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**ANNUAL REPORT
FISCAL YEAR 2018-2019**

CITY OF IRVINE

**COMMUNITY FACILITIES DISTRICT NO. 2013-3
(GREAT PARK)**

Report Date: October 16, 2019

Public Finance
Public-Private Partnerships
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COMMUNITY FACILITIES DISTRICT NO. 2013-3

(GREAT PARK)

I 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.*

Table 1

Improvement Area	Fiscal Year 2018-2019 Special Tax Collection
Improvement Area No. 1	\$4,982,071
Improvement Area No. 2	\$3,792,929
Improvement Area No. 4	\$7,871,497
Improvement Area No. 5	\$599,424
Improvement Area No. 6	\$1,811,534
Improvement Area No. 7	\$6,027,886
Improvement Area No. 8	\$4,483,006
Improvement Area No. 9	\$556,098

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

Table 2

Improvement Area	Fiscal Year 2018-2019 Other Amounts Collected ¹	Fiscal Year 2018-2019 Interest Earned as of June 30, 2019
Improvement Area No. 1	\$18,019	\$231,483
Improvement Area No. 2	\$0	\$8,132
Improvement Area No. 4	\$35,721	\$580,702
Improvement Area No. 5	\$0	\$3,631
Improvement Area No. 6	\$1,710	\$10,978
Improvement Area No. 7	\$24,271	\$64,296
Improvement Area No. 8	\$79,370,000 ²	\$1,351,589
Improvement Area No. 9	\$0	\$0

¹ Includes County of Orange apportioned special tax delinquency and penalty revenue.

² Total includes proceeds from bond issuance of \$79,354,093 and other amounts collected of \$15,907.

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

Table 3

Improvement Area No. 1	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Facilities, Including Property ¹	\$0
Cost of Bond Indebtedness	\$3,615,500
Cost of Collecting the Special Tax	\$15,312
Other Administrative and Overhead Costs	\$19,256
Transfer to Great Park Fund for Services	\$859,981
Total	\$4,510,049

Note:

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.

Table 4

Improvement Area No. 2	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Cost of Collecting the Special Tax	\$11,406
Other Administrative and Overhead Costs	\$3,511
Transfer to Great Park Fund for Services	\$3,738,807
Total	\$3,753,724

Table 5

Improvement Area No. 4	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Facilities, Including Property	\$20,774,193
Cost of Bond Indebtedness	\$5,785,950
Cost of Collecting the Special Tax	\$24,119
Other Administrative and Overhead Costs	\$24,612
Transfer to Great Park Fund for Services	\$1,277,696
Total	\$27,886,570

Table 6

Improvement Area No. 5	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Cost of Collecting the Special Tax	\$1,809
Other Administrative and Overhead Costs	\$5,611
Transfer to Great Park Fund for Services	\$546,363
Total	\$553,783

Table 7

Improvement Area No. 6	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Cost of Collecting the Special Tax	\$5,474
Other Administrative and Overhead Costs	\$9,130
Transfer to Great Park Fund for Services	\$1,189,429
Total	\$1,204,033

Table 8

Improvement Area No. 7	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Cost of Collecting the Special Tax	\$18,301
Other Administrative and Overhead Costs	\$10,512
Transfer to Great Park Fund for Services	\$1,366,714
Total	\$1,395,527

Table 9

Improvement Area No. 8	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Facilities, Including Property	\$10,803,659
Cost of Bond Indebtedness	\$1,445,038
Cost of Collecting the Special Tax	\$13,645
Other Administrative and Overhead Costs	\$34,952
Transfer to Great Park Fund for Services	\$0
Cost of Issuance ¹	\$1,154,890
Total	\$13,452,184

Note:

1. Including underwriter's discount, bond insurance policy, and debt service reserve fund policy premiums, and other issuance cost.

Table 10

Improvement Area No. 9	Fiscal Year 2018-2019 Expenditures as of June 30, 2019
Cost of Collecting the Special Tax	\$1,670
Other Administrative and Overhead Costs	\$20,928
Transfer to Great Park Fund for Services	\$506,098
Total	\$528,696

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

Improvement Area No. 1 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. - \$859,981 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. - \$15,312
5. Other administrative and overhead costs. - \$19,256

Improvement Area No. 2 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. - \$3,738,807 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. - \$11,406
5. Other administrative and overhead costs. - \$3,511

Improvement Area No. 4 (As of June 30, 2019)

1. Facilities, including property. - \$20,774,193
2. Services. - \$1,277,696 was transferred to the Great Park Fund for Services.
3. The costs of bonded indebtedness. - \$5,785,950
4. The costs of collecting the special tax under Section 53340. - \$24,119
5. Other administrative and overhead costs. - \$24,612

Improvement Area No. 5 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. - \$546,363 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. - \$1,809
5. Other administrative and overhead costs. - \$5,611

Improvement Area No. 6 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. – \$1,189,429 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. - \$5,474
5. Other administrative and overhead costs. - \$9,130

Improvement Area No. 7 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. – \$1,366,714 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. - \$18,301
5. Other administrative and overhead costs. - \$10,512

Improvement Area No. 8 (As of June 30, 2019)

1. Facilities, including property. - \$10,803,659
2. Services. – \$0 was transferred to the Great Park Fund for Services.
3. The costs of bonded indebtedness. - \$1,445,038
4. The costs of collecting the special tax under Section 53340. - \$13,645
5. Other administrative and overhead costs. - \$34,952

Improvement Area No. 9 (As of June 30, 2019)

1. Facilities, including property. - \$0
2. Services. – \$506,098 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. - \$1,670
5. Other administrative and overhead costs. - \$20,928

(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.

Table 11:

Category	Fiscal Year 2018-2019 Expenditures as of June 30, 2019	Percentage Funded with Bond Proceeds	Percentage Funded with Special Taxes
Street and Storm Drain	\$5,382,840	100%	0%
Crushing and Preparing of Base Material	\$1,745,223	100%	0%
Agua Chinon Drainage	\$2,016,557	100%	0%
Bee Canyon Storm Drain	\$0	100%	0%
Hike and Bike Trails	\$3,740,864	100%	0%
Traffic Signals	\$510,858	100%	0%
Streetscape/Landscape	\$1,485,953	100%	0%
Great Park Improvements	\$5,190,195	100%	0%
Wildlife Corridor	\$3,303,840	100%	0%
Wet Utilities	\$1,462,261	100%	0%
Water Quality	\$4,195,056	100%	0%
Dry Utilities	\$2,544,205	100%	0%
Utility Underground	\$0	100%	0%
Total	\$31,577,852	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.

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. For Fiscal Year 2018-2019, approximately \$9.49 million was expended on eligible costs. Of this total, approximately \$2.69 million (28%) was attributable to administration costs such as staffing associated with the operations/maintenance of the Great Park. The remaining \$6.8 million (72%) was attributable to contract services including landscape, hardscape, facilities and other maintenance and operations contracts for the Great Park.

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

Table 12

Improvement Area No. 1	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$16,414
City Administration	\$2,842
Total Other Administrative Costs	\$19,256

Table 13

Improvement Area No. 2	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$3,300
City Administration	\$211
Total Other Administrative Costs	\$3,511

Table 14

Improvement Area No. 4	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$20,694
City Administration	\$3,918
Total Other Administrative Costs	\$24,612

Table 15

Improvement Area No. 5	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$5,525
City Administration	\$86
Total Other Administrative Costs	\$5,611

Table 16

Improvement Area No. 6	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$8,825
City Administration	\$305
Total Other Administrative Costs	\$9,130

Table 17

Improvement Area No. 7	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$8,825
City Administration	\$1,687
Total Other Administrative Costs	\$10,512

Table 18

Improvement Area No. 8	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$33,777
City Administration	\$1,175
Total Other Administrative Costs	\$34,952

Table 19

Improvement Area No. 9	Fiscal Year 2018-2019 Administration Expenses as of June 30, 2019
Contract Services	\$20,912
City Administration	\$16
Total Other Administrative Costs	\$20,928

(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, pull boxes, 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").



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