February 12, 2016

Ms. Cindy Russell, Chief Finance Officer
City of San Juan Capistrano
32400 Paseo Adelanto
San Juan Capistrano, CA 92675

Dear Ms. Russell:

Subject: Amended Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the San Juan Capistrano Successor Agency (Agency) submitted an Oversight Board (OB) approved Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on April 25, 2014.

The Agency received a Finding of Completion on November 8, 2013, and Finance approved the Agency’s use or disposition of all the properties listed on the LRPMP on January 16, 2015.

With the passage of Senate Bill 107, agencies with an approved LRPMP are allowed one amendment to their LRPMP, solely to allow for the retention of real properties that constitute “parking facilities and lots dedicated solely to public parking” as governmental use, pursuant to HSC section 34181.

The Agency submitted an amended LRPMP to Finance on December 11, 2015. Finance has completed its review of the amended LRPMP, which may have included obtaining clarification for various items.

Based on our review and application of the law, Finance is approving the changes to the Agency’s disposition of properties from future development to governmental use on the amended LRPMP as follows:

- Site Nos. 4 and 5 – Public parking lot, 31852 Camino Capistrano, Assessor’s Parcel Numbers (APN) 124-160-18 and 124-160-16.
- Site No. 6 – Public parking, 31811 Camino Capistrano, APN 124-160-19.
- Site No. 7 – Interim parking lot, 26874 Ortega Highway, APN 124-160-31.

It is our understanding these properties will transfer from the Agency to the City of San Juan Capistrano for continued use as public parking lots.
However, the Agency’s authority is limited to amending permissible use for currently used parking facilities and lots dedicated solely to public parking for governmental use as specified in HSC section 34191.3. Therefore, Finance will not approve the following changes to the LRPMP:

- Site No. 8 – Community Theater located at 31776 El Camino Real, APN 124-160-26. Finance originally approved future development as the disposition method for this property. This property is currently developed as a community theater, and does not qualify as a parking facility or lot currently dedicated solely to public parking. Therefore, the amendment to change the disposition from future development to governmental use is not allowed.

- Site Nos. 9 and 10 – Interest in real properties located at 37166 and 31782 Camino Capistrano, APNs 124-160-22 and 124-160-21. The Agency did not include these properties in the original LRPMP approved by Finance on January 16, 2015. HSC section 34191.3 (b) does not allow for the addition of new properties once Finance approves the LRPMP. Therefore, the amendment to add interest in real properties in the LRPMP is not allowed.

All other properties, including Site No. 8, identified in the LRPMP shall be disposed of in a manner consistent with the LRPMP Finance approved on January 16, 2015. Finance notes the OB may approve the disposition of Site Nos. 9 and 10 pursuant to HSC sections 34177 (e) and 34181 (a).

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

Sincerely,

JUSTYN HOWARD
Program Budget Manager

cc: Ms. Michelle Bannigan, Assistant Finance Director, City of San Juan Capistrano
    Mr. Frank Davies, Property Tax Manager, Orange County