

Annual Report
Fiscal Year 2017-2018

City of Irvine
Community Facilities District
No. 2013-3
(Great Park)

October 9, 2018

Public Finance
Public Private Partnerships
Urban Economics
Clean Energy Bonds

Newport Beach
San Francisco
San Jose
Riverside
Houston

ANNUAL REPORT – GOVERNMENT CODE SECTION 53343.1

In accordance with the requirements of Government Code Section 53343.1:

A community facilities district formed after January 1, 1992, shall prepare, if requested by a person who resides in or owns property in the district, within 120 days after the last day of each fiscal year, a separate document titled an "Annual Report." The district may charge a fee for the report not exceeding the actual costs of preparing the report. The report shall include the following information for the fiscal year:

(a) The amount of special taxes collected for the year.

IMPROVEMENT AREA	FISCAL YEAR 2017-2018 SPECIAL TAX COLLECTION
IMPROVEMENT AREA NO. 1	\$4,884,393
IMPROVEMENT AREA NO. 2	\$4,134,390
IMPROVEMENT AREA NO. 4	\$7,447,737
IMPROVEMENT AREA NO. 5	\$582,470
IMPROVEMENT AREA NO. 6	\$1,207,770
IMPROVEMENT AREA NO. 7	\$1,478,685
IMPROVEMENT AREA NO. 8	\$1,755,150
IMPROVEMENT AREA NO. 9	\$0

(b) The amount of other moneys collected for the year and their source, including interest earned.

IMPROVEMENT AREA	FISCAL YEAR 2017-2018 OTHER AMOUNTS COLLECTED ^[1]	FISCAL YEAR 2017-2018 INTEREST EARNED AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 1	\$15,338	\$130,193
IMPROVEMENT AREA NO. 2	\$0	\$5,018
IMPROVEMENT AREA NO. 4	\$37,203	\$1,190,577
IMPROVEMENT AREA NO. 5	\$0	\$6,582
IMPROVEMENT AREA NO. 6	\$15,346	\$1,433
IMPROVEMENT AREA NO. 7	\$0	\$1,627
IMPROVEMENT AREA NO. 8	\$5,593	\$2,647
IMPROVEMENT AREA NO. 9	\$0	(\$169)

[1] Delinquencies-Penalty-Late fees received from the County of Orange as of June 30, 2018.

(c) The amount of moneys expended for the year.

IMPROVEMENT AREA NO. 1	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
Facilities, Including Property ^[1]	\$0
Cost of Bond Indebtedness	\$3,615,500
Cost of Collecting the Special Tax	\$15,019

	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 1	
Other Administrative and Overhead Costs	\$25,659
Transfer to Great Park Fund for Services	\$834,933
Total	\$4,491,111

[1] Bond Proceeds raised by Improvement Area No. 1 have been fully reimbursed to the Developer and the City for construction/improvements of approved CFD facilities. CFD No. 2013-3 Great Park's future constructions/improvements of approved facilities will be funded by other Improvement Areas' bond proceeds.

	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 2	
Cost of Collecting the Special Tax	\$12,434
Other Administrative and Overhead Costs	\$10,015
Transfer to Great Park Fund for Services	\$4,081,330
Total	\$4,103,779

	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 4	
Facilities, Including Property	\$65,023,653
Cost of Bond Indebtedness	\$6,078,750
Cost of Collecting the Special Tax	\$22,770
Other Administrative and Overhead Costs	\$48,369
Transfer to Great Park Fund for Services	\$1,240,481
Total	\$72,414,023

	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 5	
Cost of Collecting the Special Tax	\$1,758
Other Administrative and Overhead Costs	\$15,812
Transfer to Great Park Fund for Services	\$530,450
Total	\$548,020

	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
IMPROVEMENT AREA NO. 6	
Cost of Collecting the Special Tax	\$3,768
Other Administrative and Overhead Costs	\$28,306
Transfer to Great Park Fund for Services	\$1,156,770
Total	\$1,188,844

IMPROVEMENT AREA NO. 7	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
Cost of Collecting the Special Tax	\$4,445
Other Administrative and Overhead Costs	\$13,120
Transfer to Great Park Fund for Services	\$1,427,685
Total	\$1,444,250

IMPROVEMENT AREA NO. 8	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
Cost of Collecting the Special Tax	\$5,283
Other Administrative and Overhead Costs	\$13,403
Transfer to Great Park Fund for Services	\$744,638
Cost of Issuance	\$48,625
Total	\$811,949

IMPROVEMENT AREA NO. 9	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018
Cost of District Formation	\$38,957
Cost of Collecting the Special Tax	\$0
Other Administrative and Overhead Costs	\$0
Transfer to Great Park Fund for Services	\$0
Total	\$38,957

(d) A summary of the amount of moneys expended for the following:

Improvement Area No. 1 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. - \$834,933 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$3,615,500
- (4) The costs of collecting the special tax under Section 53340. - \$15,019
- (5) Other administrative and overhead costs. - \$25,659

Improvement Area No. 2 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. - \$4,081,330 was transferred to the Great Park Fund for Services.

- (3) The costs of bonded indebtedness. - \$0
- (4) The costs of collecting the special tax under Section 53340. - \$12,434
- (5) Other administrative and overhead costs. - \$10,015

Improvement Area No. 4 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$65,023,653
- (2) Services. - \$1,240,481 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$6,078,750
- (4) The costs of collecting the special tax under Section 53340. - \$22,770
- (5) Other administrative and overhead costs. - \$48,369

Improvement Area No. 5 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. - \$530,450 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$0
- (4) The costs of collecting the special tax under Section 53340. - \$1,758
- (5) Other administrative and overhead costs. - \$15,812

Improvement Area No. 6 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. – \$1,156,770 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$0
- (4) The costs of collecting the special tax under Section 53340. - \$3,768
- (5) Other administrative and overhead costs. - \$28,306

Improvement Area No. 7 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. – \$1,427,685 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$0
- (4) The costs of collecting the special tax under Section 53340. - \$4,445
- (5) Other administrative and overhead costs. - \$13,120

Improvement Area No. 8 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. – \$744,638 was transferred to the Great Park Fund for Services.

- (3) The costs of bonded indebtedness. - \$48,625
- (4) The costs of collecting the special tax under Section 53340. - \$5,283
- (5) Other administrative and overhead costs. - \$13,403

Improvement Area No. 9 (July 1, 2017 to June 30, 2018)

- (1) Facilities, including property. - \$0
- (2) Services. – \$0 was transferred to the Great Park Fund for Services.
- (3) The costs of bonded indebtedness. - \$0
- (4) The costs of collecting the special tax under Section 53340. - \$0
- (5) Other administrative and overhead costs. - \$38,957

(e) For moneys expended for facilities, including property, an identification of the categories of each type of facility funded with amounts expended in each category, including the total percentage of the cost of each type of facility that was funded with bond proceeds or special taxes.

CATEGORY	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018	PERCENTAGE FUNDED WITH BOND PROCEEDS	PERCENTAGE FUNDED WITH SPECIAL TAXES
Street and Storm Drain	\$19,920,337	100%	0%
Crushing and Preparing of Base Material	\$6,553,733	100%	0%
Agua Chinon Drainage	\$6,893,297	100%	0%
Bee Canyon Storm Drain	\$29,142	100%	0%
Hike and Bike Trails	\$2,065,933	100%	0%
Traffic Signals	\$1,670,370	100%	0%
Streetscape/Landscape	\$5,450,379	100%	0%
Great Park Improvements	\$9,033,714	100%	0%
Wildlife Corridor	\$127,533	100%	0%
Wet Utilities	\$3,422,237	100%	0%
Water Quality	\$3,220,896	100%	0%
Dry Utilities	\$6,188,377	100%	0%
Utility Underground	\$447,707	100%	0%
Total	\$65,023,653	N/A	N/A

(f) For moneys expended for services, an identification of the categories of each type of service funded with amounts expended in each category, including the total percentage of the cost of each type of service that was funded with bond proceeds or special taxes.

IMPROVEMENT AREA	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018	PERCENTAGE FUNDED WITH BOND PROCEEDS	PERCENTAGE FUNDED WITH SPECIAL TAXES
IMPROVEMENT AREA NO. 1	\$834,933	0%	100%
IMPROVEMENT AREA NO. 2	\$4,081,330	0%	100%
IMPROVEMENT AREA NO. 4	\$1,240,481	0%	100%

IMPROVEMENT AREA	FISCAL YEAR 2017-2018 EXPENDITURES AS OF JUNE 30, 2018	PERCENTAGE FUNDED WITH BOND PROCEEDS	PERCENTAGE FUNDED WITH SPECIAL TAXES
IMPROVEMENT AREA NO. 5	\$530,450	0%	100%
IMPROVEMENT AREA NO. 6	\$1,156,770	0%	100%
IMPROVEMENT AREA NO. 7	\$1,427,685	0%	100%
IMPROVEMENT AREA NO. 8	\$744,638	0%	100%
IMPROVEMENT AREA NO. 9	\$0	N/A	N/A

In accordance with the Amended and Restated Development Agreement, dated December 27, 2010, by and among City of Irvine (the "City"), Heritage Fields El Toro, LLC and the Irvine Redevelopment Agency, as it may be further amended, Special Tax revenues collected for services are transferred to the Great Park Fund, to be used for services related to the operations and maintenance of the Orange County Great Park.

(g) For moneys expended for other administrative costs, an identification of each of these costs.

IMPROVEMENT AREA NO. 1	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$22,426
City Administration	\$3,233
Total Other Administrative Costs	\$25,659

IMPROVEMENT AREA NO. 2	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$9,739
City Administration	\$276
Total Other Administrative Costs	\$10,015

IMPROVEMENT AREA NO. 4	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$44,598
City Administration	\$3,771
Total Other Administrative Costs	\$48,369

IMPROVEMENT AREA NO. 5	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$15,714
City Administration	\$98
Total Other Administrative Costs	\$15,812

IMPROVEMENT AREA NO. 6	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$27,028
City Administration	\$1,278
Total Other Administrative Costs	\$28,306

IMPROVEMENT AREA NO. 7	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$13,040
City Administration	\$80
Total Other Administrative Costs	\$13,120

IMPROVEMENT AREA NO. 8	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$13,310
City Administration	\$93
Total Other Administrative Costs	\$13,403

IMPROVEMENT AREA NO. 9	FISCAL YEAR 2017-2018 ADMINISTRATION EXPENSES AS OF JUNE 30, 2018
Contract Services	\$0
City Administration	\$0
Total Other Administrative Costs	\$0

(h) The Annual Report shall contain references to the relevant sections of the Resolution of Formation of the District so that interested persons may confirm that bond proceeds and special taxes are being used for authorized purposes. The annual report shall be made available to the public upon request.

The type of public facilities proposed to be eligible for funding by CFD No. 2013-3, as identified in the resolution establishing CFD No. 2013-3 (the “Resolution of Formation”), shall consist of those items listed below (the “Facilities”).

It is intended that CFD No. 2013-3 and each improvement area will be eligible to finance all or any portion of the facilities described in Section 53313.5 of the Act, to be owned and operated by the City or by another public agency, that shall be constructed, whether or not acquired in their completed states, pursuant to the plans and specifications approved by City of Irvine or by another public agency. Facilities authorized to be financed by CFD No. 2013-3 and each improvement area include, but are not limited to, all of the following:

1. Street, road, and parkway improvements, including, but not limited to, right of way acquisition, grading, paving, curb and gutter, median, sidewalks, access ramps, trails, removal and undergrounding of utilities, signing, striping, grinding, traffic control, and seal.
2. Traffic signals.

3. Storm drain improvements, including, but not limited to, mainlines, laterals, catch basins, junction structures, manholes, and local depressions.
4. Sewer improvements, including, but not limited to, laterals, monitoring manholes, manholes, pavement, and striping.
5. Domestic and recycled water facilities, including, but not limited to, water mains, stubs, valves, air vac, blow off, fittings, fire hydrant assembly, thrust blocks, cap, and striping.
6. Water improvements and water features.
7. Parks, park facilities, and parkways.
8. Dry utilities, to be owned by public utilities, including, but not limited to, telephone, electric, gas, relocation of lines, undergrounding, trenching, shading, conduit risers, pullboxes, vaults, and hand holes.
9. Landscaping, amenities, irrigation systems, and plantings.
10. Bridge, thoroughfare, and railway improvements, including, but not limited to, rails, grading, abutments, access ramps, lighting, drainage, utility crossings, sidewalks, trails and right of way acquisition.
11. Water quality treatment systems.
12. Wildlife corridors, including, but not limited to, mass excavations, demolition, and fire service mains and appurtenances.
13. Open space improvements.
14. Runway demolition
15. Property acquisition.

The Facilities shall include the costs of design and engineering, surveys or reports, the cost of traffic-related environmental mitigation and any required landscaping and irrigation, soils testing, permits, plan check and inspection fees, insurance, construction management, and any other costs or appurtenances related to any of the foregoing, as set forth in the Acquisition Agreement, dated March 26, 2013, by and between Heritage Fields El Toro, LLC and the City, on behalf of itself and CFD No. 2013-3, which Acquisition Agreement is consistent, as to the categories of costs, facilities, and services to be acquired, with (i) the Amended and Restated Development Agreement, dated December 27, 2010, by and among the City, Heritage Fields El Toro, LLC and the Irvine Redevelopment Agency, as it may be further amended, and (ii) the Amended and Restated Master Implementation Agreement, dated December 27, 2010, by and between the City and Heritage Fields El Toro, LLC, as it may be further amended.

CFD No. 2013-3 may also finance any of the following:

1. Bond related expenses, including underwriter's discount, appraisal and absorption study costs, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, and all other incidental expenses.
2. Administrative fees of the City, the bond trustee, or fiscal agent related to CFD No. 2013-3 and bonds raised by CFD No. 2013-3, including but not in any way limited to the cost of a consultant to assist the City with the inspection and coordination of construction of the Facilities.
3. Reimbursement of costs related to the formation of CFD No. 2013-3 advanced by the City, any landowner in CFD No. 2013-3, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, any landowner in CFD No. 2013-3 or any party related to any of the foregoing, for facilities, fees, or other purposes or costs of CFD No. 2013-3.

It is intended that CFD No. 2013-3 and each improvement area will be eligible to finance all or any portion of the services described in Section 53313 of the Act (collectively, the "Services").