

RDA RESOLUTION NO. 11-04

A RESOLUTION OF THE TUSTIN COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TUSTIN, CALIFORNIA, ADOPTING AN INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE, TRANSMITTING SUCH SCHEDULE TO THE CITY OF TUSTIN, APPROVING AN AGREEMENT TO TRANSFER TAX INCREMENT BETWEEN THE AGENCY AND THE CITY, AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

The Tustin Community Redevelopment Agency does hereby resolve as follows:

I. THE TUSTIN COMMUNITY REDEVELOPMENT AGENCY FINDS AND DETERMINES AS FOLLOWS:

A. The Tustin Community Redevelopment Agency ("Agency") is a community redevelopment agency organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, et seq. ("CRL") and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Tustin ("City"); and

B. The City Council adopted the Redevelopment Plans for the Town Center Redevelopment Project, the South Central Redevelopment Project and the MCAS Tustin Redevelopment Project (collectively, and as amended from time to time, the "Project Areas"), all in compliance with all requirements of the CRL; and

C. AB X1 26 and AB X1 27 are trailer bills to the 2011-12 budget bills and were approved by both houses of the Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and chaptered on June 29, 2011 (together, "2011 Redevelopment Legislation"); and

D. Parts 1.8, 1.85 and 1.9 of Division 24 of the Health and Safety Code were added to the CRL by the 2011 Redevelopment Legislation and such measures purported to become effective immediately; and

E. Part 1.8 of the CRL ("Part 1.8") provides for the restriction of activities and authority of the Agency in the interim period prior to dissolution to certain "enforceable obligations" and to actions required for the general winding up of affairs, preservation of assets, and certain other goals delineated in Part 1.8; and

F. Part 1.85 of the CRL ("Part 1.85") provides for the statewide dissolution of all redevelopment agencies, including the Agency, as of October 1, 2011, and provides that, thereafter, a successor agency will administer the enforceable obligations of the Agency and otherwise wind up the Agency's affairs, all subject to the review and approval by an oversight committee; and

G. Part 1.9 of the CRL ("Part 1.9") provides that a redevelopment agency may continue in operation if a city or county that includes a redevelopment agency adopts an ordinance agreeing to comply with and participate in the Voluntary Alternative Redevelopment Program established in Part 1.9 ("Program°"); and

H. The Agency is aware that the validity, passage, and applicability of the 2011 Redevelopment Legislation are the subject of judicial challenge(s), including the action: California Redevelopment Association, et al v. Ana Matosantos, et al; and

I. The Supreme Court accepted original jurisdiction of the CRA Action on August 11, 2011, notified the parties of the briefing schedule, and, importantly, issued a stay order affecting Part 1.85 and Part 1.9, but the court did not stay Sections 34161 to 34167 of Part 1.8, then on August 17, 2011, the Supreme Court modified its stay order, which released the stay on Sections 34167.5 to 34169.5 of Part 1.8 and on Section 34194(b)(2) of Part 1.9, making those laws now effective ("Supreme Court Stay"); and

J. Section 34169(h) of the CRL, which was added to the CRL by AB X1 26 and is set forth in Part 1.8 of the CRL, requires the CDA to prepare an Initial Recognized Obligation Payment Schedule, no later than September 30, 2011, and provide it to the successor agency, if a successor agency is established pursuant to Part 1.85 (commencing with Section 34170); and

K. While Part 1.85 (that provides for the dissolution of redevelopment agencies and the creation of successor agencies) and Part 1.9, except Section 34194(b)(2), (which authorizes the City to opt-in to the Program) are both stayed by order of the California Supreme Court, Part 1.8, specifically including Section 34169, of the CRL, currently remains in full force and effect; and

L. Of even date herewith and at the same regular meeting hereof the City Council will consider and take action to confirm and make its election for the City to be the successor agency in the event the Agency is dissolved; and

M. The Agency desires to adopt the Initial Recognized Obligation Payment Schedule attached to this Resolution as Attachment No. 1 and incorporated herein ("IROPS") and to transmit the IROPS to the City, as required by Section 34169(h) of the CRL; and

N. Each city and county electing to participate in the Program, as a condition of its redevelopment agency's continued existence and operation, is required to make certain annual remittances ("Program Remittances") to the county auditor-controller ("CAC") pursuant to Chapter 3 of Part 1.9, beginning with a larger upfront remittance for FY 2011-12 ("First Remittance"), to be paid in two equal installments on January 15, 2012 and May 15, 2012; and

O. The City expects it will have sufficient moneys and revenues to fund an amount equal to the City's payment of the First Remittance and further expects to have sufficient moneys and revenues to fund the subsequent annual remittances as may be required by Part 1.9 (collectively "Subsequent Remittances"); and

P. The City has adopted Ordinance Nos. 1404 and 1405 pursuant to Part 1.9 to opt-in so that the Agency would continue in operation and perform its functions; and

Q. The City and Agency desire to enter into an agreement pursuant to CRL Section 34194.2 whereby the Agency shall make an initial transfer of a portion of its tax increment to the City in an amount equal the First Remittance, and thereafter transfer amounts of tax increment equal to any Subsequent Remittances which the City is required to make to the CAC pursuant to the City's participation in the Program ("Agreement to Transfer Tax Increment"), all of which shall collectively be considered an existing debt of the Agency and not new debt; and

R. The Agency, by the adoption of this Resolution, does not represent, disclaim, or take any position whatsoever on the issue of the validity of AB X1 26 or AB X1 27, but rather the Agency seeks to comply with the Constitution and laws of the State of California, in order to preserve the ability of the Agency to continue to operate and thereby benefit the community; and

S. The dissolution of the Agency would be detrimental to the health, safety, and economic well-being of the residents of the City and cause irreparable harm to the community, because, among other reasons, the redevelopment activities and projects made possible, implemented, and funded by the Agency are highly significant and of enduring benefit to the community and the City, and are a critical component of its future; and

T. The Agency has duly considered all other related matters and has determined that the Agency's adoption of the IROPS, submission of the IROPS to the City, and approval and execution of the Agreement to Transfer Tax Increment is in the best interests of the City and Agency and in the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

II. THE TUSTIN COMMUNITY REDEVELOPMENT AGENCY DOES RESOLVE AS FOLLOWS:

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

2. The Agency approves the IROPS attached hereto as Attachment No. 1 and incorporated herein, and further authorizes the Agency Executive Director to transmit the IROPS to the City Manager, the City Clerk, and the City's Finance Director for implementation thereof by the City, acting as successor agency to the Agency, to the extent authorized and/or required by law, including Part 1.85.

3. The Agency hereby approves that certain Agreement to Transfer Tax Increment in substantially the form attached hereto as Attachment No. 2 and incorporated herein, with such changes mutually agreed upon by the Agency Executive Director, the City Manager, Special Council, and the City Attorney,

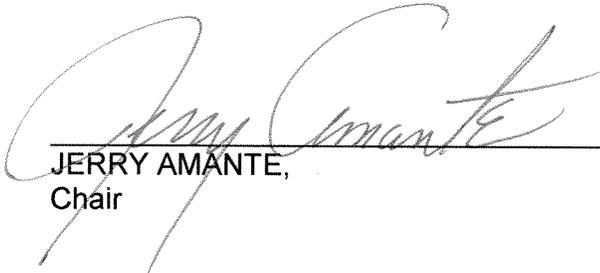
respectively, as are minor and in substantial conformance with the form of the Agreement to Transfer Tax Increment submitted herewith. The Chairman and Agency Secretary are hereby authorized to execute and attest the Agreement to Transfer Tax Increment on behalf of Agency. In such regard, the Chairman is authorized to sign the final version of the Agreement to Transfer Tax Increment after completion of any such non-substantive, minor revisions. Copies of the final form of the Agreement to Transfer Tax Increment, when duly executed and attested, shall be placed on file in the office of the City Clerk. The Agency Executive Director (or his duly authorized representative) is authorized to implement the Agreement to Transfer Tax Increment and take all further actions and execute all documents referenced therein and/or necessary and appropriate to implement the purposes of the Agreement to Transfer Tax Increment. The Agency Executive Director (or his duly authorized representative) is hereby authorized to the extent necessary during the implementation of the Agreement to Transfer Tax Increment to make technical or minor changes, modifications, amendments and interpretations thereto after execution, as necessary to properly implement and carry out the Agreement to Transfer Tax Increment; provided any and all such changes shall not in any manner materially affect the rights and obligations of the Agency thereunder.

4. Agency Counsel is hereby authorized, to the greatest extent permitted by law, to bring an action or appear in an action brought in the Superior Court pursuant to Sections 33500 and 33501 of the CRL to determine the validity of the Agreement to Transfer Tax Increment, or the validity of any bonds contemplated to be issued by the Agency or other material contracts of the Agency, or any findings of the governing body or the City Council related thereto, upon the determination of the Agency Executive Director that such action is reasonably necessary or appropriate to facilitate the consummation of any Agency transaction for which governing board approval has been given.

5. This Resolution shall in no way be construed as requiring the Agency (or the City) to abide by the 2011 Redevelopment Legislation in the event either, or both, bills are found unconstitutional or otherwise legally invalid in whole or in part, nor shall this Resolution effect or give rise to any waiver of rights or remedies the Agency (and/or the City) may have, whether in law or in equity, to challenge 2011 Redevelopment Legislation. This Resolution shall not be construed as the Agency's (and/or the City's) willing acceptance of, or concurrence with the 2011 Redevelopment Legislation, either AB X1 26 or AB X1 27; nor does this Resolution evidence any assertion or belief whatsoever on the part of the Agency (and/or City) the 2011 Redevelopment Legislation is constitutional or lawful.

6. This Resolution shall be effective immediately upon adoption.

PASSED and ADOPTED at the regular meeting of the Tustin Community Redevelopment Agency held on the 20th day of September, 2011.



JERRY AMANTE,
Chair

ATTEST:



PAMELA STOKER,
Recording Secretary

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

I, Pamela Stoker, City Clerk and ex-officio Secretary of the Tustin Community Redevelopment Agency, Tustin, California, do hereby certify that the whole number of the members of the Tustin Community Redevelopment Agency is five; that the above and foregoing RDA Resolution No. 11-04 was duly passed and adopted at a regular meeting of the Tustin Community Redevelopment Agency, held on the 20th day of September, 2011, by the following vote:

| | | |
|-------------------------|--|-----|
| AGENCYMEMBER AYES: | <u>Amante, Nielsen, Gavello, Gomez, Murray</u> | (5) |
| AGENCYMEMBER NOES: | <u>None</u> | (0) |
| AGENCYMEMBER ABSTAINED: | <u>None</u> | (0) |
| AGENCYMEMBER ABSENT: | <u>None</u> | (0) |



PAMELA STOKER,
Recording Secretary

Name of Redevelopment Agency: Tustin Community Redevelopment Agency
 Project Area(s) MCAS Tustin, Town Center & South Central

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34167, 34169, and 34177 (*)

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|--|------------------------------------|--|----------|--------------------------------------|------------------------------|---|--|---------|----------|-----|-----|-----------|-----------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| (1) Bonds | | | | | | | | | | | | | |
| Housing Tax Allocation Bonds, Series 2010 | The Bank of New York Mellon | Proceeds from the sale of the Bonds will be used to (a) prepay a portion of the City Obligation (Affordable Housing Reimbursement Agreement), (b) fund a reserve account for the Bonds, and (c) provide for the cost of issuing the Bonds. | | 42,480,491 | 1,826,756 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | | 565,970 | | | | | \$ 565,970.00 |
| Fiscal Agent Fees - TA Bond 2010 | The Bank of New York Mellon | administration of bond activities | Estimate | 3,300 | 3,300 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| Continuing disclosure services | Fieldman, Rolapp & Associates, Inc | Continuing disclosure services for 2010 Housing bonds | | 1,350 | 1,350 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | | 1,350 | | | | | \$ 1,350.00 |
| (2) Loans of Moneys borrowed by Agency | | | | | | | | | | | | | |
| Affordable Housing Reimbursement Agreement and First Amendment Between City and Agency (6/5/2007 & 1/5/2010) | City of Tustin | Initial Agreement between the City and Agency for the purpose of reimbursing the City for assisting the Agency in carrying out its affordable housing obligations at Tustin Field I & II. | | 16,148,711 | 3,229,742 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | | | | | | 3,229,742 | \$ 3,229,742.00 |
| Second Amendment to Affordable Housing Reimbursement Agreement between City and Agency (1/18/2011) | City of Tustin | The Second Amendment to the Reimbursement Agreement is for the purpose of reimbursing the City for assisting the Agency in carrying out its future inclusionary affordable housing obligations (453 units) at Tustin Legacy | Estimate | 195,658,760 | | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| (3) Payments Required by the federal gov't, preexisting obligations to the state or obligations imposed by law including employee salary and benefits | | | | | | | | | | | | | |
| County Administrative Fee | County of Orange | annual tax collection administrative fee | Estimate | 213,000 | 213,000 | Redevelopment Property Tax Trust Fund | | | | | | 213,000 | \$ 213,000.00 |
| Auditing Services | Diehl, Evans & Company | auditing of annual Agency expenditures | | 36,026.25 | 12,208.75 | Redevelopment Property Tax Trust Fund | | | 4,069.58 | | | | \$ 4,069.58 |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total | |
|--|---|---|----------|--------------------------------------|------------------------------|--|--|--------|--------|--------|--------|-----------|--------|-----------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | | |
| AB1X 27 - Voluntary Program Bill (Tax Increment Transfer) | City of Tustin -> State of California | As a result of the City Council passing Ordinance #1404 (7/19/2011) and Ordinance #1405(7/19/2011 & 8/2/2011), the Agency is responsible for an annual voluntary payment. The estimated Voluntary Program Bill fee was calculated by DoF under AB1X 27. | | 7,100,000 | 7,100,000 | Reserve Balance | 3,550,000 | | | | | 3,550,000 | | \$ 7,100,000.00 |
| (4) Judgments/Settlements | | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | | |
| (5) Any legally binding and enforceable agreement | | | | | | | | | | | | | | |
| Promissory Note between the City of Tustin and Tustin Community Development Redevelopment Agency (12/2/2008) | Redevelopment Agency | Agency loan of \$18,881,750 to the City for the purchase of the AA&E Property. The payoff to the Agency will be split evenly between the three Project Areas. | | 20,978,895 | | | | | | | | | | \$ - |
| Graffiti removal | Graffiti Control Systems | Graffiti removal in the Town Center and South Central Redevelopment Project Areas | Estimate | 55,000 | 55,000 | Redevelopment Property Tax Trust Fund | 4,600 | 4,600 | 4,600 | 4,600 | 4,600 | 4,600 | 4,600 | \$ 27,600.00 |
| Contract for available commercial property search | LoopNet, Inc. | Web-based Commercial Property Search for available retail, commercial, industrial and other property types in Tustin | | 3,500 | 3,500 | Redevelopment Property Tax Trust Fund | | | | | | | | \$ - |
| Contract for web-based business assistance information | Tools for Business Success, LLC | Web-based business assistance tools available on the City of Tustin website | | 1,140 | 1,140 | Redevelopment Property Tax Trust Fund | | 1,140 | | | | | | \$ 1,140.00 |
| Contract for Real Estate Data and Information | First American CoreLogic | Access to property reports, parcel maps, grant deeds and foreclosure activity within Tustin | | 3,600 | 3,600 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | 300 | 300 | 300 | 300 | 300 | 300 | 300 | \$ 1,800.00 |
| Contract for Property Tax Analysis | HdL Coren & Cone | tax appeal monitoring and tax increment analysis | | 9,125 | 9,125 | Redevelopment Property Tax Trust Fund | | | | | | | 9,125 | \$ 9,125.00 |
| (6) Agreements & Contracts necessary for the administration or operation of agency | | | | | | | | | | | | | | |
| Contract for Legal Services | Armbruster Goldsmith & Delvac LLP | legal counsel for real estate associated issues | Estimate | 350,000 | 350,000 | Low & Moderate Income Housing Fund; Redevelopment Property Tax Trust Fund; Bond Proceeds | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | \$ 300,000.00 |
| Contract for Legal Services | Woodruff, Spradlin & Smart (Including: Stradling Yocca Carlson & Rauth; Remy, Thomas, Moose & Manley) | legal counsel - public law & specialty legal council as needed | Estimate | 400,000 | 400,000 | Low & Moderate Income Housing Fund; Redevelopment Property Tax Trust Fund; Bond Proceeds | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | \$ 240,000.00 |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding | Total Due During | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|--|--|---|----------|--------------------|------------------|---|--|-----------|-----------|-----------|-----------|-----------|------------------|
| | | | | Debt or Obligation | Fiscal Year | | Jan | Feb | Mar | Apr | May | Jun | |
| Lease of Office Space | PK II Holdco, LLC | Office space rent | | 54,363 | 54,363 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | 4,456 | 4,456 | 4,456 | 4,456 | 4,456 | 4,456 | \$ 26,736.00 |
| Cooperative Agreement Between the City and Redevelopment Agency (2/1/2011)(See Attachment No. 1) | City of Tustin | Cooperation Agreement For Payment of Costs Associated with Certain RDA funded Capital Improvements, Public Improvements, Affordable Housing Projects and Administrative Program Support Services (The Schedule of Projects, Payment Schedule and Performance Schedule is attached - Attachment No. 1) | Estimate | 155,500,000 | 26,010,260 | Low & Moderate Income Housing Fund; Redevelopment Property Tax Trust Fund; Reserve Balance | 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 | 2,160,000 | \$ 12,960,000.00 |
| City Treasurer | City Treasurer | management of Agency's invested monies | | 32,600.00 | 32,600.00 | Low & Moderate Income Housing Fund; Redevelopment Property Tax Trust Fund; Admin Cost Allowance | 2,717.00 | 2,717.00 | 2,717.00 | 2,717.00 | 2,717.00 | 2,717.00 | \$ 16,302.00 |
| Direct Administrative Charge (including Salary and Benefits of employees funded by the Agency and administrative costs) | Employees of City funded by the Agency that perform Agency activities & various vendors as needed for direct administrative operations | Payroll for employees & various vendors as needed for direct administrative operations | Estimate | 850,038.00 | 850,038.00 | Administrative Cost Allowance | 68,937.00 | 68,937.00 | 68,937.00 | 68,937.00 | 68,937.00 | 68,937.00 | \$ 413,622.00 |
| Adopted City/Agency Budget for Reimbursement of City Support Costs (indirect overhead costs for administration and operations) | City of Tustin | Annual indirect costs of supporting the Agency by other City departments for administration and operations | | 2,711,500 | 2,711,500 | Redevelopment Property Tax Trust Fund | | | | | | 2,711,500 | \$ 2,711,500.00 |
| Bank Analysis Fees | Bank of America | Fees Charged by bank for transactions | Estimate | 48,000 | 48,000 | Low & Moderate Income Housing Fund; & Redevelopment Property Tax Trust Fund | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | \$ 24,000.00 |
| Property Insurance | California Insurance Pool Authority | Property insurance premiums | | 10,000 | 10,000 | Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| Payment in Lieu of Taxes Agreement - Flanders Pointe (10/1/1999) | City of Tustin | Agency monitors to insure receipt of annual payment | TBD | UNK | | | | | | | | | \$ - |
| Payment in Lieu of Taxes Agreement - Orange Gardens (8/13/1998) | City of Tustin | Agency monitors to insure receipt of annual payment | TBD | UNK | | | | | | | | | \$ - |
| Olson DDA/Arbor Walk | Redevelopment Agency | Monitoring of Affordable Housing Covenants | TBD | UNK | | | | | | | | | \$ - |
| Heritage Place DDA (4/11/02) | Redevelopment Agency | Agency monitors affordability and the residual receipt payment | TBD | UNK | | | | | | | | | \$ - |
| Newport Avenue Apartments (1/19/10) | Redevelopment Agency | Rental properties were sold by Agency to the City. As part of the agreement, the City agreed to continue to engage the Agency as the property manager. | TBD | UNK | | | | | | | | | \$ - |
| Totals - This Page | | | | 442,649,999 | 42,925,483 | | 5,885,010 | 2,903,470 | 2,339,080 | 2,335,010 | 5,885,010 | 8,498,377 | \$ 27,845,956.58 |
| Totals - South Central | | | | 41,562,619 | 242,000 | | 30,500 | 20,500 | 20,500 | 30,500 | 20,500 | 145,000 | \$ 145,000.00 |
| Totals - MCAS Tustin | | | | 137,980,301 | 41,336,809 | | 3,477,041 | 884,158 | 185,270 | 178,920 | 178,920 | 5,083,229 | \$ 5,083,229.00 |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|----------------------------------|-------|-------------|----------|---|---------------------------------|----------------|--|-----------|-----------|-----------|-----------|------------|------------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| Totals - Town Center | | | | 12,716,088 | 1,756,601 | | 0 | 0 | 0 | 0 | 0 | 176,135 | \$ 176,135.00 |
| Totals - Other | | | | 161,271,999 | 2,450,096 | | 0 | 0 | 0 | 0 | 0 | 2,450,096 | 2,450,096 |
| Grand total - All Pages | | | | 634,909,007 | 86,260,893 | | 9,392,551 | 3,808,128 | 2,544,850 | 2,544,430 | 6,084,430 | 13,902,741 | \$ 33,250,320.58 |

*** All monthly payments shown as estimated

Name of Redevelopment Agency: Tustin Community Redevelopment Agency
 Project Area(s): Town Center

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34167, 34169, and 34177 (*)

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|--|---|----------|--------------------------------------|------------------------------|--|--|------|------|------|------|------------|---------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| (1) Bonds | | | | | | | | | | | | | |
| Tax Allocation Refunding Bonds 1998 (Town Center) | US Bank | Bond issue to fund non-housing projects | | 9,822,216 | 1,638,771 | Redevelopment Property Tax Trust Fund | | | | | | 176,135 | \$ 176,135.00 |
| Fiscal Agent Fees - TA Bond 1998 | US Bank | administration of bond activities | | 3,300 | 3,300 | Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| Continuing disclosure & arbitrage services | Willdan Financial | Continuing disclosure & arbitrage services for 1998 bonds | | 6,000 | 6,000 | Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| Contract for Engineering Project Study Report | To be determined | Capital Improvement Project #70208 - Engineering Project Study Report for the Center City improvements within the Tustin Town Center Project at Newport Avenue and El Camino Real | | 35,000 | 35,000 | Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| (2) Loans of Moneys borrowed by Agency | | | | | | | | | | | | | |
| Town Center Housing Deficit Reduction Plan (5/1/2000) | Agency's Town Center Housing Set-Aside fund | Repayment for Town Center Housing Set-Aside funds diverted to support non-housing Redevelopment activities in Town Center during the period of 1988 - 1992. | | 2,776,042 | | Redevelopment Property Tax Trust Fund | | | | | | | \$ - |
| (3) Payments Required by the federal gov't, preexisting obligations to the state or obligations imposed by law | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (4) Judgments/Settlements | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (5) Any legally binding and enforceable agreement | | | | | | | | | | | | | |
| Contract for engineering services (6/9/2011) | Critical Structures, Inc. | Structural engineering assessment of Stevens Square Parking Structure | Estimate | 23,530 | 23,530 | Redevelopment Property Tax Trust Fund; Reserve Balance | | | | | | | \$ - |
| Stevens Square Parking Garage Declaration of Covenants, Conditions, Restrictions and Reservations | Stevens Square Parking Structure Condominium Association | There are ongoing maintenance costs as required by the CC&Rs. In addition, there are one-time, deferred maintenance repairs that will be determined by the structural engineering assessment. The costs associated with ongoing maintenance and deferred maintenance repairs are estimates. | Estimate | 50,000 | 50,000 | Redevelopment Property Tax Trust Fund; Reserve Balance | | | | | | | \$ - |
| (6) Agreements & Contracts necessary for the administration or operation of agency | | | | | | | | | | | | | |
| Prospect Village DDA (6/21/2004) | | Monitoring to insure developer completes contractual obligations and is issued a Certificate of Compliance | UNK | TBD | Unknown | | | | | | | | \$ - |
| Totals - This Page | | | | \$ 12,716,088 | \$ 1,756,601 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 176,135 | \$ 176,135.00 |

*** All monthly payments shown as estimated

Name of Redevelopment Agency:

Tustin Community Redevelopment Agency

Project Area(s)

South Central

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167, 34169, and 34177 (*)

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|--|---|----------|--------------------------------------|------------------------------|--|--|--------|--------|--------|-----------|-----------|-----------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| (1) Bonds | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (2) Loans of Moneys borrowed by Agency | | | | | | | | | | | | | |
| South Central Project Area Loan | City of Tustin | Project purposes loan. Amount is derived from Appendix D of the fourth Five-Year Implementation Plan of the South Central/Town Center Project Areas as adopted on October 5, 2010. Continuation of Loan to Agency on Administrative Agreement adopted by Council on September 7, 2010. The amount was originally loaned to the Agency on September 2, 2008. Prior loans to the Agency were for differing amounts as needed by project area. | | 4,650,000 | | Redevelopment Property Tax Trust Fund; Reserve Balance | | | | | | | \$ - |
| Public Works Agreement/South Central Redevelopment Project (6/7/1993) | City of Tustin | Original Loan amount to the Agency in 1993 was \$33,500,000 for the Newport Avenue Extension (Newport Underpass) to Edinger Avenue. The interest rate is .5%. | | 36,646,619 | | Redevelopment Property Tax Trust Fund; Reserve Balance | | | | | | | \$ - |
| Newport Av./SR55 NB Ramp Reconfiguration | Psomas Engineering | Mapping and survey services | Estimate | 15,000 | 15,000 | Redevelopment Property Tax Trust Fund; | 2,500 | 2,500 | 2,500 | 2,500 | \$ 2,500 | \$ 2,500 | \$ 15,000 |
| Newport Av./SR55 NB Ramp Reconfiguration | First American Title Insurance Company | Preparation of title documentation | Estimate | 4,500 | 4,500 | Redevelopment Property Tax Trust Fund; | 1,500 | 1,500 | 1,500 | 1,500 | \$ 1,500 | \$ 1,500 | \$ 9,000 |
| Newport Av./SR55 NB Ramp Reconfiguration | AndersonPenna | Program management services | Estimate | 4,000 | 4,000 | Redevelopment Property Tax Trust Fund; | 500 | 500 | 500 | 500 | \$ 500 | \$ 500 | \$ 3,000 |
| Newport Av./SR55 NB Ramp Reconfiguration | Coast Surveying | Survey/Plan check services | Estimate | 4,500 | 4,500 | Redevelopment Property Tax Trust Fund; | 1,000 | 1,000 | 1,000 | 1,000 | \$ 1,000 | \$ 1,000 | \$ 6,000 |
| Newport Av. Extension, N/O Edinger Av. | Dokken Engineering | Final design services | Estimate | 100,000 | 100,000 | Redevelopment Property Tax Trust Fund; | 10,000 | 10,000 | 10,000 | 10,000 | \$ 10,000 | \$ 10,000 | \$ 60,000 |
| Newport Av. Extension, N/O Edinger Av. | Nuvis | Landscape design services | Estimate | 30,000 | 30,000 | Redevelopment Property Tax Trust Fund; | 4,000 | 4,000 | 4,000 | 4,000 | \$ 4,000 | \$ 4,000 | \$ 24,000 |
| Newport Av. Extension, N/O Edinger Av. | County of Orange (OCFCD) | Plan check services | Estimate | 25,000 | 25,000 | Redevelopment Property Tax Trust Fund; | 5,000 | | | 5,000 | | | \$ 10,000 |
| Newport Av. Extension, N/O Edinger Av. | Morrow Management | Dry Utility design and coordination services | Estimate | 20,000 | 20,000 | Redevelopment Property Tax Trust Fund; | 500 | 500 | 500 | 500 | \$ 500 | \$ 500 | \$ 3,000 |
| Newport Av. Extension, N/O Edinger Av. | AndersonPenna | Program management services | Estimate | 10,000 | 10,000 | Redevelopment Property Tax Trust Fund; | 500 | 500 | 500 | 500 | \$ 500 | \$ 500 | \$ 3,000 |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|---|--|----------|--------------------------------------|------------------------------|--|--|--------|--------|--------|-----------|-----------|------------|
| | | | | | Total Due During Fiscal Year | | Jan | Feb | Mar | Apr | May | Jun | |
| Newport Av. Extension, N/O Edinger Av. | Southern California Regional Rail Authority (SCRRA) | Plan check services | Estimate | 25,000 | 25,000 | Redevelopment Property Tax Trust Fund; | 5,000 | | | 5,000 | | | \$ 10,000 |
| (3) Payments Required by the federal gov't, preëxisting obligations to the state or obligations imposed by law | | | | | | | | | | | | | |
| Memorandum of Understanding with Orange County Water District (Section 33401 Payment; 3/20/1985) | Orange County Water District | Tax share agreement (pre-AB 1290) | | 28,000 | 4,000 | Redevelopment Property Tax Trust Fund; | | | | | | \$ 2,000 | \$ 2,000 |
| Memorandum of Understanding with Tustin Unified School District (Section 33401 Payment; 9/13/1985) | Tustin Unified School District | Tax share agreement pre-1290; no payments have been made to date and payment since is not been triggered until debt is retired for South Central Capital projects. | unknown | TBD | unknown | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Memorandum of Understanding with Saddleback Community College District (Section 33401 Payment; 9/13/1985) | Saddleback Community College District | Tax share agreement pre AB 1290; no payments have been made to date since payment is not been triggered until debt is retired for South Central Capital projects. | unknown | TBD | unknown | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| (4) Judgments/Settlements | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (5) Any legally binding and enforceable agreement | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (6) Agreements & Contracts necessary for the administration or operation of agency | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| Totals - This Page | | | | \$ 41,562,619 | \$ 242,000 | | 30,500 | 20,500 | 20,500 | 30,500 | \$ 20,500 | \$ 22,500 | \$ 145,000 |
| *** All monthly payments shown as estimated | | | | | | | | | | | | | |

Name of Redevelopment Agency: Tustin Community
 Redevelopment Agency
 Project Area(s): MCAS Tustin

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167, 34169, and 34177 (*)

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|------------------------------------|---|----------|--------------------------------------|------------------------------|---|--|---------|--------|--------|--------|--------|---------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| (1) Bonds | | | | | | | | | | | | | |
| Tax Allocation Bonds - MCAS Tustin, Series 2010 | The Bank of New York Mellon | Bond issue to fund non-housing projects | | 83,384,751 | 2,282,532 | Redevelopment Property Tax Trust Fund; | | 626,788 | | | | | \$ 626,786.00 |
| Fiscal Agent Fees - TA Bond 2010 | The Bank of New York Mellon | administration of bond activities | Estimate | 3,300 | 3,300 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Continuing disclosure services | Fieldman, Rolapp & Associates, Inc | Continuing disclosure services for 2010 MCAS bonds | | 1,350 | 1,350 | Redevelopment Property Tax Trust Fund; | | | 1,350 | | | | \$ 1,350.00 |
| Employee responsible for overseeing design and construction of backbone infrastructure implementation (salary and benefits) | Ken Nishikawa | Tustin Legacy Development Manager (oversighting bond projects) | | 173,750 | 173,750 | Bond Proceeds | 14,479 | 14,479 | 14,479 | 14,479 | 14,479 | 14,479 | \$ 86,874.00 |
| Contract for Environmental Services (11/16/2010) | Pacific States | Construction of Tustin Ranch Road Phase 1 Grading & Storm Drain | Estimate | 221,585 | 161,585 | Bond Proceeds | 11,585 | | | | | | \$ 11,585.00 |
| Contract for Mitigation Services (12/07/2010) | Vista Environmental | Tustin Ranch Road - Homeowner Mitigation Assessments | Estimate | 9,828 | 9,828 | Other Revenue Sources | 9,828 | | | | | | \$ 9,828.00 |
| Homeowner Agreement Memorandum - Noise Mitigation | Various Homeowners | Noise mitigation related to Tustin Ranch Road project | Estimate | 147,425 | 147,425 | Bond Proceeds; Other Revenue Sources | | | | | | | \$ - |
| Real Property Acquisition for Tustin Ranch Road | Homeowners | Acquisition of properties located at 2472 Walnut Ave, 14471 Chambers Road, and 2472 Chambers Road | | 671,450 | 671,450 | Bond Proceeds; Other Revenue Sources | | | | | | | \$ - |
| Contract for Engineering & Planning (08/08/2010) | RBF Consulting | MCAS Tustin Infrastructure Design Services | Estimate | 1,426,500 | 924,500 | Bond Proceeds; Other Revenue Sources | 150,000 | | | | | | \$ 150,000.00 |
| Contract for GeoTech Services (09/07/2010) | NMG | Construction of Tustin Ranch Road Phase 1 Grading & Storm Drain | Estimate | 345,708 | 246,708 | Bond Proceeds | 21,708 | | | | | | \$ 21,708.00 |
| Contract for Engineering Services (09/07/2010) | Hunsaker & Associates | MCAS Tustin Infrastructure Design Services | Estimate | 605,950 | 283,450 | Bond Proceeds | 40,000 | 43,450 | | | | | \$ 83,450.00 |
| Contract for Environmental Services (11/02/2010) | Vandermost Consulting | Regulatory Agency consulting | Estimate | 20,000 | 20,000 | Redevelopment Property Tax Trust Fund; Bond Proceeds; | | | | | | | \$ - |
| Contract for Archeological & Paleontological Services (7/19/2011) | Paleo Solutions, Inc | Archeological & Paleontological compliance and monitoring for TRR | Estimate | 28,530 | 28,530 | Redevelopment Property Tax Trust Fund; Bond Proceeds; | | | | | | | \$ - |
| Contract for Engineering Services | Moffatt & Nichol Engineers | To provide engineering services for Bridges, Structures, Rail, & Transit projects | Estimate | 30,000 | 30,000 | Bond Proceeds; Other Revenue Sources | | | | | | | \$ - |
| Contract for Engineering Services | Hartzog & Crabill, Inc. | Traffic engineering services | Estimate | 30,000 | 30,000 | Bond Proceeds; Other Revenue Sources | | | | | | | \$ - |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|-----------------------------------|---|--|--------------------------------------|------------------------------|---|--|---------|---------|---------|---------|---------|-----------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| Contract for Engineering Services | DSL Consulting, Inc. | Provide services for hydrology, hydraulics, street, mapping, and landscape | Estimate | 30,000 | 30,000 | Bond Proceeds; Other Revenue Sources | | | | | | | \$ - |
| Contract for Construction Management (05/03/2011) | Parsons Transportation Group | Construction management for Tustin Ranch Road (Phase 1 and 2) | Estimate | 1,882,075 | 1,882,075 | Bond Proceeds | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | \$ 600,000.00 |
| Contract for Tustin Ranch Road Construction - Phase 1 (08/02/2011) | Sandoval Pipeline Engineering | Construction of Tustin Ranch Road Phase 1 (Grading & Storm Drain) | Estimate | 12,623,788 | 12,623,788 | Bond Proceeds | 3,000,000 | | | | | | \$ 3,000,000.00 |
| Contract for Tustin Ranch Road Construction - Phase 2 | TBD | Construction of Tustin Ranch Road Phase 2 (roadway and bridge) | Estimate | 34,500,000 | 20,000,000 | Bond Proceeds | | | | | | | \$ - |
| Capital Projects- TA Bond 2010 (See Attachment No. 2) | TBD | capital projects associated with construction of infrastructure and facilities as listed in the Official Statement for TA Bond 2010 | See Attachment No. 2 - estimated costs | | | Bond Proceeds | | | | | | | \$ - |
| (2) Loans of Moneys borrowed by Agency | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (3) Payments Required by the federal gov't, preexisting obligations to the state or obligations imposed by law | | | | | | | | | | | | | |
| County Mapping Plan Check Fees | County of Orange | subdivision mapping fees associated with MCAS Tustin | | | | Low & Moderate income Housing Fund; Redevelopment Property Tax Trust Fund; Bond Proceeds; | | | | | | | \$ - |
| (4) Judgments/Settlements | | | | | | | | | | | | | |
| None | N/A | N/A | | | | | | | | | | | \$ - |
| (5) Any legally binding and enforceable agreement | | | | | | | | | | | | | |
| Contract for Development Advisor services (09/07/2010) | Developer's Research | Implementation Plan and Strategy | Estimate | 75,000 | 75,000 | Redevelopment Property Tax Trust Fund; Bond Proceeds; | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | \$ 30,000.00 |
| Contract for Engineering & Planning (08/08/2010) | RBF Consulting | Plan check and tract map services | Estimate | 90,000 | 90,000 | Redevelopment Property Tax Trust Fund; | 30,000 | | | | | | \$ 30,000.00 |
| Contract for Planning Services (09/07/2010) | SMS Architects | Implementation Plan and Strategy | Estimate | 75,000 | 75,000 | Redevelopment Property Tax Trust Fund; | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | \$ 30,000.00 |
| Contract for Engineering Services (09/07/2010) | Hunsaker & Associates | Disposition Strategy & mapping services | Estimate | 216,500 | 216,500 | Redevelopment Property Tax Trust Fund; | 20,000 | 20,000 | | | | | \$ 40,000.00 |
| Contract for Market Analysis (11/02/2010) | John Burns Real Estate Consulting | Implementation Plan and Strategy | Estimate | 29,400 | 29,400 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Contract for Market Analysis (11/02/2010) | The Concord Group | Implementation Plan and Strategy | Estimate | 42,000 | 42,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|--|-----------------------------------|---|----------|--------------------------------------|------------------------------|---|--|---------|---------|---------|---------|---------|-----------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| Contract for Financial Analysis (01/04/2011) | David Taussig & Associates | financial advisory services associated with determining distribution of assessments associated with background infrastructure costs | Estimate | 47,500 | 47,500 | Redevelopment Property Tax Trust Fund; Bond Proceeds; | | | | | | | \$ - |
| Contract for Design Services | Field Paoli Architects | Review of proposed design | Estimate | 100,000 | 100,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Newport/SR-55 Gateway Master plan & landscape Improvements | RBF Consulting | Preparation of Gateway Master plan and design of landscape improvements | Estimate | 125,979 | 68,206 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Contract for Engineering Mapping Services (07/15/2005) | Psomas | preparation of maps at MCAS Tustin | Estimate | 125,000 | 125,000 | Redevelopment Property Tax Trust Fund; Bond Proceeds; | | | | | | | \$ - |
| Website Hosting Agreement (12/6/2010) | Commpro, LLC | Website hosting for the MCAS Tustin website | | 1,800 | 1,800 | Redevelopment Property Tax Trust Fund; | 150 | 150 | 150 | 150 | 150 | 150 | \$ 900.00 |
| Contract for fence repair (6/18/2008) | National Construction Rental, Inc | Fence repairs as needed at MCAS Tustin | Estimate | 10,000 | 10,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Developer Selection Process, Expert Panel Stipends | Various (18 panelists) | Stipend/Honorarium for service of development professional on a Panel | Estimate | 18,000 | 18,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Contract for fence rental (10/5/2010) | National Construction Rental, inc | fence rental at MCAS Tustin | Estimate | 1,400 | 1,400 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| (6) Agreements & Contracts necessary for the administration or operation of agency | | | | | | | | | | | | | |
| Contract for Maintenance & Erosion Control | So Cal Sandbags | Maintenance of undeveloped portions including erosion control | Estimate | 547,524 | 547,524 | Redevelopment Property Tax Trust Fund; | 48,357 | 48,357 | 48,357 | 48,357 | 48,357 | 48,357 | \$ 290,142.00 |
| Contract for Maintenance of undeveloped properties | Spectrum Landscaping | Maintenance of undeveloped land | | 71,208 | 71,208 | Redevelopment Property Tax Trust Fund; | 5,934 | 5,934 | 5,934 | 5,934 | 5,934 | 5,934 | \$ 35,604.00 |
| Special Legal Counsel for MCAS Tustin | Cappello and Noel LLP | Legal services associated with potential litigation opposing liens filed on property within MCAS Tustin | Estimate | 150,000 | 150,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Special Legal Counsel for MCAS Tustin | Kutak Rock | Legal Services for Environmental Issues and interface with federal agencies impacting MCAS Tustin including the US Navy | Estimate | 110,000 | 110,000 | Redevelopment Property Tax Trust Fund; | 15,000 | 15,000 | 5,000 | | | | \$ 35,000.00 |
| MCAS Tustin Newsletter | Studio 360 | Layout, printing and distribution of bi-annual newsletter publication. | Estimate | 8,000 | 8,000 | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Coventry Court Regulatory Agreement & Declaration of Restrictive Covenants and Supplemental Regulatory Agreement (9/30/2010) | Redevelopment Agency | Agency monitors affordability receipt of payment in lieu of taxes | TBD | UNK | | Redevelopment Property Tax Trust Fund; | | | | | | | \$ - |
| Totals - This Page | | | | 137,980,301 | 41,336,809 | | 3,477,041 | 884,158 | 185,270 | 178,920 | 178,920 | 178,920 | \$ 5,083,229.00 |
| *** All monthly payments shown as estimated | | | | | | | | | | | | | |

Name of Redevelopment Agency:
Project Area(s)

Tustin Community
Redevelopment Agency
ALL

OTHER OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34167, 34169, and 34177 (*)

| Project Name / Debt Obligation * | Payee | Description | Estimate | Total Outstanding Debt or Obligation | Total Due During Fiscal Year | Funding Source | Payments by month for Calendar Year 2012 *** | | | | | | Total |
|---|------------------|--------------------------------|----------|--------------------------------------|------------------------------|--|--|----------|----------|----------|----------|------------------|------------------------|
| | | | | | | | Jan | Feb | Mar | Apr | May | Jun | |
| Other Obligations including Pass Thru Agreements at MCAS | | | | | | | | | | | | | |
| Tustin | | | | | | | | | | | | | |
| City of Tustin | City of Tustin | pass thru payments per AB 1290 | | 5,040,723 | 76,500 | Redevelopment Property Tax Trust Fund; | | | | | | 76,500 | \$ 76,500.00 |
| Tustin Unified School District (TUSD) | TUSD | pass thru payments per AB 1290 | | 56,531,860 | 858,850 | Redevelopment Property Tax Trust Fund; | | | | | | 858,850 | \$ 858,850.00 |
| Santa Ana Unified School District (SAUSD) | SAUSD | pass thru payments per AB 1290 | | 2,644,380 | 40,174 | Redevelopment Property Tax Trust Fund; | | | | | | 40,174 | \$ 40,174.00 |
| Irvine Unified School District (IUSD) | IUSD | pass thru payments per AB 1290 | | 43,344,635 | 658,506 | Redevelopment Property Tax Trust Fund; | | | | | | 658,506 | \$ 658,506.00 |
| South Orange County Community College District (SOCCCD) | SOCCCD | pass thru payments per AB 1290 | | 21,465,486 | 326,111 | Redevelopment Property Tax Trust Fund; | | | | | | 326,111 | \$ 326,111.00 |
| Rancho Santiago Community College District (RSCCD) | RSCCD | pass thru payments per AB 1290 | | 581,396 | 8,833 | Redevelopment Property Tax Trust Fund; | | | | | | 8,833 | \$ 8,833.00 |
| Orange County Water District (OCWD) | OCWD | pass thru payments per AB 1290 | | 1,590,627 | 24,165 | Redevelopment Property Tax Trust Fund; | | | | | | 24,165 | \$ 24,165.00 |
| Orange County Transit Authority (OCTA) | OCTA | pass thru payments per AB 1290 | | 544,294 | 8,269 | Redevelopment Property Tax Trust Fund; | | | | | | 8,269 | \$ 8,269.00 |
| Orange County Sanitation District (OCSD) | OCSD | pass thru payments per AB 1290 | | 3,180,448 | 48,318 | Redevelopment Property Tax Trust Fund; | | | | | | 48,318 | \$ 48,318.00 |
| Orange County Library District | County of Orange | pass thru payments per AB 1290 | | 3,234,474 | 49,139 | Redevelopment Property Tax Trust Fund; | | | | | | 49,139 | \$ 49,139.00 |
| Orange County Department of Education | County of Orange | pass thru payments per AB 1290 | | 4,048,576 | 61,507 | Redevelopment Property Tax Trust Fund; | | | | | | 61,507 | \$ 61,507.00 |
| County of Orange | County of Orange | pass thru payments per AB 1290 | | 11,950,912 | 181,562 | Redevelopment Property Tax Trust Fund; | | | | | | 181,562 | \$ 181,562.00 |
| Orange County Flood Control District | County of Orange | pass thru payments per AB 1290 | | 3,835,858 | 58,276 | Redevelopment Property Tax Trust Fund; | | | | | | 58,276 | \$ 58,276.00 |
| Orange County Harbors, Beaches, & Parks | County of Orange | pass thru payments per AB 1290 | | 2,965,150 | 45,048 | Redevelopment Property Tax Trust Fund; | | | | | | 45,048 | \$ 45,048.00 |
| Orange County Vector Control District | County of Orange | pass thru payments per AB 1290 | | 216,911 | 3,295 | Redevelopment Property Tax Trust Fund; | | | | | | 3,295 | \$ 3,295.00 |
| Orange County Cemetery District (OCCD) | OCCD | pass thru payments per AB 1290 | | 96,279 | 1,463 | Redevelopment Property Tax Trust Fund; | | | | | | 1,463 | \$ 1,463.00 |
| Totals - This Page | | | | 161,271,999 | 2,450,096 | | 0 | 0 | 0 | 0 | 0 | 2,450,096 | \$ 2,450,096.00 |

*** All monthly payments shown as estimated

Supplemental Exhibit A

to Attachment 1 of Resolution No. 11-04

To Initial Recognized Obligation Payment Schedule

Cooperation Agreement: Implementation Plan Schedule of Projects, Payment Schedule and Performance Schedule

| SOUTH CENTRAL REDEVELOPMENT PROJECT AREA | | | | | | |
|--|----------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|
| USE OF FUNDS | | | | | | |
| NON-HOUSING & HOUSING PROGRAMS | | | | | | |
| PROJECTS, & EXPENDITURES | | | | | | |
| FOURTH FIVE YEAR IMPLEMENTATION PLAN - TOWN CENTER & SOUTH CENTRAL | | | | | | |
| | Yr. 1 | Yr. 2 | Yr. 3 | Yr. 4 | Yr. 5 | |
| NON-HOUSING PROGRAMS ² | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | TOTAL |
| Neighborhood Improvement | \$188,750 | \$200,000 | \$3,970,000 | \$3,100,000 | \$1,220,000 | \$8,678,750 |
| Economic Development | \$47,000 | \$1,000,000 | \$2,000,000 | \$2,000,000 | \$1,000,000 | \$6,047,000 |
| Public Infrastructure & Community Facilities | \$626,755 | \$9,000,000 | \$4,950,000 | \$610,000 | \$500,000 | \$15,686,755 |
| Administrative Program & Direct Costs | \$223,325 | \$299,540 | \$314,515 | \$330,240 | \$346,750 | \$1,514,370 |
| Administrative Indirect Costs | \$312,200 | \$1,081,000 | \$1,157,300 | \$729,200 | \$429,900 | \$3,709,600 |
| TOTAL NON-HOUSING PROGRAMS | \$1,398,030 | \$11,580,540 | \$12,391,815 | \$6,769,440 | \$3,496,650 | \$35,636,475 |
| HOUSING PROGRAMS ² | | | | | | |
| Preservation of At-Risk Housing | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ |
| Rehabilitation | \$93,000 | \$125,000 | \$175,000 | \$175,000 | \$175,000 | \$743,000 |
| New Housing Construction | | | | | | |
| Neighborhoods of Tustin Town Center | | | | | | |
| Planning/Zoning | \$72,000 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$72,000 |
| Ownership Multifamily New Construction | \$0 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$0 |
| Multifamily Rental New Construction/Acquisition and Rehabilitation | \$0 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$0 |
| Tustin Legacy New Construction | \$0 | \$1,000,000 | \$1,000,000 | TBD | TBD | \$2,000,000 |
| First Time Homebuyers | \$0 | \$150,000 | \$250,000 | \$250,000 | \$250,000 | \$900,000 |
| Homeless Assistance (CDBG-funded) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Administrative & Operating Expenses | \$104,700 | \$125,000 | \$145,000 | \$165,000 | \$170,000 | \$709,700 |
| TOTAL HOUSING PROGRAMS | \$269,700 | \$1,400,000 | \$1,570,000 | \$590,000 | \$595,000 | \$4,424,700 |
| REQUIRED AGENCY PAYMENT ¹ | (\$1,667,730) | (\$12,980,540) | (\$13,961,815) | (\$7,359,440) | (\$4,091,650) | (\$40,061,175) |

¹ TBD - To Be Determined: Based on actual costs and will be additional draws against the distribution of redevelopment tax increment as costs are incurred. Any and all balances remaining from prior years will be reallocated to projects in which funding for committed projects is required.

² Program activities and projects outlined on the table are described in more detail in the Project Area's most current Five-Year Implementation Plan, which is incorporated herein as though fully set forth.

| TOWN CENTER REDEVELOPMENT PROJECT AREA | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| USE OF FUNDS | | | | | | |
| NON-HOUSING & HOUSING PROGRAMS | | | | | | |
| PROJECTS, & EXPENDITURES | | | | | | |
| FOURTH FIVE-YEAR IMPLEMENTATION PLAN - TOWN CENTER & SOUTH CENTRAL | | | | | | |
| | Yr. 1 | Yr. 2 | Yr. 3 | Yr. 4 | Yr. 5 | |
| NON-HOUSING PROGRAMS ² | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | TOTAL |
| Neighborhood Improvement | \$111,750 | \$550,000 | \$500,000 | \$500,000 | \$1,150,000 | \$2,811,750 |
| Economic Development | \$32,000 | \$1,000,000 | \$2,000,000 | \$1,000,000 | \$500,000 | \$4,532,000 |
| Public Infrastructure & Community Facilities | \$169,350 | \$300,000 | \$1,500,000 | \$2,000,000 | \$500,000 | \$4,469,350 |
| Administrative Program & Direct Costs | \$434,022 | \$200,000 | \$210,000 | \$225,000 | \$236,250 | \$1,305,272 |
| Administrative Indirect Costs | \$374,200 | \$493,900 | \$766,000 | \$629,100 | \$457,000 | \$2,720,200 |
| TOTAL NON-HOUSING PROGRAMS | \$1,121,322 | \$2,543,900 | \$4,976,000 | \$4,354,100 | \$2,843,250 | \$15,838,572 |
| HOUSING PROGRAMS ² | | | | | | |
| Preservation of At Risk Housing | \$0 | \$1,000,000 | \$1,000,000 | \$0 | \$0 | \$2,000,000 |
| Rehabilitation | \$29,000 | \$40,000 | \$40,000 | \$40,000 | \$40,000 | \$189,000 |
| New Housing Construction | | | | | | |
| Neighborhoods of Tustin Town Center Planning/Zoning | \$9,000 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$9,000 |
| Ownership Multifamily New Construction | \$0 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$0 |
| Multifamily Rental New Construction/Acquisition and Rehabilitation | \$0 | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | \$0 |
| Tustin Legacy New Construction | \$0 | \$1,000,000 | \$1,000,000 | \$1,000,000 | TBD | \$3,000,000 |
| First Time Homebuyer | \$0 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$200,000 |
| Homeless Assistance | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$50,000 |
| Administrative & Operating Expenses | \$93,450 | \$105,000 | \$130,000 | \$150,000 | \$170,000 | \$648,450 |
| TOTAL HOUSING PROGRAMS | \$141,450 | \$2,205,000 | \$2,230,000 | \$1,250,000 | \$270,000 | \$6,096,450 |
| REQUIRED AGENCY PAYMENT¹ | (\$1,262,772) | (\$4,748,900) | (\$7,206,000) | (\$5,604,100) | (\$3,113,250) | (\$21,935,022) |

¹ TBD - To Be Determined: Based on actual costs and will be additional draws against the distribution of redevelopment tax increment as costs are incurred. Any and all balances remaining from prior years will be reallocated to projects in which funding for committed projects is required.

² Program activities and projects outlined on the table are described in more detail in the Project Area's most current Five-Year Implementation Plan, which is incorporated herein as though fully set forth.

| MCAS JUSTIN REDEVELOPMENT PROJECT AREA USE OF FUNDS NON-HOUSING & HOUSING PROGRAMS PROJECTS & EXPENDITURES SECOND FIVE-YEAR IMPLEMENTATION PLAN - MCAS JUSTIN | | | | | | |
|---|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|
| | Yr. 1 | Yr. | Yr. 3 | Yr. 4 | Yr. 5 | TOTAL |
| NON-HOUSING PROGRAMS | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | |
| 1 Acquisition, Disposition, and Development Coordination | | | | | | |
| Vestiar/Kimco Justin (The District at Justin Legacy) | 37,085 | 38,940 | 40,890 | 20,445 | 6,000 | 143,360 |
| Justin Legacy Community Partners | 385,000 | 740,000 | 345,545 | 557,994 | 205,536 | 2,234,075 |
| WU Homeat (Justin Field) and ii) | 5,000 | - | - | - | - | 5,000 |
| Lennar/Juon (The Villages of Columbus) | 15,000 | 15,000 | 7,500 | 5,000 | 2,500 | 45,000 |
| Newport Extension | 10,000,000 | 10,000,000 | - | - | - | 20,000,000 |
| Solicitation Process - 18 acre site | 40,000 | 150,000 | 50,000 | 25,000 | 25,000 | 290,000 |
| Interim Leasing and Licensing | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 37,500 |
| Parcel Acquisition activities associated LFQC parcels | 50,600 | 50,600 | 50,600 | 25,000 | 12,500 | 189,300 |
| Total - Acquisition, Disposition, and Development Coordination | 10,540,185 | 11,002,040 | 502,035 | 640,939 | 256,036 | 22,944,235 |
| Public Improvements and Facilities | | | | | | |
| General Oversight | 413,510 | 1,451,475 | 1,264,070 | 1,052,228 | 500,000 | 4,691,283 |
| Justin Ranch Road | 1,106,191 | - | - | - | - | 1,106,191 |
| Valencia/Armstrong | 25,000 | - | - | - | - | 25,000 |
| The District at Justin Legacy Infrastructure | 10,000,000 | 20,000,000 | - | - | - | 30,000,000 |
| Red Hill Avenue Median Improvements | 2,500,000 | - | - | - | - | 2,500,000 |
| Justin Legacy Park - 24 acre Community Park | - | 1,557,765 | - | - | - | 1,557,765 |
| Total - Public Improvements and Facilities | 14,044,701 | 23,019,240 | 1,264,070 | 1,052,228 | 500,000 | 39,880,239 |
| 3 Demolition/Site Clearance | | | | | | |
| Site Preparation and Demolition | 180,000 | 50,000 | 50,000 | 50,000 | 50,000 | 380,000 |
| Total - Demolition/Site Clearance | 180,000 | 50,000 | 50,000 | 50,000 | 50,000 | 380,000 |
| 4 Economic Development | | | | | | |
| Business Attraction, Growth and Retention Program | 127,920 | 127,920 | 127,920 | 127,920 | 127,920 | 639,600 |
| LAMBRA Promotion and Monitoring Program | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 250,000 |
| Total - Economic Development | 177,920 | 177,920 | 177,920 | 177,920 | 177,920 | 889,600 |
| 5 Environmental | | | | | | |
| Special Studies and Monitoring | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 150,000 |
| Legal Services | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 125,000 |
| Total - Environmental | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 275,000 |
| 6 Admin Program & Indirects | | | | | | |
| Administrative Program Costs | \$ 750,000 | \$ 1,000,000 | \$ 1,250,000 | \$ 1,500,000 | \$ 1,750,000 | 6,250,000 |
| Overhead/Indirect Costs | \$ 845,000 | \$ 800,000 | \$ 1,000,000 | \$ 1,100,000 | \$ 1,200,000 | 4,745,000 |
| Total - Admin Program & Indirects | 1,395,000 | 1,800,000 | 2,250,000 | 2,600,000 | 2,950,000 | 10,995,000 |
| TOTAL NON-HOUSING PROGRAMS | \$ 26,392,806 | \$ 36,104,200 | \$ 4,299,025 | \$ 4,576,087 | \$ 3,991,956 | \$ 75,364,074 |
| HOUSING PROGRAMS | | | | | | |
| Justin Legacy - Ownership | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ |
| Justin Legacy - Rental | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ |
| First Time Homebuyer and/or Foreclosure Negotiated Purchase | \$0 | \$80,000 | \$0 | \$80,000 | \$0 | \$160,000 |
| Homeless Assistance (CDBG-funded) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Reimbursement Agreement | \$3,292,743 | \$3,292,743 | \$3,292,743 | \$3,292,743 | \$3,292,743 | \$16,463,715 |
| Amended Reimbursement to City | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ | TBD ¹ |
| Administrative & Indirect Expenses | \$187,799 | \$274,37 | \$301,809 | \$331,990 | \$343,609 | \$1,439,579 |
| TOTAL HOUSING PROGRAMS | \$3,480,54 | \$3,647,115 | \$3,594,55 | \$3,704,733 | \$3,636,35 | \$18,063,294 |
| REQUIRED AGENCY PAYMENT¹ | (29,873,348) | (39,751,315) | (7,893,577) | (8,280,820) | (7,628,308) | (93,427,368) |

¹ TBD - To Be Determined: Based on actual costs and will be additional draws against the distribution of redevelopment tax increment as costs are incurred. Any and all balances remaining from prior years will be reallocated to projects in which funding for committed projects is required.
² Program activities and projects outlined on the table are described in more detail in the Project Area's most current Five-Year Implementation Plan, which is incorporated herein as though fully set forth.

**Supplemental Exhibit B to Attachment 1 of Resolution No. 11-04
Initial Recognized Enforceable Obligation Payment Schedule**

MCAS Tustin-Backbone Infrastructure Projects

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth a summary of the estimated sources and uses of funds associated with the issuance and sale of the Bonds.

| Sources of Funds | |
|-----------------------------------|------------------------|
| Par Amount of Bonds | \$44,170,000.00 |
| Less: Net Original Issue Discount | (888,711.70) |
| Total Sources | \$43,281,288.30 |
| Uses of Funds | |
| Deposit to Redevelopment Fund (1) | \$40,000,000.00 |
| Deposit to Reserve Account (2) | 2,827,500.00 |
| Costs of Issuance (3) | 453,788.30 |
| Total Uses | \$43,281,288.30 |

- (1) Represents amount required to finance the 2010 Project. See "FINANCING PLAN."
 (2) Represents an amount equal to the initial Reserve Account Requirement for the Bonds.
 (3) Includes Underwriter's discount, fees and expenses of the Trustee, the Financial Advisor, the Fiscal Consultant, Bond Counsel and Disclosure Counsel, printing expenses and other costs of issuance.

FINANCING PLAN

Proceeds from the sale of the Bonds will be used to (a) finance the 2010 Project, (b) fund a reserve account for the Bonds, and (c) provide for the costs of issuing the Bonds.

The types of facilities proposed to be financed are various capital improvements within and outside the Redevelopment Project boundaries (for which a benefit resolution shall have been adopted by the Agency), including those that are contained in the Tustin Legacy Backbone Infrastructure Program established by the City which accommodates much of the environmental mitigation requirements of the Redevelopment Project, including traffic and circulation mitigation to support the Redevelopment Project, street and roadway improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights, parkway and landscaping thereto, and storm drains and flood control channels, runoff management improvements and water quality mitigation measures, integrated utilities backbone (including electricity, gas, telephone, cable, telecommunications, and other dry utilities and domestic and reclaimed water and sewer facilities as permitted to be financed from the proceeds of tax-exempt bonds), telemetry, noise mitigation expenses associated with roadway projects, public parkland and recreation facilities, right-of-way and easements necessary for any such facilities.

The initial priority project will be the extension of Tustin Ranch Road from Warner Avenue on the south to Walnut Avenue on the north, including the Tustin Ranch Road bridge and interchange at Edinger Avenue along with the integrated improvements associated with the roadway improvement including necessary and integrated utility backbone systems.

Master Infrastructure - Backbone Improvements Cost Estimate

| Item No. | Description | Reach ID No. | Total Backbone Cost June 2008 | Revised 2011 Backbone Cost |
|--------------------------------------|---|-------------------------|-------------------------------|----------------------------|
| Roadway / Bridge Improvements | | | | |
| 1 | Kensington Park (West Connector) - (Incorporated into Item 7, Reach 102) | 110 | - | - |
| 2 | Valencia (N. Valencia Loop) - Red Hill to Armstrong (Incorporated into Item 7, Reach 102) | 106 | - | - |
| 3 | Valencia (N. Valencia Loop) - Armstrong to Kensington Park (West Connector) - (Incorporated into Item 7, Reach 102) | 108 | - | - |
| 4 | Lansdowne (Incorporated into Item 7, Reach 102) | 156 | - | - |
| 5 | Edinger - 1400 Ft East of Redhill To East Connector (Non-Backbone) | 200 | - | - |
| 6 | Armstrong - Barranca to Warner | 100 | 3,433,878 | 3,433,878 |
| 7 | Armstrong - Valencia (N. Valencia Loop) to Warner (Included Item 1, 2, 3 & 4) | 102, 106, 108, 110, 156 | 20,825,693 | 20,825,693 |
| 8 | Bridge - Tustin Ranch - Valencia (N. Valencia Loop) to North end of Bridge including Ramp | 140, 142, 202 | 23,582,062 | 23,582,062 |
| 9 | Tustin Ranch Road - North end of Bridge to Walnut (Incorporated into Item 8, Reach 140) | 202 | - | - |
| 9A | Tustin Ranch Road / Walnut (North East Corner Widening) | | 1,150,142 | 1,150,142 |
| 10 | Severys Road | 104 | 731,412 | 731,412 |
| 11 | Valencia (N. Valencia Loop) - Kensington Park to Tustin Ranch | 112 | 1,137,113 | 1,137,113 |
| 12 | East Connector - Valencia (N. Valencia Loop) to West end of Bridge | 116, 118, 120 | 2,810,154 | 2,810,154 |
| 13 | Bridge East Connector over Santa Ana Santa Fe Channel to Edinger | 204 | 2,132,292 | 2,132,292 |
| 14 | Moffett - North Loop to West end of Bridge | 136 | 2,323,341 | 2,323,341 |
| 15 | Bridge - Moffett over Peters Canyon Channel | 138 | 3,693,373 | 3,693,373 |
| 16 | Moffett East end of Bridge to Harvard and Bike Path | 139 | 1,824,052 | 1,824,052 |
| 17 | Sweet Shade (Marble Mountain) - (Irvine CFB Fair Share) | 155 | 341,688 | 341,688 |
| 18 | Valencia (N. Valencia Loop) - Tustin Ranch to Moffett | 114, 122 | 5,795,629 | 5,795,629 |
| 19 | North Loop - Moffett to Jamboree Ramp (Incorporated into Item 18, Reach 114, 122) | 126 | - | - |
| 20 | Park (North Loop) - Warner (North) to Jamboree Ramp (Incorporated into Item 21, Reach 151) | 130 | - | - |
| 21 | Park (South Loop) - Warner (North) to Tustin Ranch | 151, 130 | 15,868,098 | 15,868,098 |
| 22 | Warner - Redhill to Armstrong (Incorporated into Item 23, Reach 148) | 146 | 4,584,954 | 4,584,954 |
| 23 | Warner - Armstrong to Tustin Ranch | 148 | 5,687,480 | 5,687,480 |
| 24 | Warner - Tustin Ranch to Jamboree (Including Right of Way Acquisition) | 134 | 5,148,182 | 5,148,182 |
| 25 | Tustin Ranch - Warner (North) to Barranca | 144 | 6,538,706 | 6,538,706 |
| 26 | Warner - Jamboree to Harvard (Irvine CFB Fair Share) | 135 | 704,663 | 704,663 |
| 27 | Redhill / Dyer Intersection Improvements | 206 | - | - |
| 28 | Tustin Ranch - Valencia (N. Valencia Loop) to Warner North (Incorporated into Item 8, Reach 140) | 142 | - | - |
| 29 | South Loop - Tustin Ranch to Armstrong (4 Lanes) | 150 | 2,437,685 | 2,437,685 |
| 30 | Jamboree Ramp - Jamboree to Park | 132 | 522,566 | 522,566 |
| 31 | Barranca - Tustin Ranch Rd. to Redhill | 154 | 2,595,704 | 2,595,704 |
| 32 | Barranca - Jamboree to Tustin Ranch (Including Right of Way Acquisition) | 152, 512 | 8,907,136 | 8,907,136 |
| 33 | SCE Barranca 220kv Transmission Pole Relocations (Deleted) | 208 | - | - |
| 34 | East Side Redhill - Barranca to Warner | 160 | 2,070,525 | 2,070,525 |
| 35 | East Side Redhill - Warner to Valencia Loop | 162, 1228 | 491,684 | 491,684 |
| 35A | East Side Redhill - Valencia Loop to 1000' North (Incorporated into Item 35, Reach 162) | 1228 | - | - |
| 35B | SHIPPO Study | Estimate | 133,500 | 133,500 |
| 35C | Sound Mitigation - Warner from Harvard to Culver | Estimate | 1,494,002 | 1,494,002 |
| TOTAL | | | 126,965,715 | 126,965,715 |
| Traffic Signals | | | | |
| 36 | Edinger / Kensington Park (West Connector) (New) (Incorporated into Item 7, Reach 102) | 110A | - | - |
| 37 | Edinger / East Connector (Upgrade) | 204A | 166,250 | 166,250 |
| 38 | Harvard - Warner (Upgrade) - (Irvine CFB Fairshare) | 135A | 245,400 | 245,400 |
| 39 | Jamboree / Barranca (Upgrade) | 152A | 288,236 | 288,236 |
| 40 | Barranca / Milikan (New) | 152B | 413,074 | 413,074 |
| 41 | Barranca / Tustin Ranch (New) | 154A | 607,079 | 607,079 |
| 42 | Barranca / Armstrong (Upgrade) | 100A | 166,250 | 166,250 |
| 43 | Redhill / Barranca (Upgrade) - (City of Irvine CIP Project) | 206 | - | - |
| 44 | Redhill / Warner | 162A | 166,250 | 166,250 |
| 45 | Redhill / Valencia (New) (Incorporated into Item 7, Reach 102) | 162B | - | - |
| 46 | Valencia / Armstrong (New) (Incorporated into Item 7, Reach 102) | 102A | - | - |
| 47 | Warner / Armstrong (New) | 146A | 332,500 | 332,500 |

Master Infrastructure - Backbone Improvements Cost Estimate

| Item No. | Description | Reach ID No. | Total Backbone Cost June 2008 | Revised 2011 Backbone Cost |
|---|--|----------------|-------------------------------|----------------------------|
| 49 | Armstrong /South Loop (New) | 150A | 332,500 | 332,500 |
| 50 | Warner/Area E Street (New) - Note: TBD per TLCP Land Plan | 148A | 332,500 | 332,500 |
| 52 | Tustin Ranch / Park (South Loop) (New) | 144A | 301,250 | 301,250 |
| 53 | Tustin Ranch / Warner South (New) | 144B | 465,500 | 465,500 |
| 54 | Tustin Ranch / Warner North (New) | 144C | 265,100 | 265,100 |
| 54A | Tustin Ranch / Warner North (New) | 144C | 172,500 | 172,500 |
| 55 | Tustin Ranch / Moffett (New) | 142A | 332,500 | 332,500 |
| 56 | Tustin Ranch / Valencia (New) | 142B | 332,500 | 332,500 |
| 57 | Warner North / Park (North Loop) | 134A | 301,250 | 301,250 |
| 58 | Park (North Loop) / Jamboree SB Ramp (New) | 130A | 241,000 | 241,000 |
| 59 | Valencia / Kensington Park (West Connector) | 108A | 183,087 | 183,087 |
| 60 | Moffett / North Loop (New) | 136A | 299,250 | 299,250 |
| 61 | Moffett / Harvard (Upgrade) (Incorporated into Item 16, Reach 139) | 139A | - | - |
| 62 | Tustin Ranch / Ramp (New) | 140A | 332,500 | 332,500 |
| 63 | Tustin Ranch / Walnut (Upgrade) | 202A | 166,250 | 166,250 |
| 64 | Edinger / Ramp (New) | 140B | 465,500 | 465,500 |
| 65 | Sweet Shade / Marble Mountain / Harvard (Incorporated into Item 17, Reach 158) | 158A | - | - |
| 65 | Signal Interconnect System | | - | - |
| 65 | East Connector / North Loop (New) | 122A | 299,250 | 299,250 |
| 65 | Signal Interconnect System (Note costs are incorporated into the various traffic signal budgets) | Estimate | - | - |
| 65 | Signal Controller (Note costs are incorporated into the various traffic signal budgets) | Estimate | - | - |
| 65 | Signal Controller (Note costs are incorporated into the various traffic signal budgets) | Estimate | - | - |
| TOTAL | | | 7,207,476 | 7,207,476 |
| Traffic Mitigation - Santa Ana / Irvine Agreements | | | | |
| 66 | Newport / Edinger - Figure 19 - Tustin ATMS Fee Payment | | 81,196 | 81,196 |
| 67 | Redhill / Edinger - Figure 19 - Tustin ATMS Fee Payment | | 81,196 | 81,196 |
| 68 | Tustin Ranch / Walnut - Figure 19 - Tustin Addition to Items 8 & 9 (Irvine Company Contribution) | | 195,000 | 195,000 |
| 69 | Redhill / Main - Figure 22 - Irvine | | 1,787,861 | |
| 70 | Nicholson / Von Karman - Figure 23 - Irvine | | 1,616,625 | |
| 71 | Jamboree / Ailon - Figure 24 - Irvine | | 2,775,654 | |
| 72 | Harvard / Ailon - Figure 26 - Irvine | | 594,051 | |
| 73 | Curver / Warner - Figure 26 - Irvine | | 594,051 | |
| 74 | Barranca / Von Karman Supplemental Improvements (Incorporated into Item 32, Reach 152) | 152 | 139,505 | 139,505 |
| 75 | Barranca / Jamboree Intersection Improvements (Polensial TSIA) | Estimate Share | 4,482,005 | |
| 76 | Redhill / Warner (Santa Ana) | Estimate Share | 2,165,220 | 2,165,220 |
| 77 | Grand / Dyer - Santa Ana (Tustin Share = 29%) | See Detail | 1,659,061 | 296,090 |
| 78 | Grand / Edinger - Santa Ana (Tustin Share = 56%) | See Detail | 7,623,919 | 8,000,000 |
| TOTAL | | | 23,795,343 | 10,958,207 |
| Drainage Improvements | | | | |
| 79 | Peters Canyon Channel from Railroad Track to Edinger | 504,506 | 21,310,215 | 21,310,215 |
| 80 | Peters Canyon Channel from Edinger to City Limit (Incorporated into Item 79, Reach 504) | 506 | - | - |
| 81 | Peters Canyon Channel from City Limit to Barranca (Irvine CFD Fair Share) | | 8,700,900 | 8,700,900 |
| 82 | Backbone Storm Drain Overall (Valencia, Armstrong) | | 7,210,593 | 7,210,593 |
| 82 | Backbone Storm Drain Overall (Including Interim Storm Drain Connection at Warner by RSCCD) | 700 | 25,783,307 | 25,783,307 |
| 82 | Backbone Storm Drain Overall (Barranca Channel, Tustin Ranch, Park & Warner) | | 26,488,109 | 26,488,109 |
| 83 | Grading Modification to eliminate Pump Station | 520 | 14,283,000 | 14,283,000 |
| 86 | Barranca Channel Detention Basin / Sports Fields at Redhill / Warner | 500, 501 | 1,059,432 | 1,059,432 |
| 87 | Barranca Channel - Redhill to south of Tustin Ranch (Not include Irvine CIP Project) | 154, 152 | 6,788,566 | 6,788,566 |
| 88 | Santa Ana Santa Fe Channel Embankment (Incorporated into Item 13, Reach 204) | 510 | - | - |

Master Infrastructure - Backbone Improvements Cost Estimate

| Item No | Description | Reach ID No. | Total Backbone Cost June 2008 | Revised 2011 Backbone Cost |
|--|--|--------------|-------------------------------|----------------------------|
| TOTAL | | | 111,624,122 | 111,624,122 |
| Water Quality/Mitigation Improvements | | | | |
| 89 | Selenium Treatment Facility Phase 1 (Backbone Facility) | 551 | 4,284,900 | 4,284,900 |
| 89 | Selenium Treatment Facility Phase 2 (Backbone Facility) | 552 | 2,856,600 | 2,856,600 |
| 90 | Water Quality Treatment Systems Phase 1 (Backbone Facility) | 561 | 2,285,280 | 2,285,280 |
| 90 | Water Quality Treatment Systems Phase 2 (Backbone Facility) | 562 | 571,320 | 571,320 |
| 91 | Resources Agency Mitigation Improvements - Peters Canyon / Railroad to Edinger | 590 | 370,033 | 370,033 |
| 92 | Resources Agency Mitigation Improvements - Peters Canyon / Edinger to City Limit | 591 | 4,627,222 | 4,627,222 |
| 93 | Resource Agency Mitigation Improvements - Peters Canyon / City Limit to Barranca | | - | - |
| 94 | Resources Agency Mitigation Improvements - Master Developer | | 1,194,342 | 1,194,342 |
| 93A | Resource Agency Mitigation Improvements - Peters Canyon / City Limit to Barranca | | - | - |
| TOTAL | | | 16,189,697 | 16,189,697 |
| Dry Utilities | | | | |
| Electric | | | | |
| Gas | | | | |
| Telephone | | | | |
| Cable TV | | | | |
| Telecommunications | | | | |
| Backbone Phase 1 Backbone + Contractor Charges Total (All Utilities) | | | 2,602,080 | 2,602,080 |
| Backbone Phase 1 Backbone + Contractor Charges Total (All Utilities) | | | 5,653,343 | 5,653,343 |
| Utility Backbone All Phases (All Utilities) | | | 750 | 11,284,280 |
| TOTAL | | | 19,539,703 | 19,539,703 |
| Parks and Community Facilities | | | | |
| 115 | Neighborhood Park; Master Developer Area G Park 01 | 600 | - | - |
| 116 | Neighborhood Park; Master Developer Area G Park 02 | 602 | 4,408,203 | 4,408,203 |
| 117 | Community Park; Master Developer Area (46 Acres) | 604 | 18,211,264 | 18,211,264 |
| 118 | Aquatic Center in Master Developer Community Park | 640 | 6,237,607 | 6,237,607 |
| 119 | Tennis Center in Master Developer Community Park | 642 | 3,585,603 | 3,585,603 |
| 120 | Tustin Legacy Park; City Area (24.5 Acres) | 606 | 5,738,889 | 5,738,889 |
| 121 | Linear Park; Master Developer Area G including waterway, ponds | 606 | - | - |
| 122 | Linear Park; Master Developer Area D including waterway, ponds | 610 | 6,989,666 | 6,989,666 |
| 123 | Linear Park; Master Developer Area E including waterway, ponds | 612 | - | - |
| 124 | Other Public-owned Open Space Master Developer Area G | | - | - |
| 125 | Other Public-owned Open Space Master Developer Area D | | - | - |
| 126 | Other Public-owned Open Space Master Developer Area E | 617 | 3,742,009 | 3,742,009 |
| 127 | Pedestrian Bridge - Warner / Linear Park | 620 | 11,818,152 | 11,818,152 |
| 128 | Pedestrian Bridge - Armstrong / Linear Park | 622 | 4,830,000 | 4,830,000 |
| 129 | Bridge Tustin Ranch over Linear Park Pedestrian Crossing | 624 | 6,210,000 | 6,210,000 |
| 130 | Legacy Arch Structures in Linear Park | 626 | - | - |
| 131 | O.C.F.A. Fire Station - Edinger / Kensington Park (2-Bay 8000 SF) | 628 | 5,488,855 | 5,488,855 |
| 132 | City of Tustin Library; Tustin Civic Center | 630 | 7,953,900 | 7,953,900 |
| 133 | City of Irvine Public Park (Marble Mountain) | | 2,600,000 | 2,600,000 |
| 133 | Community Entry Signage | 690 | 1,325,287 | 1,325,287 |
| 120A | Tustin Legacy Park; City Area (24.5 Acres) | 607 | 2,321,060 | 2,321,060 |
| 120B | Tustin Legacy Park; City Area (24.5 Acres) | 608 | 4,998,480 | 4,998,480 |

Master Infrastructure - Backbone Improvements Cost Estimate

| Item No | Description | Reach ID No. | Total Backbone Cost June 2008 | Revised 2011 Backbone Cost |
|---------------------|--|--------------|-------------------------------|----------------------------|
| 120C | Tustin Legacy Park, City Area (24.5 Acres) - Contingency | | 288,044 | 288,044 |
| 132A | City of Tustin Library, Tustin Civic Center | | 1,000,000 | 1,000,000 |
| 132B | City of Tustin Library, Tustin Civic Center | | 1,082,000 | 1,082,000 |
| 132B | City of Tustin Library, Tustin Civic Center | | 2,854,000 | 2,854,000 |
| 133A | Community Entry Signage - Valencia / Redhill - Sign Only | | 225,000 | 225,000 |
| 81A | Peters Canyon / Trail Improvements | | 248,856 | 248,856 |
| TOTAL | | | 102,156,874 | 102,156,874 |
| GRAND TOTALS | | | 407,478,930 | 394,641,793 |

ATTACHMENT NO. 2
AGREEMENT TO TRANSFER TAX INCREMENT
[Attached]

AGREEMENT TO TRANSFER TAX INCREMENT

This **AGREEMENT TO TRANSFER TAX INCREMENT** ("Agreement") is entered into as of September ____, 2011 ("Date of Agreement"), by and between the **CITY OF TUSTIN**, a California municipal corporation ("City"), and the **TUSTIN COMMUNITY REDEVELOPMENT AGENCY**, a public body, corporate and politic ("Agency").

RECITALS

A. The Agency is a community redevelopment agency organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.* ("CRL") and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City.

B. The City Council adopted the Redevelopment Plans for the Town Center Redevelopment Project, the South Central Redevelopment Project and the MCAS Tustin Redevelopment Project (collectively, and as amended from time to time, the "Project Areas").

C. The Agency receives and has available to it tax increment revenues from the Project Areas in accordance with and pursuant to the Redevelopment Plans, CRL Section 33670(b) and Article XVI Section 16 of the California Constitution.

D. Assembly Bills X1 26 and X1 27, which are trailer bills to the 2011-12 budget bills, were approved by both houses of the Legislature on June 15, 2011, signed by the Governor on June 28, 2011, and chaptered on June 29, 2011 (together, "2011 Redevelopment Legislation").

E. Parts 1.8, 1.85 and 1.9 of Division 24 of the Health and Safety Code were added to the CRL by the 2011 Redevelopment Legislation and such measures purported to become effective immediately.

F. Part 1.8 of the CRL ("Part 1.8") provides for the restriction of activities and authority of the Agency in the interim period prior to dissolution to certain "enforceable obligations" and to actions required for the general winding up of affairs, preservation of assets, and certain other goals delineated in Part 1.8.

G. Part 1.85 of the CRL ("Part 1.85") provides for the statewide dissolution of all redevelopment agencies, including the Agency, as of October 1, 2011, and provides that, thereafter, a successor agency will administer the enforceable obligations of the Agency and otherwise wind up the Agency's affairs, all subject to the review and approval by an oversight committee.

H. Part 1.9 of the CRL ("Part 1.9") provides that a redevelopment agency may continue in operation if a city or county that includes a redevelopment agency

adopts an ordinance agreeing to comply with and participate in the Voluntary Alternative Redevelopment Program established in Part 1.9 ("Program").

I. The Agency is aware that the validity, passage, and applicability of the 2011 Redevelopment Legislation are the subject of judicial challenge(s), including the action: *California Redevelopment Association, et al v. Ana Matosantos, et al.*

J. The City adopted Urgency Ordinance No. 1404 on July 19, 2011 and Ordinance No. 1404 on August 2, 2011 pursuant to Health and Safety Code Section 34193 to elect to implement participation by the City and Agency in the Alternative Voluntary Redevelopment Program pursuant to Part 1.9 of the California Community Redevelopment Act

K. The Supreme Court accepted original jurisdiction of the CRA Action on August 11, 2011, notified the parties of the briefing schedule, and, importantly, issued a stay order affecting Part 1.85 and Part 1.9, but the court did not stay Sections 34161 to 34167 of Part 1.8, then on August 17, 2011, the Supreme Court modified its stay order, which released the stay on Sections 34167.5 to 34169.5 of Part 1.8 and on Section 34194(b)(2) of Part 1.9, making those laws now effective ("Supreme Court Stay"). The City and Agency recognize that this Agreement is subject to the Supreme Court Stay.

L. Each city and county electing to participate in the Program, as a condition of its redevelopment agency's continued existence and operation, is required to make certain annual remittances ("Program Remittances") to the county auditor-controller ("CAC") pursuant to Chapter 3 of Part 1.9, beginning with a larger upfront remittance for FY 2011-12 ("First Remittance"), to be paid in two equal installments on January 15, 2012 and May 15, 2012, and additional annual remittance payments subsequently.

M. The City is expected to have sufficient funds and revenues exclusively from tax increment transfers (the annual portions of its tax increment equal to annual Remittance Payments to fund an amount equal to the City's payment of the First Remittance and expects to have tax Increment transfers and, or other funds that become available sufficient to fund amounts equal to the subsequent fiscal years' remittances required by Part 1.9 ("Subsequent Remittances"). The City did not intend by enactment of Ordinance No. 1404 or 1405 to pledge any of its general fund revenues or other assets to make the annual Remittance Payments, it being understood that any remittance payments will be funded solely from agency tax increment transfers and/or other assets transferred to the City in accordance with AB x 1 27.

N. The City and Agency desire to enter into this Agreement pursuant to CRL Section 34194.2 whereby the Agency shall transfer tax increment to the City in an amount equal to the First Remittance, and thereafter shall transfer amounts of tax increment equal to each and all subsequent fiscal years' remittances that the City is required to make to the CAC as a condition of the City's participation in the Program. The First Remittance and any and all Subsequent Remittances shall be not be considered "new debt" of the Agency.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions herein contained, the parties hereto agree as follows:

Section 1. The Agency shall be liable to City for the payment of the Program Remittances in connection with the City's participation in the Program. The Agency agrees that no later than fifteen (15) days prior to the date upon which the City shall be statutorily required to make any full or partial payment of a Program Remittance in any fiscal year, the Agency shall transfer funds to the City in an amount equal to such payment; each such payment by the Agency shall be referred to herein as a "Required Agency Payment" and, as such payments are combined, "Required Agency Payments." Interest shall accrue on any unpaid balance of the Required Agency Payments at an annual interest rate equal to the maximum rate permitted by Section 53531 of the Government Code. Interest on amounts paid as Required Agency Payments shall be deemed to begin accruing on the date upon which the City makes any required Program Remittance to the CAC.

Section 2. The Agency hereby pledges Tax Increment (defined below) to repayment of its indebtedness to the City hereunder; provided that such pledge is junior and subordinate to all outstanding bonds of the Agency, any refunding bonds issued by or through the Agency, and any additional bonds issued hereafter by or through the Agency. The City and Agency agree that such obligation by Agency to City may be further subordinated by agreement of the City and the Agency.

(a) As used in this Section 2, "Tax Increment" means all taxes annually allocated to the Agency with respect to the Project Areas in each year following the Date of Agreement, pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the CRL and Section 16 of Article XVI of the Constitution of the State of California and as provided in the Redevelopment Plans for the Project Areas, including all payments, subventions and reimbursements (if any) to the Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations; but excluding (i) all amounts of such taxes required to be deposited into the Low and Moderate Income Housing Fund of the Agency in any Fiscal Year pursuant to Sections 33334.2 or 33334.6 of the CRL, (ii) all amounts of such taxes required to be paid to taxing entities under Sections 33607.5 and 33607.7 of the CRL to the extent such required payments create a prior lien on such taxes, (iii) amounts, if any, payable by the State of California to the Agency under and pursuant to the provisions of Chapter 1.5 of Part 1 of Division 4 of Title 2 (commencing with Section 16110) of the Government Code of the State of California, (iv) amounts retained by the County of Orange as costs of collection pursuant to Chapter 466, Statutes of 1990, and (v) such taxes, to the extent subject to a prior express pledge by the Agency.

Section 3. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670, *et seq.* of the CRL.

Section 4. The City agrees to spend those funds received from the Agency under this Agreement "for the purpose of financing activities within the redevelopment area that are related to accomplishing the redevelopment agency project goals" pursuant to CRL Section 34194.2 (or as otherwise determined by the courts or subsequent law) and in accordance with the laws of the United States and the State of California, all as applicable.

Section 5. This Agreement shall become effective upon a final order of a court of competent jurisdiction and/or a decision or order from the California Supreme Court, or other court of competent jurisdiction, that the provisions of AB X1 27 (including Sections 34194.2 and 34194.3) are valid and enforceable.

Section 6. If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are severable. The City Council and Agency each hereby declares that it would have approved this Agreement irrespective of the invalidity of any particular portion hereof as long as and subject to Part 1.9 being declared valid and enforceable.

Section 7. An event of default occurs under this Agreement when: (a) there is a breach of any condition, covenant or promise set forth herein; (b) written notice thereof has been given to the defaulting party; and (c) such breach has not been cured within thirty (30) days after such notice was given to the defaulting party or, if such breach cannot reasonably be cured within such thirty (30) day period, the defaulting party fails to commence to cure the breach and/or fails thereafter to diligently proceed to complete such cure. A waiver, if any, by a party must be in writing; and, such waiver by a party of a breach shall not be construed as a waiver of any succeeding breach of the same or other condition, covenant or promise.

Section 8. The occurrence of an event of default hereunder shall give the non-defaulting party the right to proceed with any and all remedies available at law or equity, including without limitation an action for damages, an action or proceeding for specific performance, and/or an action or proceeding for injunctive relief.

Section 9. City shall maintain authority of this Agreement and the authority to implement this Agreement through City Manager and Finance Director (or duly authorized representative(s)) and Agency shall maintain authority of this Agreement and the authority to implement this Agreement through the Executive Director and Treasurer (or duly authorized representative(s)); each shall have the authority to make approvals, issue interpretations, waive provisions hereof.

Section 10. This Agreement shall be binding upon City and Agency and their successors and assigns. Whenever the terms "City" or "Agency" are used in this Agreement, such terms shall include any other successors and assigns as herein provided.

Section 11. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 12. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

Section 13. Any amendment, alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed by a duly authorized representative on behalf of each party. Each party agrees to consider in good faith and exercise reasonable discretion in its consideration of a request by another party to amend this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement to Transfer Tax Increment as of the Date of Agreement.

CITY:

CITY OF TUSTIN,
a California municipal corporation

By: _____
William Huston, Interim City Manager

ATTEST:

Pamela Stoker, City Clerk

APPROVED AS TO FORM:

WOODRUFF, SPRADLIN & SMART

David E. Kendig, Esq., City Attorney

[Additional Signature blocks appear on following page.]

AGENCY:

**TUSTIN COMMUNITY REDEVELOPMENT
AGENCY**, a public body, corporate and politic

By:

William Huston, Interim Executive
Director

ATTEST:

Pamela Stoker, Recording Secretary

APPROVED AS TO FORM:

STRADLING YOCCA CARLSON & RAUTH

Celeste Stahl Brady, Special Counsel