

AGENDA

OVERSIGHT BOARD (TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY) SPECIAL MEETING August 28, 2012 1:00 PM

City of Irvine
Conference and Training
One Civic Center Plaza
Irvine, CA 92606

Speaker's Card/Request to Speak: If you would like to address the Board on a scheduled agenda item, please complete the Request to Speak Form. The card is at the table at the entrance to the meeting room. Please identify on the card your name and the item on which you would like to speak and return to the Secretary. The Request to Speak Form assists the Chair in ensuring that all persons wishing to address the Board are recognized. Your name will be called at the time the matter is heard by the Board. Public testimony is limited to three minutes per speaker (unless extended by the Chair) which includes the presentation of electronic or audio visual information.

CALL TO ORDER

ROLL CALL

BOARDMEMBER:	Christine Compton, Deputy Chief of Staff, Supervisor Bill Campbell's office, County of Orange
BOARDMEMBER:	Veronica Dolleschel, Senior Management Analyst, City of Irvine
BOARDMEMBER:	John Fogarty, Asst. Superintendent of Business Services, CFO, Irvine Unified School District
BOARDMEMBER:	Sharon Landers, Assistant City Manager, City of Irvine
BOARDMEMBER:	Randy Peebles, Associate Vice Chancellor, Economic & Workforce Development, South OC Community College District
VICE CHAIR:	Lucy Dunn, President and CEO, Orange County Business Council
CHAIR:	Marian Bergeson, Chair, Foundation for the Great Park

PLEDGE OF ALLEGIANCE

BOARD MEMBER REPORTS

Reports and Announcements are for the purpose of presenting brief comments or reports, and are subject to California Government Code Section 54954.2 of the Brown Act.

ADDITIONS AND DELETIONS

Additions to the agenda are limited by California Government Code Section 54954.2 of the Brown Act and for those items that arise after the posting of the Agenda and must be acted upon prior to the next Board meeting.

BOARD BUSINESS

1. MINUTES

RECOMMENDED BOARD ACTION:

Approve the minutes of a special meeting of the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency held on June 14, 2012.

2. OVERVIEW OF ASSEMBLY BILL 1484

RECOMMENDED BOARD ACTION:

Receive and file.

3. APPROVE 2012 LOCAL AGENCY BIENNIAL NOTICE FOR THE OVERSIGHT BOARD'S CONFLICT OF INTEREST CODE

RECOMMENDED BOARD ACTION:

Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE 2012 LOCAL AGENCY BIENNIAL NOTICE FOR THE OVERSIGHT BOARD'S CONFLICT OF INTEREST CODE AND DIRECTING THE SECRETARY TO FILE THE NOTICE WITH THE CITY COUNCIL BY OCTOBER 1, 2012

4. APPROVE REVISED REGULAR MEETING SCHEDULE

RECOMMENDED BOARD ACTION:

Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING A REVISED REGULAR MEETING SCHEDULE FOR OVERSIGHT BOARD MEETINGS

5. FINDING THAT AGREEMENTS BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WERE FOR LEGITIMATE REDEVELOPMENT PURPOSES, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4 (B)(1) [ASSEMBLY BILL 1484]

RECOMMENDED BOARD ACTION:

- 1) Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2007 PURCHASE AND SALE AND FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES
- 2) Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2005 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES
- 3) Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2006 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES

6. ADOPTION OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE OF THE FORMER IRVINE REDEVELOPMENT AGENCY AND THE ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY, FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013

RECOMMENDED BOARD ACTION:

- 1) Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2013 THROUGH JUNE 30, 2013

- 2) Adopt the administrative budget for the Successor Agency for January 1, 2013 through June 30, 2013.

PUBLIC COMMENTS (Limited to 3 minutes per speaker)

ADJOURNMENT

NOTICE TO THE PUBLIC

STAFF REPORTS

Copies of staff reports or other written documentation that have been prepared or organized with respect to each item of business listed on the agenda are on file with the Board Secretary and are available for public inspection and copying once the agenda is publicly posted, (at least 72 hours prior to a regular Board meeting). Staff reports can also be downloaded from the City of Irvine website at www.cityofirvine.org.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the Board regarding any item on this agenda after the posting of the agenda will be available for public review in the Board Secretary's Office, One Civic Center Plaza, Irvine, California, during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact Board Secretary staff at (949)724-6205.

**SUBMITTAL OF INFORMATION BY MEMBERS OF THE PUBLIC FOR
DISSEMINATION OR PRESENTATION AT PUBLIC MEETINGS**

Any member of the public who desires to submit documentation in hard copy form may do so prior to the meeting or at the time he/she addresses the Board. Please provide 15 copies of the information to be submitted and file with the Secretary at the time of arrival to the meeting. This information will be disseminated to the Board at the time testimony is given.

PUBLIC COMMENT

Any member of the public may address the Board on items within the Board's subject matter jurisdiction but which are not listed on this agenda during Public Comment; however, no action may be taken on matters that are not part of the posted agenda. If you would like to address the Board during the Public Comment portion of the Agenda, please complete the Request to Speak Form. The card is at the table at the entrance to the meeting room. Please complete the card with your name and return to the Board Secretary. The Request to Speak Form assists the Chair in ensuring that all persons wishing to address the Board are recognized. Your name will be called at the time Public Comment is taken by the Board.

SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

It is the intention of the Board to comply with the Americans With Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Board will attempt to accommodate you in every reasonable manner. Please contact the Irvine City Clerk's Office at (949)724-6205.

Assisted listening devices are available at the meeting for individuals with hearing impairments. Notification 48 hours prior to the meeting will enable the Board to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II)

CHALLENGING BOARD DECISIONS

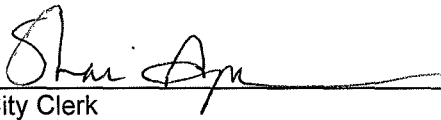
If a person wishes to challenge the nature of the above actions in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the Board, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

COMMUNICATION DEVICES

To minimize distractions, please be sure all personal communication devices are turned off or on silent mode.

MEETING SCHEDULE

I hereby certify that the agenda for the Special Board meeting was posted in the posting book located in the Public Safety Lobby of Irvine City Hall, One Civic Center Plaza, Irvine, California on August 24, 2012 by 5:00 pm as well as on the City of Irvine's web page.

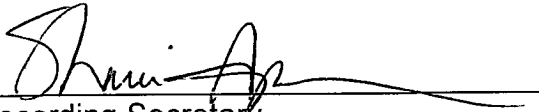


City Clerk

REQUEST FOR OVERSIGHT BOARD ACTION

MEETING DATE: AUGUST 28, 2012

TITLE: MINUTES


Recording Secretary

RECOMMENDED ACTION

Approve the minutes of the special meeting of the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency held on June 14, 2012.

MINUTES

OVERSIGHT BOARD (TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY) SPECIAL MEETING June 14, 2012

City of Irvine
Conference & Training Center
1 Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

The special meeting of the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency was called to order at 1:33 p.m. on June 14, 2012 in the Conference & Training room, Irvine Civic Center, 1 Civic Center Plaza, Irvine, California. Chair Bergeson presided over the meeting.

ROLL CALL

Present: 6 BOARDMEMBER: Christine Compton, Deputy Chief of Staff,
Supervisor Bill Campbell's office, County of Orange
BOARDMEMBER: Veronica Dolleschel, Senior Management Analyst,
City of Irvine
BOARDMEMBER: John Fogarty, Asst. Superintendent of Business
Services, CFO, Irvine Unified School District
BOARDMEMBER: Sharon Landers, Assistant City Manager, City of
Irvine
VICE CHAIR: Lucy Dunn, President and CEO, Orange County
Business Council
CHAIR: Marian Bergeson, Chair, Foundation for the Great
Park

Absent: 1 BOARDMEMBER: Debra Fitzsimons, Vice Chancellor of Business
Services, South OC Community College District

PLEDGE OF ALLEGIANCE

Chair Bergeson led the Pledge of Allegiance.

ADDITIONS AND DELETIONS

There were none.

PRESENTATIONS

There were none.

BOARD BUSINESS

1. MINUTES

ACTION:

Moved by Vice Chair Dunn, seconded by Boardmember Landers, and unanimously carried by those members present to approve the minutes of a regular meeting of the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency held on May 10, 2012.

2. APPROVE RE-ENTERED AGREEMENTS BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

ACTION:

Moved by Vice Chair Dunn, seconded by Boardmember Fogarty to:

- 1) Adopt Resolution No. 2012-11 OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING A RE-ENTERED 2007 PURCHASE AND SALE AND FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

The motion carried as follows:

AYES: 5 BOARDMEMBERS: Bergeson, Dunn, Dolleschel, Fogarty, Landers

NOES: 1 BOARDMEMBERS: Compton

ABSENT: 1 BOARDMEMBERS: Fitzsimons

ACTION:

Moved by Vice Chair Dunn, seconded by Boardmember Fogarty to:

- 2) Adopt Resolution No. 2012-12 OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING A RE-ENTERED 2005 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

The motion carried as follows:

AYES: 5 BOARDMEMBERS: Bergeson, Dunn, Dolleschel, Fogarty, Landers

NOES: 1 BOARDMEMBERS: Compton

ABSENT: 1 BOARDMEMBERS: Fitzsimons

ACTION:

Moved by Vice Chair Dunn, seconded by Boardmember Fogarty to:

- 3) Adopt Resolution No. 2012-13 OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING A RE-ENTERED 2006 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

The motion carried as follows:

AYES: 5 BOARDMEMBERS: Bergeson, Dunn, Dolleschel, Fogarty, Landers

NOES: 1 BOARDMEMBERS: Compton

ABSENT: 1 BOARDMEMBERS: Fitzsimons

**3. REVISED RECOGNIZED OBLIGATION PAYMENT SCHEDULES OF THE
DISSOLVED IRVINE REDEVELOPMENT AGENCY**

ACTION:

Moved by Boardmember Fogarty, seconded by Vice Chair Dunn to:

Adopt Resolution No. 2012-14 OF THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT
AGENCY APPROVING A REVISED RECOGNIZED OBLIGATION
PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2012 THROUGH
DECEMBER 31, 2012:

The motion carried as follows:

AYES: 5 BOARDMEMBERS: Bergeson, Dunn, Dolleschel, Fogarty,
Landers

NOES: 1 BOARDMEMBERS: Compton

ABSENT: 1 BOARDMEMBERS: Fitzsimons

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Moved by Vice Chair Lucy Dunn and seconded by Chair Bergeson, and unanimously
carried by those members present to adjourn the meeting at 2:00 p.m.

OVERSIGHT BOARD CHAIR

SECRETARY

August 28, 2012

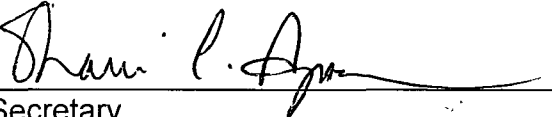
No Staff Report

3

REQUEST FOR OVERSIGHT BOARD ACTION

MEETING DATE: AUGUST 28, 2012

TITLE: APPROVE 2012 LOCAL AGENCY BIENNIAL NOTICE FOR THE
OVERSIGHT BOARD'S CONFLICT OF INTEREST CODE


Secretary

RECOMMENDED ACTION

Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE 2012 LOCAL AGENCY BIENNIAL NOTICE FOR THE OVERSIGHT BOARD'S CONFLICT OF INTEREST CODE AND DIRECTING THE SECRETARY TO FILE THE NOTICE WITH THE CITY COUNCIL BY OCTOBER 1, 2012

EXECUTIVE SUMMARY

The Political Reform Act requires every local government agency to review its conflict of interest code biennially, regardless of how recently the agency approved or amended its code. The 2012 Local Agency Biennial Notice must be filed with the City Council by October 1, 2012.

The Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency is subject to the Political Reform Act. In accordance with the Political Reform Act and regulations promulgated thereunder by the Fair Political Practices Commission (FPPC), on March 21, 2012, the Oversight Board adopted Resolution No. 2012- 2, which adopts the FPPC model conflict of interest code by reference, and designates Oversight Board members as required filers of statements of economic interests. On April 24, 2012, the City Council approved the conflict of interest code subject to a minor amendment to Section 4 which was necessitated by amended advice provided by the FPPC. Section 4 of Resolution No. 2012-2 was amended to properly identify the code reviewing body, and the filing officer for the Oversight Board's statements of economic interests, as the City Council and the City Clerk, respectively. On May 10, 2012 the Oversight Board ratified the City Council's approval of the conflict of interest code, including the aforementioned amendment.

At this time, there are no necessary amendments to the Oversight Board's conflict of interest code (Attachment 1). Therefore, it is recommended that the Oversight Board adopt the proposed resolution (Attachment 2) to approve the 2012 Local Agency Biennial Notice (Attachment 2) which indicates that no amendment is required at this biennial review, and directs the Secretary to file the notice with the City Council by October 1, 2012.

ALTERNATIVES CONSIDERED

None. The Oversight Board is required to file the 2012 Local Agency Biennial Notice with the City Council by October 1, 2012.

REPORT PREPARED BY: Sharie Apodaca, Secretary to the Oversight Board

ATTACHMENT:

1. Resolution No. 2012-2 - Conflict of Interest Code of the Oversight Board
2. Proposed Resolution approving the 2012 Local Agency Biennial Notice
3. 2012 Local Agency Biennial Notice

RESOLUTION NO. 2012-2

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY ADOPTING A CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency has been appointed pursuant to the provisions of Health & Safety Code Section 34179; and

WHEREAS, the Oversight Board is deemed a local entity for purposes of the Political Reform Act; and

WHEREAS, pursuant to the Political Reform Act and regulations promulgated thereunder by the Fair Political Practices Commission ("FPPC"), a newly established local entity is required to adopt a conflict of interest code; and

WHEREAS, the Oversight Board finds and determines that it is appropriate to adopt as its conflict of interest code the model conflict of interest code promulgated by the FPPC as set forth in this Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

SECTION 1. Pursuant to the Political Reform Act of 1974, Government Code Section 87300 et seq., and Section 18730 of Title 2 of the California Code of Regulations, the Board adopts the model conflict of interest code promulgated by the Fair Political Practices Commission of the State of California as set forth in Section 18730 of Title 2 of the California Code of Regulations, which model conflict of interest code is incorporated herein by reference, and which, together with the list of designated positions and the disclosure categories applicable to each designated position as set forth in Sections 3 and 5 of this Resolution, collectively constitutes the Board's conflict of interest code. As the model conflict of interest code set forth in Section 18730 of Title 2 of the California Code of Regulations is amended from time to time by State law, regulatory action of the Fair Political Practices Commission, or judicial determination, the portion of the Board's conflict of interest code comprising the model conflict of interest code shall be deemed automatically amended without further action to incorporate by reference all such amendments to the model conflict of interest code so as to remain in compliance therewith. Nothing in this Resolution shall supersede the independent applicability of Government Code Section 87200.

SECTION 2. The definitions contained in the Political Reform Act of 1974 and in the regulations of the Fair Political Practices Commission, and any amendments to either of the foregoing, are incorporated by reference into this conflict of interest code.

SECTION 3. The following are the designated Board positions, the holders of which shall be required to file statements of economic interests: Oversight Board members.

SECTION 4. The code reviewing body for this conflict of interest code shall be the Board of Supervisors of the County of Orange. This conflict of interest code shall be promptly submitted after its adoption by the Acting Secretary to the Clerk of the Board of Supervisors. Statements of economic interests shall be filed by Oversight Board members with the Clerk of the Board of the Supervisors of the County of Orange.

SECTION 5. The Board finds and determines that the persons holding the positions set forth in Section 3 make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

SECTION 6. Each person holding a designated position set forth in Section 3 shall report in every disclosure category set forth in the statement of economic interests promulgated by the FPPC to the extent such category is applicable to such person pursuant to the rules and regulations of the FPPC. The disclosure categories as promulgated by the FPPC may be amended from time to time and such amendments shall not require an amendment to this code or Resolution.

SECTION 7. Sections 3 and 6 of this Resolution constitute the Appendix referred to in subdivision (b)(2) of Section 18730 of Title 2 of the California Code of Regulations.

SECTION 8. Nothing contained in this Resolution is intended to modify or abridge the provisions of the Political Reform Act of 1974, Government Code Section 87000 et seq., or FPPC the regulations, Title 2 California Code of Regulations including Sections 18700 et seq. The provisions of this Resolution are additional to the Political Reform Act and FPPC Regulations. This Resolution shall be interpreted in a manner consistent with the Political Reform Act and FPPC regulations. In the event of any inconsistency between the provisions of this Resolution, on the one hand, and the Political Reform Act and/or the FPPC regulations, on the other hand, the provisions of the Political Reform Act and FPPC regulations shall govern.

SECTION 9. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

PASSED AND ADOPTED by the Oversight Board at the first regular meeting held on the 21st day of March, 2012.



CHAIR, OVERSIGHT BOARD

ATTEST:



ACTING SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, SHARIE APODACA, Acting Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at the first regular meeting of the Oversight Board, held on the 21st day of March, 2012.

AYES: 7 BOARD MEMBERS: BERGESON, COMPTON, DOLLESCHER,
DUNN, FITZSIMONS, FOGARTY AND
LANDERS

NOES: 0 BOARD MEMBERS:

ABSENT: 0 BOARD MEMBERS:



ACTING SECRETARY

RESOLUTION NO. 2012-2 AMENDMENT

OVERSIGHT BOARD

TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDVELOPMENT AGENCY

THE CONFLICT OF INTEREST CODE FOR THE OVERSIGHT BOARD AS SET FORTH IN RESOLUTION NO. 2012-2 WAS APPROVED BY THE CITY COUNCIL ON APRIL 24, 2012 SUBJECT TO A REVISION TO SECTION 4 OF THE RESOLUTION AS NOTED BELOW. THE OVERSIGHT BOARD RATIFIED THE CITY COUNCIL'S APPROVAL OF THE CODE ON MAY 10, 2012

SECTION 4. The code reviewing body for this conflict of interest code shall be the City Council of the City of Irvine. This conflict of interest code shall be promptly submitted after its adoption by the Acting Secretary to the City Council of the City of Irvine. Statements of economic interests shall be filed by Oversight Board members with the City Clerk of the City of Irvine.

OVERSIGHT BOARD RESOLUTION NO. 2012-

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE 2012 LOCAL AGENCY BIENNIAL NOTICE FOR THE OVERSIGHT BOARD'S CONFLICT OF INTEREST CODE AND DIRECTING THE SECRETARY TO FILE THE NOTICE WITH THE CITY COUNCIL BY OCTOBER 1, 2012

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency has been appointed pursuant to the provisions of Health & Safety Code Section 34179; and

WHEREAS, the Oversight Board is deemed a local entity for purposes of the Political Reform Act; and

WHEREAS, pursuant to the Political Reform Act and regulations promulgated thereunder by the Fair Political Practices Commission, on March 21, 2012, the Oversight Board adopted Resolution No. 2012-2, which adopts the FPPC model conflict of interest code by reference; and the City Council, as the code reviewing body, approved the conflict of interest code on April 24, 2012; and

WHEREAS, the Political Reform Act requires every local agency to review its conflict of interest code biennially, and to file a Local Agency Biennial Notice with the code reviewing body.

NOW, THEREFORE, BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. The Oversight Board has determined that its conflict of interest code does not require amendments at the biennial review, and directs the board Secretary to file the 2012 Local Agency Biennial Notice (Exhibit 1) with the City Council not later than October 1, 2012.

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th day of August, 2012.

CHAIR, OVERSIGHT BOARD

ATTEST:

SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, SHARIE APODACA, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a special meeting of the Oversight Board, held on the 28th day of August, 2012.

AYES: 0 BOARD MEMBERS:

NOES: 0 BOARD MEMBERS:

ABSENT: 0 BOARD MEMBERS:

SECRETARY

2012 Local Agency Biennial Notice

Name of Agency: Oversight Board to the Successor Agency to the Dissolved Irvine Redevelopment Agency

Mailing Address: 1 Civic Center Plaza Irvine, CA 92606-5207

Contact Person: Sharie Apodaca, Secretary Office Phone No: 949-724-6205

E-mail: sapodaca@cityofirvine.org

Fax No: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code requires disclosure by agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict-of-interest code and has determined that *(Check one box)*:

☐ **An amendment is required. The following amendments are necessary:**

(Mark all that apply.)

- ☐ Include new positions.
- ☐ Revise disclosure categories.
- ☐ Revise the titles of existing positions.
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions.
- ☐ Other *(describe)* _____

☒ **No amendment is required.**

☐ **The code is currently under review by the code reviewing body.**

Verification

The agency's code accurately designates all positions that make or participate in the making of governmental decisions; the disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding the designated positions; and the code includes all other provisions required by Government Code Section 87302.

Signature of Chair

Date

Complete this notice regardless of how recently your code was approved or amended.
Please return this notice no later than **October 1, 2012**, or the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

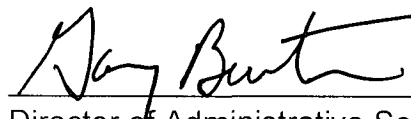
PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

4

REQUEST FOR OVERSIGHT BOARD ACTION

MEETING DATE: AUGUST 28, 2012

TITLE: APPROVE REVISED REGULAR MEETING SCHEDULE



Director of Administrative Services

RECOMMENDED ACTION

Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING A REVISED REGULAR MEETING SCHEDULE FOR OVERSIGHT BOARD MEETINGS

EXECUTIVE SUMMARY

At the initial meeting of the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency on March 21, 2012, the Oversight Board approved a schedule for regular meetings on the second Wednesday of May and November of each year. On May 9, 2012, to accommodate the California State Department of Finance reporting guidelines for the Recognized Obligation Payment Schedules, those meeting dates were changed to the first Thursday of March and the first Thursday of September.

On June 27, 2012 the governor signed Assembly Bill 1484 which imposed another change to the reporting guidelines calling for future approved Recognized Obligation Payment Schedules to be submitted to the Department of Finance by March 3 and October 4 of each year. Staff recommends revising the regular meeting schedule to enable the Successor Agency to meet these deadlines.

A poll of the Oversight Board members identified the first Thursday of February and the first Thursday of September at 9 a.m. as the best available meeting times. The regular meeting location will remain in the Conference and Training Center at City of Irvine Civic Center, City Hall, 1 Civic Center.

ALTERNATIVES CONSIDERED

The Brown Act requires the establishment of a regular meeting schedule. The Oversight Board may adopt an alternative meeting schedule and/or location within the City of Irvine. Additionally, individual meetings may be added or rescheduled as needed as long as proper noticing requirements are met.

REPORT PREPARED BY

Donna Mullally, Manager of Fiscal Services
Amy Roblyer, Senior Management Analyst

ATTACHMENT: Resolution

OVERSIGHT BOARD RESOLUTION NO. 2012-__

A RESOLUTION OF THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY TO THE DISSOLVED IRVINE
REDEVELOPMENT AGENCY ESTABLISHING A
REGULAR MEETING SCHEDULE FOR OVERSIGHT
BOARD MEETINGS

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency has been appointed pursuant to the provision of Health and Safety Code Section 34179; and

WHEREAS, the Oversight Board is deemed a local entity for purposes of the Ralph M. Brown Act, and must conduct its business in accordance with the Brown Act; and

WHEREAS, the regular meeting schedule was established by the Oversight Board on May 10, 2012; and

WHEREAS, the State of California has established reporting dates that require amending the regular meeting schedule to ensure timely action by the Oversight Board; and

WHEREAS, the Oversight Board has met and conferred to determine a revised day, time and location for the regular meetings of the Oversight Board.

NOW, THEREFORE BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. All meetings of the Oversight Board shall be held in accordance with the Ralph M. Brown Act.

SECTION 2. The regular meetings of the Oversight Board shall be held on the first Thursday of February, and on the first Thursday of September each year, at 9 a.m. The location of the meetings shall be at City of Irvine Civic Center, City Hall, 1 Civic Center Plaza, Conference and Training Center, Irvine, California.

SECTION 3. Any regular meeting may be adjourned to a date, time and place and when so adjourned shall be considered a regular meeting. Meetings may be adjourned by the presiding officer or by the board secretary if a quorum is not present.

SECTION 4. Special meetings may be called by the Chair or by four (4) board members, and notice thereof shall be provided in accordance with the Ralph M. Brown Act.

SECTION 5. This Resolution supersedes Oversight Board Resolution No. 2012-08.

ATTACHMENT

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th day of August, 2012.

MARIAN BERGESON, CHAIR

ATTEST:

TERRI GOGGIN, SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF IRVINE)

I, TERRI GOGGIN, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a special meeting of the Oversight Board, held on the 28th day of August 2012.

AYES: BOARDMEMBERS:

NOES: BOARDMEMBERS:

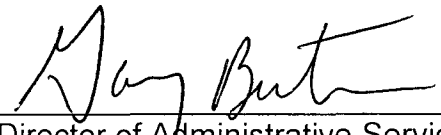
ABSENT: BOARDMEMBERS:

TERRI GOGGIN, SECRETARY

REQUEST FOR OVERSIGHT BOARD ACTION

MEETING DATE: AUGUST 28, 2012

TITLE: FINDING THAT AGREEMENTS BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WERE FOR LEGITIMATE REDEVELOPMENT PURPOSES, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4(B)(1) [ASSEMBLY BILL 1484]


Director of Administrative Services

RECOMMENDED ACTION

1. Adopt – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2007 PURCHASE AND SALE AND FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES
2. Adopt – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2005 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES
3. Adopt – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2006 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES

EXECUTIVE SUMMARY

On December 29, 2011, the California Supreme Court (Court) upheld Assembly Bill x1 26 (the Dissolution Act) requiring each successor agency to adopt Recognized Obligation Payment Schedules (Payment Schedules) every six months listing the

enforceable obligations of the dissolved redevelopment agency to be paid with property taxes that would otherwise have been allocated to the former redevelopment agency. Obligations on Irvine's Payment Schedules include a development agreement, an affordable housing grant agreement, and loans between the City and the former redevelopment agency. The State of California Department of Finance (Department) is responsible for reviewing the Payment Schedules and approving enforceable obligations for payment.

The Dissolution Act contains provisions that state loans by a city to its redevelopment agency are enforceable obligations only if they met certain specified and narrow conditions. At the time of dissolution, there were three loan agreements between the City and the Irvine Redevelopment Agency (Agency) outstanding. Referencing provisions in the Dissolution Act, the Department determined that one of these loans was not an enforceable obligation, and did not approve it for payment. Two additional loan agreements were also included on the Payment Schedules, however, no payments on those obligations were requested or due and the Department did not render a decision on the enforceability of those two obligations.

Assembly Bill 1484, which became law on June 27, 2012, amended the Dissolution Act based in part on the State's experience in implementing it. One of the new provisions allows for previously denied loan agreements between the City and its redevelopment agency to be deemed enforceable obligations provided, among other requirements, that the Oversight Board makes a finding that the loans were for legitimate redevelopment purposes. The activities funded by the three agreements were for legitimate redevelopment purposes under the then-applicable California Community Redevelopment Law. Accordingly, the Oversight Board is being asked to adopt resolutions finding each of the three loans were for legitimate redevelopment purposes so the three loans could be eligible for repayment under the AB1484 provisions should the Successor Agency wish to pursue repayment under those provisions.

ANALYSIS

On June 27, 2012, the governor signed Assembly Bill 1484 (AB 1484) modifying provisions of the Dissolution Act and imposing new requirements on successor agencies. The bill authorized the Department to issue a finding of completion to successor agencies that complete due diligence reviews and meet the requirements of the Dissolution Act and AB 1484. AB 1484 allows for successor agencies who are issued a finding of completion to have loan agreements between the City and its redevelopment agency to be deemed enforceable obligations, provided that the Oversight Board also makes a finding that the loans were for legitimate redevelopment purposes.

At the time of dissolution, the City had three outstanding loans with the Agency. The first two are loans in the principal amount of \$4.47 million and \$2.10 million that were

used to finance costs of the Agency before sufficient tax increment revenues were available. The third agreement is the Purchase and Sale and Financing Agreement, in which the City loaned the Agency \$134 million for the purchase of three parcels of land from the City.

Multiple provisions of the California Community Redevelopment Law (Health & Safety Code Sections 33000 *et seq.*) granted the City and Agency authority to enter into loan agreements so the City could provide the Agency with financial assistance for purposes of implementing redevelopment activities. Specifically, Health and Safety Code Section 33600 authorized loans by any public or private entity to a redevelopment agency to fund the redevelopment agency's activities, powers, and duties. Health and Safety Code Section 33601 authorized a redevelopment agency to borrow money from any public agency to fund any redevelopment project within its area of operation (e.g., for the Agency, the Orange County Great Park Redevelopment Project). Health and Safety Code Section 33610 authorized the City to loan funds to the Agency as necessary for the administrative expenses and overhead of the Agency.

On June 14, 2005 the first of three loans between the City and the Agency was established, with the Agency borrowing \$4.47 million from the City to fund administrative and overhead costs of the Agency before tax increment revenues were available. A second similar agreement was entered into on January 24, 2006 with the Agency borrowing \$2.10 million from the City. This loan was used to fund environmental and engineering studies and preliminary work associated with an advanced transit guideway system servicing the Irvine Transportation Center, Orange County Great Park, and the Spectrum entertainment center. For Agency funding of public improvements located outside the Orange County Great Park Redevelopment Project Area, the Agency and City Council made all of the required findings to authorize use of Agency funds for such projects because the projects were found to benefit the Orange County Great Park Redevelopment Project Area.

In addition, Health and Safety Code Section 33220 authorizes the City to dedicate, sell, convey or lease any of its property to a redevelopment agency. Accordingly, on August 14, 2007, the 2007 Purchase and Sale and Financing Agreement was executed. That agreement provided a loan by the City to the Agency of \$134 million to purchase three parcels of land from the City. The parcels were located within the boundaries of the Orange County Great Park Redevelopment Project Area and the Agency desired to acquire the parcels from the City for redevelopment purposes, which at the time may have included commercial development and/or housing including affordable housing.

There are several conditions imposed upon the repayment of loans that are deemed enforceable obligations under the provisions AB 1484. These conditions include the repayment not beginning until fiscal year 2013-2014, interest recalculated from the date of the origination of the loan using a rate not to exceed the rate earned by funds deposited in the Local Agency Investment Fund, the annual repayment amount capped

at one-half of the increase between the amount distributed to the taxing entities in the current fiscal year as compared to the same amount paid in the 2012-2013 base year, and finally that 20 percent of any loan repayment amount must be transferred to a new Low and Moderate Income Housing Asset Fund of the City.

Despite these conditions, finding the loans were for a legitimate redevelopment purpose preserves the City's interest to the maximum extent allowed by law. In that regard, the Successor Agency and City maintain the three loan agreements are enforceable obligations under the Dissolution Act despite the position taken by the Department of Finance with respect to city loans. The proposed resolutions, therefore, state that adoption of the resolutions do not affect the Successor Agency's assertion the loan agreements are enforceable obligations under other provisions of the Dissolution Act as amended by AB 1484.

ALTERNATIVES CONSIDERED

The Department has denied the Purchase and Sale and Financing Agreement as an enforceable obligation. Although the Successor Agency and City continue to assert the Purchase and Sale and Financing Agreement is an enforceable obligation under the Dissolution Act, AB 1484 offers an alternative to have that agreement, along with two other loans, approved as enforceable obligations with restricted repayment terms if the Oversight Board finds that they were for legitimate redevelopment purposes.

FINANCIAL IMPACT

The action does not add any further financial obligation to the State or any other party since the Oversight Board is only making a finding that the loans were made for legitimate redevelopment purposes. The finding provides the Successor Agency with an additional means under AB 1484 to assert the agreements are enforceable obligations.

REPORT PREPARED BY Donna Mullally, Manager of Fiscal Services
Amy Roblyer, Senior Management Analyst

ATTACHMENTS

1. Resolution Finding the 2007 Purchasing/Sale/Financing Agreement was for legitimate redevelopment purposes
2. Resolution Finding the 2005 Financing Agreement was for legitimate redevelopment purposes
3. Resolution Finding the 2006 Financing Agreement was for legitimate redevelopment purposes

OVERSIGHT BOARD RESOLUTION NO. 12-_____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2007 PURCHASE AND SALE AND FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES

WHEREAS, City of Irvine is a California charter city and municipal corporation existing and operating under the Constitution of the State of California; and

WHEREAS, the Irvine Redevelopment Agency (Agency) was a public body, corporate and politic, exercising governmental functions and powers under the Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* (CRL); and

WHEREAS, the Agency was established to exercise and undertake redevelopment activities including, but not limited to, for purposes of implementing the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area; and

WHEREAS, under the CRL, the City had the express authority to provide the Agency with financial assistance for purposes of implementing redevelopment activities (see, e.g., Health and Safety Code Sections 33220, 33600, 33601, and 33610); and

WHEREAS, pursuant to the authority granted under the CRL, the City and Agency entered into that certain Purchase and Sale and Financing Agreement, dated August 14, 2007, which among its terms effected a loan by the City to the Agency; and

WHEREAS, on or about January 10, 2011, the Governor of California first proposed the dissolution of redevelopment agencies as part of his 2011-12 budget proposal; and

WHEREAS, pursuant to Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature (ABx1 26), enacted as a bill related to the 2011-12 Budget Act in June 2011, as modified by the California Supreme Court Decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, all redevelopment agencies in California were dissolved on February 1, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34173(a) and (b), added by ABx1 26, the City, as the Successor Agency to the Agency, assumed on February 1, 2012, all authority, rights, powers, duties, and obligations previously vested

with the Agency, except for those provisions of the CRL that were repealed, restricted, or revised pursuant to Part 1.85 of Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to Health and Safety Code Section 34179, added by ABx1 26, members of the Oversight Board to the Successor Agency to the former Agency have been duly appointed; and

WHEREAS, it has been asserted by the State of California Department of Finance (Department) that under ABx1 26, as of February 1, 2012, all agreements between the City that formed the redevelopment agency and the former redevelopment agency are voided except agreements providing for loans by the city to the redevelopment agency entered into during the first two years after the formation of the redevelopment agency; and

WHEREAS, AB 1484, provides for successor agencies that have been issued a finding of completion by the Department that agreements between the city that created the redevelopment agency and the former redevelopment agency to be deemed enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes, under Health and Safety Code Sections 34191.4(b), added to the CRL by AB 1484; and

WHEREAS, in accordance with AB 1484, the staff of the Successor Agency has requested the Oversight Board to make a finding that the 2007 Purchase and Sale and Financing Agreement, attached to this resolution as Exhibit A, was for legitimate redevelopment purposes pursuant to Health and Safety Code Sections 34191.4(b); and

WHEREAS, the 2007 Purchase and Sale and Financing Agreement and this resolution were considered by the Oversight Board at its meeting of August 28, 2012;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Oversight Board hereby finds and declares as follows:

A. The 2007 Purchase and Sale and Financing Agreement was lawfully entered into by the City and the Agency. The Community Redevelopment Law expressly authorized the City to provide financial assistance in the form of a loan to the Agency (Health and Safety Code sections 33220,33600,33601,).

B. If instead of borrowing seed money from the City, the Agency had financed its activities with bonds issued to private third party lenders or loans from third parties, there is no question the Department would find such bonds or loans to be enforceable obligations within the meaning of ABx1 26. The fact the City was willing to invest its own funds and took the financially prudent step of avoiding the need for the Agency to borrow money on the open market and pay interest to third parties, the City As Successor Agency does not believe there is a

fair rationale for the Department's determination that the 2007 Purchase and Sale and Financing Agreement should not be recognized as an enforceable obligation.

C. The 2007 Purchase and Sale and Financing Agreement provided for repayment of a reasonable term and interest rate and was accepted as indebtedness by the State Controller prior to ABx1 26.

D. The 2007 Purchase and Sale and Financing Agreement was approved prior to January 1, 2011 and was not a last minute attempt to avoid Governor Brown's proposal on or about January 10, 2011, to eliminate redevelopment agencies or any legislation that resulted from his proposal.

E. The 2007 Purchase and Sale and Financing Agreement was entered into to finance legitimate redevelopment purposes as required by Health and Safety Code Section 34191.4(b).

F. In considering the adoption of this resolution, the Oversight Board has taken into consideration its fiduciary responsibilities to the holders of enforceable obligations and the taxing entities that benefit from the distribution of property taxes.

Section 3. The Oversight Board finds that the 2007 Purchase and Sale and Financing Agreement between the City of Irvine and the former Agency as set forth in Exhibit A attached to this resolution was for legitimate redevelopment purposes and in so finding the Oversight Board finds and determines the 2007 Purchase and Sale and Financing Agreement is an enforceable obligation and should be recognized as such pursuant to the provisions of AB 1484, including but not limited to Health and Safety Code Section 34191.4.

Section 4. The adoption of this resolution by the Oversight Board does not, nor does it intend, to alter, affect, or undermine the position of the Successor Agency that the 2007 Purchase and Sale and Financing Agreement is an enforceable obligation under provisions of ABx1 26 as amended by AB 1484, other than or in addition to Health and Safety Code Section 34191.4, and that Section 34191.4 is an alternative to, but not a replacement of, such other provisions.

Section 5. The Secretary shall certify to the adoption of this resolution.

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th day of August, 2012.

MARIAN BERGESON, CHAIR, OVERSIGHT BOARD

ATTEST:

SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, SHARIE APODACA, Secretary to the Oversight Board, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a special meeting of the Oversight Board held on the 28th day of August, 2012.

AYES: BOARDMEMBERS:

NOES: BOARDMEMBERS:

ABSENT: BOARDMEMBERS:

SECRETARY

DUPLICATE

PURCHASE AND SALE AND FINANCING AGREEMENT

This PURCHASE AND SALE AND FINANCING AGREEMENT ("Agreement") is entered into this 14th day of August, 2007, by and between the CITY OF IRVINE, a California municipal corporation ("City"), and the IRVINE REDEVELOPMENT AGENCY, a public body, corporate and politic ("Agency").

R E C I T A L S

A. City is the owner in fee of those certain three parcels of real property consisting of approximately 7 acres, 8 acres, and 20 acres, respectively, located within the former United States Marine Corps Air Station El Toro in the City of Irvine, County of Orange, State of California, more particularly described in Exhibit "A" attached hereto (collectively, the "Property").

B. The Property is located in the Orange County Great Park Redevelopment Area ("Project Area"). On March 8, 2005, by Ordinance No. 05-04, the Irvine City Council, adopted the Redevelopment Plan for the Project Area ("Redevelopment Plan") for the purposes of alleviating blight on, and assisting with the transition of, the former United States Marine Corps Air Station El Toro to civilian uses.

C. Agency is a public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 *et seq.*). Agency desires to acquire the Property from City for redevelopment purposes.

D. The parties desire to enter into this Agreement to provide for (i) City to sell to Agency, and Agency to purchase from City, the Property, and (ii) Agency to borrow funds from the Special Revenue Fund 180-Orange County Great Park ("Great Park Fund") for the purchase price of the Property, on the terms and conditions set forth herein.

A G R E E M E N T

Based upon the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, City and Agency agree as follows:

1. Purchase and Sale of Property.

1.1. Purchase and Sale of Property. Subject to all of the terms, conditions and provisions of this Agreement and for the consideration of the Purchase Price as herein set forth, City agrees to sell to Agency, and Agency agrees to purchase from City, the Property.

1.2. Purchase Price for Property. Agency shall pay to City the sum of One Hundred Thirty-Four Million Dollars (\$134,000,000) for the purchase of the Property ("Purchase Price"). The Purchase Price shall be paid by Agency to City on the Conveyance Date (as defined in Section 1.3).

1.3. Timing of Conveyance; Conveyance Date. The date for City's conveyance of the Property to Agency ("Conveyance Date") shall be on or before September 27, 2007, with the exact date to be mutually determined by City and Agency ("Conveyance Date").

1.4. Delivery of Documents. Prior to the scheduled Conveyance Date, City shall execute a grant deed conveying fee title to the Property to Agency in the form attached hereto as Exhibit "B" ("Grant Deed") and Agency shall execute the Certificate of Acceptance attached to the Grant Deed. The parties shall deliver the executed Grant Deed and a Preliminary Change of Ownership form signed by Agency to the title officer at the title company selected by Agency to handle Agency's title insurance policy ("Title Company"), with instructions to hold the documents in trust and to record the Grant Deed only upon instruction from City or City's legal counsel. Prior to the scheduled Conveyance Date, City shall execute and deliver to Agency a Real Estate Withholding Certification Form 593-C and Agency shall retain the Real Estate Withholding Certification for a period of five years after the Conveyance Date.

1.5. Conditions to Conveyance. City's conveyance of the Property to Agency and Agency's acceptance of the conveyance shall be subject to the satisfaction of the following conditions: (i) Agency shall use the Loan referred to in Section 2 for the Purchase Price of the Property; and (ii) the Title Company shall be irrevocably committed to issuing to Agency an owner's policy of title insurance with liability in the amount of the Purchase Price, showing fee title to the Property vested in Agency, subject only to such title exceptions that may be approved by Agency. Agency shall pay the premium for the Title Policy. In the event the foregoing conditions are not satisfied by the Conveyance Date, either party shall have the right to terminate this Agreement and all funds and documents delivered to or by either party under this Agreement shall be returned to the party or fund from which the delivery was made.

1.6. Recordation of Grant Deed. Provided the conditions in Section 1.5 of this Agreement are satisfied, on the Conveyance Date, City shall instruct the Title Company to (i) record in the Orange County Recorder's Office the Grant Deed conveying the Property to Agency, and (ii) deliver the Preliminary Change of Ownership form to the Orange County Recorder's Office.

2. Loan to Agency.

2.1. Principal Amount; Interest. Subject to the terms and conditions set forth herein, Agency shall borrow from the Great Park Fund the sum of One Hundred Thirty-Four Million Dollars (\$134,000,000) ("Loan"). Interest shall accrue on the Loan at the rate of nine percent (9%) compounded annually from the date the Loan is disbursed until accrued interest and unpaid principal are paid in full.

2.2. Disbursement and Use of Loan. The Loan shall be disbursed to Agency on or prior to the Conveyance Date. If the conditions in Section 1.5 are not satisfied and this Agreement is terminated after the disbursement of the Loan, the Loan proceeds shall be immediately deposited back into the Great Park Fund.

2.3. Source of Funds. The source of funds for the Loan shall be fees that were paid by Heritage Fields LLC, a Delaware limited liability company, pursuant to that certain

Development Agreement between City and Heritage Fields LLC dated July 12, 2005, and deposited into the Great Park Fund.

2.4. Repayment of Loan. The Loan shall be repaid by Agency out of tax increment funds from the Project Area allocated to and received by Agency. Commencing on August 15, 2009, and continuing on each August 15 thereafter until the Loan is repaid in full or otherwise forgiven as set forth herein (each August 15 a "Payment Date"), Agency shall make annual payments to the Great Park Fund in an amount equal to the Project Area Cash Flow (as defined below) for the preceding Fiscal Year. For example, the first payment made on August 15, 2009, will equal the Project Area Cash Flow for Fiscal Year 2008-2009. Agency's obligation to repay the Loan to the Great Park Fund shall be a special and limited obligation of Agency payable from the sole source of Project Area Cash Flow. Accordingly, Agency's obligation to make annual payments under this Section 2.4 shall be applicable only to the extent there is sufficient Project Area Cash Flow available from the preceding Fiscal Year. If not sooner paid, the outstanding balance of the Loan and accrued interest shall be forgiven and discharged on the Payment Date that occurs after the last Fiscal Year in which the Agency is entitled to collect tax revenues from the Project Area in accordance with the Redevelopment Plan, as may be amended from time to time. For purposes of this Agreement, the following definitions shall apply:

(i) "*Expenses*" shall mean all expenditures of Agency including without limitation: (a) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, and all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, whether incurred before or after the date of this Agreement; (b) all amounts payable by Agency pursuant to or arising from any financial agreements or other contractual obligations of Agency, whether incurred before or after the date of this Agreement and with the understanding that there shall be no limitation on Agency's right to enter into such financial agreements and contractual obligations; (c) all administrative costs, operating expenses, and professional service, consulting, and legal fees of Agency; (d) all loans, obligations, indebtedness or other obligations of Agency payable from Property Tax Increment; (e) expenditures for the costs of acquiring installing and constructing public improvements; (f) amounts of Property Tax Increment pledged or reserved for payments in future Fiscal Years; and (g) amounts of Property Tax Increment that Agency reasonably determines will be needed for redevelopment purposes in future Fiscal Years.

(ii) "*Fiscal Year*" shall mean the period from July 1 to June 30.

(iii) "*Project Area Cash Flow*" shall mean, with respect to any Fiscal Year, the amount of Property Tax Increment for such Fiscal Year reduced by the Expenses for such Fiscal Year.

(iv) "*Property Tax Increment*" shall mean the full amount of property tax revenues generated from property within the Project Area that are allocated to and paid to Agency pursuant to Article 6 of Chapter 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, excluding (a) the portion of the tax revenues from the Project Area that are allocated to Agency that Agency is required pursuant to Sections 33334.2 and 33334.3 of the Redevelopment Law to set aside and use

for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at affordable housing cost, and (b) payments the Agency is required to pay to or for the benefit of the State, any city, county, city and county, district, or other public corporation for whose benefit taxes are levied upon taxable property in the Project Area each year as provided in, regardless of whether such payments actually are made by Agency or are made by the County directly to the other taxing agencies (or, in the case of amounts payable to the County, retained by the County).

City acknowledges that Agency retains full discretion with respect to the Expenses it will incur and nothing herein shall otherwise limit Agency from incurring indebtedness and financing redevelopment projects.

Agency shall be entitled to prepay all or any portion of the Loan and accrued interest at any time with no charges, fees, or penalties.

2.5. Indebtedness of Agency. The Loan and accrued interest described in this Agreement shall constitute an indebtedness of Agency.

2.6. Subordination. The repayment of the Loan and accrued interest by Agency shall be junior and subordinate to (i) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, (ii) all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, (iii) Agency financial agreements and other contractual obligations of Agency, and (iv) the payment of any other Expenses of Agency, whether any of the foregoing in clauses (i), (ii), (iii) or (iv) are incurred before or after the date of this Agreement.

3. Use of Funds. The Loan proceeds that are repaid by Agency and deposited into the Great Park Fund will be used for the improvement, operation, and maintenance of the Orange County Great Park, at such time and manner as determined by City.

4. Miscellaneous.

4.1. Notices. Any approval, disapproval, demand, document or other notice required to be given under this Agreement must be in writing and shall be delivered by either (i) personal delivery, (ii) reliable courier service that provides a receipt showing date and time of delivery, (iii) registered or certified U.S. Mail, postage prepaid, return receipt requested, or (iv) facsimile. Notices shall be directed at the address of the party as set forth below, or at any other address as that party may later designate by notice:

City:	City of Irvine
	One Civic Center Plaza
	Irvine, CA 92606-5208
	Attention: City Manager
	FAX: (949) 724-6045

Agency:

Irvine Redevelopment Agency
One Civic Center Plaza
Irvine, CA 92606-5208
Attention: Executive Director
FAX: (949) 724-6045

Each notice shall be deemed delivered on the date delivered if by personal delivery or by overnight courier service, on the date of receipt as disclosed on the return receipt if by mail, or on the date of transmission with confirmed successful transmission and receipt if by telefax. By giving to the other parties written notice as provided above, the parties to this Agreement and their respective successors and assigns shall have the right from time to time, and at any time during the term of this Agreement, to change their respective addresses.

4.2. Entire Agreement, Waivers and Amendments. This Agreement incorporates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the parties with respect to the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the party to be charged. A waiver of the breach of the covenants, conditions or obligations under this Agreement by any party shall not be construed as a waiver of any succeeding breach of the same or other covenants, conditions or obligations of this Agreement. Any amendment or modification to this Agreement must be in writing and executed by the appropriate authorities of City and Agency.

4.3. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect, unless and to the extent the rights and obligations of one or more parties has been materially altered or abridged by such holding.

4.4. Review of Agreement. At least once every twelve (12) month period from the date of this Agreement, City and Agency each shall review this Agreement as part of its annual budgetary process.

4.5. Applicable Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California without regard to conflict of law principles.

4.6. Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on both parties hereto, notwithstanding that both parties are not signatories to the original or the same counterpart.

[signatures on next page]

IN WITNESS WHEREOF, City and Agency have entered into this Agreement as of the date first set forth above.

"CITY

CITY OF IRVINE, a California municipal corporation

By: [Signature]

Its: Mayor

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

"AGENCY"

IRVINE REDEVELOPMENT AGENCY, a public body, corporate and politic

By: [Signature]

Its: Chair

ATTEST:

[Signature]
Secretary

APPROVED AS TO FORM:

[Signature]
Agency Counsel

EXHIBIT "A" TO PURCHASE AND SALE AND FINANCING AGREEMENT

LEGAL DESCRIPTION OF PROPERTY

THOSE PORTIONS OF A PARCELS 3A-1 AND 3A-2, IN THE CITY OF IRVINE, COUNTY OF ORANGE, STATE OF CALIFORNIA, PER QUITCLAIM DEED RECORDED JULY 12, 2005, AS INSTRUMENT NO. 2005000536292 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

PARCEL G-7A

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL 3A-2;
THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL NORTH 40° 26' 55" EAST 54.94 FEET TO A LINE THAT IS PARALLEL WITH AND 48.00 FEET NORTHEASTERLY OF THE SOUTHWESTERLY LINE OF SAID PARCEL AND THE TRUE POINT OF BEGINNING;
THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE THE FOLLOWING COURSES:

NORTH 40° 26' 55" EAST 1076.02 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 417.00 FEET; NORTHEASTERLY 299.22 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 41° 06' 48" TO THE BEGINNING OF A REVERSE CURVE, HAVING A RADIUS OF 518.00 FEET, A RADIAL LINE TO SAID POINT BEARS SOUTH 89° 20' 07" WEST, AND NORTHERLY 265.18 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29° 19' 55" TO A POINT OF NON-TANGENCY ON THE SOUTHERLY RIGHT OF WAY LINE OF ALTON PARKWAY, 120.00 FEET IN WIDTH, AS SHOWN ON INSTRUMENT NO. 85-390260, RECORDED OCTOBER 10, 1985, OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, A RADIAL LINE TO SAID POINT BEARS NORTH 61° 19' 58" WEST; THENCE ALONG SAID RIGHT OF WAY LINE THE FOLLOWING COURSES:

SOUTH 80° 35' 11" WEST 462.81 FEET BEGINNING OF A CURVE CONCAVE NORTHERLY, HAVING A RADIUS OF 1860.00 FEET. WESTERLY 597.90 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 18° 25' 04", AND SOUTH 51° 48' 29" WEST 41.31 FEET TO SAID PARALLEL LINE; THENCE ALONG SAID PARALLEL LINE THE FOLLOWING COURSES:

SOUTH 04° 46' 54" WEST 227.16 FEET TO THE BEGINNING OF A CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 1352.00 FEET; SOUTHERLY 594.99 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 25° 12' 46" AND SOUTH 20° 25' 53" EAST 463.43 FEET TO THE POINT OF BEGINNING.

PARCEL G-7B

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL 3A-2, THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL 3-B NORTH 49° 20' 21" WEST 885.45 FEET TO THE TRUE POINT OF BEGINNING;
THENCE LEAVING SAID SOUTHWESTERLY LINE NORTH 40° 39' 39" EAST 400.00 FEET;
THENCE NORTH 49° 20' 21" WEST 871.20 FEET;

THENCE SOUTH 40° 39' 39" WEST 400.00 FEET TO THE SOUTHWESTERLY LINE OF SAID PARCEL 3-B;

THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 49° 20' 21" EAST 871.20 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 8.000 ACRES, MORE OR LESS

PARCEL G-7C

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID PARCEL 3A-1;
THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 3-A SOUTH 49° 20' 21" EAST 539.43 FEET;
THENCE LEAVING SAID NORTHEASTERLY LINE SOUTH 40° 39' 39" WEST 565.29 FEET TO THE NORTHEASTERLY LINE OF BARRANCA PARKWAY, 100.00 FEET IN WIDTH, AS SAID PARKWAY IS SHOWN ON RECORD OF SURVEY 97-1038, FILED IN BOOK 171 PAGES 1 THROUGH 49 INCLUSIVE, RECORDS OF SAID COUNTY; THENCE ALONG LAST SAID NORTHEASTERLY LINE NORTH 49° 20' 21" WEST 539.43 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 3A;
THENCE ALONG SAID NORTHWESTERLY LINE NORTH 40° 39' 38" EAST 565.29 FEET TO THE POINT OF BEGINNING.

OVERSIGHT BOARD RESOLUTION NO. 12-_____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2005 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES

WHEREAS, City of Irvine is a California charter city and municipal corporation existing and operating under the Constitution of the State of California; and

WHEREAS, the Irvine Redevelopment Agency (Agency) was a public body, corporate and politic, exercising governmental functions and powers under the Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* (CRL); and

WHEREAS, the Agency was established to exercise and undertake redevelopment activities including, but not limited to, for purposes of implementing the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area; and

WHEREAS, under the CRL, the City had the express authority to provide the Agency with financial assistance for purposes of implementing redevelopment activities (see, e.g., Health and Safety Code Sections 33220, 33600, 33601, and 33610); and

WHEREAS, pursuant to the authority granted under the CRL, the City and Agency entered into that certain Purchase and Sale and Financing Agreement, dated August 14, 2007, which among its terms effected a loan by the City to the Agency; and

WHEREAS, on or about January 10, 2011, the Governor of California first proposed the dissolution of redevelopment agencies as part of his 2011-12 budget proposal; and

WHEREAS, pursuant to Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature (ABx1 26), enacted as a bill related to the 2011-12 Budget Act in June 2011, as modified by the California Supreme Court Decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, all redevelopment agencies in California were dissolved on February 1, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34173(a) and (b), added by ABx1 26, the City, as the Successor Agency to the Agency, assumed on February 1, 2012, all authority, rights, powers, duties, and obligations previously vested

with the Agency, except for those provisions of the CRL that were repealed, restricted, or revised pursuant to Part 1.85 of Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to Health and Safety Code Section 34179, added by ABx1 26, members of the Oversight Board to the Successor Agency to the former Agency have been duly appointed; and

WHEREAS, it has been asserted by the State of California Department of Finance (Department) that under ABx1 26, as of February 1, 2012, all agreements between the city that formed the redevelopment agency and the former redevelopment agency are voided except agreements providing for loans by the city to the redevelopment agency entered into during the first two years after the formation of the redevelopment agency; and

WHEREAS, AB 1484, provides for successor agencies that have been issued a finding of completion by the Department that agreements between the city that created the redevelopment agency and the former redevelopment agency to be deemed enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes, under Health and Safety Code Sections 34191.4(b), added to the CRL by AB 1484; and

WHEREAS, in accordance with AB 1484, the staff of the Successor Agency has requested the Oversight Board to make a finding that the 2005 Financing Agreement, attached to this resolution as Exhibit A, was for legitimate redevelopment purposes pursuant to Health and Safety Code Sections 34191.4(b); and

WHEREAS, the 2005 Financing Agreement and this resolution were considered by the Oversight Board at its meeting of August 28, 2012;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Oversight Board hereby finds and declares as follows:

A. The 2005 Financing Agreement was lawfully entered into by the City and the Agency. The Community Redevelopment Law expressly authorized the City to provide financial assistance in the form of a loan to the Agency (Health and Safety Code sections 33220,33600,33601).

B. If instead of borrowing seed money from the City, the Agency had financed its activities with bonds issued to private third party lenders or loans from third parties, there is no question the Department would find such bonds or loans to be enforceable obligations within the meaning of ABx1 26. The fact the City was willing to invest its own funds and took the financially prudent step of avoiding the need for the Agency to borrow money on the open market and pay interest to third parties, the City As Successor Agency does not believe there is a

fair rationale for the Department's determination that the 2005 Financing Agreement should not be recognized as an enforceable obligation.

C. The 2005 Financing Agreement provided for repayment of a reasonable term and interest rate and was accepted as indebtedness by the State Controller prior to ABx1 26.

D. The 2005 Financing Agreement was approved prior to January 1, 2011 and was not a last minute attempt to avoid Governor Brown's proposal on or about January 10, 2011, to eliminate redevelopment agencies or any legislation that resulted from his proposal.

E. The 2005 Financing Agreement was entered into to finance legitimate redevelopment purposes as required by Health and Safety Code Section 34191.4(b).

F. In considering the adoption of this resolution, the Oversight Board has taken into consideration its fiduciary responsibilities to the holders of enforceable obligations and the taxing entities that benefit from the distribution of property taxes.

Section 3. The Oversight Board finds that the 2005 Financing Agreement between the City of Irvine and the former Agency as set forth in Exhibit A attached to this resolution was for legitimate redevelopment purposes and in so finding the Oversight Board finds and determines the 2005 Financing Agreement is an enforceable obligation and should be recognized as such pursuant to the provisions of AB 1484, including but not limited to Health and Safety Code Section 34191.4.

Section 4. The adoption of this resolution by the Oversight Board does not, nor does it intend, to alter, affect, or undermine the position of the Successor Agency that the 2005 Financing Agreement is an enforceable obligation under provisions of ABx1 26 as amended by AB 1484, other than or in addition to Health and Safety Code Section 34191.4, and that Section 34191.4 is an alternative to, but not a replacement of, such other provisions.

Section 5. The Secretary shall certify to the adoption of this resolution.

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th day of August, 2012.

MARIAN BERGESON, CHAIR, OVERSIGHT BOARD

ATTEST:

SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, SHARIE APODACA, Secretary to the Oversight Board, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a special meeting of the Oversight Board held on the 28th day of August, 2012.

AYES: BOARDMEMBERS:

NOES: BOARDMEMBERS:

ABSENT: BOARDMEMBERS:

SECRETARY

FINANCING AGREEMENT

THIS FINANCING AGREEMENT ("Agreement") is made and entered into this 14th day of June, 2005, by and between the IRVINE REDEVELOPMENT AGENCY, a public body corporate and politic ("Agency"), and the CITY OF IRVINE, a charter city and municipal corporation ("City").

R E C I T A L S

A. Agency is a public body, corporate and politic, organized under the California Community Redevelopment Law (Health & Safety Code § 33000 et seq.).

B. City is a charter city and municipal corporation.

C. Agency was activated by Ordinance No. 99-09 adopted by the City Council of City on April 27, 1999.

D. On March 8, 2005, by Ordinance No. 05-04, the Irvine City Council, adopted the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area ("Redevelopment Plan") for purposes of assisting with the transition of the former United States Marine Corp Air Station El Toro to civilian uses which would benefit the local economy.

E. Agency, by Redevelopment Agency Resolution No. 99-02, adopted on July 27, 1999, and City, by City Council Resolution No. 99-99, adopted on July 27, 1999, approved a Cooperation Agreement ("Cooperation Agreement") between City and Agency to enable Agency to obtain from City financial, personnel, and other assistance for the purposes of undertaking redevelopment activities in the City.

F. Agency now desires to borrow from City, and City desires to loan to Agency, pursuant to the terms set forth in this Agreement, a sum not to exceed \$4,468,137.

G. City and Agency mutually desire to enter into this Agreement to set forth their respective obligations with respect to the loan appropriation in an amount not to exceed \$4,468,137.

H. Agency, by Redevelopment Agency Resolution No. 05-09, adopted on June 14, 2005, and City, by City Council Resolution No. 05-70, adopted on June 14, 2005, approved this Financing Agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter contained, Agency and City agree as follows:

Section 1. City Loan. City hereby loans to Agency the principal amount not to exceed \$4,468,137 ("Loan Principal"), to be appropriated from the City's adopted 2005-2006 budget and defined as a loan to the Agency from the City's Asset Management Plan Fund. The Agency, in its sole discretion, may draw on the Loan Amount in one disbursement or, from time to time, in multiple draws of lesser amounts with the total of all disbursements not to exceed \$4,468,137.

Section 2. Interest. Interest shall accrue on the outstanding Loan Principal at such rate as the parties herein may agree upon, not to exceed the maximum legal rate. The initial rate of interest shall be equal to the City's annualized return on the Operating Portfolio, using a rolling twelve (12) month period based on the loan date, plus 3%. Interest shall be compounded annually. The interest rate applicable to the outstanding Loan Principal and compounded accrued interest shall be adjusted annually on the anniversary date of this Agreement.

Section 3. Agency Repayment. The Loan Principal and any accrued interest shall be repaid by Agency out of tax increment funds allocated to and received by Agency. Agency shall repay outstanding principal and accrued interest in ten (10) annual installment payments of principal and interest commencing in Fiscal Year 2015-16, generally in accordance with the amortization schedule shown in Exhibit "A" attached hereto and incorporated herein. The parties acknowledge that the amortization schedule attached as Exhibit "A" assumes a constant interest rate of 7% per annum compounded annually, and that the actual annual repayment amounts may be greater or lesser depending on the annual interest rate adjustments set forth in Section 2. Notwithstanding anything in this Agreement to the contrary, Agency shall be entitled to repay all or part of the Loan Principal and all accrued interest at any time with no other charges, fees, or penalties. All amounts due under this Agreement shall be payable at the offices of City. City is authorized to extend the repayment schedule or any annual installment.

Section 4. Indebtedness of Agency. The Loan Principal and accrued interest described in this Agreement shall constitute an indebtedness of Agency.

Section 5. Subordination. The repayment of the Loan Principal and accrued interest by Agency shall be junior and subordinate to (i) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, (ii) all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, and (iii) Agency financial agreements and other contractual obligations of Agency, whether any of the foregoing in clauses (i), (ii), or (iii) are incurred before or after the date of this Agreement.

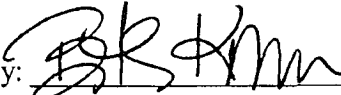
Section 6. Non-Liability of City and Agency Officials, Officers, and Employees. No officer, official, employee, agent, or representatives of Agency or City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, employee, agent, or representative.

Section 7. Entire Agreement; Amendment. This Agreement shall constitute the entire agreement of the parties. This Agreement may be amended or modified only by an agreement in writing signed by the parties.


IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives, as of the date first above written.

"AGENCY"

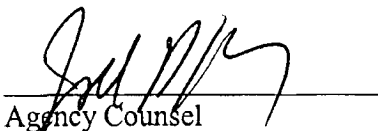
IRVINE REDEVELOPMENT AGENCY

By: 
Chair, Irvine Redevelopment Agency

ATTEST:

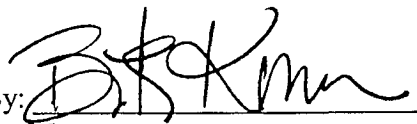

Agency Secretary

APPROVED AS TO FORM:



Agency Counsel

"CITY"

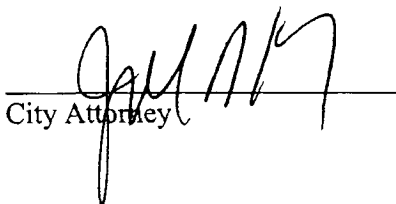
CITY OF IRVINE

By: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

OVERSIGHT BOARD RESOLUTION NO. 12-_____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY FINDING, PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)(1), THE 2006 FINANCING AGREEMENT BY AND BETWEEN THE CITY OF IRVINE AND THE CITY OF IRVINE AS SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES

WHEREAS, City of Irvine is a California charter city and municipal corporation existing and operating under the Constitution of the State of California; and

WHEREAS, the Irvine Redevelopment Agency (Agency) was a public body, corporate and politic, exercising governmental functions and powers under the Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* (CRL); and

WHEREAS, the Agency was established to exercise and undertake redevelopment activities including, but not limited to, for purposes of implementing the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area; and

WHEREAS, under the CRL, the City had the express authority to provide the Agency with financial assistance for purposes of implementing redevelopment activities (see, e.g., Health and Safety Code Sections 33220, 33600, 33601, and 33610); and

WHEREAS, pursuant to the authority granted under the CRL, the City and Agency entered into that certain Purchase and Sale and Financing Agreement, dated August 14, 2007, which among its terms effected a loan by the City to the Agency; and

WHEREAS, on or about January 10, 2011, the Governor of California first proposed the dissolution of redevelopment agencies as part of his 2011-12 budget proposal; and

WHEREAS, pursuant to Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature (ABx1 26), enacted as a bill related to the 2011-12 Budget Act in June 2011, as modified by the California Supreme Court Decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, all redevelopment agencies in California were dissolved on February 1, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34173(a) and (b), added by ABx1 26, the City, as the Successor Agency to the Agency, assumed on February 1, 2012, all authority, rights, powers, duties, and obligations previously vested

with the Agency, except for those provisions of the CRL that were repealed, restricted, or revised pursuant to Part 1.85 of Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to Health and Safety Code Section 34179, added by ABx1 26, members of the Oversight Board to the Successor Agency to the former Agency have been duly appointed; and

WHEREAS, it has been asserted by the State of California Department of Finance (Department) that under ABx1 26, as of February 1, 2012, all agreements between the city that formed the redevelopment agency and the former redevelopment agency are voided except agreements providing for loans by the city to the redevelopment agency entered into during the first two years after the formation of the redevelopment agency; and

WHEREAS, AB 1484, provides for successor agencies that have been issued a finding of completion by the Department that agreements between the city that created the redevelopment agency and the former redevelopment agency to be deemed enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes, under Health and Safety Code Sections 34191.4(b), added to the CRL by AB 1484; and

WHEREAS, in accordance with AB 1484, the staff of the Successor Agency has requested the Oversight Board to make a finding that the 2006 Financing Agreement, attached to this resolution as Exhibit A, was for legitimate redevelopment purposes pursuant to Health and Safety Code Sections 34191.4(b); and

WHEREAS, the 2006 Financing Agreement and this resolution were considered by the Oversight Board at its meeting of August 28, 2012;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Oversight Board hereby finds and declares as follows:

A. The 2006 Financing Agreement was lawfully entered into by the City and the Agency. The Community Redevelopment Law expressly authorized the City to provide financial assistance in the form of a loan to the Agency (Health and Safety Code sections 33220,33600,33601).

B. If instead of borrowing seed money from the City, the Agency had financed its activities with bonds issued to private third party lenders or loans from third parties, there is no question the Department would find such bonds or loans to be enforceable obligations within the meaning of ABx1 26. The fact the City was willing to invest its own funds and took the financially prudent step of avoiding the need for the Agency to borrow money on the open market and pay interest to third parties, the City As Successor Agency does not believe there is a

fair rationale for the Department's determination that the 2006 Financing Agreement should not be recognized as an enforceable obligation.

C. The 2006 Financing Agreement provided for repayment of a reasonable term and interest rate and was accepted as indebtedness by the State Controller prior to ABx1 26.

D. The 2006 Financing Agreement was approved prior to January 1, 2011 and was not a last minute attempt to avoid Governor Brown's proposal on or about January 10, 2011, to eliminate redevelopment agencies or any legislation that resulted from his proposal.

E. The 2006 Financing Agreement was entered into to finance legitimate redevelopment purposes as required by Health and Safety Code Section 34191.4(b).

F. In considering the adoption of this resolution, the Oversight Board has taken into consideration its fiduciary responsibilities to the holders of enforceable obligations and the taxing entities that benefit from the distribution of property taxes.

Section 3. The Oversight Board finds that the 2006 Financing Agreement between the City of Irvine and the former Agency as set forth in Exhibit A attached to this resolution was for legitimate redevelopment purposes and in so finding the Oversight Board finds and determines the 2006 Financing Agreement is an enforceable obligation and should be recognized as such pursuant to the provisions of AB 1484, including but not limited to Health and Safety Code Section 34191.4.

Section 4. The adoption of this Resolution by the Oversight Board does not, nor does it intend, to alter, affect, or undermine the position of the Successor Agency that the 2006 Financing Agreement is an enforceable obligation under provisions of ABx1 26 as amended by AB 1484, other than or in addition to Health and Safety Code Section 34191.4, and that Section 34191.4 is an alternative to, but not a replacement of, such other provisions.

Section 5. The Secretary shall certify to the adoption of this resolution.

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th day of August, 2012.

MARIAN BERGESON, CHAIR, OVERSIGHT BOARD

ATTEST:

SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF IRVINE)

I, SHARIE APODACA, Secretary to the Oversight Board, HEREBY DO CERTIFY that the foregoing resolution was duly adopted at a special meeting of the Oversight Board held on the 28th day of August, 2012.

AYES: BOARDMEMBERS:

NOES: BOARDMEMBERS:

ABSENT: BOARDMEMBERS:

SECRETARY

FINANCING AGREEMENT

THIS FINANCING AGREEMENT ("Agreement") is made and entered into this 24th day of January, 2006, by and between the IRVINE REDEVELOPMENT AGENCY, a public body corporate and politic ("Agency"), and the CITY OF IRVINE, a charter city and municipal corporation ("City").

R E C I T A L S

A. Agency is a public body, corporate and politic, organized under the California Community Redevelopment Law (Health & Safety Code § 33000 et seq.).

B. City is a charter city and municipal corporation.

C. Agency was activated by Ordinance No. 99-09 adopted by the City Council of City on April 27, 1999.

D. On March 8, 2005, by Ordinance No. 05-04, the Irvine City Council, adopted the Redevelopment Plan for the Orange County Great Park Redevelopment Project Area ("Redevelopment Plan") for purposes of alleviating blight on, and assisting with the transition of, the former United States Marine Corps Air Station El Toro to civilian uses.

E. Agency, by Redevelopment Agency Resolution No. 99-02, adopted on July 27, 1999, and City, by City Council Resolution No. 99-99, adopted on July 27, 1999, approved a Cooperation Agreement ("Cooperation Agreement") between City and Agency to enable Agency to obtain from City financial, personnel, and other assistance for the purposes of undertaking redevelopment activities in the City.

F. Agency now desires to borrow from City, and City desires to loan to Agency, pursuant to the terms set forth in this Agreement, a sum not to exceed Two Million One Hundred Thousand Dollars (\$2,100,000.00)

G. City and Agency mutually desire to enter into this Agreement to set forth their respective obligations with respect to the loan appropriation in an amount not to exceed Two Million One Hundred Thousand Dollars (\$2,100,000.00)

H. Agency, by Redevelopment Agency Resolution No. 06-01, adopted on January 24, 2006, and City, by City Council Resolution No. 06-06, adopted on January 24, 2006, approved this Financing Agreement.

A G R E E M E N T

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter contained, Agency and City agree as follows:

5215

Section 1. City Loan. City hereby loans to Agency the principal amount not to exceed Two Million One Hundred Thousand Dollars (\$2,100,000.00) ("Loan Principal"), to be appropriated from the City's adopted 2005-2006 budget and defined as a loan to the Agency from the City's Asset Management Plan Fund. The Agency, in its sole discretion, may draw on the Loan Amount in one disbursement or, from time to time, in multiple draws of lesser amounts with the total of all disbursements not to exceed Two Million One Hundred Thousand Dollars (\$2,100,000.00)

Section 2. Interest. Interest shall accrue on the outstanding Loan Principal at such rate as the parties herein may agree upon, not to exceed the maximum legal rate. The initial rate of interest shall be equal to the City's annualized return on the Operating Portfolio, using a rolling twelve (12) month period based on the loan date, plus three percent (3%). Interest shall be compounded annually. The interest rate applicable to the outstanding Loan Principal and compounded accrued interest shall be adjusted annually on the anniversary date of this Agreement.

Section 3. Agency Repayment. The Loan Principal and any accrued interest shall be repaid by Agency out of tax increment funds allocated to and received by Agency. Agency shall repay outstanding principal and accrued interest in ten (10) annual installment payments of principal and interest commencing in Fiscal Year 2015-16, generally in accordance with the amortization schedule shown in Exhibit "A" attached hereto and incorporated herein. The parties acknowledge that the amortization schedule attached as Exhibit "A" assumes a constant interest rate of seven percent (7%) per annum compounded annually, and that the actual annual repayment amounts may be greater or lesser depending on the annual interest rate adjustments set forth in Section 2. Notwithstanding anything in this Agreement to the contrary, Agency shall be entitled to repay all or part of the Loan Principal and all accrued interest at any time with no other charges, fees, or penalties. All amounts due under this Agreement shall be payable at the offices of City. City is authorized to extend the repayment schedule or any annual installment.

Section 4. Indebtedness of Agency. The Loan Principal and accrued interest described in this Agreement shall constitute an indebtedness of Agency.

Section 5. Subordination. The repayment of the Loan Principal and accrued interest by Agency shall be junior and subordinate to (i) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, (ii) all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, and (iii) Agency financial agreements and other contractual obligations of Agency, whether any of the foregoing in clauses (i), (ii), or (iii) are incurred before or after the date of this Agreement.

Section 6. Non-Liability of City and Agency Officials, Officers, and Employees. No officer, official, employee, agent, or representatives of Agency or City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, employee, agent, or representative.

Section 7. Entire Agreement; Amendment. This Agreement shall constitute the entire agreement of the parties. This Agreement may be amended or modified only by an agreement in writing signed by the parties.

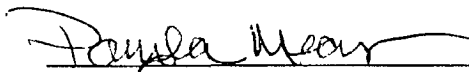
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives, as of the date first above written.

"AGENCY"

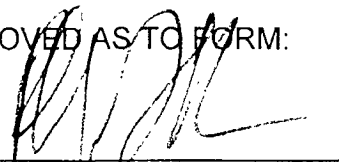
IRVINE REDEVELOPMENT AGENCY

By: 
Chair, Irvine Redevelopment Agency

ATTEST:


Agency Secretary

APPROVED AS TO FORM:

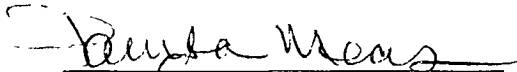

Assistant
Agency Counsel

"CITY"

CITY OF IRVINE

By: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:

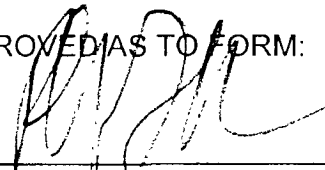

City Attorney

Exhibit A **Loan Amortization Schedule**

Terms:

Initial loan amount, loaned February 2006:

2,100,000

Interest compounded annually at

7.00%

Loan payments made at the end of each fiscal year, beginning in FY 2015-2016


FY	Initial Loan Amount	Accrued Interest	Loan Balance	Principal Payment	Interest Payment	Total
2005-2006	2,100,000	61,250	2,161,250	-	-	-
2006-2007		151,288	2,312,538	-	-	-
2007-2008		161,878	2,474,415	-	-	-
2008-2009		173,209	2,647,624	-	-	-
2009-2010		185,334	2,832,958	-	-	-
2010-2011		198,307	3,031,265	-	-	-
2011-2012		212,189	3,243,453	-	-	-
2012-2013		227,042	3,470,495	-	-	-
2013-2014		242,935	3,713,430	-	-	-
2014-2015		259,940	3,973,370	-	-	-
2015-2016			3,685,787	287,583	278,136	565,718
2016-2017			3,378,074	307,713	258,005	565,718
2017-2018			3,048,821	329,253	236,465	565,718
2018-2019			2,696,520	352,301	213,417	565,718
2019-2020			2,319,558	376,962	188,756	565,718
2020-2021			1,916,208	403,349	162,369	565,718
2021-2022			1,484,624	431,584	134,135	565,718
2022-2023			1,022,829	461,795	103,924	565,718
2023-2024			528,709	494,120	71,598	565,718
2024-2025			0	491,699	37,010	528,709
Total		1,873,370		3,936,360	1,683,815	5,620,175

EXHIBIT "A"
TO FINANCING AGREEMENT

REQUEST FOR OVERSIGHT BOARD ACTION

MEETING DATE: AUGUST 28, 2012

TITLE: ADOPTION OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE OF THE FORMER IRVINE REDEVELOPMENT AGENCY AND THE ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY, FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013



Director of Administrative Services

RECOMMENDED ACTION

1. Adopt - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2013 THROUGH JUNE 30, 2013
2. Adopt the administrative budget for the Successor Agency for January 1, 2013 through June 30, 2013.

EXECUTIVE SUMMARY

On December 29, 2011, the California Supreme Court (Court) upheld Assembly Bill x1 26 (the Dissolution Act) and directed that all redevelopment agencies in the state be dissolved effective February 1, 2012. Further modifications to the dissolution process were enacted on June 27, 2012 with the passage of Assembly Bill 1484 (AB 1484). On January 10, 2012, the City elected to become the Successor Agency to the dissolved Irvine Redevelopment Agency, and as such will wind down the affairs of the former redevelopment agency, with certain actions subject to the direction of an Oversight Board.

The Successor Agency is required to adopt a Recognized Obligation Payment Schedule (Payment Schedule) and administrative budget every six months. For January through June 2013, these items were approved by the Successor Agency. The Oversight Board is now requested to approve them so they can be submitted to the California State Department of Finance (DOF) by September 1, 2012. Once approved by the DOF, the Successor Agency will be entitled to receive property tax revenue to pay for the approved enforceable obligations included on the Payment Schedule.

SUCCESSOR AGENCY RECOMMENDATION

The Successor Agency approved the Recognized Obligation Payment Schedule for January to June 2013 at its July 24, 2012 meeting.

ANALYSIS

As a result of the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. The Dissolution Act and AB 1484 prescribe the procedures to wind down the affairs of the former redevelopment agencies. These provisions include the continued payment of enforceable obligations, as defined in the law.

The Oversight Board is being requested to approve the Payment Schedule for January 1, 2013 through June 30, 2013 (Exhibit A to Attachment 1), which requests payment for anticipated expenditures associated with the Amended and Restated Development Agreement, legal services, audit services, the Irvine Community Land Trust Affordable Housing Grant Agreement, and administrative costs. The amounts listed on each forward-looking Payment Schedule are estimated. As each Payment Schedule is prepared, estimates from previous Payment Schedules are reconciled to the actual results to adjust the amount requested on the current Payment Schedule.

The Successor Agency is also required to prepare a proposed administrative budget for the Oversight Board's approval. This budget must contain estimated costs for January through June 2013, proposed sources for the payment of those costs, and proposals for arrangements of the administrative services to be provided by the City. The proposed administrative budget (Attachment 2) includes these elements.

FINANCIAL IMPACT

Approving the Payment Schedule is required for the Successor Agency to receive property tax revenues to continue making enforceable payments.

REPORT PREPARED BY Donna Mullally, Manager of Fiscal Services

ATTACHMENTS

Attachment 1: Resolution

Attachment 2: Proposed Administrative Budget

OVERSIGHT BOARD RESOLUTION NO. 12-__

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JANUARY 1, 2013 THROUGH JUNE 30, 2013

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Irvine Redevelopment Agency has been appointed pursuant to the provisions of Health and Safety Code Section 34179; and

WHEREAS, Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period January 1, 2013 through June 30, 2013, has been prepared; and

WHEREAS, the City Council As Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period January 1, 2013 through June 30, 2013; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council As Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Oversight Board for its consideration at a special meeting of the Oversight Board held on August 28, 2012;

NOW, THEREFORE BE IT RESOLVED, by the Oversight Board as follows:

SECTION 1. The Oversight Board, at its special meeting of August 28, 2012, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.

SECTION 2. The Recognized Obligation Payment Schedule for the period January 1, 2013 through June 30, 2013, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

PASSED AND ADOPTED by the Oversight Board at a special meeting held on the 28th of August, 2012.

MARIAN BERGESON, CHAIR

ATTEST:

SECRETARY

STATE OF CALIFORNIA)
COUNTY OF ORANGE)
CITY OF IRVINE)

I, TERRI GOGGIN, Secretary to the Oversight Board, hereby certify that the foregoing resolution was duly adopted at a special meeting of the Oversight Board, held on the 28th day of August 2012.

AYES: BOARDMEMBERS:

NOES: BOARDMEMBERS:

ABSENT: BOARDMEMBERS:

SECRETARY

Successor Agency Contact Information

Name of Successor Agency:	City of Irvine Successor Agency to the
County:	<u>Irvine Redevelopment Agency</u>
	<u>Orange</u>
Primary Contact Name:	Donna Mullally, Manager of Fiscal
Primary Contact Title:	Services, 1 Civic Center Plaza, Irvine,
Address	CA 92623
Contact Phone Number:	<u>949-724-6037</u>
Contact E-Mail Address:	<u>dmullally@cityofirvine.org</u>
Secondary Contact Name:	<u>Mark Asturias</u>
Secondary Contact Title:	<u>Manager of Housing</u>
Secondary Contact Phone Number	<u>949-724-7448</u>
Secondary Contact E-Mail Address:	<u>masturias@cityofirvine.org</u>

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: City of Irvine Successor Agency to the Irvine Redevelopment Agency

Outstanding Debt or Obligation		Total Outstanding Debt or Obligation
		\$ 3,243,000,306
Current Period Outstanding Debt or Obligation		Six-Month Total
A	Available Revenues Other Than Anticipated RPTTF Funding	-
B	Anticipated Enforceable Obligations Funded with RPTTF	18,701,464
C	Anticipated Administrative Allowance Funded with RPTTF	-
D	Total RPTTF Requested (B + C = D)	18,701,464
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>		\$ 18,701,464
E	Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	2,472,402
F	Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$ (16,229,062)
Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))		
G	Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	2,356,439
H	Enter Actual Obligations Paid with RPTTF	2,244,504
I	Enter Actual Administrative Expenses Paid with RPTTF	-
J	Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	111,935
K	Adjusted RPTTF <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount)</i>	\$ 18,589,529

Certification of Oversight Board Chairman
 Pursuant to Section 34177(m) 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 agency

Name

Title

Signature

Date

Oversight Board Approval Date August 28, 2012

Oversight Board Approval Date August 28, 2012

[illegible]

Name of Successor Agency City of Irvine Successor Agency to the Irvine Redevelopment Agency
County Orange

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)
January 1, 2013 through June 30, 2013

Item #	Notes/Comments
1	Amended and Restated Development Agreement between the City of Irvine and The Irvine Redevelopment Agency and Heritage Fields El Toro LLC

City of Irvine Successor Agency to the Irvine Redevelopment Agency
Orange

January 1, 2012 through June 30, 2012

[illegible]

CITY OF IRVINE, AS SUCCESSOR AGENCY
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget
January 1, 2013 – June 30, 2013

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; legal and audit fees and expenses.	\$218,000
Training, publishing, supplies	\$6,500
<u>Total Proposed Administrative Budget</u>	<u>\$224,500</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$224,500
<u>Total Proposed Sources of Payment</u>	<u>\$224,500</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Dissolution costs will be recorded within the General Fund, but separately from other City functions. The Successor Agency will reimburse the General Fund for administrative costs up to the 3% administrative cost cap.