

SACRA RESOLUTION NO. 16-01-18-01

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, 2016, THROUGH JUNE 30, 2017, AND AUTHORIZING CERTAIN OTHER ACTIONS PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE SECTION 34181(g)

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, 2016, to June 30, 2017, 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, 2016, through June 30, 2017, (ROPS 16-17), 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 16-17, along with the ROPS and the staff report submitted to the Oversight Board, to the County Administrative Officer, the Orange County Auditor-Controller, the State Controller's Office, and the State Department of Finance, concurrently with the posting of the Agenda for the Oversight Board's consideration of the ROPS 16-17; and,

WHEREAS, the Successor Agency now desires to approve the ROPS 16-17, ratify all actions taken by City staff to prepare the ROPS 16-17, and transmit the ROPS 16-17 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 16-17 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)(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 18th day of January 2016.


Kerry K. Ferguson, Chair

ATTEST:



Maria Morris, Agency Secretary

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

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 16-01-18-01** was duly adopted by the City Council of the City of San Juan Capistrano at an Adjourned Regular meeting thereof, held the 18th day of January 2016, by the following vote:

AYES: BOARD MEMBERS: Allevato, Patterson, Reeve, Perry and Chair Ferguson
NOES: BOARD MEMBERS: None
ABSENT: BOARD MEMBERS: None



MARIA MORRIS, Agency Secretary

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: San Juan Capistrano
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)			
A Funding Sources (B+C+D):	\$ 371,624	\$ 45,000	\$ 416,624
B Bond Proceeds Funding	-	-	-
C Reserve Balance Funding	294,423	-	294,423
D Other Funding	77,201	45,000	122,201
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 5,045,510	\$ 1,272,834	\$ 6,318,344
F Non-Administrative Costs	4,997,711	1,192,834	6,190,545
G Administrative Costs	47,799	80,000	127,799
H Current Period Enforceable Obligations (A+E):	\$ 5,417,134	\$ 1,317,834	\$ 6,734,968

Laura S. Freese	Chair
Name	Title
/s/ Laura S. Freese	1/26/2016
Signature	Date

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.

San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	16-17A					Q	16-17B					W										
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)						RPTTF						Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)					RPTTF				
											Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin					
											Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	16-17A Total	16-17B 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	\$ 56,290,654	345,187	N	\$ 6,734,968	\$ -	\$ 294,423	\$ 77,201	\$ 4,997,711	\$ 47,799	\$ 5,417,134	\$ -	\$ -	\$ 45,000	\$ 1,192,834	\$ 80,000	\$ 1,317,834										
2	1998 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	6/24/1998	8/1/2016	U.S. Bank, N.A.	Advance Refunding of the 1991 Tax Allocation Bonds	Central	512,188	N	\$ 512,188		167,400		385,165		\$ 512,188				6,394		\$ 6,394										
3	2008 Tax Allocation Bonds, Series A	Bonds Issued On or Before 12/31/10	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	11,418,722	N	\$ 636,331				473,334		\$ 473,334				162,997		\$ 162,997										
4	2008 Tax Allocation Bonds, Series B (Taxable)	Bonds Issued On or Before 12/31/10	6/3/2008	8/1/2033	U.S. Bank, N.A.	Finance Agency Affordable Housing Projects	Central	16,272,832	N	\$ 663,904				367,862		\$ 367,862				296,042		\$ 296,042										
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	154,760	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	148,556	N	\$ 35,000				10,000		\$ 10,000				25,000		\$ 25,000										
8	OPA-Sierra Vista	OPA/DDA/Construction	4/1/2003	6/30/2019	Sierra Vista Partners	Elimination of Blight/Economic Development	Central	45,533	N	\$ 15,000				15,000		\$ 15,000						\$ -										
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	1,452,406	N	\$ 190,000				40,000		\$ 40,000				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	995,111	N	\$ 225,000				112,500		\$ 112,500				112,500		\$ 112,500										
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	3,113,949	N	\$ 3,113,949				3,113,949		\$ 3,113,949						\$ -										
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	5,091,391	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	5,304,316	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 6/27/11	1/20/1988	6/30/2026	City of San Juan Capistrano	Elimination of Blight/Economic Development	Central	1,196,945	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 6/27/11	10/1/1998	6/30/2026	City of San Juan Capistrano	Property Acquisition/Elimination of Blight	Central	307,261	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 6/27/11	6/1/2004	6/30/2026	City of San Juan Capistrano	Administration/Project Costs	Central	1,684,800	N	\$ -						\$ -						\$ -										
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			77,201		47,799	\$ 125,000			45,000		80,000	\$ 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																							

San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(Report Amounts in Whole Dollars)

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	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											
Cash Balance Information by ROPS Period																
ROPS 15-16A Actuals (07/01/15 - 12/31/15)																
1	Beginning Available Cash Balance (Actual 07/01/15)								The cash balance as of 07-01-15 for RPTTF (Column H) was \$2,524,776 which included the \$2,124,623 of RPTTF for the ROPS 15-16A period received in June 2015. This amount is listed on line 2.							
2	Revenue/Income (Actual 12/31/15)	3,263,799					400,153									
	RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015	112				19,722	2,124,623									
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)															
		1,489,463				18,505	2,461,826									
4	Retention of Available Cash Balance (Actual 12/31/15)															
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	1,774,448														
5	ROPS 15-16A RPTTF Balances Remaining															
									75,984							
6	Ending Actual Available Cash Balance															
	C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 1,217	\$ (13,034)									
ROPS 15-16B Estimate (01/01/16 - 06/30/16)																
7	Beginning Available Cash Balance (Actual 01/01/16)								RPTTF cash balance as of 01-01-16 (Col. H) represents PPA from ROPS 14-15B of \$236,805, less payments on ROPS 14-15B and ROPS 15-16A of \$249,839							
	(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 1,774,448	\$ -	\$ 75,984	\$ -	\$ 1,217	\$ (13,034)									
8	Revenue/Income (Estimate 06/30/16)															
	RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016					45,000	1,776,919									
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)															
						45,000	1,469,462									
10	Retention of Available Cash Balance (Estimate 06/30/16)															
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	1,774,448					294,423									
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ 75,984	\$ -	\$ 1,217	\$ -									

San Juan Capistrano Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Item #	Notes/Comments
1	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016.
2	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016.
3	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016.
4	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016.
5	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, 2016.
6	The total obligation outstanding is the amount expected to be outstanding as of June 30, 2016. 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, 2016. 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, 2016. 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, 2016.
10	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016. T
11	this obligation \$3,113,949 is due on July 6, 2016, and has been listed during the ROPS 16-17A period. Based on the Redevelopment Property Tax Transfer Funds (RPTTF) projected to be available and other enforceable obligations for the ROPS 16-17A period, it is anticipated that there will not be sufficient RPTTF to fund this obligation. Therefore, the Successor Agency has contacted the note holder to begin the process of refinancing the balance remaining. It is anticipated that this refinanced amount will continue on past the ROPS 16-17A. However, since there is not currently a new obligation yet in place, a payment amount of \$0 is listed under the ROPS 16-17B section of the ROPS Detail sheet. It is anticipated that a new agreement will have been approved to refinance the remainder and the Successor Agency reserves the right to amend the Annual ROPS based for this
12	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016. Payments for FY
13	The total obligation outstanding includes all principal and interest expected to be outstanding at June 30, 2016. Payments for FY
14	\$7,996,697 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	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, 2016.
17	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, 2016.
18	Code (HSC) Section 34191.4(b) on May 27, 2014 (Oversight Board Resolution14-05-27-02); however DOF did not approve the loan. This City/Agency loan is requested to remain pending the resolution of questions regarding the denial. The total obligation outstanding is the amount expected to be outstanding as of June 30, 2016.
28	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	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.