved by the City Council at an open public meeting the City chose to become and serve as the successor agency to the dissolved Agency under the Dissolution Act; and,

**WHEREAS**, as of and on and after February 1, 2012, the City Council serves and acts as the "Successor Agency" and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and,

**WHEREAS**, Assembly Bill 1484, enacted on December 27, 2012, made certain amendments to the Dissolution Act, including with respect to the process for adopting Recognized Obligation Payment Schedules; and,

**WHEREAS**, pursuant to Section 34171(h) of the Dissolution Act, a "Recognized Obligation Payment Schedule" means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in subdivisions (l) and (m) of Section 34177 of the Dissolution Act; and,

**WHEREAS**, pursuant to subdivision (o) (1) of Section 34177, commencing with the Recognized Obligation Payment Schedule (ROPS) covering the period from July 1, 2017, to June 30, 2018, and for each period from July 1 to June 30, thereafter, the Successor Agency is required to submit an annual ROPS to the State Department of Finance and the County Auditor-Controller no later than February 1, of each year; and,

**WHEREAS**, pursuant to subdivisions (l), (m) and (o) (1) of Section 34177 of the Dissolution Act, staff of the City, acting on behalf of the Successor Agency, has prepared the annual Recognized Obligation Payment Schedule for the period covering July 1, 2017, through June 30, 2018, (ROPS 17-18), in the form attached to this Resolution as Exhibit A and incorporated herein by this reference; and,

**WHEREAS**, pursuant to Section 34177(l)(2)(B) of the Dissolution Act, staff of the City, acting on behalf of the Successor Agency, is required to provide notice of the Oversight Board's consideration of the ROPS 17-18, along with the ROPS and the staff report submitted to the Oversight Board, to the County Administrative Officer, the Orange County Auditor-Controller, and the State Department of Finance, concurrently with the posting of the Agenda for the Oversight Board's consideration of the ROPS 17-18; and,

**WHEREAS**, the Successor Agency now desires to approve the ROPS 17-18, ratify all actions taken by City staff to prepare the ROPS 17-18, and transmit the ROPS 17-18 to the Oversight Board for its consideration.

**NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY OF THE SAN JUAN CAPISTRANO COMMUNITY REDEVELOPMENT AGENCY:**

**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 17-18 in the form attached to this Resolution as Exhibit A, which is incorporated herein by this reference.

**Section 3.** The Successor Agency hereby authorizes the Executive Director and/or the Finance Officer, acting on behalf of the Successor Agency, or their authorized designees, to make such augmentations, modifications, additions or revisions as they may deem appropriate.

**Section 4.** The Executive Director or his authorized designees are directed to transmit the approved ROPS to the Oversight Board, the County Administrative Officer, the County Auditor-Controller, the State Controller's Office, and the State Department of Finance, and to cause the approved ROPS to be posted on the City's website, all in accordance with Section 34177(l)(2)(B) and (C) of the Dissolution Act, and take other actions necessary to obtain approval of the ROPS from the Oversight Board and the State Department of Finance.

**Section 5.** This Resolution shall take effect immediately upon adoption.

**Section 6.** The Secretary shall certify to the adoption of this Resolution.

**PASSED, APPROVED and ADOPTED** this 17<sup>th</sup> day of January 2017.

  
\_\_\_\_\_  
BRIAN L. MARYOTT, CHAIR

ATTEST:

  
\_\_\_\_\_  
MARIA MORRIS, AGENCY SECRETARY

STATE OF CALIFORNIA  
COUNTY OF ORANGE  
CITY OF SAN JUAN CAPISTRANO } ss.

I, MARIA MORRIS, appointed Agency Secretary of the Board of Directors of the Successor Agency to the San Juan Capistrano Community Redevelopment Agency, do hereby certify that the foregoing **Resolution No. SACRA 17-01-17-01** was duly adopted by the City Council of the City of San Juan Capistrano at a Regular meeting thereof, held the 17<sup>th</sup> day of January 2017, by the following vote:

AYES: BOARD MEMBERS: Reeve, Patterson, Ferguson, Farias and Chair Maryott  
NOES: BOARD MEMBERS: None  
ABSENT: BOARD MEMBERS: None

  
\_\_\_\_\_  
MARIA MORRIS, Agency Secretary

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

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

**Successor Agency:** San Juan Capistrano  
**County:** Orange

		17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 450,869</b>	<b>\$ 25,000</b>	<b>\$ 475,869</b>
B	Bond Proceeds	-	-	-
C	Reserve Balance	325,869	-	325,869
D	Other Funds	125,000	25,000	150,000
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 2,201,611</b>	<b>\$ 1,429,566</b>	<b>\$ 3,631,177</b>
F	RPTTF	2,101,611	1,329,566	3,431,177
G	Administrative RPTTF	100,000	100,000	200,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 2,652,480</b>	<b>\$ 1,454,566</b>	<b>\$ 4,107,046</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

**San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail**

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (January - June)					W
											Fund Sources						Fund Sources					
											L	M	N	O	P		R	S	T	U	V	
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 17-18 Total					17-18A Total						17-18B Total	
1	1997 Subordinated Taxable Tax	Bonds Issued On or Before	5/6/1997	8/1/2017	Bank of New York	Affordable Housing Projects	Central	\$ 53,312,149	N	\$ 4,107,046					\$ 2,652,480						\$ 1,454,566	
2	1998 Tax Allocation Refunding Bonds	Bonds Issued On or Before	6/24/1998	8/1/2016	U.S. Bank, N.A.	Advance Refunding of the 1991 Tax Allocation Bonds	Central	171,394	Y	\$ 171,394					\$ 171,394						\$ -	
3	2008 Tax Allocation Bonds, Series A	Bonds Issued On or Before	6/3/2008	8/1/2033	U.S. Bank, N.A.	Finance Agency Projects in the Central Project Area consistent with the Redevelopment Plan	Central	10,782,391	N	\$ 640,394		154,475		328,522	\$ 482,997				157,397		\$ 157,397	
4	2008 Tax Allocation Bonds, Series B (Taxable)	Bonds Issued On or Before	6/3/2008	8/1/2033	U.S. Bank, N.A.	Finance Agency Affordable Housing Projects	Central	15,608,928	N	\$ 762,361				471,043	\$ 471,043				291,318		\$ 291,318	
5	Tax Allocation Bond Reserve Set-Aside (See Notes)	Reserves	1/1/2014	6/30/2017	U.S. Bank, N.A.	Reserve set-aside for August 1, 2013 debt service payment - H&S Code Section 34171(b)	Central	-	N	\$ -					\$ -						\$ -	
6	OPA-Fluidmaster	OPA/DDA/Construction	6/17/1997	12/31/2019	Fluidmaster, Inc.	Elimination of Blight/Economic Development	Central	114,760	N	\$ 40,000				40,000	\$ 40,000						\$ -	
7	OPA-Capistrano Volkswagen	OPA/DDA/Construction	4/17/2001	6/30/2020	Miles Brandon	Elimination of Blight/Business Retention	Central	113,556	N	\$ 35,000				11,250	\$ 11,250				23,750		\$ 23,750	
8	OPA-Sierra Vista	OPA/DDA/Construction	4/1/2003	6/30/2019	Sierra Vista Partners	Elimination of Blight/Economic Development	Central	30,533	N	\$ 16,000				16,000	\$ 16,000						\$ -	
9	Agreement-TCAG Ford	OPA/DDA/Construction	10/19/2010	3/1/2038	Tuttle Click Automotive Group (TCAG, Inc.)	Elimination of Blight/Business Retention	Central	1,262,406	N	\$ 209,000				59,000	\$ 59,000				150,000		\$ 150,000	
10	Agreement-OC Chrysler	OPA/DDA/Construction	1/7/2011	6/30/2031	Chrysler Group Realty Co., LLC	Elimination of Blight/Economic Development	Central	770,111	N	\$ 247,500				123,750	\$ 123,750				123,750		\$ 123,750	
11	Lower Rosan Ranch - Loan Payable (See Notes)	Third-Party Loans	7/6/2011	7/6/2016	Farmer's & Merchants Bank	Property Acquisition/Economic Development	Central	-	Y	\$ -					\$ -						\$ -	
12	Kinoshita Acquisition - Note Extension (interest payments through March 1, 2021)	Third-Party Loans	2/28/2011	3/1/2021	Kinoshita Enterprises, L.P.	Property Acquisition/parks & Ag. Preservation	Central	4,856,403	N	\$ 234,988				117,494	\$ 117,494				117,494		\$ 117,494	
13	Kinoshita Acquisition - Note Extension (interest payments through March 1, 2021)	Third-Party Loans	2/28/2011	3/1/2021	Bobby Kinoshita Investment Enterprises, L.P.	Property Acquisition/parks & Ag. Preservation	Central	5,059,502	N	\$ 244,814				122,407	\$ 122,407				122,407		\$ 122,407	
14	Kinoshita Note Principal Payment Set-aside	Third-Party Loans	2/28/2011	3/1/2021	See Items 12-13 above	Reserve set-aside for March 1, 2021 principal payment on both notes - \$7,996,697.	Central	7,996,697	N													
16	Tax Anticipation Agreement (City/Agency Loan #1-See Notes)	City/County Loans On or Before	1/20/1988	6/30/2026	City of San Juan Capistrano	Elimination of Blight/Economic Development	Central	896,945	N	\$ 300,000				150,000	\$ 150,000				150,000		\$ 150,000	
17	Trulis Acquisition - Loan Agreement (City/Agency Loan #2 - See Notes)	City/County Loans On or Before	10/1/1998	6/30/2026	City of San Juan Capistrano	Property Acquisition/Elimination of Blight	Central	207,261	N	\$ 100,000				50,000	\$ 50,000				50,000		\$ 50,000	
18	Administration Loan Agreement (City/Agency Loan #3 - See Notes)	City/County Loans On or Before	6/1/2004	6/30/2026	City of San Juan Capistrano	Administration/Project Costs	Central	1,684,800	N	\$ 175,000				87,500	\$ 87,500				87,500		\$ 87,500	
28	Administrative Cost Allowance	Admin Costs	7/1/2014	6/30/2017	City of San Juan Capistrano	3% allowance for administrative costs incurred.	Central	250,000	N	\$ 250,000			25,000	100,000	\$ 125,000			25,000	100,000		\$ 125,000	
32	Legal Costs associated with assets, obligations and property.	Litigation	8/20/1991	6/30/2017	Straddling, Yocca, Carlson & Rauth	Section 34171(b) - cost of maintaining assets prior to disposition	Central		N													
51	Lower Rosan Ranch - 2016 Subordinated Tax Allocation Note (See Notes)	Refunding Bonds Issued After	11/1/2016	8/1/2021	Western Alliance Bank	Refunding F&M Note	Central	3,506,462	N	\$ 580,595				524,645	\$ 524,645				55,950		\$ 55,950	
52	Costs associated with selling properties (appraisals, surveys, etc.)								N	\$ 100,000			100,000	\$ 100,000							\$ -	
53									N	\$ -					\$ -						\$ -	
54									N	\$ -					\$ -						\$ -	
55									N	\$ -					\$ -						\$ -	

**San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances**  
**(Report Amounts in Whole Dollars)**

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

A	B	C	D	E	F	G	H	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	RPTTF
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin									
<b>Cash Balance Information by ROPS Period</b>														
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>														
1	Beginning Available Cash Balance (Actual 01/01/16)													
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016	1,774,464				1,217	62,978							
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)	11				45,000	1,776,919							
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					24,633	1,282,338							
5	ROPS 15-16B RPTTF Balances Remaining	1,774,475					392,944							
No entry required														
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,584	\$ 164,615						

**San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 17-18) - Notes July 1, 2017 through June 30, 2018**

Item #	Notes/Comments
1	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017.
2	Obligation expected to be paid in full by June 30, 2017.
3	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017.
4	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017.
5	Set-aside reserve pursuant to H&S Code Section 34171(b). Based on the estimated net redevelopment property tax available and enforceable obligation payments, the Successor Agency does not anticipate the need for set-aside reserves for tax allocation bond debt service payments to be made on August 1, 2017.
6	The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017. The agreement end date is upon complete payment of obligation. As instructed by DOF staff, an estimated date has been included.
7	The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017. The agreement end date is upon complete payment of obligation. As instructed by DOF staff, an estimated date has been included.
8	The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017. The agreement end date is upon complete payment of obligation. As instructed by DOF staff, an estimated date has been included.
9	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017.
10	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017.
11	The total obligation has been retired by item #51. The balance of this obligation \$3,113,949 was due on July 6, 2016, and had been listed during the ROPS 16-17A & B period. The Successor Agency was successful in refinancing this debt and is now scheduled for debt service payments listed on this ROPS 17-18. (See item# 51)
12	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017. Payments for FY 16-17 are interest only at 6.0%.
13	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2017. Payments for FY 16-17 are interest only at 6.0%.
14	The obligations in lines 12 and 13 have principal payments of \$3,916,450.71 and \$4,080,246.64, respectively which total \$7,996,697.35 due on March 1, 2021. RPPTF projections show that if the Successor Agency does not set-aside RPTTF ahead of March 1, 2021, there will not be sufficient RPTTF to meet these obligations when due. This will result in a default on these enforceable obligations. The Successor Agency projects that RPTTF will need to be set-aside beginning no later than ROPS 17-18B, in order to meet these obligations on March 1, 2021.
16	The City has received its Finding of Completion; this loan was approved by the Oversight Board pursuant to Health and Safety Code (HSC) Section 34191.4(b) on May 27, 2014, (Oversight Board Resolution14-05-27-02); and DOF approved the loan and payment schedule on August 5, 2014. The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017.
17	The City has received its Finding of Completion; this loan was approved by the Oversight Board pursuant to Health and Safety Code (HSC) Section 34191.4(b) on May 27, 2014 (Oversight Board Resolution14-05-27-02); and DOF approved the loan and payment schedule on August 5, 2014. The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017.
18	The City has received its Finding of Completion; this loan was approved by the Oversight Board pursuant to Health and Safety Code (HSC) Section 34191.4(b) on May 27, 2014 (Oversight Board Resolution14-05-27-02); and DOF approved the loan and payment schedule on xx/xx/xxxx. The total obligation outstanding is the amount expected to be outstanding as of June 30, 2017.
28	Staff time and other administrative costs (estimated to be incurred for this ROPS period) provided pursuant to the Agreement for the Reimbursement of Costs approved by the Oversight Board on May 2, 2012, (Resolution 12-05-02-01). The agreement continues until services are no longer needed. Therefore, the termination date is unknown and has been listed as June 30, 2017, as instructed by the Department of Finance.
32	Legal costs associated with property, assets, and enforceable obligations (estimated) - HSC Section 34171(b). The Agreement is valid until services are no longer needed. Therefore, the termination date is unknown and has been listed as June 30, 2017, as instructed by the Department of Finance.
51	Debt service on DOF-approved refinancing of Lower Rosan Farmers and Merchants Bank Note
52	Costs associated with selling property formerly owned by the CRA that are paid outside of escrow. The proceeds of sale will be distributed to the taxing entities.