

MASTER AGREEMENT FOR TAXING ENTITY COMPENSATION

(City of San Juan Capistrano) This Master Agreement for Taxing Entity Compensation (this “**Agreement**”), dated for reference purposes as of _____, 2023, is entered into by and among the following public agencies (all of which are collectively referred to herein as the “Parties” and as the “**Taxing Entities**”):

City of San Juan Capistrano, a municipal corporation (“**City**”);
 County of Orange, a political subdivision of the State of California;
 Capistrano Unified School District;
 Orange County Fire Authority;
 South Orange County Community College District;
 Orange County Flood Control District;
 Orange County Public Library;
 Orange County Department of Education;
 Orange County Transportation Authority;
 Orange County Vector Control District;
 Orange County Cemetery District;
 Orange County Harbors, Beaches and
 Parks.

RECITALS

A. Pursuant to Assembly Bill 1X 26, enacted in June 2011, and as modified by the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al*, Case No. S194861, and further modified by Assembly Bill 1484, enacted in June 2012, and other subsequent legislation (collectively, the “**Dissolution Act**”), the Redevelopment Agency of the City of San Juan Capistrano (“**Redevelopment Agency**”) was dissolved, and pursuant to Health & Safety Code Section 34173, the City elected to serve as the successor agency to the dissolved Redevelopment Agency (the “**Successor Agency**”). Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is a separate legal entity from the City.

B. Pursuant to Health and Safety Code Section 34191.5, the Successor Agency prepared a Long-Range Property Management Plan (“**LRPMP**”) that addresses disposition of the real property formerly owned by the Redevelopment Agency.

C. The LRPMP was approved by Resolution of the Oversight Board to the Successor Agency (the “**Oversight Board**”), a seven-member board established pursuant to Health and Safety Code Section 34179 that includes representatives appointed by the County Board of

Supervisors, the Mayor of the City, the Superintendent, the Chancellor of the California Community Colleges, and Orange County Flood Control District.

D. The State Department of Finance (“**DOF**”) approved the LRPMP by letter dated January 16, 2015 and approved as amended on February 12, 2016.

E. The LRPMP provided that, pursuant to Health & Safety Code Section 34191.5(c)(2), the Camino Real Playhouse site (“the “**Site**”), formerly owned by the Redevelopment Agency, be transferred by the Successor Agency to the City for future development.

F. Ownership of the Site was transferred from the Successor Agency to the City on June 25, 2015, per Quitclaim Deed referenced by Recorder’s Document Number 2015000330091.

NOW THEREFORE, the Parties agree as follows.

1. Purpose. This Agreement is executed with reference to the facts set forth in the foregoing Recitals which are incorporated into this Agreement by this reference. The purpose of this Agreement is to address the allocation of certain prospective revenues among the Taxing Entities that share in the property tax base (“**Tax Base**”) for property located within the Central Redevelopment Project Area (the “**Project Area**”) formerly administered by the Redevelopment Agency.
2. Site to be Conveyed for Development Consistent with Plans. In accordance with the LRPMP, pursuant to Health & Safety Code Section 34191.5(c)(2), the Playhouse site, formerly owned by the Redevelopment Agency, was transferred by the Successor Agency to the City for future sale and development. The Dissolution Act requires that any future development be consistent with the Redevelopment Plan adopted for the Project Area, the Implementation Plans adopted in connection with the Redevelopment Plan, the San Juan Capistrano General Plan and any other community plans applicable to the Sites (all of the foregoing, collectively, the “**Plans**”). The Playhouse site is more fully described in Exhibit A.
3. Compensation Arrangement. The City agrees that, consistent with the LRPMP, in connection with the conveyance of the Site, the City will remit the Net Sale Proceeds to the Orange County Auditor-Controller for distribution to the Taxing Entities in accordance with each Taxing Entity’s pro rata share of the Tax Base. “**Net Sale Proceeds**” shall mean the gross sales price received by the City for the sale of the Site and any rental or other income received by the City not previously remitted to the Orange County Auditor-Controller from the date the Site was acquired by the City from the Successor Agency to the date the Site is disposed of by the City, less actual costs for allowable expenses incurred by the City, as shown in Exhibit B and in connection with the management and disposition of the Site from the date the Site was acquired by the City from the Successor Agency to the date the Site is disposed of by the City. Allowable expenses may include legal fees, brokers’ fees, closing costs and title report costs, but shall not include any holdback amounts, reimbursements to be paid by the

- City to the Site developer to handle, manage, remove or dispose of any underground storage tanks, or any compensation for City staff performing functions associated with the management, maintenance and disposition of the Site. The City shall not be allowed to charge City staff time as an allowable expense pursuant to Health and Safety Code Section 34171(b)(5).
4. Sale Procedures and Proceeds. The Parties acknowledge that City is obligated to convey the Site for development consistent with the Plans. The Parties further acknowledge that consistent with Government Code Section 52200 et seq. (added by Senate Bill 470 adopted in September 2013), prior to the disposition of the Site or any part thereof, the City may be obligated to hold a noticed public hearing and prepare a report that includes, among other things (i) an explanation of why the disposition will assist in the creation, retention, or expansion of job opportunities, increased property tax revenues, and the development of affordable housing, transit priority projects and sustainable development, and (ii) an explanation of the difference between the highest and best use value and the disposition price taking into consideration development constraints and requirements, and the covenants, conditions and development costs required by the sale or lease. The City anticipates that the disposition price for the Site may be minimal when remediation costs, the costs required for necessary public improvements and infrastructure, and other development constraints are taken into account.
 5. Compensation Agreement. Health and Safety Code Section 34191.3 provides that once an LRPMP has been approved by DOF, the LRPMP supersedes all other provisions of the statute relating to the disposition and use of the former redevelopment agency's real property assets. Nonetheless, in compliance with Health and Safety Code Section 34191.5(c)(2)(A)(iii) and a directive from DOF, with Oversight Board consent, the LRPMP provides that the City of San Juan Capistrano will enter into an agreement with the Taxing Entities that addresses disposition of the Site that was conveyed to the City for future development. Notwithstanding the foregoing, this section of this Agreement will not be operative if a court order, legislation or Department of Finance policy reverses the Department's directive regarding such agreements, and in such event, the City will be permitted to dispose of the Site even if this Agreement has not been executed by all Taxing Entities. Notwithstanding the foregoing, the City agrees that it will comply with the provisions of the LRPMP and Health and Safety Code Section 34180(f)(1) that require payment of Net Sale Proceeds to the Taxing Entities.
 6. Distribution of Disposition Proceeds. Within forty-five (45) days after receiving the final distribution of the proceeds of the sale of the Site, the City shall remit the Net Sale Proceeds to the Orange County Auditor-Controller for distribution by the Auditor-Controller among the Taxing Entities in proportion to their shares of the Tax Base, as determined by the Auditor-Controller pursuant to Health and Safety Code Section 34188.
 7. Accounting Requirements. Upon request by any of the Taxing Entities, the City shall deliver to the Taxing Entities an accounting of all such costs, expenses and proceeds.

The City shall complete accurate and appropriate books and records of its calculation of the Net Sale Proceeds with respect to the Site. The Orange County Auditor-Controller shall have the right, on behalf of the Taxing Entities and upon reasonable written notice to City, to audit and examine such books, records and documents and other relevant items in the possession of City, but only to the extent necessary for a proper determination of Net Sale Proceeds.

8. Term of Agreement. This Agreement shall remain in full force and effect until the Net Sale Proceeds have been paid to the Orange County Auditor-Controller for disbursement to the Taxing Entities, at which time it shall automatically terminate.

9. Miscellaneous Provisions.

9.1 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified on the signature pages to this Agreement or to such other address as a Party may designate by written notice delivered to the other Parties in accordance with this Section. All such notices shall be sent by: (i) personal delivery, in which case notice is effective upon delivery; (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

9.2 Headings; Interpretation. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties agree that this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if all Parties had prepared it.

9.3 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council for consideration.

9.4 Entire Agreement. This Agreement, including Exhibits A and B attached hereto and incorporated herein by this reference, contains the entire agreement among the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

9.5 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages

executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Parties by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

96 Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

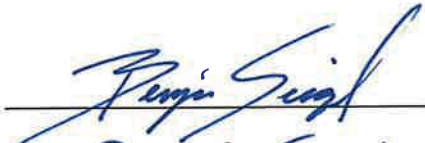
97 No Third-Party Beneficiaries. Except as expressly set forth herein, nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

98 Parties Not Co-Venturers; Independent Contractor; No Agency Relationship. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another. The relationship of the Parties shall not be construed as a joint venture, equity venture, partnership or any other relationship.

99 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Orange County, California or in the appropriate Federal District Court.

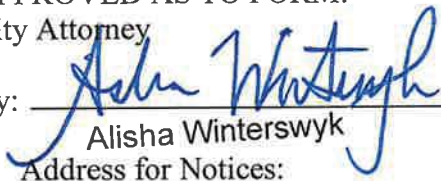
IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as indicated below.

CITY OF SAN JUAN CAPISTRANO, a municipal corporation

By: 
Name: Benjamin Siegel
Title: City Manager

Attest by: 
Maria Morris

APPROVED AS TO FORM:
City Attorney

By: 
Alisha Winterswyk
Address for Notices:

Director of Finance
City of San Juan Capistrano
32400 Paseo Adelanto
San Juan Capistrano, CA 92675

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned signatory hereby executes this Agreement on behalf of the following Taxing Entities:


COUNTY OF ORANGE, a political subdivision of the State of California;
ORANGE COUNTY PUBLIC LIBRARY;
ORANGE COUNTY HARBORS, BEACHES AND PARKS

By: _____

Name: _____

Title: _____

Approved as to form:


Digitally signed by Michael A. Haubert
DN: cn=Michael A. Haubert, o=County of Orange,
ou=County Counsel,
email=michael.haubert@coco.ocgov.com, c=US
Date: 2022.12.19.08:57:04 -0800

County Counsel

Address for Notices:

County of Orange
c/o CEO/Corporate Real Estate
ATTN: Chief Real Estate Officer
400 W. Civic Center Dr., 5th Floor
Santa Ana, CA 92701
Facsimile: 714-834-6166

SIGNATURES CONTINUE ON FOLLOWING PAGES.

CAPISTRANO UNIFIED SCHOOL DISTRICT, a _____

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

[TBD]

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY FIRE AUTHORITY

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

[TBD]

SIGNATURES CONTINUE ON FOLLOWING PAGES.

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

[TBD]

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY FLOOD CONTROL DISTRICT

By: _____

Name: _____

Title: _____

Approved as to form:



Digitally signed by Michael A. Haubert
DN: cn=Michael A. Haubert, o=County of
Orange, ou=County Counsel,
email=michael.haubert@coco.ocgov.com, c=US
Date: 2022.12.19 08:56:34 -08'00'

County Counsel

Address for Notices:

Orange County Flood Control District
ATTN: Director, OC Public Works
601 N. Ross Street, 3rd Floor
Santa Ana, CA 92701

With a copy to:
County of Orange
c/o CEO/Corporate Real Estate
ATTN: Chief Real Estate Officer
400 W. Civic Center Dr., 5th Floor
Santa Ana, CA 92701
Facsimile: 714-834-6166

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY DEPARTMENT OF EDUCATION

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY TRANSPORTATION AUTHORITY

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY VECTOR CONTROL DISTRICT

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

[TBD]

SIGNATURES CONTINUE ON FOLLOWING PAGES.

ORANGE COUNTY CEMETERY DISTRICT

By: _____

Name: _____

Title: _____

Attest by: _____

Approved as to form:

Address for Notices:

[TBD]

EXHIBIT A**DESCRIPTION OF THE SITE**

Site to be conveyed for development consistent with the Plans:

Site No.	APN	Address	Existing Use
8	124-160-55	31776 El Camino Real	Community Theater (Commercial Property)

EXHIBIT B
**RENTAL AND OTHER INCOME AND ACTUAL COSTS FOR
ALLOWABLE EXPENSES**