DEPARTMENT OF FINANCE

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January 16, 2015

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

Dear Ms. Russell:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the San Juan Capistrano Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on April 25, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on November 8, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

The LRPMP specifies the following:

> With respect to the properties described in paragraph 2, the City of San Juan Capistrano (City) will enter into agreements with the affected taxing entities for the distribution of any net sale proceeds if and to the extent required by law.

Please note, however, pursuant to HSC section 34180 (f), the City is responsible for reaching a compensation agreement with the taxing entities at some point in the future.

Additionally, the following errors were noted during our review, but do not require a revised plan to be submitted:

- Site #6 Interim Parking Lot: The plan originally identified the address as 31811 Camino Capistrano. However, the correct address should be 31811 El Camino Real.

- Site #9 Vacant Land: The plan originally identified Assessor's Parcel Number (APN) 121-253-14 as one of the parcels included in this site. However, the correct APN should be #121-253-15.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to

HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP which requires the Agency to enter into a new agreement are subject to oversight board (OB) approval per HSC section 34181 (f). Any OB action approving a new agreement in connection with the LRPMP should be submitted to Finance for approval.

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

Sincerely,

for

JUSTYN HOWARD
Acting Program Budget Manager

cc: Ms. Michelle Bannigan, Assistant Finance Director, City of San Juan Capistrano
Mr. Frank Davies, Property Tax Manager, Orange County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State Controller's Office
California State Controller's Office