

OVERSIGHT BOARD RESOLUTION NO. 17-01-24-01

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE SAN JUAN CAPISTRANO COMMUNITY REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JULY 1, 2017, THROUGH JUNE 30, 2018, (ROPS 17-18)

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, Assembly Bill 1484, enacted on June 27, 2012, and Senate Bill 107 enacted on September 22, 2015, made certain amendments to the Dissolution Act, including the process for adopting Recognized Obligation Payment Schedules (ROPS); 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, pursuant to Section 34179 of the Dissolution Act, the Successor Agency's Oversight Board has been formed and the initial meeting has occurred on April 9, 2012; and,

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 the Dissolution Act; 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) of Section 34177 of the Dissolution Act, staff of the City, acting on behalf of the Successor Agency, prepared and submitted to the Successor Agency, the 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, the City Council, acting as the governing body of the Successor Agency adopted Resolution SACRA 17-01-17-01, on January 17, 2017, approving the Recognized Obligation Payment Schedule for the period covering July 1, 2017, through June 30, 2018, (ROPS 17-18) and authorizing the Executive Director and/or the Finance Officer of the Successor Agency, or their authorized designees, to make such augmentations, modifications, additions or revisions as they may deem appropriate; and,

WHEREAS, Resolution SACRA 17-01-17-01 also directed the Executive Director or authorized designees to transmit the approved ROPS 17-18 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 17-18 to be posted on the City's website, all in accordance with Section 34177(l)(2)(C) of the Dissolution Act, and take other actions necessary to obtain approval of the ROPS 17-18 from the Oversight Board and the State Department of Finance; and,

WHEREAS, pursuant to Section 34177(l)(2)(B) of the Dissolution Act, staff of the City, acting on behalf of the Successor Agency, provided notice of this Oversight Board action, along with the ROPS 17-18 and staff report submitted to the Oversight Board herewith, to the County Administrative Officer, the County Auditor-Controller, and the State Department of Finance, concurrently with the posting of the Agenda for this Oversight Board action; and,

WHEREAS, pursuant to Sections 34177(l)(2)(B) and 34180(g) of the Dissolution Act, the Oversight Board has received and reviewed the ROPS 17-18 and desires to approve the ROPS 17-18 in substantially the form attached to this Resolution as Exhibit A; and,

WHEREAS, pursuant to Section 34177(m) of the Dissolution Act, the State Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the ROPS is submitted.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO 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 Oversight Board hereby approves the revised ROPS 17-18 in the form attached to this Resolution as Exhibit A, which is incorporated herein by this reference.

Section 3. The Oversight Board 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 and as may be directed by the City Council, acting as the governing board of the Successor Agency.

Section 4. The Executive Director or her authorized designees on behalf of the Successor Agency are directed to transmit the approved revised ROPS 17-18 to 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. Pursuant to Health and Safety Code Section 34177(o)(1), this Resolution shall be submitted to the California Department of Finance by February 1, 2017, and the California Department of Finance shall issue its determination and approval no later than April 15, 2017.

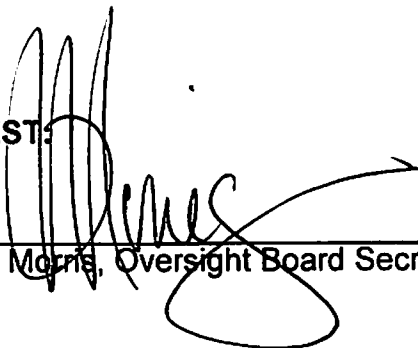
Section 6. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 24th Day of January 2017.



Laura Freese, Chair

ATTEST:



Maria Morris, Oversight Board Secretary

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

I, Maria Morris, Secretary of the Oversight Board to the Successor Agency of the San Juan Capistrano Community Redevelopment Agency, hereby certify that the above and foregoing Resolution was duly and regularly adopted by the Oversight Board at a special meeting thereof held on the 24th day of January 2017, and that it was so adopted by the following vote:

AYES: Jakl, McCord, Tatarian and Chair Freese

NOES: None

ABSENT: Hampton and Vice-Chair Kerr



Maria Morris, Oversight Board Secretary

(SEAL)

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

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

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) - Report of Cash Balances
(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (j), 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
Cash Balance Information by ROPS Period		Bond Proceeds	Reserve Balance	Other	RPTTF				
		Bonds issued on or before 12/31/10	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			
		Bonds issued on or after 01/01/11							
ROPS 15-16B Actuals (01/01/16 - 06/30/16)									
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)	1,774,475				24,633	1,282,338		
5	ROPS 15-16B RPTTF Balances Remaining						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 10/19/2016. 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.