

**OVERSIGHT BOARD RESOLUTION NO. 16-01-26-02**

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SAN JUAN CAPISTRANO COMMUNITY REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FROM JULY 1, 2016, TO JUNE 30, 2017, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j).**

**WHEREAS**, the San Juan Capistrano Community Redevelopment Agency ("Agency") was established as a community redevelopment agency duly organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, et seq. ("CRL"), and has been authorized to transact business and exercise the power 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 and Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (the "Dissolution Act"); and

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

**WHEREAS**, by Resolution No. 12-01-10-01 approved by the City Council at an open meeting on January 10, 2012, 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 serves and acts as the "Successor Agency" and will perform its functions as the successor agency under the Dissolution Act to administer all 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 Health and Safety Code Section 34179 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 Part 1.85 of the Dissolution Act; and

**WHEREAS**, Health and Safety Code Section 34177(j) requires the Successor Agency to prepare a proposed Administrative Budget covering the periods from July 1, 2016 through December 31, 2016, and January 1, 2017 through June 30, 2017; and

**WHEREAS**, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the

Successor Agency's administrative costs for the upcoming six month fiscal period; (b) the proposed sources of payment for the administrative costs; and (c) proposals for arrangements for administrative and operations services provided by the City as Successor Agency; and

**WHEREAS**, pursuant to Section 34180(h) the Successor Agency may request authorization from the Oversight Board for the Successor Agency and the City of San Juan Capistrano to enter into an agreement to ensure provision of the necessary services from the City to support Successor Agency responsibilities in winding down the activities of the former Agency, including the estimated costs set forth in the Administrative Budget; and

**WHEREAS**, the Oversight Board adopted Resolution No. 12-05-02-01 on May 2, 2012, to authorize the Successor Agency to enter into an "Agreement for Reimbursement of Costs and City/Successor Agency Operations Loan" ("Costs Reimbursement Agreement"), which agreement authorizes the reimbursement of costs incurred by the City to support Successor Agency operations and obligations; and

**WHEREAS**, the City Council, acting as the governing body of the Successor Agency adopted Resolution SACRA 16-01-18-02, on January 18, 2016, approving the Administrative Budget for the period from July 1, 2016, to June 30, 2017; and,

**WHEREAS**, the Successor Agency's proposed Administrative Budget for the period from July 1, 2016, to June 30, 2017, has been submitted to the Oversight Board for its review and approval; and

**WHEREAS**, the Administrative Budget, as approved by the Oversight Board, will be provided to the County of Orange Auditor-Controller pursuant to Health and Safety Code Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from available property tax revenues deposited into the Redevelopment Property Tax Trust Fund first, then reserves for the upcoming six-month period.

**NOW THEREFORE, BE IT RESOLVED**, that the Oversight Board to the Successor Agency of the San Juan Capistrano Community Redevelopment Agency, does hereby resolve as follows:

**Section 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

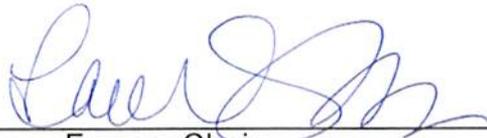
**Section 2.** Pursuant to CRL Section 34177(j), the Oversight Board approves the Successor Agency's proposed Administrative Budget, attached hereto as Exhibit A and incorporated by this reference.

**Section 3.** The Oversight Board authorizes the Executive Director and/or the Finance Officer of the Successor Agency to transmit the Administrative Budget to the County Administrative Officer, County of Orange Auditor-Controller, the California State Department of Finance, and the State Controller's Office, and to cause the approved Administrative Budget to be posted on the Successor Agency's website, all in accordance with Section 34177(l)(2)(C) of the Dissolution Act.

**Section 4.** This Resolution shall take effect immediately upon adoption.

**Section 5.** The Secretary of the Oversight Board Secretary shall certify to the adoption of this Resolution.

**PASSED, APPROVED and ADOPTED** this 26<sup>th</sup> day of January 2016.

  
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Laura Freese, Chair

**ATTEST:**

  
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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 Oversight Board Resolution 16-01-26-02 was duly and regularly adopted by the Oversight Board at a regular meeting thereof held on the 26th day of January 2016, and that it was so adopted by the following vote:

AYES: Jakl, Hampton, McCord and Chair Freese

NOES: None

ABSENT: Tatarian, Thomas and Vice-Chair Kerr



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Maria Morris, Oversight Board Secretary

**SUCCESSOR AGENCY ADMINISTRATIVE BUDGET**

July 1, 2016, through June 30, 2017

<b>Obligation Type</b>	<b>Description</b>	<b>July 1, 2016 through December 31, 2016 (ROPS 16-17A)</b>	<b>January 1, 2017 through June 30, 2017 (ROPS 16-17B)</b>	<b>Fiscal Year 2016-2017 Total</b>
Administrative Cost Allowance <sup>(1)</sup>	Successor Agency share of City employee's salaries and benefits as well as banking, legal and bond administration costs associated with outstanding debt of the former redevelopment agency	\$125,000	\$125,000	\$250,000
<b>Total Administrative Expenses</b>		<b>\$125,000</b>	<b>\$125,000</b>	<b>\$250,000</b>
<b>Funding Source</b>				
RPTTF		\$77,201	\$45,000	\$122,201
Other Funds		\$47,799	\$80,000	\$127,799
<b>Total - All Funding Sources</b>		<b>\$125,000</b>	<b>\$125,000</b>	<b>\$250,000</b>

<sup>(1)</sup> For Fiscal Year 2016-2017, the City, as the Successor Agency, is entitled to receive up to 3% of the portion of its Redevelopment Property Tax Trust Fund (RPTTF), but not less than \$250,000, to meet the administrative expenses of serving as the Successor Agency. This amount represents one-half is listed on line 28 of the Annual Recognized Obligation Payment Schedule for the period from July 1, 2016, through June 30, 2017 (ROPS 16-17) and is split evenly between each six-month period.