

**CORCORAN CITY COUNCIL,
JOINT POWERS FINANCE AUTHORITY,
SUCCESSOR AGENCY FOR CORCORAN RDA,
& HOUSING AUTHORITY
AGENDA**

**City Council Chambers
1015 Chittenden Avenue
Corcoran, CA 93212**

***Tuesday, February 16, 2016
6:00 P.M.***

Public Inspection: A detailed City Council packet is available for review at the City Clerk's Office, located at Corcoran City Hall, 832 Whitley Avenue.

Notice of ADA Compliance: In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerks Office at (559) 992-2151 ext. 235.

Public Comment: Members of the audience may address the Council on non-agenda items; however, in accordance with government code section 54954.2, the Council may not (except in very specific instances) take action on an item not appearing on the posted agenda.

This is the time for members of the public to comment on any matter within the jurisdiction of the Corcoran City Council. This is also the public's opportunity to request that a Consent Calendar item be removed from that section and made a regular agenda item. The councilmembers ask that you keep your comments brief and positive. Creative criticism, presented with appropriate courtesy, is welcome.

After receiving recognition from the chair, speakers shall walk to the rostrum, state their name and address and proceed with comments. Each speaker will be limited to five (5) minutes.

Consent Calendar: All items listed under the consent calendar are considered to be routine and will be enacted by one motion. If anyone desires discussion of any item on the consent calendar, the item can be removed at the request of any member of the City Council and made a part of the regular agenda.

ROLL CALL

Mayor:	Jerry Robertson
Vice Mayor:	Mark Cartwright
Council Member:	Jim Wadsworth
Council Member:	Raymond Lerma
Council Member:	Sidonio "Sid" Palmerin

**INVOCATION
FLAG SALUTE**

1. PUBLIC DISCUSSION

**MINUTES
CORCORAN CITY COUNCIL,
JOINT POWERS FINANCE AUTHORITY,
SUCCESSOR AGENCY FOR CORCORAN RDA
& HOUSING AUTHORITY
REGULAR MEETING
Monday, February 1, 2016**

The regular session of the Corcoran City Council was called to order by Vice Mayor Cartwright, in the City Council Chambers, 1015 Chittenden Avenue, Corcoran, CA at 6:00 P.M.

ROLL CALL

Councilmembers present: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, and Jim Wadsworth

Councilmembers absent: Jerry Robertson

Staff present: Karla Cruz, Michael Farley, Rick Joyner, Kindon Meik, Soledad Ruiz-Nuñez, Baldomero Rodriguez, Reuben Shortnacy, and Kevin Tromborg

Press present: Jeanette Todd, "The Corcoran Journal"

INVOCATION

Invocation was presented by Meik.

FLAG SALUTE

The flag salute was led by Lerma.

1. PUBLIC DISCUSSION

Dennis Tristao, 1515 Norboe Avenue, asked Council if there would be an opportunity for public comment on staff reports. Vice Mayor Cartwright assured him there would be time for public comment.

2. CONSENT CALENDAR

Following Council discussion a **motion** was made by Wadsworth and seconded by Lerma to approve Consent Calendar. Motion carried by the following vote:

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, and Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

2-A. Approval of minutes of the City Council regular meeting of January 19, 2016.

2-B. Approval of minutes of the City Council special meeting of January 26, 2016.

2-C. Authorization to read ordinances and resolutions by title only.

3. APPROPRIATIONS

Following Council discussion a **motion** was made by Lerma and seconded by Palmerin to approve the Warrant Register dated February 1, 2016. Motion carried by the following vote:

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, and Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

4. **PRESENTATIONS** – None
5. **PUBLIC HEARINGS** – None
6. **WRITTEN COMMUNICATIONS** – None

7. **STAFF REPORTS**

7-A. The City Manager, Kindon Meik, gave a report detailing the City of Corcoran's water system, the current debt service and water rates. The last water rate increase was in 2009. As part of the corrective action plan needed, Meik recommended a 16% increase in water rates, a reduction of \$120,000 in water fund expenses, and the use of \$150,000 in reserves to meet debt service coverage and to be in compliance with the bond covenants for the fiscal year. Following Meik's report and presentation City Attorney, Michael Farley, clarified that the proposed rate increase did not require the Proposition 218 process because it was an implementation of previously approved rates which had not been put into effect. Following Farley's explanation, Eric Scriven, of NHA Advisors, further explained the need to raise rates in order to create an aggressive approach towards meeting the bond covenants. He advised a strong approach would look favorable to rating agencies. Scriven also advised Council that taking no action could lead to a lower credit rating, more difficulties in securing lending or financing for future projects, and the possibility of having to implement an even higher rate increase at a later date.

Proceeding Scrivens' report, there was oral testimony from Ruth Ontiveros, 609 Denton, who expressed concerns for senior citizens and the impact the proposed fees would have on low income residents; Jess Martinez, 24405 6 ½, stated he agreed with Ontiveros and suggested the City look into a ¼ or ½ cent sales tax; Dennis Tristao, 1515 Norboe Ave, presented a letter written by the Corcoran Tax Payers Association; Janet Watkins, 1614 Heffner Ave, suggested funds be drawn from the reserves and stated she agreed with the increase but thought it could be delayed. There being no further comments public comment was declared closed at 7:11 p.m.

Following public comment, Council discussed all information provided to them by the public and staff. Councilman Wadsworth **motioned** for approval of Resolution 2820 implementing a 16% rate increase for water rates in order to meet debt service coverage requirements, there being no second the motion failed.

Vice Mayor Cartwright elicited other suggestions for a different motion from the Council. Councilman Lerma discussed the possibility of utilizing water reserve funds to meet the bond covenants thereby avoiding a raise in water rates. Councilman Palmerin agreed with the suggestion to avoid raising rates.

Following Council discussion a **motion** was made by Lerma and seconded by Palmerin to use debt reserves instead of a rate increase to meet bond covenants.

AYES: Lerma and Palmerin

NOES: Cartwright and Wadsworth

ABSENT: Robertson

The motion did not pass due to lack of a majority vote.

Councilman Wadsworth discussed the importance of raising rates and proposed a solution that might benefit both viewpoints from Council.

Following further discussion a **motion** was made by Wadsworth and seconded by Palmerin to approve Resolution 2820 as amended with an increase of water rates by 8%, and utilize up to \$300,000 of water reserve money to meet the needed revenue amount, and proceed with a water rate study.

AYES: Lerma, Palmerin, Wadsworth, and Cartwright

NOES: None

ABSENT: Robertson

At 7:36 p.m. Council took a brief recess. At 7:38 p.m. the Council meeting was reconvened.

7-B. Acting as the Board of the Successor Agency of the Corcoran Redevelopment Agency and following discussion a **motion** was made by Wadsworth and seconded by Palmerin to approve Resolutions 2821, 2822, and 2823 authorizing the City Manager, acting as the Executive Director of the Successor Agency, to enter into contracts for Bond Counsel, Municipal Advisor and Placement Agent for the refunding of Redevelopment Agency Tax Allocation Bonds Series 2004.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

7-C. Following Council discussion a **motion** was made by Palmerin and seconded by Lerma to authorize the Public Works Director to initiate negotiations on a design/build contract with Integrated Engineers Inc. for sludge agitation system at the Water Treatment Plant.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

7-D. Following Council discussion a **motion** was made by Lerma and seconded by Palmerin to appoint Jim Wadsworth as the City representative to the Kings Waste and Recycling Authority Board.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

7-E. Following Council discussion a **motion** was made by Lerma and seconded by Wadsworth to approve budget amendments for the water fund.

AYES: Mark Cartwright, Raymond Lerma, Sidonio Palmerin, Jim Wadsworth

NOES: None

ABSENT: Jerry Robertson

7-F. The Community Development Director presented information on upcoming resolutions and ordinances requiring Council action.

8. MATTERS FOR MAYOR AND COUNCIL

8-A. Council received information items.

8-B. Staff received referral items.

8-C. Committee reports.

9. CLOSED SESSION

At 7:04 p.m. Council recessed to closed session pursuant to:

9-A. PENDING LITIGATION (Government Code § 54956.9). It is the intention of this governing body to meet in closed-session concerning:

Conference with legal counsel – ANTICIPATED LITIGATION (Government Code § 54956.9(d)). **Initiation of litigation** (Government Code § 54956.9(d)(4)).

Number of potential cases is: 1 .

The regular meeting was reconvened at 8:18 p.m. Vice Mayor Cartwright reported direction was provided on item 9-A.

ADJOURNMENT

8:19 P.M.

Mark Cartwright, Vice Mayor

Karla Cruz, City Clerk

APPROVED DATE: _____

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

**CONSENT CALENDAR
ITEM #: 2-C**

MEMO

TO: Corcoran City Council

FROM: Kindon Meik, City Manager

DATE: February 12, 2016

MEETING DATE: February 16, 2016

SUBJECT: Purchase Agreement with Self-Help Enterprises

Recommendation:

Ratify agreement with Self-Help Enterprises regarding the purchase of nine city-owned lots.

Discussion:

On August 17, 2015, the City Council authorized the sale of nine city-owned lots in the Sunrise Villas development to Self-Help Enterprises. The City and Self-Help Enterprises have reached an agreement on the terms of purchase.

Budget Impact:

The sale of the lots will introduce a total of \$193,500 of revenues into the General Fund. Based on the development of the lots, the revenues will likely be seen over two fiscal years.

City Offices

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is entered into by and between the **CITY OF CORCORAN** ("Seller") and **SELF-HELP ENTERPRISES** ("Buyer"). Seller and Buyer are sometimes herein called the "Parties".

RECITALS

A. Seller is the owner of the real property located in the Community of Corcoran, County of Kings (the "County"), State of California, described as (the "Property"), a **100%** undivided interest in **nine (9) finished subdivision lots off of Orange Avenue, Corcoran, CA,** as listed in exhibit A.

B. Seller desires to sell and Buyer desires to purchase the Property upon the terms and conditions contained in this Agreement. The purchase includes all of Seller's rights, title and interest in and to the real property in Corcoran, California, consisting of **nine (9) finished subdivision lots** (the "Property").

C. Seller desires to sell and Buyer desires to purchase the Property. The close of escrow shall occur **120 days** from the execution of the purchase agreement to close of escrow unless escrow is extended by written mutual agreement.

The parties agree as follows:

1. **Agreement of Sale.** Seller hereby agrees to sell to Buyer and Buyer agrees to purchase from Seller the Property subject to all the terms and conditions of this Agreement, including the Recitals above.

2. **Purchase Price.** The Purchase Price shall be **\$21,500 per lot for a total of One Hundred and Ninety-Three Thousand and Five Hundred Dollars (\$193,500)** for the acquisition of Seller's interest in the property.

3. **Deposit.** Buyer shall deposit with the Escrow Holder within Three (3) business days after the date of mutual execution and delivery of a Purchase Agreement the amount of **Ten Thousand Dollars (\$10,000.00)**, (the "Deposit"). Upon the expiration of the Buyer's Investigation Period (See Item # 5.4), the Deposit shall become non-refundable (except in the event of Seller's default) and released to Seller. **The Deposit shall be credited towards the Purchase Price.** If Buyer exercises its rights to terminate this Agreement prior to the expiration of the Buyer's Investigation Period, then this Agreement shall be null and void, and the Deposit shall be returned to Buyer, and neither party shall have any further obligation to the other hereunder.

4. **Payment of Purchase Price.** Buyer shall pay **One Hundred Thousand Dollars (\$100,000)** of the Purchase Price in cash through escrow. The remaining **Ninety-Three Thousand and Five Hundred Dollars (\$93,500)** shall be due when each lot is sold as follows but in no event later than **twelve (12) months** from close of escrow:

Amt Repaid	
Lot Sale 1	\$10,389
Lot Sale 2	\$10,389
Lot Sale 3	\$10,389
Lot Sale 4	\$10,389
Lot Sale 5	\$10,389
Lot Sale 6	\$10,389
Lot Sale 7	\$10,389
Lot Sale 8	\$10,389
Lot Sale 9	\$10,388
Total Repayment	\$93,500

The balance of Ninety-Three Thousand and Five Hundred Dollars (\$93,500) shall be secured by a Promissory Note and Deed of Trust which shall be executed and delivered to the Seller prior to close of escrow.

5. Escrow Agent, Review of Title, Feasibility and Physical Condition of the Property.

5.1 Escrow Agent. Promptly following the execution of this Agreement by all Parties, an escrow shall be opened to consummate the sale of the Property pursuant to the terms and conditions set forth in this Agreement at the office of **Chicago Title Company, 1750 W. Walnut Avenue, Visalia, CA 93277, (559) 713-2007**, contact person is **Roberta Chambers**, or such other licensed company as the Parties shall agree ("Escrow Agent"). This Agreement constitutes both an agreement of purchase and sale for the Property between Seller and Buyer and joint escrow instructions to Escrow Agent relative to the purchase and sale of the Property. If Escrow Holder requires separate or additional escrow instructions which it deems necessary for its protection, Seller and Buyer hereby agree promptly upon request by Escrow Agent to execute and deliver to Escrow Agent such separate or additional escrow instructions (the "Additional Instructions"). In the event of any conflict or inconsistency between this Agreement and the Additional Instructions, this Agreement shall prevail and govern, and the Additional Instructions shall so provide. The Additional Instructions shall not modify or amend the provisions of this Agreement unless otherwise agreed to in writing by Seller and Buyer.

5.2 Review of Title. Not later than five (5) business days after the Effective Date, Seller shall provide or cause Escrow Agent to provide Buyer with a current preliminary title report of the Property ("Title Report"), together with copies of all documents evidencing exceptions to title as described therein.

5.2.1 Monetary Liens. Seller shall convey the Property to Buyer free and clear of any deeds of trust, mortgages, mechanics' liens, judgment liens, tax liens, Williamson Act fees if necessary, or any other encumbrance, other than liens for general and special real property taxes not then due and payable ("Monetary Exceptions"). Buyer hereby expressly disapproves of any such Monetary Exceptions that may appear on the title report and such Monetary Exceptions shall be cleared through funds accruing to Seller at Close of Escrow.

5.2.2 Other Liens. Buyer shall notify Seller in writing of Buyer's disapproval of any title exception in the Title Report (other than Monetary Exceptions) within fifteen (15) business days of Buyer's receipt of the Title Report and Monetary Exception documents produced therewith ("Disapproved Exceptions"). Failure to so notify Seller shall conclusively be deemed as Buyer's approval of all non-Monetary Exceptions listed in the Title Report.

5.3 Compromise on Removal of Disapproved Exceptions. If Buyer notifies Seller of any Disapproved Exceptions as set forth in Section 5.2 above, Seller may, at Seller's option, elect to remove the Disapproved Exceptions. Seller shall have ten (10) business days from receipt of Buyer's notice within which to make the election to remove the Disapproved Exceptions or not from title. In the event that Seller is unwilling or unable to remove the Disapproved Exceptions within the time set forth herein, Buyer shall within ten (10) business days after receipt of Seller's election either (a) terminate this Agreement, or (b) accept the Property subject to the Disapproved Exceptions not agreed to be removed by Seller. In the event that Buyer elects to terminate this Agreement prior to the end of the Feasibility Period, the Initial Deposit shall be returned to Buyer and, with the exception of the indemnity provisions set forth in Section 5.4, the Parties shall have no further obligations to each other with respect to the purchase of the Property, provided however, that the Initial Deposit shall not be refundable if Buyer has not elected to terminate before the end of the Feasibility Period.

5.4 Buyer's Investigation. For the period ending **Sixty (60)** calendar days after the Effective Date, Buyer, Buyer's representatives, consultants and authorized agents may upon forty-eight (48) hours advance notice to Seller enter onto the Property to perform boundary surveys, soils test, environmental testing and any other study of the Property as in Buyer's sole discretion are deemed necessary or appropriate to verify that the Property is of such nature and condition as to be acceptable for Buyer's proposed use thereof (the "Feasibility Period"). Buyer shall keep the Property free and clear of any liens and shall repair any damage to the Property and shall indemnify and hold Seller harmless from and against all liability, claims, demands, damages or costs of any kind whatsoever (including reasonable attorneys' fees) arising from or related to Buyer's investigation of the Property. If, in Buyer's sole discretion, Buyer is not satisfied with the results of its investigation, Buyer may terminate this Agreement by notifying Seller in writing of its election within the Feasibility Period. Buyer's failure to cause the Deposit to be released to Seller shall be deemed as Buyer's election to terminate the Agreement. In the event that Buyer elects to terminate the Agreement pursuant to the terms of this Section 5.4, the Deposit shall be returned to Buyer and the parties shall have no further obligations to each other with respect to the purchase of the Property.

5.5 Seller's Information. As soon as practicable, but in no event later than five (5) business days after the Effective Date of this Agreement, Seller shall deliver to Buyer, at no cost to Buyer, copies of the following documents (to the extent Sellers have any in their possession):

(a) Plans, surveys and specifications for the Property, including but not limited to Phase I, Soils Report, Tentative Map Conditions;

(b) Information relating to soil, hazardous materials and subsurface conditions in respect to the Property; and

(c) Copies of all leases and contracts, if any, affecting the Property and any amendments or side letters (maintenance, security, property management, etc.).

(d) Any other documents or other information relating to the conditions of the property and / or Seller's attempt to obtain government approvals to develop it.

All documents are furnished to Buyer without representation or warranty of any kind regarding accuracy, reliability or any other matter whatsoever. Seller shall have no liability for any failure to deliver any documents or material in its possession directly related to the Property to Buyer unless Seller can establish by a preponderance of evidence that Seller willfully and intentionally withheld such documents or materials, it being mutually acknowledged that Buyer has agreed to make its own independent evaluation of whether or not it wishes to purchase the Property during the Feasibility Period.

6. Prorations.

6.1 Taxes and Assessments. All non-delinquent real estate taxes "and assessments" on the Property will be prorated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow takes place before the real estate taxes are fixed for the tax year in which the Close of Escrow occurs, the apportionment of real estate taxes will be made on the basis of the real estate taxes for the immediately preceding tax year applied to the latest assessed valuation. All delinquent taxes, if any, on the Property will be paid at the Close of Escrow from funds accruing to Seller. All supplemental taxes billed after the Close of Escrow for periods prior to the Close of Escrow will be paid promptly by Seller. Any tax refunds received by Buyer which are allocable to the period prior to the Closing will be paid by Buyer to Seller within ten (10) days of Buyer's receipt of same. Seller and Buyer represent to the other that during the term of this Agreement and any extensions thereto, neither party shall consent to new assessments being placed on the Property without the prior written consent of the other party.

6.2 Utility Bills and Deposits. Seller will notify all utility companies servicing the Property of the sale of the Property to Buyer and will request that such companies send Seller a final bill for the period ending on the last day before Close of Escrow. Buyer will notify the utility companies that all utility bills for the period commencing on the Close of Escrow are to be sent to Buyer. If following the Close of Escrow either Buyer or Seller receives a bill for utilities or other services provided to the Property for the period in which the Close of Escrow occurred, Buyer and Seller will equitably prorate the bill.

6.3 Methods of Proration. All prorations will be made as of the date of Close of Escrow based on a 365-day year.

7. Seller's Representations and Covenants.

7.1 Authority. Seller has the full power and authority to execute and deliver this Agreement and to perform the terms hereof.

7.2 No Litigation. There is no action, suit, litigation, arbitration, administrative or other proceeding pending, and to the best of Seller's actual knowledge without Seller having conducted any investigation or inquiry regarding such matters. There shall be no governmental action pending or threatened which affects or would affect the Property.

7.3 No Agreements Concerning the Property. There are no contracts, licenses, tenancies, easements or commitments regarding the possession or use of the Property or the right to take profit therefrom that are not now disclosed in the public records of Tulare County, California.

7.4 Subsequent Liens and Encumbrances. Seller will not subject the Property to any additional liens, encumbrances, covenants, conditions, easements, rights of way or similar matters after the Effective Date of this Agreement, except as may be otherwise provided for in this Agreement.

7.5 Material Alterations to Property. Seller will not make any material alterations to the Property.

7.6 Property in Substantially Same Condition. Seller will maintain the Property in substantially the same condition as the Property is in on the Effective Date, ordinary wear and tear excepted.

7.7 Hazardous Materials. Seller has no actual knowledge, without Seller having conducted any investigation or inquiry regarding such matters, that (i) the Property is in violation, nor has been or is currently under investigation for violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene, worker health and safety, or to the environmental conditions in, at, on, under or about the Property, including, but not limited to, soil and groundwater conditions; (ii) the Property has been subject to any hazardous substance other than in compliance with laws; (iii) Seller or any third party has used, generated, manufactured, stored or disposed in, at, on, under or about the Property other than in compliance with laws; and (iv) except as otherwise disclosed herein, there is now or has ever been to the best of Seller's knowledge on or in the Property underground storage tanks or surface impoundments, any asbestos-containing materials or any polychlorinated biphenyls used in hydraulic oils, electrical transformers or other equipment. For purposes of this Agreement, the term "Hazardous Substance" shall be defined as set forth in Exhibit "A" attached hereto.

7.8 As used herein, Seller's actual knowledge and similar terms means the actual knowledge of the Sellers.

8. Close of Escrow.

8.1 Closing Conditions. The Close of Escrow is contingent on the satisfaction of the following conditions:

8.1.1 Conditions Precedent to the Obligations of Seller. The Close of Escrow and Seller's obligation to perform this Agreement are subject to the satisfaction of the

following conditions on or prior to the Close of Escrow, which conditions are for Seller's benefit only and may only be waived by Seller:

8.1.1.1 Representations and Warranties of Buyer. The representations and warranties of Buyer contained in this Agreement or in any certificate or document delivered pursuant to the provisions hereof or in connection with the transactions contemplated hereby shall be true and correct on and as of the Close of Escrow as though such representations and warranties were made at and as of such date.

8.1.1.2 Buyer's Compliance With Agreement. Buyer shall have performed and complied with all the terms and conditions of this Agreement to be performed or complied with prior to or at the Close of Escrow.

8.1.2 Conditions Precedent to the Obligations of Buyer. The Close of Escrow and Buyer's obligation to perform this Agreement are subject to the satisfaction of the following conditions on or prior to the Close of Escrow, which conditions are for Buyer's benefit only and may only be waived by Buyer:

8.1.2.1 Representations and Warranties of Seller. The representations and warranties of Seller contained in this Agreement or in any certificate or document delivered pursuant to the provisions hereof or in connection with the transactions contemplated hereby shall be true and correct on and as of the Close of Escrow as though such representations and warranties were made at and as of such date.

8.1.2.2 Seller's Compliance With Agreement. Seller shall have performed and complied with all the terms and conditions of this Agreement to be performed or complied with prior to or at the Close of Escrow.

8.1.2.3 Title Insurance. At the Close of Escrow, Seller shall convey to Buyer good and marketable title to the Property by the recordation of a Grant Deed showing title to the Property vested in Buyer, as evidenced by a Standard California Land Title Association form title insurance policy ("Title Policy") issued by Escrow Agent in the amount of the Purchase Price being paid at the closing subject only to such liens, clouds or conditions not disapproved of by Buyer as set forth in Section 5.2.2 hereof and any other matter caused to be placed on the Property by Buyer.

8.2 Closing.

8.2.1 Closing Date. Subject to provisions of Section 8.7 and 8.8, the Close of Escrow shall occur on the date described in Recital C above.

8.3 Closing of Escrow. Close of Escrow shall be the date on which the Grant Deed to the Property is recorded in the Official Records of the County (the "Close of Escrow").

8.4 Costs of Escrow. Seller shall pay one-half (1/2) of the escrow and recording fees, all documentary transfer taxes, the cost of a standard CLTA owner's policy of title insurance, and all of the cost of any endorsements necessary to remove any exceptions to title not approved

by Buyer, which Seller has agreed to remove. Buyer shall pay one-half (1/2) of the escrow and recording fees, all of any additional premium for an ALTA owner's policy, any other endorsements requested by Buyer, and any survey if Buyer elects such. Each party shall pay its own attorney fees.

8.5 Seller's Affidavit. At or prior to the Close of Escrow, Seller shall execute and deposit in escrow for delivery to Escrow Holder and Buyer a Seller's affidavit meeting the requirements of Internal Revenue Code Section 1445(b)(2), certifying that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445(f)(3). Seller shall deposit with Escrow Holder evidence satisfactory to Buyer and Escrow Holder that Seller is exempt from the provisions of Section 18662 of the California Revenue and Taxation Code and that neither Buyer nor Escrow Holder is required to withhold any amounts from the Purchase Price pursuant thereto. If Seller has not provided such evidence certifying that Seller is exempt from the provisions of Section 18662 of the California Revenue and Taxation Code, Escrow Holder shall withhold three and one-third percent (3-1/3%) of the Purchase Price and remit (or cause the Escrow Holder to remit) the amount withheld to the California Franchise Tax Board ("FTB") in accordance with the provisions of Sections 18662.

8.6 Possession. Seller shall deliver possession of the Property being purchased to Buyer at the Close of Escrow, free from any rights or claims of rights of possession of any person or entity.

8.7 Moratorium. Should a moratorium be imposed prior to the Close of Escrow, by any governmental or quasi-governmental agency having jurisdiction over the Property with respect to the issuance of any Entitlements and/or the provision of any essential services necessary for the development of the Property and if the moratorium shall be duly imposed by resolution of the governing board of the governmental or quasi-governmental agency having authority to impose the moratorium or by voter initiative or referendum as permitted by law ("Moratorium"), unless otherwise mutually agreed in writing, Buyer's sole remedy would be to terminate the Agreement and obtain a refund of Buyer's deposit.

8.8 Lawsuit or Legal Action. Should a lawsuit or any legal action be initiated against the process of obtaining entitlements and/or the provision of any essential services necessary for the development of the Property that causes a delay or stoppage of obtaining the development entitlements and/or essential services, then the Close of Escrow shall be deferred for a period equal to the period of the lawsuit or legal action, provided that in no event shall said deferral exceed a period of two (2) years, unless otherwise mutually agreed in writing, Buyer's sole remedy would be to terminate the Agreement and obtain a refund of Buyer's deposit.

9. Delivery of Work Product. Upon termination of this Agreement for any reason, Buyer shall deliver to Seller copies of all maps, drawings, reports, investigations, plans, specifications, studies or other materials (not including architectural plans) prepared by Buyer or Buyer's agents or consultants in connection with the Property and shall assign, to the extent legally permissible, all map processing performed by Buyer up to such termination, at no cost to Seller, without warranty or representation other than that Buyer has paid all fees, costs and expenses for said work product incurred through the date of termination of this Agreement.

10. Reporting to Internal Revenue Service. Escrow Agent shall report this transaction to the Internal Revenue Service pursuant to Section 6045 of the Internal Revenue code of 1986, as amended.

11. Broker's Commission. Seller shall be responsible for any brokerage fee. Any commissions with regard to this transaction are due and payable at Close of Escrow. In the event any broker or person/entity/finder alleges or perfects a claim for a fee, the party legally responsible for the contact or communication on which the broker or finder perfects such a claim shall indemnify, defend, save, and hold harmless and defend the other party from such claim and/or costs and expenses (including reasonable attorney's fees) incurred by the other party in defending against the same.

12. Further Documents. Each Party will, whenever and as often as it shall be reasonably requested by the other Party or Escrow Agent, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such further instruments and documents as may be necessary in order to complete the sale, conveyance and transfer provided for herein, including, without limitation, such escrow instructions as may be required by Escrow Agent, and will do any and all other reasonable acts and will execute, acknowledge and deliver any and all reasonable documents as may be required in order to carry out the intent and purpose of this Agreement. If there is a conflict between this Agreement and any escrow instructions, this Agreement shall control.

13. Exchange. Buyer acknowledges that Seller may elect to structure the transaction as a tax-deferred exchange pursuant to Internal Revenue Code Section 1031. Buyer agrees to accommodate the Seller in effecting a tax-deferred exchange under Internal Revenue Code Section 1031, provided (1) Buyer shall incur no additional costs, expenses, fees or liabilities as a result of or connected with Seller's exchange, (2) Buyer will not take title to any exchange property and (3) Seller will protect, indemnify, defend and hold Buyer harmless from and against any liability, damages or costs, including reasonable attorney's fees, incurred by Buyer in connection with Buyer's participation in Seller's exchange. Seller shall have the right to elect a tax-deferred exchange at any time prior to a Close of Escrow.

14. Inurement. The terms of this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, and assigns of the respective parties. Either Buyer or Seller may assign this Agreement to another entity or person ("Assigned Party") upon providing the non-assigning party hereto with Ten (10) days prior written notice of such assignment, and provided that the Assigned Party signs a written agreement to become a party to this Agreement and to abide by all terms and conditions of this Agreement in place of the assigning party. Buyer or Seller shall have the right to assign this agreement to an Assigned Party without the written consent of the non-assigning party hereto.

15. Cure Period. Notwithstanding any provision of this Agreement, no default by either party hereto shall result in a termination or limitation of any rights of such party hereunder unless and until the other party shall have notified the allegedly defaulting party in writing of said default,

and allegedly defaulting party shall have failed to cure said default within ten (10) days after the receipt of said written notice.

16. Waiver. A waiver by one Party of the performance of any covenant, condition or promise of the other Party shall not invalidate this Agreement, nor shall it be considered to be a waiver by such Party of any other covenant, condition or promise contained herein. The waiver of either or both Parties of the time for performing any act shall not be construed as a waiver of any other act required to be performed at a later date.

17. Notices. All notices given pursuant to this Agreement shall be in writing. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the notice shall be deemed given forty-eight (48) hours after the same is mailed. If sent by regular mail, the notice shall be deemed given forty-eight (48) hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that provides next business day delivery shall be deemed given on the next business day after delivery of the same to the United States Postal Service or such courier. If any notice is transmitted by facsimile transmission or similar means, the same shall be deemed served or delivered upon the transmission thereof, provided a copy is also given via normal mail delivery, certified mail or overnight courier. If notice is received or deemed received on a Saturday, Sunday or legal holiday, or on a business day after 5:00 p.m., it shall be deemed received on the next business day. For purposes of notice, the addresses of the Parties are as follows, which may be changed by five (5) days' prior written notice:

To Seller: City of Corcoran
 832 Whitley Ave
 Corcoran, CA 93212
 Phone: (559) 992-2151
 Fax: (559) 992-2775

To Buyer: Self-Help Enterprises
 P. O. Box 6520
 Visalia, CA 93290
 Attn: Thomas Collishaw
 Phone: (559) 802-1600

18. Entire Agreement. This Agreement and the Exhibits contain the entire agreement between the Parties with regard to the Property and supersede all prior written and/or oral representations and/or agreements.

19. Construction. Seller and Buyer acknowledge that each Party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any

ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits to this Agreement. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, any remaining portion of this Agreement shall remain in effect.

20. Attorneys' Fees. If an action is filed by any of the Parties hereto, to enforce and/or interpret the terms of this Agreement, the prevailing Party shall be entitled to reasonable costs, including, but not limited to, attorneys' fees, court costs, expert fees and the like.

21. Relationship of the Parties. The relationship of Seller and Buyer is solely that of vendor and vendee. Nothing is intended to create a partnership, joint venture, or a fiduciary relationship between the parties or make one party the agent of the other.

22. Headings. Any headings or captions used herein are inserted only as a matter of convenience and for reference only and in no way define, limit or describe the scope of this Agreement nor the intent of any of the provisions hereof.

23. Context. For the purposes of this Agreement, the word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to," and "record," "recorded" or "recording" means to record or cause to be recorded in the Official Records of the county or counties in which the real property is situated. The singular and plural numbers and the masculine, feminine and neuter genders shall include the others, as the context may require. Unless specified to the contrary, all references to exhibits are those exhibits that are attached to this Agreement.

24. Counterparts. This Agreement may be signed by the parties in different counterparts and the signature pages combined shall create a document binding on all parties.

25. Effective Date. The effective Agreement Date shall be the date of the last party's execution of this Agreement (the "Effective Date"). If the Sellers have not accepted the terms and conditions by signing this Agreement no later than November 7, 2013, this Agreement is considered null and void.

26. Condemnation.

26.1 Eminent Domain or Taking. If proceedings under a power of eminent domain relating to the Property or any part thereof are commenced prior to Close of Escrow, Seller shall promptly inform Buyer in writing.

26.1.1 If such proceedings involve the taking of title to all or a material interest in the Property (i.e., an area equal to ten percent (10%) or more of the Property or, if less than ten percent (10%), a taking which renders Buyer's intended project unfeasible), Buyer may elect to terminate this Agreement by notice in writing sent within ten (10) days of Seller's written notice to Buyer, the Deposit, Second Deposit and the Extension Payments, if paid, shall be refunded by Seller to Buyer and neither party shall have any further obligation to or rights against the other except any rights or obligations of either party which are expressly stated to survive termination of this Agreement.

26.1.2 If the proceedings do not involve the taking of title to all or a material interest in the Property, or if Buyer does not elect to terminate this Agreement, this transaction will be consummated as described herein and any award or settlement payable with respect to such proceeding will be paid or assigned to Buyer upon Close of Escrow.

26.1.3 If this sale is not consummated for any reason, any condemnation award or settlement shall belong to Seller.

27. Confidentiality. Both parties shall maintain the confidentiality of the specific terms and conditions of this agreement, including the purchase price, and shall not disclose the same to any other person or entity, save and except their attorneys and accountants, without the prior written consent of the other party to this Agreement. Neither Buyer nor Seller shall issue any press release or otherwise publicize the transaction without the prior written consent of the other party.

28. Liquidated Damages. IF BUYER FAILS TO COMPLETE THE PURCHASE TRANSACTION SET FORTH IN THIS AGREEMENT BECAUSE OF ANY CAUSE OTHER THAN SELLER'S DEFAULT, THE PARTIES AGREE THAT SELLER SHALL BE

RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO BUYER AND SELLER SHALL RETAIN THE DEPOSIT, AND BUYER'S WORK PRODUCT AS SET FORTH IN SECTION 5.4 OF THIS AGREEMENT AS LIQUIDATED DAMAGES, WHICH THE PARTIES AGREE IS A REASONABLE SUM CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE AGREEMENT DATE, INCLUDING THE DIFFICULTY OR IMPRACTICALITY OF DETERMINING THE OWNER'S ACTUAL DAMAGES. SUCH LIQUIDATED DAMAGES SHALL BE OWNER'S EXCLUSIVE REMEDY FOR SUCH DEFAULT, AND OWNER SHALL ACCEPT SAID LIQUIDATED DAMAGES IN PLACE OF ANY OTHER RIGHTS OR REMEDIES IT MAY HAVE AGAINST BUYER, INCLUDING, BUT NOT LIMITED TO, ANY RIGHT TO SPECIFIC PERFORMANCE OR OTHER DAMAGES, EXCEPT FOR ANY INDEMNITIES BUYER HAS PROVIDED UNDER THE TERMS OF THIS AGREEMENT.

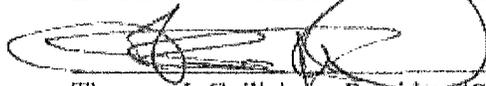

Buyer's Initials


Seller's Initials

29. Recitals. Recitals A shall be a part of this Agreement.

BUYER: SELF-HELP ENTERPRISES

SELLER: CITY OF CORCORAN


Thomas J. Collishaw, President/CEO Date 2/4/16


Date 2/4/16

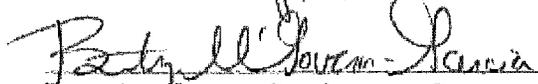

Betsy McGovern-Garcia, Asst. Secretary Date 2/4/16

EXHIBIT "A"

DEFINITION OF HAZARDOUS SUBSTANCE

The term "Hazardous Substance" as used in this Agreement shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the statutes or regulations listed below and any and all of those substances included within the definitions of "hazardous substances", "hazardous materials", "hazardous waste", "hazardous chemical substance or mixture", "imminently hazardous chemical substance or mixture", "toxic substances", "hazardous air pollutant", "toxic pollutant" or "solid waste" in the statutes or regulations listed below. Hazardous Substances shall also mean any and all other similar terms defined in other federal state and local law, statues, regulations, orders or rule and materials and wastes which are, or in the future become, regulated under applicable local, state or federal law for the protection of health or the environment or which are classified as hazardous or toxic substances, materials or waste, pollutants or contaminants, as defined, listed or regulated by any federal, state or local law, regulation or order or by common law decision, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, and (vii) radioactive materials and waste.

In addition, a Hazardous Substance shall include:

(1) A "Hazardous Substance", "Hazardous Material", "Hazardous Waste", or "Toxic Substance" under the Comprehensive Environmental Response, Compensation and Liability act of 1980, 42 U.S.C. §§ 6901, et seq.;

(2) An "Extremely Hazardous Waste", a "Hazardous Waste", or a "Restricted Hazardous Waste", under § 25140 or § 44321 of the California Health and Safety Code;

(3) A "Hazardous Material", "Hazardous Substance", "Hazardous Waste", "Toxic Air Contaminant", or "Medical Waste" under § 25281, 25316, 25501, 25501.1, 25034.2 or 39655 of the California Health and Safety Code;

(4) "Oil" or a "Hazardous Substance" listed or identified pursuant to § 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, as well as any other hydrocarbonic substances or by-product;

(5) Listed or defined as a "Hazardous Waste", "Extremely Hazardous Waste", or an "Acutely Hazardous Waste" pursuant to Chapter 11 of Title 22 of the California Code of Regulations.

(6) Listed by the State of California as a chemical known by the State of California Health and Safety Code;

(7) A material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose;

(8) Any material the presence of which would require remediation pursuant to the guidelines set forth in the State of California Leaking Underground Fuel Tank Field Manual, whether or not the presence of such material resulted from a leaking underground fuel tank;

(9) Pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136, et seq.;

(10) Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. §§ 2601, et seq.;

(11) Any radioactive material including, without limitation, any "source material", "special nuclear material", "by-product material", "low-level wastes", "high-level radioactive waste", "spent nuclear fuel" or "transuranic waste", and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. §§ 2011, et seq., the Nuclear Waste Policy Act, 42 U.S.C. §§ 10101, et seq., or pursuant to the California Radiation Control Law, California Health and Safety Code §§ 25800, et seq.;

(12) Industrial process and pollution control wastes, whether or not "hazardous" within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et seq.;

(13) Regulated under the Occupational Safety and Health Act, 29 U.S.C. §§ 651, et seq., or the California Occupational Safety and Health Act, California Labor Code §§ 6300, et seq.;

(14) Regulated under the Clean Air Act, 42 U.S.C. §§ 7401, et seq., or pursuant to Division 26 of the California Health and Safety Code.

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

**CONSENT CALENDAR
ITEM #: 2-D**

MEMO

TO: Corcoran City Council

FROM: Kindon Meik, City Manager

DATE: February 12, 2016

MEETING DATE: February 16, 2016

SUBJECT: Ratify lease agreement with Sun Outdoor Advertising, LLC.

Recommendation:

Ratify lease agreement with Sun Outdoor Advertising, LLC.

Discussion:

On January 19, 2016, the City Council authorized staff to negotiate a lease agreement with Sun Outdoor Advertising, LLC. for a billboard to be placed on city property adjacent to Highway 43.

Budget Impact:

The lease will generate \$1,350 to \$2,200 in General Fund revenues per year for a period of 20 years.

City Offices

SUN OUTDOOR LEASE AGREEMENT

1. This Lease Agreement ("Lease") is effective February 15, 2015 and entered into between the City of Corcoran, a municipal corporation ("Lessor") and SUN OUTDOOR, ADVERTISING, LLC, a Washington limited liability company ("Lessee"). Lessor hereby leases to Lessee the real estate commonly known as City of Corcoran property whose legal description is attached as Exhibit 'A', in the County of Kings in the State of California ("Property"). The Property is leased for the purpose of erecting, maintaining, operating, improving, supplementing, posting, painting, illuminating, repairing, repositioning and/or removing outdoor advertising structures, including, without limitation, fixture connections, electrical supply and connections, electronic displays, panels, signs, copy, any equipment and accessories and any appurtenances attached thereto as Lessee may place thereon (collectively, the "Structures"). Lessor hereby grants to Lessee, and any agent of Lessee, and/or any subcontractor working on behalf of Lessee, the free right of ingress and egress over, under and across the Property for the purpose of operating and maintaining the Structure, including all necessary rights of ingress and egress for electrical service, communication service and other utilities to serve the Structure. Lessee may license the use of the Structures, or any portion thereof, for any lawful purpose.

2. This Lease shall be in effect for an initial term of Ten (10) years, commencing upon completion of construction of the Structure.

Lessee shall pay Lessor rent as follows:

Years 1 through 5	\$1,350.00 per year, payable monthly
Years 6 through 10	\$1,600.00 per year, payable monthly
Years 11 through 15	\$2,000.00 per year, payable monthly
Years 16 through 20	\$2,200.00 per year, payable monthly

4. This Lease shall continue in full force and effect, for its initial term stated above and thereafter for two (2) additional Five (5) year terms, on the same terms and conditions as contained herein, unless terminated prior to the end of the initial term upon written notice by Lessee by certified mail before the end of such initial term.

5. Lessee is the owner of the Structures and has the right to remove the Structures at any time or within one hundred twenty (120) days following the termination of this Lease. If for any reason, Lessee's Structures are removed, materially damaged or destroyed, all rent payments shall cease until the Structures are rebuilt or repaired. If the Structures are removed for any reason, only the above-ground portions of the Structures need be removed. Lessee has the sole right to make any necessary applications with, and obtain permits from, governmental entities for the construction, use and maintenance of the Structures. All such permits shall remain the exclusive property of Lessee.

6. Lessor and its agents, employees or other persons acting on Lessor's behalf, shall not place or maintain any object on the Property or any neighboring property owned or controlled by Lessor which, in Lessee's sole opinion, would obstruct the view of the advertising copy on the Structures. If Lessor fails to remove the obstruction within five (5) days after notice from Lessee, Lessee may in its sole discretion: (a) remove the obstruction at Lessor's expense; (b) cancel this Lease, remove any or all of the Structures, and receive all pre-paid rent for any unexpired term of this Lease; or (c) reduce the rent to One Hundred Dollars (\$100.00) per year while the obstruction continues. Lessee may trim any trees and vegetation currently or in the future on the Property and on any neighboring property owned or controlled by the Lessor as often as Lessee in its sole discretion deems appropriate to prevent obstructions. Without limiting the foregoing, Lessor shall not permit the Property or any neighboring property owned or controlled by Lessor to be used for off-premise advertising.

7. If, in Lessee's sole opinion: (a) the view of the Structures' advertising copy becomes entirely or partially obstructed, (b) electrical service is unavailable; (c) the Property cannot safely be used for the erection or maintenance of the Structures for any reason; (d) the Property becomes unsightly; (e) there is a diversion, reduction or change in directional flow of traffic from the street or streets currently adjacent to or leading to or past the Property; (f) the Structures' value for advertising purposes is diminished, impaired or undesirable; (g) Lessee is unable to obtain or maintain any necessary permit for the erection, use and/or maintenance of the Structures; or (h) the Structures' use is prevented or restricted by law, or Lessee is required by any governmental entity to reduce the number of billboards operated by it in the city, county or state in which the Structures are located; then Lessee may immediately at its option either: (i) reduce rent in direct proportion to the loss suffered; or (ii) cancel this Lease and receive all pre-paid rent for any unexpired term of this Lease,

8. If the Structures or the Property, or any part thereof, is condemned by proper authorities; taken with or without the exercise of eminent domain, whether permanently or temporarily; or any right-of-way from which the Structures are visible is relocated, Lessee shall have the right to relocate the Structures on Lessor's remaining property or to terminate this Lease upon not less than thirty (30) days' notice and to receive all pre-paid rent for any unexpired

term of this Lease. Lessee shall be entitled to all compensation and other remedies provided by law, including, without limitation, just compensation for the taking of the Structures and Lessee's leasehold interest in this Lease, and/or relocation assistance. Lessor shall assert no rights in such interests. If condemnation proceedings are initiated, Lessor shall use its best efforts to include Lessee as a party thereto. No right of termination set forth anywhere in this Lease may be exercised prior to the sale to any entity with the power of eminent domain or by or for the benefit of any entity with the power of eminent domain.

9. Lessor represents that it is the owner (or owner's authorized agent) of the Property and has the full and complete authority to enter into this Lease.

10. If (a) Lessee has not been informed of the current address of Lessor or its authorized agent, or (b) two or more of the monthly payments sent by Lessee are not deposited by Lessor within ninety (90) days after the last such payment is sent by Lessee, then no further rent shall be payable hereunder for the period commencing with the due date of the first such payment not deposited and continuing until Lessor (i) gives Lessee notice of its business address or that of its authorized agent or (ii) deposits all previous payments.

11. Lessee shall indemnify and hold Lessor harmless from all injuries to the Property or third persons caused by Lessee, Lessee's employees, agents, licensees and contractors. Lessor shall indemnify and hold Lessee harmless from all injuries to Structures or third persons caused by Lessor, Lessor's employees, agents, licensees and contractors.

12. This Lease is binding upon the heirs, assigns and successors of both Lessor and Lessee.

13. Any notice to any party under this Lease shall be in writing by certified or registered mail, and shall be effective on the earlier of (a) the date when delivered and receipted for by a person at the address specified within this Lease, or (b) the date which is three (3) days after mailing (postage prepaid) by certified or registered mail, return receipt requested, to such address; provided that in either case notices shall be delivered to such other address as shall have been specified in writing by such party to all parties hereto prior to the notice being delivered.

14. Neither Lessor nor Lessee shall be bound by any terms, conditions or oral representations that are not set forth in this Lease. This Lease represents the entire agreement of Lessee and Lessor with respect to the Structures and the Property and supersedes any previous agreement. Lessor hereby grants Lessee all rights necessary to record a memorandum of this Lease without Lessor's signature, including a limited power of attorney for such purpose.

15. Lessee hereby agrees to not advertise any product or service that is unreasonably objectionable or obscene. Lessor and Lessee agree that this contract shall be governed by the laws of the State of California and that venue shall be Kings County, California.

Date Accepted: _____

Lessee:

Sun Outdoor Advertising LLC
Attn: Real Estate Manager
11221 Pacific Highway SW
Lakewood, WA 98499
Tel: (253) 581-6611
Fax: (253) 581-6612

Signed: _____
By:

Lessor:


City of Corcoran
Address: 837 Whitley Ave.
Corcoran, CA 93212

Phone: 559-992-2151 ext 228
SS or Tax ID #: 94-600316

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF KINGS)

On this 10th day of February, 20 16, before me personally appeared Kindon Meik, to me known to be the person of the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

In Witness Whereof I have hereunto set my hand and affixed by official seal the day and year first above written.

Printed Name: Karla Cruz
Notary Public in and for the State of CALIFORNIA,
Residing at: 832 Whitley Ave, Corcoran, CA 93212
My commission expires: December 10, 2019



STATE OF CALIFORNIA)
) ss.
COUNTY OF KINGS)

On this 10th day of February, 20 16, I certify that I know or have satisfactory evidence that Kindon Meik is the person who appeared before me, and said person acknowledged that he signed the foregoing instrument, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed by official seal the day and year first above written.

Printed Name: Karla Cruz
Notary Public in and for the State of CALIFORNIA,
Residing at: 832 Whitley Avenue, Corcoran, CA 93212
My commission expires: December 10, 2019



Accounts Payable

Blanket Voucher Approval Document

User: spineda
Printed: 02/11/2016 - 12:22PM
Warrant Request Date: 02/05/2016
DAC Fund:



#1

Batch: 00513.02.2016 - 02/05/16-Manual Check

Line	Claimant	Voucher No.	Amount
1	Benjamin Beavers	000059950	248.00
2	Radius Tire Co.	000059951	914.73
Page Total:			\$1,162.73
Grand Total:			\$1,162.73

Accounts Payable

Voucher Approval List

User: spineda
 Printed: 02/11/2016 - 12:22PM
 Batch: 00513.02.2016 - 02/05/16-Manual Check



Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59950	2/5/2016	Benjamin Beavers	SWAT CHEM.AGENT INSTRUCT COURSE2/8-12/16	104-421-300-270	248.00
				Warrant Total:	248.00
59951	2/5/2016	Radius Tire Co.	Tires-Unit#24 Backhoe	105-437-300-140	914.73
				Warrant Total:	914.73

Accounts Payable

Blanket Voucher Approval Document

#2



User: spineda
Printed: 02/11/2016 - 5:17PM
Warrant Request Date: 02/16/2016
DAC Fund:

Batch: 00502.02.2016 - 02/16/2016- Warrant Regist

Line	Claimant	Voucher No.	Amount
1	AAA Quality Services Inc	000059954	189.69
2	Accela, Inc., #774375	000059955	2,235.13
3	Amtrak	000059957	1,625.00
4	Amtrak	000059958	590.00
5	Amtrak	000059959	590.00
6	Amtrak	000059956	1,625.00
7	Animal Care Equipment	000059960	226.86
8	ASI Administrative Solutions, Inc	000059961	80.90
9	AT&T Mobility	000059962	39.37
10	Auto Zone, Inc.	000059963	260.13
11	Az Auto Parts	000059964	1,015.92
12	B & C Enterprises	000059965	2,596.52
13	BankCard Center- Bank of the West Credit Cards	000059966	34.95
14	BSK Associates	000059967	1,574.00
15	C. A. Reding Company, Inc	000059968	33.87
16	Calarco, Inc.	000059969	797.66
17	Caves & Associates	000059970	511.88
18	Central Valley Lawn Care	000059971	350.00
19	Chevron & Texaco Card Svc	000059972	295.65
20	City of Corcoran	000059973	687.44
21	City of Corcoran Volunteer Fire Department	000059974	7,420.00
22	Corcoran Chamber of Commerce	000059975	150.00
23	Corcoran Hardware	000059976	2,514.33
24	Corcoran Heating & Air	000059977	3,470.00
25	Corcoran Publishing Company	000059978	870.00
26	Creative Bus Sales, Inc	000059979	330,885.45
27	Creative Bus Sales, Inc	000059980	61.55
28	Curtis Haug, City Employee	000059981	156.00
29	, Daniel Mcalister	000059952	156.00
30	Data Ticket Inc	000059982	200.00
31	De Lage Landen	000059983	461.18
32	Dept of Conservation	000059984	447.55
33	Dept of Justice	000059985	779.00
34	Embassy Suits By Hilton San Luis Obispo	000059986	794.64
35	Evident Crime Scene Products	000059987	134.74
36	Farley Law Firm	000059988	7,209.62
37	Felder Communications	000059989	1,634.25
38	Ferguson Enterprises, Inc	000059990	4,137.38
39	Gabriel Padama	000059991	36.00
40	Garton Tractor Inc	000059992	112.84
41	Gary V. Burrows Inc.	000059993	113.25
42	GMS, Inc.	000059994	343.16
43	High Desert Wireless Broadband	000059995	4,973.75
44	Hofmann Finn Development Company, Inc.	000059996	12,000.00
45	Home Depot Credit Services	000059997	5.35
46	Ignacio Larios	000059998	167.95

Page Total: \$394,593.96

Line	Claimant	Voucher No.	Amount
47	Images/RadioShack Dealer	000059999	104.90
48	John Harris	000060000	36.00
49	Jorgensen & Company	000060001	10.00
50	Kemble Hydro Tech Inc	000060002	40.35
51	Kings County Clerk	000060003	17.00
52	Kings Credit Service	000060004	107.27
53	Kings Waste & Recycling	000060005	7,310.06
54	LAW & ASSOCIATES INVESTIGATIONS	000060006	600.00
55	LexisNexis Risk Data Management, Inc.	000060007	50.00
56	MANNY MOBILE LOCKSMITH	000060008	181.43
57	Marin Consulting Associates	000060009	600.00
58	Max Rapozo	000060010	167.95
59	Meneses, Miguel	000060011	320.00
60	Nacho's Automotive	000060012	79.50
61	OCT Academy	000060013	450.00
62	Office Depot	000060014	280.20
63	PG&E	000060015	60,885.23
64	Pizza Factory	000060016	43.00
65	Price, Paige & Company	000060017	3,110.00
66	Proclean Supply	000060018	943.77
67	Prudential Overall Supply	000060019	495.50
68	Quad Knopf, Inc.	000060020	31,018.18
69	Quality Pool Service	000060021	850.00
70	Quest Diagnostics	000060022	100.35
71	Radius Tire Co.	000060023	50.00
72	, Raymond Lerma	000059953	282.21
73	Res-Com	000060024	429.00
74	Richard's Chevrolet	000060025	109.00
75	San Joaquin Valley Chater International Code Counc	000060026	30.00
76	Sawtelle & Rosprim Industrial	000060027	203.69
77	Select Business Systems	000060028	9.00
78	Self Help Enterprises	000060029	144,088.10
79	Shar-Craft Incorporated	000060030	118.28
80	Shell Fleet Plus	000060031	5,982.87
81	Shyam Bhaskar, MD	000060032	130.00
82	State Water Resources Control	000060033	120.00
83	Terminix	000060034	42.00
84	TF Tire & Service	000060035	309.03
85	The Gas Company	000060036	3,907.48
86	Tip's Towing #2	000060037	100.00
87	Trans Union LLC	000060038	12.70
88	Tulare County Jail, Industries Engraving Program	000060039	430.92
89	Tulare-Kings Veterinary ER Svc	000060040	177.00
90	Tule Trash Company	000060041	2,533.60
91	Turnupseed Electric Svc Inc	000060042	14,453.02
92	Uline.Com	000060043	99.63
93	US Bank	000060044	2,915.00
94	US Bank Equipment Finance	000060045	292.08
95	USA Blue Book	000060051	322.05
96	Verizon California	000060052	57.82
97	Verizon Wireless	000060053	786.66
98	Verma M.D., Ashok	000060054	900.00
99	Wales Technologies	000060055	200.00

Page Total: \$286,891.83

Line	Claimant	Voucher No.	Amount
		Page Total:	\$0.00
		Grand Total:	\$681,485.79

Accounts Payable

Voucher Approval List



User: spineda
 Printed: 02/11/2016 - 5:17PM
 Batch: 00502.02.2016 - 02/16/2016- Warrant Register

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59955	2/16/2016	#774375 Accela, Inc.	January Web Payment Fees	104-405-300-200	1,080.00
59955	2/16/2016	#774375 Accela, Inc.	Fixed Assets Annual Maintenance	104-405-300-200	1,155.13
Warrant Total:					2,235.13
59954	2/16/2016	AAA Quality Services Inc	Porta-Pottie Rental (2)-WWTP	120-435-300-200	189.69
Warrant Total:					189.69
59956	2/16/2016	Antrak	Tickets/ 125 Corcoran-Hanford	145-410-351-076	812.50
59956	2/16/2016	Antrak	Tickets/ 125 Hanford to Corcoran	145-410-351-076	812.50
59957	2/16/2016	Antrak	Tickets/ 125 Corcoran to Hanford	145-410-351-076	812.50
59957	2/16/2016	Antrak	Tickets/ 125 Hanford to Corcoran	145-410-351-076	812.50
59958	2/16/2016	Antrak	Tickets/ Ten 10- Ride Passes	145-410-300-292	590.00
59959	2/16/2016	Antrak	Tickets/ Ten 10- Ride Passes	145-410-300-292	590.00
Warrant Total:					4,430.00
59960	2/16/2016	Animal Care Equipment	Animal Control -Supplies-PD	104-421-300-203	226.86
Warrant Total:					226.86
60054	2/16/2016	Ashok Verma M.D.	PD- Pre-Emp Stress Test-E. Nunez Del Prado, I. Larios, M. Rapozo	104-421-300-200	900.00
Warrant Total:					900.00
59961	2/16/2016	ASI Administrative Solutions, Inc	Cobra Admin December 2015	104-402-300-200	80.90
Warrant Total:					80.90
59962	2/16/2016	AT&T Mobility	Cell Phone Service Acct#834605440 12/24/15-01/23/16	120-435-300-220	39.37
Warrant Total:					39.37
59963	2/16/2016	Auto Zone, Inc.	Heavy Duty Battery-Unit#169	145-410-300-260	260.13
Warrant Total:					260.13
59964	2/16/2016	Az Auto Parts	PD Vehicle Maint Unit#223	104-421-300-260	32.14

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59964	2/16/2016	Az Auto Parts	PD Vehicle Maint Unit#202	104-421-300-260	15.31
59964	2/16/2016	Az Auto Parts	PD Vehicle Maint Unit#202	104-421-300-260	5.64
59964	2/16/2016	Az Auto Parts	PD Vehicle Maint Unit#220	104-421-300-260	10.35
59964	2/16/2016	Az Auto Parts	Air Filter Unit#183	120-435-300-140	86.07
59964	2/16/2016	Az Auto Parts	Governor Unit#170	145-410-300-260	19.83
59964	2/16/2016	Az Auto Parts	Vacuum Pump -Unit#161	145-410-300-260	141.26
59964	2/16/2016	Az Auto Parts	Heater Hose/Starter Solenoid -Unit#138	112-438-300-140	35.67
59964	2/16/2016	Az Auto Parts	Lube Filter-Unit#24	105-437-300-140	8.54
59964	2/16/2016	Az Auto Parts	Poly Rib Belt Unit#215	145-410-300-260	41.60
59964	2/16/2016	Az Auto Parts	Air Filter Unit#24	105-437-300-140	40.82
59964	2/16/2016	Az Auto Parts	Form-A-Gasket	105-437-300-210	13.92
59964	2/16/2016	Az Auto Parts	Auto Transmission Unit#146	104-412-300-260	7.37
59964	2/16/2016	Az Auto Parts	Auto Transmission Unit#146	109-434-300-260	7.38
59964	2/16/2016	Az Auto Parts	Delta Box Unit#188	104-407-300-260	550.02
Warrant Total:					1,015.92
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	145-410-300-250	448.61
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	104-412-300-250	248.87
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	104-421-300-250	812.17
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	104-431-300-250	164.39
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	104-433-300-250	58.67
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	109-434-300-250	331.31
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	112-438-300-250	120.28
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	120-435-300-250	28.24
59965	2/16/2016	B & C Enterprises	Fuel-January 2016	105-437-300-250	383.98
Warrant Total:					2,596.52
59966	2/16/2016	BankCard Center- Bank of the West Credit Cards	Earthlink	104-401-300-157	34.95
Warrant Total:					34.95
59967	2/16/2016	BSK Associates	Coliform Presence/Absence	105-437-300-200	136.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	60.00
59967	2/16/2016	BSK Associates	EC/PHI/Phosphorus/Sodium/Sulfate/TDS	105-437-300-200	107.00
59967	2/16/2016	BSK Associates	Coliform/Presence Absence	105-437-300-200	51.00
59967	2/16/2016	BSK Associates	Coliform/Presence Absence	105-437-300-200	136.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	60.00
59967	2/16/2016	BSK Associates	Coliform Presence/Absence	105-437-300-200	136.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	90.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	90.00

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	60.00
59967	2/16/2016	BSK Associates	Coliform/Presence/Absence	105-437-300-200	136.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	45.00
59967	2/16/2016	BSK Associates	Arsenic/Coliform/Nitrate	105-437-300-200	60.00
59967	2/16/2016	BSK Associates	Lagoon -Qerly Testing	120-435-300-200	233.00
59967	2/16/2016	BSK Associates	Lagoon -BOD/EC/SM/TSS	120-435-300-200	174.00
			Warrant Total:		1,574.00
59968	2/16/2016	C. A. Redding Company, Inc	Equip Contract-Lanier MP2352SP	145-410-300-180	33.87
			Warrant Total:		33.87
59969	2/16/2016	Calarco, Inc.	Goal/Mark-it Red	120-435-300-210	534.82
59969	2/16/2016	Calarco, Inc.	Granular Chlorine	105-437-300-210	262.84
			Warrant Total:		797.66
59970	2/16/2016	Caves & Associates	Monthly Payment-Negotiations Services-February 2016	104-402-300-200	511.88
			Warrant Total:		511.88
59971	2/16/2016	Central Valley Lawn Care	Lawn Services-Pheasant Ridge	111-602-300-202	350.00
			Warrant Total:		350.00
59972	2/16/2016	Chevron & Texaco Card Svc	PD Fuel Invoice	104-421-300-250	295.65
			Warrant Total:		295.65
59981	2/16/2016	City Employee Curtis Haug	Assertive Supervision Feb 23-25, 2016	104-421-300-270	156.00
			Warrant Total:		156.00
59973	2/16/2016	City of Corcoran	City Svc-2410 Bell Ave. January 2016 Billing	301-430-300-316	206.30
59973	2/16/2016	City of Corcoran	City Svc-1285 James Ave. January 2016 Billing	301-430-300-316	214.88
59973	2/16/2016	City of Corcoran	City Svc-1116 Sherman. January 2016 Billing	301-430-300-316	266.26
			Warrant Total:		687.44
59974	2/16/2016	City of Corcoran Volunteer Fire Department	Volunteer Fire Department Contribution	104-422-300-204	7,420.00
			Warrant Total:		7,420.00
59975	2/16/2016	Corcoran Chamber of Commerce	Annual Banquet Ticket (5 Tickets)	104-406-300-270	150.00
			Warrant Total:		150.00

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59976	2/16/2016	Corcoran Hardware	Tools: Pliers and Wrench	104-407-300-210	67.58
59976	2/16/2016	Corcoran Hardware	Jail Maint/Supplies	104-421-300-148	9.68
59976	2/16/2016	Corcoran Hardware	Animal Control/Kennel Maint.	104-421-300-203	1.49
59976	2/16/2016	Corcoran Hardware	Evidence Supplies	104-421-300-210	8.58
59976	2/16/2016	Corcoran Hardware	Department Supplies	104-407-300-210	100.61
59976	2/16/2016	Corcoran Hardware	Department Supplies	104-412-300-210	65.63
59976	2/16/2016	Corcoran Hardware	Department Supplies	104-432-300-210	134.17
59976	2/16/2016	Corcoran Hardware	Department Supplies	104-433-300-210	21.71
59976	2/16/2016	Corcoran Hardware	Department Supplies	109-434-300-210	111.40
59976	2/16/2016	Corcoran Hardware	Department Supplies	120-435-300-210	1,313.95
59976	2/16/2016	Corcoran Hardware	Department Supplies	105-437-300-210	591.51
59976	2/16/2016	Corcoran Hardware	Department Supplies	120-435-300-140	1.92
59976	2/16/2016	Corcoran Hardware	Department Supplies	105-437-300-140	86.10
Warrant Total:					2,514.33
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-Shop	104-432-300-200	390.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-Depot (2)	104-432-300-200	156.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-RAO (13)	104-432-300-200	1,250.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-Veas Hall	104-432-300-200	156.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-WWTP	104-432-300-200	78.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-PD (10)	104-432-300-200	816.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-WTP (3)	104-432-300-200	234.00
59977	2/16/2016	Corcoran Heating & Air	A/C Heater Service-CH	104-432-300-200	390.00
Warrant Total:					3,470.00
59978	2/16/2016	Corcoran Publishing Company	Transit Ad-Jan 7 & 21	145-410-300-156	566.00
59978	2/16/2016	Corcoran Publishing Company	Notary Public Hearing-Unmet Transit Needs	145-410-300-156	304.00
Warrant Total:					870.00
59979	2/16/2016	Creative Bus Sales, Inc	El Dorado Diesel Bus 29'	145-410-500-540	330,885.45
59980	2/16/2016	Creative Bus Sales, Inc	On/Off Rocker Dome Light Switch Unit#216	145-410-300-260	61.55
Warrant Total:					330,947.00
59952	2/16/2016	Daniel Mcalister	Assertive Supervision Feb 23-25, 2016	104-421-300-270	156.00
Warrant Total:					156.00
59982	2/16/2016	Data Ticket Inc	Code Enforcement Citation Processing	104-407-300-200	200.00

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59983	2/16/2016	De Lage Landen	Copier Contract Sharp MX4101 N- Period: 01/15/16-02/14/16 @ C1	104-432-300-180	200.00
				Warrant Total:	461.18
59984	2/16/2016	Dept of Conservation	Strong Motion Inst & Map Fee-2nd Qtr 14-15 4/1/15-6/30/15	104-000-202-013	447.55
				Warrant Total:	447.55
59985	2/16/2016	Dept of Justice	Live Scan Fees for Jan 2016	104-421-300-148	779.00
				Warrant Total:	779.00
59986	2/16/2016	Embassy Suits By Hilton San Luis Obispo	Training Lodging/Assertive Supervision 2/23-25/16	104-421-300-270	397.32
59986	2/16/2016	Embassy Suits By Hilton San Luis Obispo	Training Lodging/Assertive Supervision 2/23-25/16	104-421-300-270	397.32
				Warrant Total:	794.64
59987	2/16/2016	Evident Crime Scene Products	Evidence Supplies	104-421-300-210	134.74
				Warrant Total:	134.74
59988	2/16/2016	Farley Law Firm	Legal Expenses	104-403-300-200	7,209.62
				Warrant Total:	7,209.62
59989	2/16/2016	Felder Communications	Radio Maint & Repair	145-410-300-141	51.50
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-412-300-141	14.30
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-421-300-141	510.00
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-431-300-141	8.50
59989	2/16/2016	Felder Communications	Radio Maint & Repair	109-434-300-141	60.00
59989	2/16/2016	Felder Communications	Radio Maint & Repair	120-435-300-141	55.73
59989	2/16/2016	Felder Communications	Radio Maint & Repair	105-437-300-141	63.85
59989	2/16/2016	Felder Communications	Radio Maint & Repair	121-439-300-141	15.62
59989	2/16/2016	Felder Communications	Radio Maint & Repair	145-410-300-260	75.25
59989	2/16/2016	Felder Communications	Microphone Unit#215	145-410-300-141	51.50
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-412-300-141	14.30
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-421-300-141	510.00
59989	2/16/2016	Felder Communications	Radio Maint & Repair	104-431-300-141	8.50
59989	2/16/2016	Felder Communications	Radio Maint & Repair	109-434-300-141	60.00
59989	2/16/2016	Felder Communications	Radio Maint & Repair	120-435-300-141	55.73
59989	2/16/2016	Felder Communications	Radio Maint & Repair	105-437-300-141	63.85
59989	2/16/2016	Felder Communications	Radio Maint & Repair	121-439-300-141	15.62

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
59990	2/16/2016	Ferguson Enterprises, Inc	Mag Meter-Gasket /BLT Set	105-437-300-140	1,634.25
				Warrant Total:	4,137.38
59991	2/16/2016	Gabriel Padama	Officer Involved Shooting Feb 22-24, 2016	104-421-300-270	36.00
				Warrant Total:	36.00
59992	2/16/2016	Garton Tractor Inc	Fuel Pump-Unit#24	105-437-300-140	112.84
				Warrant Total:	112.84
59993	2/16/2016	Gary V. Burrows Inc.	Chev Ultra Duty GR#2 (Pail-Grease)	104-433-300-210	113.25
				Warrant Total:	113.25
59994	2/16/2016	GMS, Inc.	1098 Printing & Shipping	178-441-300-200	237.89
59994	2/16/2016	GMS, Inc.	1098 Shipping	178-441-300-200	105.27
				Warrant Total:	343.16
59995	2/16/2016	High Desert Wireless Broadband	December 2015 Billing for IT Services	104-432-300-201	4,973.75
				Warrant Total:	4,973.75
59996	2/16/2016	Hofmann Firm Development Company, Inc.	Consultant Agreement-PD Engineering Estimated Probable Costs	315-421-300-200	12,000.00
				Warrant Total:	12,000.00
59997	2/16/2016	Home Depot Credit Services	60" broom	104-412-300-210	5.35
				Warrant Total:	5.35
59998	2/16/2016	Ignacio Larios	COS Police Academy-Mileage & Meals	104-421-300-270	167.95
				Warrant Total:	167.95
59999	2/16/2016	Images/RadioShack Dealer	Dept Supplies -Toner	120-435-300-210	104.90
				Warrant Total:	104.90
60039	2/16/2016	Industries Engraving Program Tulare County Jail	Professional Svcs Engraving	104-421-300-200	90.72
60039	2/16/2016	Industries Engraving Program Tulare County Jail	COP Stickers For Kids	104-421-300-200	216.00
60039	2/16/2016	Industries Engraving Program Tulare County Jail	Professional Services Engraving	104-421-300-200	54.00
60039	2/16/2016	Industries Engraving Program Tulare County Jail	Professional Services Engraving	104-421-300-200	70.20

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60000	2/16/2016	John Harris	Officer Involved Shooting Feb 22-24, 2015	104-421-300-270	430.92
				Warrant Total:	430.92
60001	2/16/2016	Jorgensen & Company	Fire Alarm Testing Report-Corc. Depot	145-410-300-200	36.00
				Warrant Total:	36.00
60002	2/16/2016	Kemble Hydro Tech Inc	Cse Gasket-Peerless Model	105-437-300-140	10.00
				Warrant Total:	10.00
60003	2/16/2016	Kings County Clerk	Reconveyance	104-406-300-200	40.35
				Warrant Total:	40.35
60004	2/16/2016	Kings Credit Service	Collection Service-Fees	104-405-300-201	17.00
				Warrant Total:	17.00
60005	2/16/2016	Kings Waste & Recycling	Tires-1.00 Units/Tons Feb 2016 Statement	112-436-300-192	107.27
60005	2/16/2016	Kings Waste & Recycling	Green Waste-154.34 Units/Tons Feb 2016 Statement	112-436-300-192	107.27
60005	2/16/2016	Kings Waste & Recycling	Blue Cans-69.55 Units/Tons Feb 2016 Statement	112-436-300-192	3.00
60005	2/16/2016	Kings Waste & Recycling	Green Waste-Dirty-4.68 Units/Tons Feb 2016 Statement	112-436-300-192	6,173.60
				Warrant Total:	7,310.06
60006	2/16/2016	LAW & ASSOCIATES INVESTIGATIONS	Background Services	104-421-300-200	600.00
				Warrant Total:	600.00
60007	2/16/2016	LexisNexis Risk Data Management, Inc.	Background Services	104-421-300-200	50.00
				Warrant Total:	50.00
60008	2/16/2016	MANNY MOBILE LOCKSMITH	Rekey of 10 Doorlocks-2 New Keys/Service Charge	301-430-300-316	181.43
				Warrant Total:	181.43
60009	2/16/2016	Marr Consulting Associates	Training/Lodging/Assertive Supervision Feb 23-25, 2016	104-421-300-270	300.00
60009	2/16/2016	Marr Consulting Associates	Training/Lodging/Assertive Supervision Feb 23-25, 2016	104-421-300-270	300.00
				Warrant Total:	600.00
60010	2/16/2016	Max Rapozo	COS Police Academy-Mileage & Meals	104-421-300-270	167.95

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60011	2/16/2016	Miguel Meneses	Lawn Services- 6 1/2 Orange	111-601-300-202	167.95
60011	2/16/2016	Miguel Meneses	Lawn Services-Sunrise & Villa	111-601-300-202	120.00
			Warrant Total:		320.00
60012	2/16/2016	Nacho's Automotive	Smog Check Unit#156	120-435-300-260	39.75
60012	2/16/2016	Nacho's Automotive	Smog Check Unit#105	104-407-300-260	39.75
			Warrant Total:		79.50
60013	2/16/2016	OCT Academy	Waste Water Exam Review-C. Espinoza	120-435-300-270	450.00
			Warrant Total:		450.00
60014	2/16/2016	Office Depot	Department Supplies	145-410-300-210	64.75
60014	2/16/2016	Office Depot	Department Supplies	120-435-300-210	79.79
60014	2/16/2016	Office Depot	Department Supplies	109-434-300-210	13.47
60014	2/16/2016	Office Depot	Department Supplies	104-431-300-210	55.32
60014	2/16/2016	Office Depot	Department Supplies	104-432-300-150	43.41
60014	2/16/2016	Office Depot	Department Supplies	104-421-300-150	23.46
			Warrant Total:		280.20
60015	2/16/2016	PG&E	Acc#99497000756-9	111-601-300-240	10.18
60015	2/16/2016	PG&E	Acc#99497000756-9	145-410-300-240	730.39
60015	2/16/2016	PG&E	Acc#99497000756-9	104-412-300-240	634.13
60015	2/16/2016	PG&E	Acc#99497000756-9	104-432-300-240	4,604.52
60015	2/16/2016	PG&E	Acc#99497000756-9	104-432-320-240	79.61
60015	2/16/2016	PG&E	Acc#99497000756-9	109-434-300-240	402.09
60015	2/16/2016	PG&E	Acc#99497000756-9	120-435-300-240	15,014.00
60015	2/16/2016	PG&E	Acc#99497000756-9	121-439-300-240	875.11
60015	2/16/2016	PG&E	Acc#99497000756-9	105-437-300-240	37,870.55
60015	2/16/2016	PG&E	Acc#3357250173-3	104-000-120-022	613.71
60015	2/16/2016	PG&E	Acc#8670734283-7	301-430-300-316	9.54
60015	2/16/2016	PG&E	Acc#8465964727-9	301-430-300-316	20.70
60015	2/16/2016	PG&E	Acc#9417235641-5	301-430-300-316	20.70
			Warrant Total:		60,885.23
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	8.60
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
60016	2/16/2016	Pizza Factory	Inmate Meals	104-421-300-148	4.30
Warrant Total:					43.00
60017	2/16/2016	Price, Paige & Company	Planning & Preliminary Services for Audit	104-405-300-200	1,930.00
60017	2/16/2016	Price, Paige & Company	Consulting Services	104-405-300-200	1,180.00
Warrant Total:					3,110.00
60018	2/16/2016	Proclean Supply	Janitorial Supplies	104-432-300-210	943.77
Warrant Total:					943.77
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	145-410-300-200	54.81
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	136-415-300-200	35.91
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	104-432-300-200	195.40
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	104-432-300-200	26.65
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	104-432-300-200	18.85
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	104-433-300-200	36.00
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	104-433-300-200	14.00
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	120-435-300-200	54.81
60019	2/16/2016	Prudential Overall Supply	Entrance Rugs/Shop Towels/Dust Mop	105-437-300-200	59.07
Warrant Total:					495.50
60020	2/16/2016	Quad Knopf, Inc.	Water Treatment Plant Eval.-Past Due	105-437-300-200	486.00
60020	2/16/2016	Quad Knopf, Inc.	General Engineering Svcs-Balance Due	104-431-300-200	148.60
60020	2/16/2016	Quad Knopf, Inc.	General Engineering Services-PW Past Due	104-431-300-200	64.44
60020	2/16/2016	Quad Knopf, Inc.	New Well #11A -Past Due	105-437-500-513	17,256.44
60020	2/16/2016	Quad Knopf, Inc.	Gen Engineering Svcs-Storm Drain-Past Due	121-439-300-200	177.84
60020	2/16/2016	Quad Knopf, Inc.	Water Treatment Plant Evaluation	105-437-300-200	324.00
60020	2/16/2016	Quad Knopf, Inc.	General Eng Services-WWTP- Lfit Sta. 14	120-435-500-536	7.92
60020	2/16/2016	Quad Knopf, Inc.	GIS Annual Server Hosting	104-431-300-200	230.77
60020	2/16/2016	Quad Knopf, Inc.	Water Treatment Plant Eval-Corona	105-437-300-200	6,867.94
60020	2/16/2016	Quad Knopf, Inc.	New Well #11- Eng. Svcs/K. Schmidt	105-437-500-513	5,369.94
60020	2/16/2016	Quad Knopf, Inc.	Eng. Services -High Speed Rail	104-431-300-201	84.29

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60021	2/16/2016	Quality Pool Service	Monthly Service	104-411-300-200	31,018.18
				Warrant Total:	31,018.18
60022	2/16/2016	Quest Diagnostics	Employment Drug Test	104-421-300-200	850.00
				Warrant Total:	850.00
60023	2/16/2016	Radius Tire Co.	Tire Change-Unit#208 Vac Truck	120-435-300-260	50.00
				Warrant Total:	50.00
59953	2/16/2016	Raymond Lerma	Mileage-Kings Com Action Org, Marketing Cmte, & KCAS Brd Me	104-401-300-270	282.21
				Warrant Total:	282.21
60024	2/16/2016	Res-Com	Pest Control-Depot	145-410-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-Pool Bldg	104-411-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-RAO	136-415-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-City Hall/PD/CC	104-432-300-200	99.00
60024	2/16/2016	Res-Com	Pest Control-New City Hall	104-432-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-PW	104-432-300-200	99.00
60024	2/16/2016	Res-Com	Pest Control-Vers	104-432-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-WWTP	120-435-300-200	33.00
60024	2/16/2016	Res-Com	Pest Control-WTP	105-437-300-200	33.00
				Warrant Total:	429.00
60025	2/16/2016	Richard's Chevrolet	Vehicle Maint on Unit#224	104-421-300-260	109.00
				Warrant Total:	109.00
60026	2/16/2016	San Joaquin Valley Charter International Code Cour	2016 Membership Application-K. Tromborg	104-407-300-170	30.00
				Warrant Total:	30.00
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	120-435-300-210	38.70
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	120-435-300-210	55.69
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	120-435-300-210	14.44
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	120-435-300-210	32.16
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	105-437-300-210	18.83
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	105-437-300-210	31.14
60027	2/16/2016	Sawtelle & Rosprim Industrial	Department Supplies	105-437-300-210	12.73

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60028	2/16/2016	Select Business Systems	Freight Charges - Toner for Sharp MX-4011 Digital Copier	104-432-300-150	203.69
				Warrant Total:	9.00
60029	2/16/2016	Self Help Enterprises	Home Pl Rehab Act Delivery-Vasquez	177-448-300-202	3,900.00
60029	2/16/2016	Self Help Enterprises	Home Pl Home Buyer Loan - Vasquez	177-448-300-313	60,000.00
60029	2/16/2016	Self Help Enterprises	CDPI-Act Delivery Rehab-Toney	178-441-300-201	1,627.00
60029	2/16/2016	Self Help Enterprises	CDPI-CDBG Program Income-Toney	178-441-300-290	6,938.10
60029	2/16/2016	Self Help Enterprises	CAL HOME 14-REhab-Gen Admin	280-530-300-200	800.00
60029	2/16/2016	Self Help Enterprises	CAL HOME 14-FTHB	280-531-300-200	800.00
60029	2/16/2016	Self Help Enterprises	Act Del. -Nolen	178-441-300-201	13,304.00
60029	2/16/2016	Self Help Enterprises	Rehab-Nolen	178-441-300-290	56,719.00
				Warrant Total:	144,088.10
60030	2/16/2016	Shar-Craft Incorporated	Dept Supplies (Hooks)	120-435-300-210	118.28
				Warrant Total:	118.28
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	145-410-300-250	1,327.99
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	104-412-300-250	551.87
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	104-421-300-250	2,265.35
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	109-434-300-250	408.36
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	120-435-300-250	406.19
60031	2/16/2016	Shell Fleet Plus	Fuel-January 2016	105-437-300-250	1,023.11
				Warrant Total:	5,982.87
60032	2/16/2016	Shyam Bhaskar, MD	Public Works Employee Physical D. Zable	120-435-300-200	10.00
60032	2/16/2016	Shyam Bhaskar, MD	Police Dept Pre-Employment Testing For A. Welsh	104-421-300-200	120.00
				Warrant Total:	130.00
60033	2/16/2016	State Water Resources Control	T-3 Certification-Roberto Perez	105-437-300-270	120.00
				Warrant Total:	120.00
60034	2/16/2016	Terminix	2410 Bell Avenue	301-430-300-316	42.00
				Warrant Total:	42.00
60035	2/16/2016	TF Tire & Service	Tire Replacement X2 Unit#146	104-412-300-260	144.51
60035	2/16/2016	TF Tire & Service	Tire Replacement X2 Unit#146	109-434-300-260	144.52

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60035	2/16/2016	TF Tire & Service	Flat Repair-Unit#108	104-412-300-140	20.00
Warrant Total:					309.03
60036	2/16/2016	The Gas Company	Water Heater-Bus Wash	145-410-300-211	36.59
60036	2/16/2016	The Gas Company	Utilities-Pool Accct#5064	104-411-300-242	2,700.36
60036	2/16/2016	The Gas Company	Utilities-New City Hail Accct#2576	104-432-300-242	231.44
60036	2/16/2016	The Gas Company	Utilities-Public Works Accct#5008	104-432-300-242	320.26
60036	2/16/2016	The Gas Company	Utilities-WWTP Accct#7005	120-435-300-242	598.13
60036	2/16/2016	The Gas Company	Utilities-2410 Bell Ave. Accct#3304	301-430-300-316	20.70
Warrant Total:					3,907.48
60037	2/16/2016	Tip's Towing #2	PD Vehicle Tow/Maint. Unit#191	104-421-300-280	100.00
Warrant Total:					100.00
60038	2/16/2016	Trans Union LLC	Professional Svc/Background	104-421-300-200	12.70
Warrant Total:					12.70
60040	2/16/2016	Tulare-Kings Veterinary ER Svc	Animal Control/Vet Services Case#1600261	104-421-300-203	177.00
Warrant Total:					177.00
60041	2/16/2016	Tule Trash Company	Dump Fee Ticket#363114	112-436-300-192	339.75
60041	2/16/2016	Tule Trash Company	Pull Fee	112-436-300-200	195.00
60041	2/16/2016	Tule Trash Company	Dump Fee	112-436-300-192	207.75
60041	2/16/2016	Tule Trash Company	Dump Fee	112-436-300-192	154.50
60041	2/16/2016	Tule Trash Company	Dump Fee	112-436-300-192	204.00
60041	2/16/2016	Tule Trash Company	Dump Fee	112-436-300-192	81.00
60041	2/16/2016	Tule Trash Company	Pull Fee	112-436-300-192	142.20
60041	2/16/2016	Tule Trash Company	Pull Fee	112-436-300-200	975.00
60041	2/16/2016	Tule Trash Company	Dump Fee	112-436-300-192	54.40
60041	2/16/2016	Tule Trash Company	40 Yard Box	112-436-300-200	180.00
Warrant Total:					2,533.60
60042	2/16/2016	Turnupseed Electric Svc Inc	Connect Pump, Thermal, Seal-Bainum-Diary	121-439-300-140	143.82
60042	2/16/2016	Turnupseed Electric Svc Inc	Install New Interface-Hosp. Storm Sta.	121-439-300-140	191.76
60042	2/16/2016	Turnupseed Electric Svc Inc	Keypad-Hospital Storm Sta.	121-439-300-140	208.37
60042	2/16/2016	Turnupseed Electric Svc Inc	Repair Large Pump @ Superway Sta.	120-435-300-140	13,909.07
Warrant Total:					14,453.02

Voucher No.	Warrant Date	Vendor	Description	Account Number	Amount
60043	2/16/2016	Uline.Com	Aminal Control Supplies	104-421-300-203	99.63
				Warrant Total:	99.63
60044	2/16/2016	US Bank	2004 Bonds 11/1/15-10/31/16	311-408-300-200	2,915.00
				Warrant Total:	2,915.00
60045	2/16/2016	US Bank Equipment Finance	Public Works Copier Lease	109-434-300-180	292.08
				Warrant Total:	292.08
60051	2/16/2016	USA Blue Book	Ball Valve, 3/4 in x4	105-437-300-210	163.19
60051	2/16/2016	USA Blue Book	Ball Valve, 1/4 in x4	105-437-300-210	158.86
				Warrant Total:	322.05
60052	2/16/2016	Verizon California	Acct#454602399827688207-Vets Hall	104-432-320-220	57.82
				Warrant Total:	57.82
60053	2/16/2016	Verizon Wirelless	Acct#642052930-00001	104-421-300-221	786.66
				Warrant Total:	786.66
60055	2/16/2016	Wales Technologies	SCADA Reports	105-437-300-200	200.00
				Warrant Total:	200.00

City of
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STAFF REPORT
ITEM #: 7-A

MEMO

TO: Corcoran City Council

FROM: Karla Cruz, City Clerk

DATE: February 12, 2016

MEETING DATE: February 16, 2016

SUBJECT: Consider Resolution 2824 Determining Schedule of Regular Council Meetings.

Recommendation: (Voice Vote)

Council discussion.

Discussion:

Staff is requesting for Council to determine the regular meeting schedule for Council meetings during the 2016 year. On January 19, 2016 during a regularly scheduled City Council meeting Staff received a request to modify the existing City Council Meeting Schedule.

Currently, according to City Ordinance 591 City Council meetings are scheduled on the first and third Monday of every calendar month at 6:00 p.m. The ordinance does allow for change of location or time upon a majority vote of Council members.

However, this section in the ordinance would only allow for a particular meeting to be rescheduled and not all meetings moving forward. Council has the option to change the date and time by motion and resolution. The ordinance would subsequently be revised through the normal amendment process. Following Council's final decision in regards to meeting time and date, staff will publish the notices for the determined meeting dates in order to conduct business.

Budget Impact:

None

RESOLUTION NO. 2824

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORCORAN
MODIFYING THE SCHEDULE OF REGULAR MEETINGS OF THE
CITY COUNCIL**

WHEREAS, the City Council adopted Ordinance 591 establishing that regular council meetings are to be “held on the first and third Mondays of each calendar month beginning at the hour of six o’clock (6:00) P.M.”; and

WHEREAS, it is in the interest of the Council to modify the days and times outlined in the above noted ordinance; and

WHEREAS, the Council may approve a change in the schedule of regular meetings through a resolution until Ordinance 591 is amended,

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Corcoran hereby determines that the regular meetings of the City Council shall be held on the _(first/second)_ and _(third/fourth)_ _____(day)_____ of each calendar month beginning at _____ P.M.; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the proposed schedule will be effective beginning in March 2016.

PASSED and ADOPTED at a regular meeting of the City Council of the City of Corcoran duly called and held on the 16th day of February 2016, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____

Jerry Robertson, Mayor
City of Corcoran

ATTEST: _____

Karla Cruz, City Clerk

**WRITTEN COMMUNICATIONS
ITEM #: 7-B****MEMO**

TO: Corcoran City Council

FROM: Baldomero Rodriguez, Public Works Director - Interim

DATE: February 9, 2016 **MEETING DATE:** February 16, 2016

SUBJECT: Authorization to Negotiate a Professional Services Contract –
comprehensive Water Rate Study

Recommendation: That the City Council authorize the Public Works Director to negotiate a Professional Services contract with Carollo Engineers for the purpose of performing a comprehensive water rate study. Once the fee has been negotiated, staff will present the contract and fee to Council for approval. If staff is unable to negotiate an acceptable fee, staff respectfully asks that the Council authorize the Public Works Director to negotiate with the 2nd ranked firms.

Staff will present a staff report to Council at a later date requesting Council approval to negotiate an amendment to the Water Rate Study contract for the successful consulting firm to perform a sewer, storm drain and solid waste (refuse) rate study.

Discussion: The time has come for the City to review and calculate new water rates. The comprehensive water rate study will compliment and support the recent water rate increase. Performing periodic utility rate studies is good management practice and it should be noted that the last water rate study was performed eleven years ago (2005). Staff received proposals from four (4) highly qualified consulting firms that have the requisite expertise in performing water rate studies. The four firms and their point totals are as follows:

	<u>Firm</u>	<u>Points (85 pts. max)</u>
1	Carollo Engineers Fresno, CA	68
2	Willdan Temecula, CA	66

	<u>Firm</u>	<u>Points (85 pts. max)</u>
3	IGServices Walnut Creek, CA	66
4	Quad Knopf Visalia, CA	65

Budget Impact: Funding for the project was included in the 2015/2016 Capital Improvement Budget.

WRITTEN COMMUNICATIONS
ITEM #: 7-C

MEMO

TO: Corcoran City Council

FROM: Baldomero Rodriguez, Public Works Director - Interim

DATE: February 9, 2016

MEETING DATE: February 16, 2016

SUBJECT: Authorization to enter into a Professional Services Contract for Phase 2,
Well #11A Design

Recommendation: That the City Council approve a “not to exceed” \$60,000 Design Services contract with Quad Knopf for the purpose of designing Well #11A, Phase 2. The design effort will include the preparation of plans & specifications for pump, motor, electrical control panel, underground and surface piping and site development.

Discussion: Well #11A, Phase 1 has been completed and water quality samples tested. The field tests suggest a good pumping well of approximately 2,800 gallons per minute (gpm). The final pumping rate and pumping level will be determined as part of the design phase. The water quality test results indicate good water quality with arsenic and nitrate concentrations well below Maximum Contaminate Levels (MCL).

The arsenic concentration was 3.3 parts per billion (ppb) versus an MCL of 10 ppb. The nitrate concentration was less than 0.5 milligram per liter (mg/l) versus an MCL of 45 mg/l. The one concern noted in the water quality test was the power of hydrogen (pH) levels. The test indicate a pH of 9.5 which is above the range of 6 – 8 which is desirable for drinking water. The high pH of Well #11A can easily be remedied by mixing the water with wells with lower pH levels. It should also be noted that drinking water with a pH of 9.5 is not considered a health concern per Dr. Kenneth Schmidt, Registered Hydrogeologist on the project.

Budget Impact: Funding for the project was included in the 2015/2016 Capital Improvement Budget.

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**STAFF REPORTS
ITEM #: 7-D**

MEMO

TO: Successor Agency Board Members

FROM: Kindon Meik, Executive Director

DATE: February 12, 2016

MEETING DATE: February 16, 2016

SUBJECT: Approval of the issuance of refunding bonds in order to refund certain outstanding bonds of the dissolved Corcoran Redevelopment Agency, approving the execution and delivery of a form of indenture of the trust relating thereto and requesting Oversight Board approval of the issuance of the refunding bonds, requesting certain determinations by the Oversight Board and providing for other matters properly relating thereto.

Recommendation:

It is recommended that the Successor Agency to the Corcoran Redevelopment Agency Corcoran (the “Agency”) adopt Resolution No. 2825, authorizing the issuance of refunding bonds, approving the form of indenture in connection therewith and authorizing actions related thereto.”

Discussion:

BACKGROUND

The Agency has one series of bonds outstanding from the issuance in 2004. The bond proceeds were used to refinance outstanding 1993 Bonds, make improvements, purchase land and other traditional redevelopment activities within the redevelopment project area of the Agency. The outstanding bonds have a balance of \$2.940 million, existing coupons of between 4.05-5.00%, and mature between 2016 and 2034 with total remaining debt service of approximately \$4.06 million.

The outstanding 2004 bonds have call provisions that allow the Agency to refinance on any date at this time. Current market interest rates are estimated at approximately 3.00%, are well below the existing bond rates, and can produce lower debt service and therefore additional property tax cash flow to the taxing entities and the City of Corcoran (“City”).

CITY OFFICES:

832 Whitley Avenue * Corcoran, CA 93212 * Phone 559-992-2151 * www.cityofcorcoran.com

REVIEW AND ANALYSIS

City staff has been working with its consultants (NHA Advisors – financial advisor, Nossaman LLP – bond counsel and Hilltop Securities – placement agent) to analyze and evaluate the refinancing opportunity for the Agency’s outstanding bonds. Nossaman and NHA Advisors have worked with the City on prior bond transactions including the last water system financing in 2012.

Since the elimination of redevelopment the State has allowed for refinancing through AB 1484 (Health and Safety Code 34177.5) allowing a Successor Agency to issue bonds provided certain factors are met. Requirements include no additional interest cost and no additional principal other than the amount needed to redeem the outstanding bonds, pay for issuance costs, and meet required debt reserves.

Based on analysis provided by various financial institutions and reviewed by our financial advisor, it was determined that there is sufficient interest rate savings to justify beginning the approval process for issuing refunding bonds. As part of AB 1484, there are multiple steps involved in receiving approval and issuing any refunding bonds.

The steps necessary to issue Refunding Bonds include the following:

- Successor Agency Board approval of Refunding Bond documents
- Oversight Board approval of Refunding Bonds
- State Department of Finance approval of financing plan and Refunding Bonds
- If necessary, drafting and approval of Refunding Bond Official Statement required to sell bonds
- If necessary, Refunding Bonds credit and rating process
- Sale of Refunding Bonds
- Close Financing and redeem old bonds

The next steps to move this transaction forward are to finalize the Financial Advisor’s Savings Report and send it with this Agency Board approved form of Indenture and other documents to the California Department of Finance (DOF). DOF will then have 65 days to review and approve the Agency Board’s and Oversight Board’s actions. At that time, the Bonds can be sold to investors and rates and terms locked in. During the 65 day period, the finance team will evaluate whether a direct placement to a bank or a public offering to the municipal marketplace will be utilized. If a public offering is deemed to be the best option, then an investor disclosure prospectus known as a “preliminary official statement” (POS)

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will be developed and put before the Agency Board for its approval. If a direct placement, no POS approval will be required.

By approving the Resolution, the Agency Board will authorize approval of the form of the Indenture which is the document that sets the terms and conditions of the bond transaction. These terms will be finalized upon the actual sale of the bonds to investors and that is the time when a bond purchase agreement will be executed which will set the final interest rates, redemption provisions and other terms. It is anticipated that with Agency Board approval of the Resolution, the sale and closing of the Refunding Bonds could be completed by May, 2016.

Budget Impact:

Based on current market rates, a refinancing of the outstanding bonds will generate over \$800,000 in cash flow savings through 2034 which would be divided among the taxing entities.

Attachments:

Savings Chart or Cash Flow Savings Analysis
Resolution No. 2825
Form of Indenture of Trust
Form of Escrow Agreement

CITY OFFICES:

832 Whitley Avenue * Corcoran, CA 93212 * Phone 559-992-2151 * www.cityofcorcoran.com

CLERKS CERTIFICATE

City of Corcoran }
County of Kings }ss
State of California }

I, Karla Cruz, City Clerk of the City of Corcoran, hereby certify that this is a full, true and correct copy of Resolution No. 2824 duly passed by the City Council of the City of Corcoran at a regular meeting thereof held on the 16th day of February 2016, by the vote set forth therein.

DATED:

ATTEST: _____
 Karla Cruz, City Clerk

[Seal]

\$2,793,604

Corcoran Successor Agency

2016 TAB Refunding

(2004 TABs)

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	OLD D/S	Savings
12/01/2016	304,593.59	3.000%	41,904.06	346,497.65	367,207.50	20,709.85
12/01/2017	272,167.34	3.000%	74,670.30	346,837.64	367,547.50	20,709.86
12/01/2018	280,012.36	3.000%	66,505.28	346,517.64	367,227.50	20,709.86
12/01/2019	287,412.74	3.000%	58,104.92	345,517.66	366,227.50	20,709.84
12/01/2020	299,335.12	3.000%	49,482.54	348,817.66	369,527.50	20,709.84
12/01/2021	305,665.16	3.000%	40,502.48	346,167.64	366,877.50	20,709.86
12/01/2022	316,582.63	3.000%	31,332.52	347,915.15	368,625.00	20,709.85
12/01/2023	81,980.10	3.000%	21,835.04	103,815.14	124,525.00	20,709.86
12/01/2024	86,009.50	3.000%	19,375.64	105,385.14	126,095.00	20,709.86
12/01/2025	84,914.79	3.000%	16,795.36	101,710.15	122,420.00	20,709.85
12/01/2026	88,787.24	3.000%	14,247.92	103,035.16	123,745.00	20,709.84
12/01/2027	92,530.85	3.000%	11,584.30	104,115.15	124,825.00	20,709.85
12/01/2028	96,141.78	3.000%	8,808.36	104,950.14	125,660.00	20,709.86
12/01/2029	99,616.03	3.000%	5,924.12	105,540.15	126,250.00	20,709.85
12/01/2030	97,854.51	3.000%	2,935.64	100,790.15	121,500.00	20,709.85
12/01/2031	-	-	-	-	121,750.00	121,750.00
12/01/2032	-	-	-	-	121,750.00	121,750.00
12/01/2033	-	-	-	-	121,500.00	121,500.00
12/01/2034	-	-	-	-	126,000.00	126,000.00
Total	\$2,793,603.75	-	\$464,008.48	\$3,257,612.23	\$4,059,260.00	\$801,647.78

RESOLUTION NO. 2825

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS, AND APPROVING THE FORM OF AN INDENTURE OF TRUST AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Corcoran (the “Former Agency”) was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Former Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, a Redevelopment Plan for a redevelopment project known and designated as the “Corcoran Industrial Sector Redevelopment Project” has been adopted and approved by Ordinance No. 382, as amended pursuant to the Amendment approved by Ordinance No. 414 N.S., enacted by the City of Corcoran on July 15, 1985, as amended to date, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, the Former Agency has previously issued its Redevelopment Agency of the City of Corcoran Corcoran Industrial Sector Redevelopment Project Tax Allocation Bonds, Series 2004 issued in the aggregate principal amount of \$4,845,000 (the “Prior Obligations”); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the “Dissolution Act”) and ABx1 27 (the “Opt-in Bill”); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the dissolution of the redevelopment component of the Former Agency as of February 1, 2012; and

WHEREAS, on February 1, 2012, the Former Agency was dissolved and its redevelopment powers, assets and obligations were transferred to the Successor Agency to the Redevelopment Agency of the City of Corcoran (the “Successor Agency”); and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, AB1484 specifically authorizes the issuance of refunding bonds by the Successor Agency to refund the bonds or other indebtedness of the Former Agency to provide savings to the Successor Agency, provided that (A) the total interest cost to maturity on the

refunding bonds plus the principal amount of the refunding bonds shall not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (B) the principal amount of the refunding bonds shall not exceed the amount required to defease the Prior Obligations, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, for the corporate purposes of the Successor Agency, the Successor Agency desires to issue at this time tax allocation refunding bonds (the “2016 Bonds”) in an aggregate principal amount sufficient to refund all of the Prior Obligations, and to irrevocably set aside a portion of the proceeds of such 2016 Bonds in a separate segregated trust fund which will be used to refund the outstanding Prior Obligations being refunded, to pay costs in connection with the issuance of the 2016 Bonds and to make certain other deposits as required by the Indenture (as defined below); and

WHEREAS, the 2016 Bonds shall be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(a) and (g), pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Bond Law”); and

WHEREAS, the Successor Agency wishes at this time to approve matters relating to the issuance and sale of the 2016 Bonds;

BE IT HEREBY RESOLVED by the Successor Agency as follows:

SECTION 1. Subject to the provisions of the Indenture referred to in Section 4 hereof, the issuance of the 2016 Bonds in an aggregate principal amount sufficient to refund all of the Prior Obligations for the purpose of achieving debt service savings in accordance with Health & Safety Code Section 34177.5(a)(1) and the pledge of property tax revenues to the 2016 Bonds pursuant to the Indenture approved by Section 4 of this Resolution (as authorized by California Health and Safety Code Section 34177.5(a) and (g)) is hereby approved on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture. The 2016 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Indenture, as the same will be completed as provided in this Resolution. The proceeds of the sale of the 2016 Bonds shall be applied as provided in the Indenture. The 2016 Bonds may be issued as a single issue, or from time to time, in separate series, as the Successor Agency shall determine. The approval of the issuance of the 2016 Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of 2016 Bonds and the sale of the 2016 Bonds at a public or private sale, without the need for any further approval from the Oversight Board.

SECTION 2. The 2016 Bonds may be sold by negotiated sale or by private placement. The Private Placement Agreement by and between the Successor Agency and Hilltop Securities (“Hilltop”), as placement agent, in the form presented to the Successor Agency Board at this meeting is hereby approved, pursuant to which Hilltop will act as Placement Agent for the Bonds on behalf of the Successor Agency and will negotiate the terms of the private placement thereof

with a purchaser of the Bonds. Each of the Authorized Officers is hereby authorized and directed to cause the same to be completed and executed on behalf of the Successor Agency.

SECTION 3. The Indenture of Trust in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein (the “Indenture”), is hereby approved. The Chairman of the Successor Agency, the Executive Director of the Successor Agency, the Finance Director of the Successor Agency, the Secretary of the Successor Agency, and any other proper officer of the Successor Agency (each, an “Authorized Officer”) is hereby authorized and directed to execute and deliver the Indenture in the form presented at this meeting with such changes, insertions and omissions as may be requested by Nossaman LLP, as Bond Counsel, and approved by any Authorized Officer, said execution being conclusive evidence of such approval.

SECTION 4. The Escrow Agreement by and between the Successor Agency and U.S. Bank National Association, as escrow agent, in the form presented to the Successor Agency Board at this meeting is hereby approved. Each of the Authorized Officers is hereby authorized and directed to cause the same to be completed and executed on behalf of the Successor Agency.

SECTION 5. Each Authorized Officer, acting singularly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments relating to the 2016 Bonds and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the Escrow Agreement and the Indenture, including, as necessary, the negotiation, preparation and execution of a Private Placement Memorandum, a Rate Lock Agreement and any additional agreements as may be required to carry out the purposes hereof.

SECTION 6. As an alternative to the private placement of the 2016 Bonds, the Executive Director of the Successor Agency or any other Authorized Officer, acting on behalf of the Successor Agency, is hereby authorized to evaluate and determine whether the Successor Agency will be benefited by the negotiated sale of the 2016 Bonds and, in such event, any Authorized Officer is authorized to negotiate and prepare a Bond Purchase Agreement with Hilltop to provide for the sale of the 2016 Bonds to Hilltop and Hilltop’s sale of the bonds to investors through a public offering. The Executive Director and any other Authorized Officer is further authorized and directed, in the event the 2016 Bonds will be sold by public sale, to cause a Preliminary Official Statement to be prepared and finalized in accordance with Rule 15c2-12 of the Securities Exchange Act of 1934. The form of the Bond Purchase Agreement and the Preliminary Official Statement, if prepared, would be presented to the Successor Agency Board for approval at a future public meeting.

SECTION 7. The Executive Director of the Successor Agency or any other Authorized Officer, acting on behalf of the Successor Agency, is hereby authorized to evaluate and determine whether to (a) procure a municipal bond insurance policy (“Insurance Policy”) and/or a municipal bond debt service reserve fund surety or policy (a “Reserve Policy”) with respect to the 2016 Bonds, and (b) to negotiate and enter into such contracts or agreements as may be necessary and appropriate in connection with the purchase of such Insurance Policy and/or Reserve Policy.

SECTION 8. U.S. Bank National Association, is hereby appointed as Trustee, Nossaman LLP, is hereby appointed as Bond Counsel and Disclosure Counsel, NHA Advisors is hereby appointed as Financial Advisor and Hilltop Securities Inc. is hereby appointed as the Placement Agent. The Executive Director of the Successor Agency or any Authorized Officer is hereby authorized and directed to execute contracts with such consultants and advisors as necessary or proper for carrying out the issuance of the Bonds in accordance with the Indenture and this Resolution.

SECTION 9. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, this Resolution is adopted and approved the 16th day of February, 2016.

Chair of the Successor Agency to the
Redevelopment Agency of the City of Corcoran

ATTEST:

Secretary of the Successor Agency to the
Redevelopment Agency of the City of Corcoran

INDENTURE OF TRUST

Dated as of _____, 2016

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF
CORCORAN**

and

**U.S. BANK NATIONAL ASSOCIATION ,
as Trustee**

Relating to

\$ _____

**Successor Agency to the Redevelopment Agency of the City of Corcoran
Tax Allocation Refunding Bonds, Series 2016**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture”) is made and entered into and dated as of _____, 2016, by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN, a public entity duly existing under the laws of the State of California (the “Successor Agency”), as successor to the redevelopment activities of the Redevelopment Agency of the City of Corcoran (the “Former Agency”) and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the “Trustee”);

WITNESSETH:

WHEREAS, the Former Agency is a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of Part 1 of Division 24 of the Health and Safety Code of the State (collectively, as amended, the “Law”), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, Redevelopment Plan for the Corcoran Industrial Sector Redevelopment Project (the “Redevelopment Project”) of the Former Agency was adopted and subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with;

WHEREAS, in order to finance and refinance redevelopment activities within or of benefit to the Redevelopment Project, the Former Agency issued certain outstanding bonds more fully described herein (collectively, the “Refunded Bonds”);

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the redevelopment components of the Former Agency were dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with a resolution adopted by the City Council of the City on November 1, 2011 and pursuant to the Dissolution Act, assumed certain redevelopment components, including the redevelopment related duties and obligations, of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Refunded Bonds and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding redevelopment related bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, said Section 34177.5 also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5;

WHEREAS, in order to provide moneys to refund the Refunded Bonds (as defined herein) for the purpose of providing debt service savings in accordance with Section 34177.5(a)(1), the Successor Agency has determined to issue its Tax Allocation Refunding Bonds, Series 2016 (the “2016 Bonds”);

WHEREAS, the 2016 Bonds will be issued pursuant to and in accordance with the provisions of Section 34177.5(a)(1) of the California Health and Safety Code, the Law and the Refunding Law;

WHEREAS, in order to provide for the authentication and delivery of the 2016 Bonds, to establish and declare the terms and conditions upon which the 2016 Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency has determined that all acts and proceedings required by law necessary to make the 2016 Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds (as defined below), including the 2016 Bonds, issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds, including the 2016 Bonds, are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds, including the 2016 Bonds, by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, including the 2016 Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01 Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and, as a result of such review, hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the 2016 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the 2016 Bonds in the manner and form provided in this Indenture.

Section 1.02 Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“**Bonds**” means the 2016 Bonds and any Parity Debt issued pursuant to a Supplemental Indenture.

“**Bond Counsel**” means (a) Nossaman LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“**Bond Year**” means each twelve (12) month period extending from February 2 in one calendar year to February 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the 2016 Bonds shall commence on the Closing Date and end on February 1, 2017.

“**Business Day**” means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

“**City**” means the City of Corcoran.

“**Closing Date**” means the date on which a series of Bonds is delivered by the Successor Agency to the original purchaser thereof. The Closing Date with respect to the 2016 Bonds is _____, 2016.

“**Code**” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the 2016 Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the 2016 Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“**Continuing Disclosure Certificate**” means that certain Continuing Disclosure Certificate, with respect to the 2016 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“**Costs of Issuance**” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance and surety bond premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Successor Agency and the City incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

“**Costs of Issuance Fund**” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“**County**” means the County of Kings.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Defeasance Obligations” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value:

- (a) Cash;
- (b) Federal Securities, including direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;
- (c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form;
- (d) Pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody’s rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and
- (e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.

“Department of Finance” means the Department of Finance of the State of California.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“Dissolution Act” means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has heretofore been amended and as it may hereafter be amended.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Agreement” means the escrow agreement by and between the Successor Agency and the Escrow Bank dated the Closing Date and relating to the 2004 Bonds.

“Escrow Bank” shall mean U.S. Bank National Association.

“Event of Default” means any of the events described in Section 8.01.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

“Fiscal Year” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

“Former Agency” means the Redevelopment Agency of the City of Corcoran.

“Indenture” means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency or the City;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency or the City; and

(c) is not connected with the Successor Agency or the City as an officer or employee of the Successor Agency or the City, but who may be regularly retained to make reports to the Successor Agency or the City.

“Independent Redevelopment Consultant” means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under domination of the Successor Agency or the City;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency or the City; and

(d) is not connected with the Successor Agency or the City as an officer or employee of the Successor Agency or the City, but who may be regularly retained to make reports to the Successor Agency or the City.

“Information Services” means, in accordance with then current guidelines of the Securities and Exchange Commission, such services providing information with respect to the redemption of bonds as the Successor Agency may designate in a Written Request of the Successor Agency filed with the Trustee.

“Insured Bonds” means the 2016 Bonds [maturing on and after February 1, 20__].

“Insurance Policy” means the Municipal Bond Insurance Policy issued by the 2016 Insurer that guarantees the scheduled payment of principal of and interest on the Insured Bonds when due.

“Insurer” means the 2016 Insurer and, as applicable, the provider of a municipal bond or financial guaranty insurance policy with respect to other Bonds.

“Interest Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

“Interest Payment Date” means each August 1 and February 1, commencing August 1, 2016, for so long as any of the Bonds remain Outstanding hereunder.

“Last and Final ROPS” means a Last and Final Recognized Obligation Payment Schedule authorized by Section 34191.6 of the Dissolution Act.

“Law” means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

“Maximum Annual Debt Service” means, as of the date of calculation, the largest amount for the current or any future Bond Year payable in such Bond Year. For purposes of such calculation, there shall be excluded payments with respect to each series of Bonds to the extent that

amounts due with respect to such series of Bonds are prepaid or otherwise discharged in accordance with this Indenture.

“**Moody’s**” means Moody’s Investors Service and its successors.

“**Nominee**” means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

“**Outstanding**” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03;
and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

“**Oversight Board**” means the Oversight Board of the Successor Agency established pursuant to the Section 34179 of the Dissolution Act.

“**Owner**” or “**Bondowner**” means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books. The initial Bondowner is City National Bank, a national banking association.

“**Parity Debt**” means any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2016 Bonds pursuant to Section 3.05, whether issued as Bonds under a Supplemental Indenture or issued under a Parity Debt Instrument.

“**Parity Debt Instrument**” means a resolution, indenture of trust, supplemental indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt, other than a Supplemental Indenture.

“**Participating Underwriter**” has the meaning ascribed thereto in the Continuing Disclosure Certificate.

“**Permitted Investments**” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value:

(a) Federal Securities;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the

full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include those for which the Trustee or an affiliate receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise);

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moodys' and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moodys' and "AA" or better by S&P;

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1+" or better by S&P;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime-1” or “A3” or better by Moody’s, and “A-1+” by S&P; and

(k) The Local Agency Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided that for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee.

“**Pledged Tax Revenues**” means all taxes (i) that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and (ii) that are deposited by the Auditor-Controller of the County of Kings in the Redevelopment Property Tax Trust Fund, all as provided in Section 34172(d) of the Dissolution Act.

“**Principal Account**” means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

“**Principal Corporate Trust Office**” means the corporate trust office of the Trustee in San Francisco, California, or such other or additional offices as the Trustee may designate in writing to the Successor Agency from time to time as the corporate trust office for purposes of the Indenture; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted.

“**Project Area**” means the area within the Corcoran Industrial Sector Redevelopment Project.

“**Qualified Reserve Account Credit Instrument**” means (i) the Reserve Policy, and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee with respect to other Bonds, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody’s have assigned a long-term credit rating to such bank or insurance company at the time of issuance of such Qualified Reserve Account Credit Instrument of “A” (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to the Bonds with respect to which it is deposited or with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture.

“**Recognized Obligation Payment Schedule**” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (1) of Section 34177 of the California Health and Safety Code.

“Record Date” means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

“Redemption Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

“Redevelopment Obligation Retirement Fund” means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

“Redevelopment Plan” means the Redevelopment Plan for the Corcoran Industrial Sector Redevelopment Project adopted approved by Ordinance No. 382, as amended pursuant to the Amendment approved by Ordinance No. 414 N.S., enacted by the City of Corcoran on July 15, 1985, as such Redevelopment Plan has previously been amended and as it may hereafter be amended in accordance with the law.

“Redevelopment Project” means the undertaking of the Successor Agency pursuant to the Redevelopment Plan and the Law for the redevelopment of the Project Area.

“Redevelopment Property Tax Trust Fund” means the fund by that name established pursuant to California Health & Safety Code Sections 34170.5(a) and 34172(c) and administered by the Auditor-Controller of the County of Kings.

“Refunded Bonds” means the Redevelopment Agency of the City of Corcoran Corcoran Industrial Sector Redevelopment Project Tax Allocation Bonds, Series 2004, currently outstanding in the aggregate principal amount of \$2,940,000.

“Refunding Fund” means the 2016 Refunding Fund established and held by the Trustee pursuant to Section 3.04.

“Refunding Law” means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

“Registration Books” means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“Report” means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

“Request for Last and Final ROPS Approval” means a request submitted by the Successor Agency pursuant to Section 34191.6 of the Dissolution Act for approval by the Department of Finance of a Last and Final ROPS or any amendment to an approved Last and Final ROPS.

“Reserve Account” means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

“Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy issued by the 2016 Insurer guaranteeing certain payments into the Reserve Account with respect to the Series 2016 Bonds as provided therein and subject to the limitation set forth therein.

“Reserve Requirement” means, subject to Section 4.03(c) of this Indenture, with respect to the 2016 Bonds and each series of Bonds, the lesser of

Bonds, (i) 125% of the average Annual Debt Service with respect to that series of the

(ii) Maximum Annual Debt Service with respect to that series of the Bonds, or

(iii) with respect to an individual series of Bonds, 10% of the original principal amount of that series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that in no event shall the Successor Agency, in connection with the issuance of Bonds be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Bonds, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.03(c) hereof.

“ROPS Period” means each annual period beginning on July 1 of any calendar year and ending on June 30 of the next calendar year, or such other period as provided in the Dissolution Act.

“S&P” means Standard & Poor’s Financial Services LLC, a division of McGraw Hill Financial, and its successors.

“Securities Depositories” means The Depository Trust Company, New York, New York 10041-0099, Fax-(212) 855-7232; or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

“Serial Bonds” means all Bonds other than Term Bonds.

“Special Fund” means the fund held by the Successor Agency established within the Redevelopment Obligation Retirement Fund pursuant to Section 4.02.

“**State**” means the State of California.

“**Supplemental Indenture**” means any supplement to this Indenture which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

“**Term Bonds**” means that portion of any Bonds payable from mandatory sinking account payments.

“**Trustee**” means U.S. Bank National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

“**Written Request of the Successor Agency**” or “**Written Certificate of the Successor Agency**” means a request or certificate, in writing signed by the Executive Director or Treasurer of the Successor Agency, or the designee of either, or by any other officer of the Successor Agency or the City duly authorized by the Successor Agency for that purpose.

“**2016 Bonds**” means the \$_____ initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City of Corcoran Tax Allocation Refunding Bonds, Series 2016.

“**2016 Insurer**” means _____, or any successor thereto.

Section 1.03 Rules of Construction. All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01 Authorization of 2016 Bonds. The 2016 Bonds are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Refunding Law, the Dissolution Act and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. Such initial issues of Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City of Corcoran Tax Allocation Refunding Bonds, Series 2016.” The 2016 Bonds shall be issued in the initial aggregate principal amount of \$_____.

Section 2.02 Terms of 2016 Bonds. The 2016 Bonds shall be issued in fully registered form without coupons. The 2016 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2016 Bond shall have more than one maturity date. The 2016 Bonds shall be dated as of their Closing Date. The 2016 Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2016 Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rate per annum as follows:

<i>Maturity Date</i> <i>(February 1)</i>	<i>Principal</i> <i>Amount</i>	<i>Interest</i> <i>Rate</i>
	\$	%

Each 2016 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before July 15, 2016, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2016 Bond, interest thereon is in default, such 2016 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2016 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed on the Interest Payment Date to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the 2016 Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2016 Bonds shall be paid on the succeeding Interest Payment Date by wire to such account in the United States as shall be specified in such written request. The principal of the 2016 Bonds and premium, if any, upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 2.03 Redemption of 2016 Bonds.

(a) Optional Redemption. The 2016 Bonds maturing on or prior to February 1, 20[26] are not subject to optional redemption. The 2016 Bonds maturing on or after February 1, 20[27], are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after February 1, 20[26], by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot

within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem 2016 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. The 2016 Bonds that are Term Bonds maturing February 1, 20__ and February 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on February 1 in each year, commencing February 1, 20__ and February 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on February 1 in the respective years as set forth in the following table[s]; provided however, that (y) in lieu of redemption thereof such Series 2016 Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(c) hereof, and (z) if some but not all of such Series 2016 Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Series 2016 Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

Series 2016 Term Bonds of 20__

<i>February 1</i>	<i>Principal Amount</i>
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Series 2016 Term Bonds of 20__

<i>February 1</i>	<i>Principal Amount</i>
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(a) Notice of Redemption; Rescission. The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, (i) to any Insurer and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the

Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state, in the case of a redemption pursuant to (a) above, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent; provided, however, the notice of rescission shall not be required to be mailed within the time period required for the notice of redemption.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(b) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(c) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(d) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so

selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

(e) Purchase in Lieu of Redemption. In lieu of redemption of the Serial or Term Bonds pursuant to a Supplemental Indenture, amounts on deposit in the Special Fund or in the Principal Account may also be used and withdrawn by the Successor Agency and the Trustee, respectively, at any time, upon the Written Request of the Successor Agency, for the purchase of the Serial or Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Successor Agency may in its discretion determine. The par amount of any Serial or Term Bonds so purchased by the Successor Agency in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of the Serial or Term Bonds required to be redeemed pursuant to a Supplemental Indenture on February 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 1.

Section 2.04 Form of 2016 Bonds. The 2016 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05 Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Executive Director or its Treasurer or the written designee of either and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06 Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Successor Agency shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like series, tenor, maturity and aggregate principal

amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.07 Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for Bonds of the same series, tenor and maturity and of other authorized denominations. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08 Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection and copying by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided. **Notwithstanding the foregoing, a Bondowner may only transfer the Bonds so long as all Outstanding Bonds are transferred together to a new Bondowner who has delivered an Investor Letter (in the form attached as Exhibit B hereto) to the Successor Agency.**

Section 2.09 [Reserved]

Section 2.10 Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost,

destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11 Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bondowner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bondowner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bondowner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bondowners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In addition

to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.12 Applicability of Provisions to Additional Bonds. Unless otherwise provided in a Supplemental Indenture, the provisions of Sections 2.03(c) and 2.05 through 2.11 shall apply to all Bonds.

ARTICLE III

DEPOSIT AND APPLICATION; ADDITIONAL DEBT

Section 3.01 Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee the 2016 Bonds in the aggregate principal amount of \$_____ and the Trustee shall authenticate and deliver the 2016 Bonds upon the Written Request of the Successor Agency.

Section 3.02 Application of Proceeds of Sale and Certain Other Amounts. On the Closing Date with respect to the 2016 Bonds, the proceeds of sale of the 2016 Bonds received by the Trustee shall be applied as follows:

(a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund.

(b) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2016 Bonds in the Refunding Fund.

Section 3.03 Costs of Issuance Fund. There is hereby established a separate fund to be known as the “Costs of Issuance Fund”, which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2016 Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. Each such Written Request of the Successor Agency shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date which is six (6) months following the Closing Date with respect to the 2016 Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund and the Costs of Issuance Fund shall be closed.

Section 3.04 Refunding Fund. There shall be established a separate and segregated fund to be known as the “2016 Refunding Fund” (the “Refunding Fund”). On the Closing Date with respect to the 2016 Bonds, the Trustee shall transfer the \$_____ on deposit in the Refunding Fund to the Escrow Bank for deposit pursuant to the Escrow Agreement. Upon making such transfer, the Trustee shall close the Refunding Fund.

Section 3.05 Issuance of Parity Debt. In addition to the 2016 Bonds, the Successor Agency may issue Parity Debt to refund any outstanding 2016 Bonds or other Parity Debt in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any such Parity Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt:

(a) No Event of Default hereunder or an event of default under any Parity Debt Instrument shall have occurred and be continuing unless cured by the issuance of such Parity Debt;

(b) The Parity Debt shall be issued in compliance with Health and Safety Code section 34177.5;

(c) In the event the Successor Agency issues Parity Debt as Bonds pursuant to a Supplemental Indenture, the Successor Agency shall cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Section 3.06 Issuance of Subordinate Debt. Notwithstanding the foregoing, no provision herein shall prevent the Successor Agency from issuing additional bonds or incurring other loans, advances or indebtedness payable from Pledged Tax Revenues on a subordinate basis to the 2016 Bonds and the Bonds.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01 Security of Bonds; Equal Security. Subject to the provisions of Section 4.02 and Section 6.06 hereof allowing for the application of Pledged Tax Revenues, all Pledged Tax Revenues and the Redevelopment Obligation Retirement Fund, including the Special Fund therein, and all amounts in the Redevelopment Property Tax Trust Fund, including without limitation any override tax revenues attributable to tax rate overrides levied by taxing agencies within the Project Area that were pledged to the Refunded Bonds, are irrevocably pledged under this Indenture to secure the payment of the principal of and interest or redemption premium (if any) on the 2016 Bonds and all Parity Debt without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Such pledge shall constitute a first and exclusive lien on and security interest in the Pledged Tax Revenues and the Redevelopment Obligation Retirement Fund, including the Special Fund therein, and all amounts in the Redevelopment Property Tax Trust Fund, including without limitation any override tax revenues attributable to tax rate overrides levied by taxing agencies within the Project Area that were pledged to the Refunded Bonds, and will attach, be perfected and be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the Successor Agency, irrespective of whether such parties have notice of this Indenture; provided however, the parties hereto acknowledge that the Auditor-Controller of the County of Kings is authorized by Section 34183(a) of the Dissolution Act to use Pledged Tax Revenues to pay the County's administrative costs allowed under Section 34182 and Section 95.3 of the Revenue and Taxation Code and is required by Section 34183(a)(1) of the Dissolution Act to pay Pledged Tax Revenues to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law (unless such payments are subordinated to payments on the 2016 Bonds and Parity Debt pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act). Except for the Pledged Tax Revenues, such amounts and such funds and accounts, no other moneys, funds, accounts or properties of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the 2016 Bonds or Parity Debt except as provided in the following paragraph with respect to the 2016 Bonds and other Bonds.

The Debt Service Fund and any fund or account created under this Indenture, including amounts on deposit therein (including proceeds of the 2016 Bonds), are irrevocably pledged under this Indenture to secure the payment of the principal of and interest or redemption premium (if any) on the 2016 Bonds and other Bonds without preference or priority for series issue, number, dated date, sale date, date of execution or date of delivery. Such pledge shall constitute a first and exclusive lien on and security interest in the Debt Service Fund and any other fund or account created under this Indenture, and including amounts on deposit therein (including proceeds of the 2016 Bonds), and will attach, be perfected and be valid and binding against all parties having claims of any kind in tort, contract or otherwise against the Successor Agency, irrespective of whether such parties have notice of this Indenture.

The parties acknowledge that Section 34177.5(g) of the Dissolution Act provides that the 2016 Bonds and Parity Debt are further secured by a pledge of, and lien on moneys deposited in the Redevelopment Property Tax Trust Fund held by the Auditor Controller of the County of Kings related to the Successor Agency, which moneys, subject to the payment by the Auditor Controller of the County of Kings of certain amounts to the County for administrative costs allowed under Section 34182 and Section 95.3 of the Revenue and Taxation Code and to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law, constitute Pledged Tax Revenues as defined herein.

In consideration of the acceptance of the 2016 Bonds and other Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the 2016 Bonds and other Bonds without preference, priority or distinction as to security or otherwise of any of the 2016 Bonds and other Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02 Redevelopment Obligation Retirement Fund; Special Fund; Deposit of Pledged Tax Revenues. There is hereby established a special fund to be known as the “Special Fund” which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund. The Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency.

The Successor Agency shall deposit all of the Pledged Tax Revenues received with respect to any ROPS Period in accordance with Section 5.13 hereof in the Redevelopment Obligation Retirement Fund. Immediately upon such deposit, the Successor Agency shall transfer into the Special Fund all Pledged Tax Revenues allocable to the payment of the principal of and interest on 2016 Bonds and other Bonds for the current Bond Year. All Pledged Tax Revenues remaining in the Redevelopment Obligation Retirement Fund and in excess of the amount required to make the transfers required herein to the Special Fund and to make any other payments due hereunder, and except as may be provided to the contrary in this Indenture or in any Supplemental Indenture or Parity Debt Instrument, shall be released from the pledge and lien hereunder when applied by the Successor Agency in accordance with the Law, including to the payment of other obligations on a Recognized Obligation Payment Schedule payable after payment of the Bonds as required by Section 34183(a)(2) of the Dissolution Act.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indentures or under a Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture or in a Parity Debt Instrument.

Section 4.03 Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority (provided further that, if on the fifth (5th) Business Day prior to the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Bonds other than the 2016 Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of [_____ 1, 2016], the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in

the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the fifth (5th) Business Day preceding February 1 in each year beginning February 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next February 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next February 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

(c) Reserve Account. There is hereby established in the Debt Service Fund a separate account known as the “Reserve Account” solely as security for payments payable by the Successor Agency pursuant to this Section 4.03 and pursuant to any Supplemental Indenture, which shall be held by the Trustee in trust for the benefit of the Owners of the Bonds. The Reserve Requirement for the 2016 Bonds will be satisfied by the delivery of the Reserve Policy by the 2016 Insurer on the Closing Date with respect to the 2016 Bonds.

Except as provided in the preceding paragraph and as may be provided in a Supplemental Indenture, in the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Upon receipt of any such notice and as promptly as is permitted by the Law, the Successor Agency shall transfer to the Trustee an amount from the Special Fund sufficient to maintain the Reserve Requirement on deposit in the Reserve Account.

The amounts available under the Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2016 Bonds.

Except as provided above, the amount on deposit in the Reserve Account shall be maintained at the Reserve Requirement at all times prior to the payment of the Bonds in full. If there shall then not be sufficient Pledged Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Pledged Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement.

All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers hereunder to the Interest Account, the Principal Account and the Sinking Account, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder or under any Parity Debt Instrument, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before two (2) Business Days preceding each August 1 and February 1 by the Trustee and deposited in the Special Fund. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03.

The Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be applied in accordance with the Law.

The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this paragraph (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first legally available Pledged Tax Revenues.

If the Reserve Requirement for a series of Bonds is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture with respect to such series of Bonds. If the Reserve Requirement for a series of Bonds is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture shall be made in accordance with the terms of such Qualified Reserve Account Credit Instruments. If the Reserve Requirement with respect to a particular series of Bonds is secured by a Qualified Reserve Account Credit Instrument that relates only to such series of Bonds, the calculation of Reserve Requirement for such series of Bonds shall be calculated on a stand alone basis.

The Reserve Account may be maintained in the form of one or more separate sub-accounts which are established for the purpose of holding the proceeds of separate issues of the

Bonds in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

(d) **Redemption Account.** All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on Bonds to be redeemed pursuant to any optional redemption provision of a Supplemental Indenture on the date set for such redemption. Interest due on such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such other Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

Section 4.04 Reserved.

Section 4.05 Provisions Relating to Insurance Policy. Notwithstanding any other provision herein to the contrary, the provisions in this Section 4.05 shall apply so long as the Insurance Policy is in effect.

[TO COME FROM INSURER]

Section 4.06 Provisions Relating to Reserve Policy. Notwithstanding any other provision herein to the contrary, the provisions in this Section 4.06 shall apply so long as the Reserve Policy is in effect.

[TO COME FROM INSURER]

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01 Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture, all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02 Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues (i) on a basis senior to the Bonds or (ii) on a parity with the Bonds except for Parity Debt issued to refund any of the Bonds or other Parity Debt, and then only if the requirements of Section 3.05 are met. The Successor Agency will not otherwise encumber, pledge or place any

charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien herein created for the benefit of the Bonds.

Section 5.03 Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04 Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Pledged Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05 Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Project, the Pledged Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the 2016 Insurer, any other Insurer and the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within two hundred and seventy (270) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Pledged Tax Revenues, all disbursements of Pledged Tax Revenues and the financial condition of the Redevelopment Project, including the balances in all funds and accounts relating to the Redevelopment Project, as of the end of such Fiscal Year. The Successor Agency shall promptly furnish a copy of such financial statements to the Trustee, the 2016 Insurer and any other Insurer at no expense and to any Owner upon reasonable request and at the expense of such Owner. The Trustee shall have no obligation to review any financial statements provided to it by the Successor Agency.

The Successor Agency agrees, consents and will cooperate in good faith to provide information reasonably requested by the 2016 Insurer and will further provide appropriately designated individuals and officers to discuss the affairs, finances and accounts of the Successor Agency or any other matter as the 2016 Insurer may reasonably request.

Section 5.06 Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date with respect to Bonds, the Bonds shall be incontestable by the Successor Agency.

Section 5.07 Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Project Area or any part thereof.

Section 5.08 Taxation of Leased Property. All amounts derived by the Successor Agency pursuant to Section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of this Indenture.

Section 5.09 Disposition of Property. The Successor Agency will not participate in the disposition of any land or real property in a Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by the Redevelopment Plan in effect on the date of issuance of the 2016 Bonds) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the applicable Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment Consultant concludes that the security of the Bonds, or the rights of the Successor Agency, the Bondowners and the Trustee hereunder will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

Section 5.10 Maintenance of Pledged Tax Revenues. The Successor Agency shall comply with all requirements of the Law and the Dissolution Act to ensure the allocation and payment to it of the Pledged Tax Revenues as provided in the Dissolution Act.

Section 5.11 Tax Covenants. The Successor Agency shall not take any action or permit to be taken any action within its control which would cause or which, with the passage of time if not cured would cause, the interest on the 2016 Bonds to become includable in gross income for federal income tax purposes. To that end, the Successor Agency hereby makes the following specific covenants:

(a) The Successor Agency hereby covenants that it shall not make or permit any use of the proceeds of the 2016 Bonds that may cause the 2016 Bonds or the Refunded Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

(b) The Successor Agency covenants that the proceeds of the 2016 Bonds will not be used as to cause the proceeds on the 2016 Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(c) The Successor Agency covenants not to take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2016 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

Section 5.12 Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.13 Compliance with the Dissolution Act. The Successor Agency shall comply with all of the requirements of the Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder.

Further, it will take all actions required under the Dissolution Act to include:

- (i) scheduled debt service on the 2016 Bonds and any Parity Debt and any amount required under this Indenture to replenish the Reserve Account established hereunder or the reserve account established under any Parity Debt Instrument, and
- (ii) amounts due to any Insurer under an insurance or surety bond agreement,

in Recognized Obligation Payment Schedules for each ROPS Period so as to enable the Auditor-Controller of the County of Kings to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency’s Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Bonds coming due in the respective ROPS Period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

In order to accomplish the foregoing, on or before each February 1 (or at such earlier time as may be required by the Dissolution Act), for so long as any Parity Debt is outstanding, the Successor Agency shall submit an Oversight Board-approved Recognized Obligation Payment Schedule to the State Department of Finance and to the Auditor-Controller of the County of Kings that shall provide for the application of the first Pledged Tax Revenues allocated to the Successor Agency in each Bond Year to the payment of (i) all Annual Debt Service due on all Outstanding Parity Debt coming due during the applicable Bond Year as well as all amounts due and owing to the 2016 Insurer hereunder or to any other Insurer, and (ii) any amount required to cure any deficiency in the Reserve Account pursuant to this Indenture or a reserve account established under any Parity Debt Instrument (including any amounts required due to a draw on the Qualified Reserve Account Credit Instrument as well as all amounts due and owing to the 2016 Insurer hereunder). Without limiting the foregoing,

each Recognized Obligation Payment Schedule submitted by the Successor Agency shall demand the allocation to the Successor Agency, on each June 1, moneys from the Redevelopment Property Tax Trust Fund in the full amount of the Annual Debt Service coming due in the applicable Bond Year and, on each January 2, any remaining Annual Debt Service amount for such Bond Year that is not deposited into the Successor Agency's Redevelopment Obligation Retirement Fund from the June 1 Redevelopment Property Tax Trust Fund distribution.

In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2016 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the 2016 Bonds and other Parity Debt and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the application of the first Pledged Tax Revenues allocated to the Successor Agency in each Bond Year to the payment of one hundred percent (100%) of the Annual Debt Service for the applicable Bond Year.

Section 5.14 Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

Section 5.15 Last and Final Recognized Obligation Payment Schedule. The Successor Agency shall provide the Trustee and each Insurer of Outstanding 2016 Bonds or Parity Debt with copies of (a) any Request for Last and Final ROPS Approval submitted by the Successor Agency and (b) any and all correspondence received from the Department of Finance regarding a Request for Last and Final ROPS Approval, upon receipt thereof. In the event that the Successor Agency and the Department of Finance schedule a meeting or telephone conference to discuss a written denial by the Department of Finance of a Request for Last and Final ROPS Approval, the Successor Agency shall timely notify the Trustee and each Insurer of Outstanding 2016 Bonds or Parity Debt of such meeting or telephone conference. The Trustee shall, and, if the subject of the meet and confer could impact the payment of or security for Insured Bonds or Policy Costs, each potentially affected Insurer shall, have the right to participate in the meeting or telephone conference either by appearance with the Successor Agency or through written submission as determined by the Trustee and such Insurer. In the event the Successor Agency receives a denial of a Request for Last and Final ROPS Approval, whether relating to Insured Bonds or not, and such denial could delay the receipt of tax revenues necessary to pay debt service, Policy Costs, or other amounts owing to an Insurer, the Successor Agency agrees to cooperate in good faith with the Insurer and the Insurer shall receive prompt notice of any such event and shall be permitted to attend any meetings with the Successor Agency and the Department of Finance relating to such event and to discuss such matters with the Department of Finance directly.

ARTICLE VI

THE TRUSTEE

Section 6.01 Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Successor Agency may remove the Trustee at any time, but only with the consent of all Insurers, upon thirty days' prior written notice, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (f) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, with a copy to any Insurer, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving the Owners and any Insurer notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing, with notice of such appointment to be furnished to any Insurer.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all

instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

(e) If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.03(d) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the any Insurer and the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure by the Successor Agency to make any payment when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to any Insurer, and the Trustee, with the consent of any Insurer may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Bondowners not to give such notice.

(f) The Successor Agency agrees that, so long as any Bonds are Outstanding, the Trustee shall be: (i) a financial institution having a trust office in the State, having (or in the case of a corporation, national banking association or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$250,000,000, and subject to supervision or examination by federal or state authority; (ii) a state-chartered commercial bank that is a member of the Federal Reserve System having at least \$1,000,000,000 of assets; or (iii) an entity otherwise approved by all Insurers in writing. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02 Merger or Consolidation. Any bank, national banking association or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank, national banking association or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association or trust company shall be eligible under subsection (f) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03 Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or misconduct of the Trustee. Where the Trustee is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

(d) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(e) The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms

contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

(h) The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(i) Before taking any action under Article VIII or this Article at the request of the Owners or any Insurer, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners or any Insurer for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

(j) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture and delivered using Electronic Means (“Electronic Means” shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Successor Agency shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Successor Agency whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s understanding of such Instructions shall be deemed controlling. The Successor Agency understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Successor Agency shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Successor Agency and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Successor Agency. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting

Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Successor Agency; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(k) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term “force majeure” means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include but not be limited to acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

(l) The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys which shall be released or withdrawn in accordance with the provisions hereof.

Section 6.04 Right to Rely on Documents and Opinions. The Trustee shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of and copying by the Successor Agency and any Insurer and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06 Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense, including legal fees and expenses, and liabilities which it may incur to the extent arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07 Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Written Request of the Successor Agency, the Trustee shall hold any such moneys uninvested. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Moneys in the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account; *provided, however,* that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made in accordance with this Section. For investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of Section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. The Trustee shall have no duty in connection with the determination of Fair Market Value other than to follow its normal practice in determining the value of Permitted Investments, which may include utilizing computerized securities pricing services that may be available to it including those available through its regular accounting system.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the Successor Agency at their present value (within the meaning of Section 148 of the Code). Investments on deposit in the Reserve Account shall be valued semiannually two (2) Business Days preceding each August 1 and February 1 at their Fair Market Value.

Section 6.08 Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, on at least a monthly basis, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09 Other Transactions with Agency. The Trustee, either as principal or agent, may engage in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01 Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the

consent of any Owners or any Insurer, to the extent permitted by law, but only for any one or more of the following purposes –

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, including any covenant or agreement that provides for additional security for the Bonds, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt in accordance with Section 3.05; or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or

(e) to comply with amendments or supplements to the Dissolution Act; or

(f) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of each Insurer (but only with respect to any Bonds insured by such Insurer) and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

Section 7.02 Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03 Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may, with the prior written consent of any Insurer, determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Section 7.04 Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Section 7.05 Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the 2016 Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Section 7.06 Copy of Supplemental Indenture to S&P and Moody's. The Successor Agency shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least fifteen (15) days prior to its proposed effective date.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01 Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Insurer or written notice from any Owner (with a copy of said notice delivered to the Trustee and any Insurer) of the occurrence of such default, provided that if in the reasonable opinion

of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency (with the prior written consent of any Insurer) within such thirty (30) day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time as approved by any Insurer;

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the Successor Agency seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Successor Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property; or

(d) The principal of any Parity Obligation shall be declared immediately due and payable under the terms of a Parity Debt Instrument.

In determining whether an Event of Default has occurred under (a) above, no effect shall be given to payments made under any municipal bond insurance policy, financial guaranty insurance policy or Qualified Reserve Account Credit Instrument.

If an Event of Default has occurred under this Section and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (y) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (z) subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bondowners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to each Insurer and to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in subsections (a) or (c) above the Trustee shall, and with respect to any Event of Default described in subsection (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds then Outstanding, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior

to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to any Insurer and the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds then Outstanding, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02 Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture (including the Trustee's share of any Pledged Tax Revenues) and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees and expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the 2016 Bonds and Parity Debt for principal and interest, as applicable, with interest on the overdue principal, and installments of interest at the net effective rate then borne by the Outstanding 2016 Bonds or Parity Debt (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the 2016 Bonds and Parity Debt, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest.

Section 8.03 Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04 Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Successor Agency, the Trustee and any Insurer written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05 Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06 Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the

Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, provided, however, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.08 Determination of Percentage of Bondowners. Whenever in this Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Special Obligations. The Bonds are special obligations of the Successor Agency secured by a pledge and lien as described in Section 4.01 hereof. The Bonds are not debts, liabilities or obligations of the City of Corcoran, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those pledged by the Successor Agency. The Bonds do not constitute an indebtedness in contravention of any constitutional or statutory debt limitation or restriction.

Section 9.02 Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, each Insurer, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, such Insurers and the Owners. To the extent that this Indenture confers upon or gives any Insurer any right, remedy or claim under or by reason of this Indenture, each Insurer is hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right remedy or claim conferred, given or granted hereunder.

Section 9.03 Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the

Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.04 Discharge of Indenture.

(a) If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(c) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other amounts, funds and accounts described in Section 4.01 hereof and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (A) the covenants of the Successor Agency hereunder with respect to the Code, (B) the obligation of the Trustee to transfer and exchange Bonds hereunder, (C) the obligations of the Successor Agency under Section 6.06 hereof, and (D) the obligation of the Successor Agency to pay or cause to be paid to the Owners (or any Insurer), from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee and any Insurer all fees, expenses and costs of the Trustee and any Insurer. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

Notwithstanding anything herein to the contrary, to accomplish the defeasance of Insured Bonds, at least three Business Days prior to any defeasance, the Successor Agency shall deliver to any Insurer of such Insured Bonds draft copies of an escrow agreement, and opinion of Bond Counsel regarding the validity and enforceability of the escrow agreement and the defeasance of such Insured Bonds, and a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to such Insurer and shall be in form and substance satisfactory to such Insurer. In addition, the escrow agreement shall provide that: a) any substitution of securities shall require the delivery of a verification report, an opinion of Bond Counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Bonds is excludable) from gross income of the holders of the Insured Bonds of the interest on the Insured Bonds for federal income tax purposes and the prior written consent of such Insurer; and b) the Successor Agency shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of such Insurer.

(b) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due of the Bonds is paid by any Insurer, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, and the assignment and pledge of the Pledged Tax Revenues and other assets hereunder and all covenants, agreements and other obligations of the Successor Agency to the Bondowners so paid shall continue to exist and shall run to the benefit of such Insurer, and such Insurer shall be subrogated to the rights of such Bondowners, as applicable.

Section 9.05 Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by such Owner's attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.06 Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or

waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Upon request of the Trustee, the Successor Agency and the City shall specify in a certificate to the Trustee those Bonds disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 9.07 Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.08 Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.09 Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the Successor Agency:	Successor Agency to the Redevelopment Agency of the City of Corcoran 832 Whitley Avenue Corcoran, CA 93212 Attention: Executive Director
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If to the Trustee:	U.S. Bank National Association One California Street, Suite 2550 San Francisco, CA 94111 Attention: Corporate Trust Services
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The Successor Agency and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.10 Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee

hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.11 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on of such Bonds.

Section 9.12 Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.13 Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN has caused this Indenture to be signed in its name by its Chairman, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF
CORCORAN

By: _____
Chairman

ATTEST:

Secretary

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Officer

EXHIBIT A
(FORM OF 2016 BOND)

THE REGISTERED OWNER OF THIS BOND ACKNOWLEDGES AND AGREES THAT THIS BOND MAY ONLY BE TRANSFERRED UPON SATISFACTION OF THE REQUIREMENTS IN THE INDENTURE OF TRUST, INCLUDING THE DELIVERY TO THE TRUSTEE OF AN INVESTOR LETTER IN THE FORM REQUIRED BY THE INDENTURE OF TRUST. ANY TRANSFER OF THIS BOND IN VIOLATION OF THE TRANSFER RESTRICTIONS CONTAINED IN THE INDENTURE OF TRUST SHALL BE VOID AND OF NO EFFECT.

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN
TAX ALLOCATION REFUNDING BONDS, SERIES 2016

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>DATED DATE:</u>	<u>CUSIP:</u>
	February 1, _____		

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN, a public entity duly existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for, if any), the Principal Sum stated above and to pay interest thereon from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this 2016 Bond, unless (i) this 2016 Bond is authenticated after the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day (the "Record Date") and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) this 2016 Bond is authenticated on or before July 15, 2016, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this 2016 Bond, interest is in default on this 2016 Bond, this 2016 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this 2016 Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on August 1 and February 1 in each year, commencing August 1, 2016 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon redemption hereof, if any, are payable in lawful money of the United States of America upon presentation and surrender of this 2016 Bond at

the corporate trust office (the “Principal Corporate Trust Office”) of U.S. Bank National Association, in San Francisco, California, as trustee (the “Trustee”). Interest hereon (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed on the Interest Payment Date to the Registered Owner hereof at the Registered Owner’s address as it appears on the Registration Books maintained by the Trustee at the close of business on the preceding Record Date; provided however, that at the written request of any Registered Owner of at least \$1,000,000 aggregate principal amount of the 2016 Bonds (as defined below), which written request is on file with the Trustee on any Record Date, interest hereon shall be paid by wire to such account in the United States as is specified in such written request.

This 2016 Bond is one of a duly authorized issue of bonds of the Successor Agency designated as “Successor Agency to the Redevelopment Agency of the City of Corcoran Tax Allocation Refunding Bonds, Series 2016” (the “2016 Bonds”), of an aggregate principal amount of \$_____, all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption, if any, and other provisions) and all issued pursuant to the provisions of Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the “Refunding Law”), the Dissolution Act (as such term is defined in the Indenture), and the Community Redevelopment Law and Community Development Commission Law, constituting Parts 1 and 1.7 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of _____ 1, 2016, entered into by and between the Successor Agency and the Trustee (the “Indenture”), providing for the issuance of the 2016 Bonds.

The 2016 Bonds are being issued in the form of registered 2016 Bonds without coupons. Additional Parity Debt may be issued on a parity with the 2016 Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2016 Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the Registered Owners of the 2016 Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this 2016 Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2016 Bonds have been issued by the Successor Agency for the purpose of providing funds to refinance certain bonds with respect to the Project Area (as such term is defined in the Indenture) and to pay certain expenses of the Successor Agency in issuing the 2016 Bonds.

The 2016 Bonds are special obligations of the Successor Agency and this 2016 Bond and the interest hereon and on all other 2016 Bonds and the interest thereon (to the extent set forth in the Indenture), are secured by a statutory pledge of, and lien on, Pledged Tax Revenues deposited in the Redevelopment Property Tax Trust Fund held by the Auditor-Controller of the County of Kings, subject to the payment of the County’s administrative charges and certain amounts to taxing entities pursuant to the Dissolution Act, and a pledge of, security interest in and lien on the Pledged Tax Revenues, as more fully described in the Indenture, on deposit in the Redevelopment Obligation Retirement Fund, including the Special Fund therein, and the Debt Service Fund and any fund or account created under the Indenture, and are payable from Pledged Tax Revenues remaining after payment of certain amounts to certain taxing entities as provided in the Dissolution Act and the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund (as defined in the Indenture) into which Pledged Tax Revenues deposited by the County of Kings Auditor-Controller in the Redevelopment Obligation Retirement Fund shall be transferred and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2016 Bonds and any additional Bonds (as defined in the Indenture).

The Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2016 Bonds are issuable as fully registered 2016 Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2016 Bonds may be exchanged for a like aggregate principal amount of 2016 Bonds of other authorized denominations and of the same series, tenor and maturity.

This 2016 Bond is transferable upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender to the Trustee at the Principal Corporate Trust Office for cancellation, but only in the manner and subject to the limitations provided in the Indenture. **Notwithstanding the foregoing, a Bondowner may only transfer this Bond so long as all Outstanding Bonds are transferred together to a new Bondowner who has delivered an Investor Letter (in the form attached to the Indenture as Exhibit B) to the Successor Agency.** Upon registration of such transfer a new fully registered 2016 Bond or 2016 Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same series, tenor and maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2016 Bond during the

fifteen (15) days prior to the date established for the selection of 2016 Bonds for redemption, if any, or (b) any 2016 Bond selected for redemption, if any.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the Registered Owners of the 2016 Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the respective Insurer and the Registered Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall a Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Issuer without its prior written consent.

Unless this 2016 Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2016 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This 2016 Bond is not a debt, liability or obligation of the City of Corcoran, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this 2016 Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2016 Bonds do not constitute an indebtedness in contravention of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this 2016 Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this 2016 Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of 2016 Bonds permitted to be issued under the Indenture.

This 2016 Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee’s Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City of Corcoran has caused this 2016 Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF CORCORAN**

By: _____
Executive Director

ATTEST:

Secretary

STATEMENT OF INSURANCE

[TO COME FROM INSURER]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the 2016 Bonds described in the within-mentioned Indenture.

Authentication Date: _____, 2016

U.S. BANK NATIONAL ASSOCIATION ,
as Trustee

By: _____
Authorized Signatory

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

\$ _____

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN
TAX ALLOCATION REFUNDING BONDS, SERIES 2016**

FORM OF INVESTOR LETTER

_____, 2016

Successor Agency to the Redevelopment Agency of the City of Corcoran
Corcoran, California

U.S. Bank National Association,
San Francisco, California

Nossaman LLP
Irvine, California

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby acknowledges receipt of \$_____ in aggregate principal amount of the above-captioned bonds (the “Bonds”), dated _____, 2016 in fully registered form and bearing interest from the date thereof.

1. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations of a nature similar to the Bonds to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

2. We are acquiring the Bonds for our own account and not with a view to, or for sale in connection with, any distribution of the Bonds or any part thereof. We have not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and we have no present intention of reselling or otherwise disposing of the Bonds.

3. As a sophisticated investor, we have made our own credit inquiry and analysis with respect to the Successor Agency to the Redevelopment Agency of the City of Corcoran (the “Issuer”) and the Bonds, and have made an independent credit decision based upon such inquiry and analysis. The Issuer has furnished to us all the information which we as a reasonable investor have requested of the Issuer as a result of our having attached significance thereto in making our investment decision with respect to the Bonds, and we have had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Issuer and the Bonds. We are able and willing to bear the economic risk of the purchase and ownership of the Bonds.

4. We understand that the Bonds have not been registered with any federal or state securities agency or commission.

5. We acknowledge that the Bonds are transferable upon presentation to the bond registrar and are transferable in authorized denominations as provided in the Indenture provided that:

(i) the transferring holder thereof shall first have complied with all applicable state and federal securities laws and regulations;

(ii) the transferring holder thereof is transferring the Bonds only to a transferee who executes and delivers to the Issuer a letter of the transferee substantially in the form of this letter and who qualifies as: a qualified institutional buyer pursuant to Rule 144A of the Securities Act of 1933, as amended (the “1933 Securities Act”);

(iii) the transferring holder thereof will not prepare or furnish, or cause to be prepared or furnished, any disclosure regarding the Issuer’s finances without the prior review and written consent of the Issuer, in the Issuer’s sole discretion.

6. The Investor certifies that it is a “qualified institutional buyer” within the meaning of Rule 144A of the Securities Act.

[INVESTOR]

By: _____
Its: _____

2004 ESCROW AGREEMENT

THIS 2004 ESCROW AGREEMENT dated as of _____, 2016 (the "Agreement"), by and between the Successor Agency to the Redevelopment Agency of the City of Corcoran (the "Agency") and U.S. Bank National Association, as escrow bank (the "Escrow Bank"), is entered into in accordance with a Resolution of the Agency, adopted on February __, 2016 and that certain Indenture of Trust dated as of October 1, 2004 (the "Indenture"), by and between the dissolved Redevelopment Agency of the City of Corcoran (the "Former Agency") and U.S. Bank National Association (the "Prior Trustee"), to refund all of the outstanding Redevelopment Agency of the City of Corcoran Corcoran Industrial Sector Redevelopment Project Tax Allocation Bonds, Series 2004 (the "Refunded Bonds").

WITNESSETH:

WHEREAS, the Former Agency previously issued the Refunded Bonds pursuant to the Indenture;

WHEREAS, the Agency has determined that a portion of the proceeds of the \$_____ aggregate principal amount of the Successor Agency to the Redevelopment Agency of the City of Corcoran Tax Allocation Refunding Bonds, Series 2016 (the "2016 Bonds") issued pursuant to the Indenture of Trust, dated as of _____, 2016, by and between the Agency and U.S. Bank National Association, as trustee, will be used to provide the funds to redeem on _____, 2016 the principal of the Refunded Bonds maturing after February 1, 2016 without premium, along with interest accrued to such date (the "Redemption Price"); and

WHEREAS, the moneys deposited with the Escrow Agent will be sufficient, along with certain other moneys deposited with the Escrow Agent at the same time pursuant to this Agreement, to redeem and discharge the Refunded Bonds;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Agency and the Escrow Agent agree as follows:

SECTION 1. Deposit of Moneys. The Agency hereby instructs the Escrow Agent to deposit \$_____ received from the Trustee from the net proceeds of the sale of the 2016 Bonds in the Escrow Fund established hereunder. The Escrow Agent shall hold all such amounts in cash in an irrevocable escrow separate and apart from other funds of the Agency and the Escrow Agent in a fund hereby created and established to be known as the "Escrow Fund" and to be applied solely as provided in this Agreement.

SECTION 2. Sufficiency of Moneys. The Escrow Agent acknowledges receipt of the moneys described in Section 1 and agrees immediately to deposit such moneys in the Escrow Fund. The Escrow Agent shall be entitled to rely upon the conclusion of _____ (the "Verification Agent"), that the cash on deposit in the Escrow Fund will be sufficient to pay the Redemption Price of the Refunded Bonds maturing on and after February 1, 2016 on _____, 2016.

SECTION 3. Payment of Refunded Bonds.

(a) **Payment.** From the moneys on deposit in the Escrow Fund, the Escrow Agent shall, on _____, 2016, apply the amounts on deposit in the Escrow Fund to pay the

Redemption Price of the Refunded Bonds maturing after February 1, 2016. Upon the complete redemption of the Refunded Bonds, the Escrow Agent shall close the Escrow Fund and transfer any remaining proceeds therein to the Agency.

(b) Irrevocable Instructions to Provide Notice. The form of the notice of redemption required to be mailed pursuant to Section 6.3 of the Indenture was mailed by the Trustee on _____, 2016. The Agency hereby irrevocably instructs the Escrow Agent to mail a notice of defeasance of the Refunded Bonds in the form attached hereto as Exhibit A.

(c) Unclaimed Moneys. Any moneys which remain unclaimed for two years after _____, 2016 shall be repaid by the Escrow Agent to the Agency.

(d) Priority of Payments. The owners of the Refunded Bonds shall have a first and exclusive lien on all moneys in the Escrow Fund until such moneys are used and applied as provided in this Agreement.

(e) Termination of Obligation. As provided in the Indenture, upon deposit of moneys with the Escrow Agent in the Escrow Fund as set forth in Section 1 hereof all obligations of the Agency under the Indenture with respect to the Refunded Bonds shall cease, terminate and become void except as set forth in the Indenture.

SECTION 4. Application of Certain Terms of the Indenture. All of the terms of the Indenture relating to the making of payments of principal of and interest on the Refunded Bonds and relating to the exchange or transfer of the Refunded Bonds are incorporated in this Agreement as if set forth in full herein. The procedures set forth in [Article IX] of the Indenture relating to the resignation and removal and merger of the Trustee under the Indenture are also incorporated in this Agreement as if set forth in full herein and shall be the procedures to be followed with respect to any resignation or removal of the Escrow Agent hereunder.

SECTION 5. Performance of Duties. The Escrow Agent agrees to perform only the duties set forth herein and shall have no responsibility to take any action or omit to take any action not set forth herein.

SECTION 6. Escrow Agent's Authority to Make Investments. The Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of the moneys held hereunder.

SECTION 7. Indemnity. The Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Agent and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Agent at any time (whether or not also indemnified against the same by the Agency or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds deposited therein, the retention of the proceeds thereof and any payment, transfer or other application of moneys by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the

Agency shall not be required to indemnify the Escrow Agent against the Escrow Agent's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Agent's respective employees or the willful breach by the Escrow Agent of the terms of this Agreement. In no event shall the Agency or the Escrow Agent be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Escrow Agent.

SECTION 8. Responsibilities of Escrow Agent. The Escrow Agent and its agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of the moneys in the Escrow Fund to pay or redeem the Refunded Bonds, as the case may be, or any payment, transfer or other application of moneys or obligations by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Agent made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the Agency, and the Escrow Agent assumes no responsibility for the correctness thereof. The Escrow Agent makes no representation as to the sufficiency of the proceeds to accomplish the refunding of the Refunded Bonds or to the validity of this Agreement as to the Agency and, except as otherwise provided herein, the Escrow Agent shall incur no liability in respect thereof. The Escrow Agent shall not be liable in connection with the performance of its duties under this Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an officer of the Agency.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Agency elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

No provision of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Agency the right to receive brokerage confirmations of security transactions as they occur, the Agency specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the Agency periodic cash transaction statements which include detail for all investment transactions made by the Escrow Agent hereunder.

SECTION 9. Amendments. This Agreement is made for the benefit of the Agency and the owners from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such owners, the Escrow Agent and the Agency; provided, however, that the Agency and the Escrow Agent may, without the consent of, or notice to, such owners, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such owners and as shall not be inconsistent with the terms and provisions of this Agreement, the Refunding Law (as defined in the Indenture), or the Indenture, for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Agent for the benefit of the owners of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such owners or the Escrow Agent; and (iii) to include under this Agreement additional funds. The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the owners of the various Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 10. [Reserved.]

SECTION 11. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the Refunded Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Agent pursuant to Section 3(c) of this Agreement.

SECTION 12. Compensation. The Escrow Agent shall receive its reasonable fees and expenses as previously agreed to by the Escrow Agent and the Agency and any other reasonable fees and expenses of the Escrow Agent approved by the Agency; provided, however, that under no circumstances shall the Escrow Agent be entitled to any lien or assert any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Agent under this Agreement.

SECTION 13. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Agency or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 14. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

SECTION 15. Governing Law. THIS AGREEMENT SHALL BE CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 16. Insufficient Funds. If at any time the Escrow Agent has actual knowledge that the moneys in the Escrow Fund, including the anticipated proceeds of and earnings thereon, will not be sufficient to make all payments required by this Agreement, the Escrow Agent shall notify the Agency in writing, of the amount thereof and the reason therefor to the extent known to it. The Escrow Agent shall have no responsibility regarding any such deficiency.

SECTION 17. Notice to District and Escrow Agent. Any notice to or demand upon the Escrow Agent may be served or presented, and such demand may be made, at the principal corporate trust office of the Escrow Agent at One California Street, Suite 2550, San Francisco, CA 94111, Attention: Corporate Trust Services. Any notice to or demand upon the Agency shall be deemed to have been sufficiently given or served for all purposes by being mailed by registered or certified mail, and deposited, postage prepaid, in a post office letter box, addressed to the Agency at 832 Whitley Avenue, Corcoran, California 93212, Attention: Executive Director (or such other address as may have been filed in writing by the Agency with the Escrow Agent).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and attested as of the date first above written.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF CORCORAN

By: _____
Executive Director

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____
Authorized Officer

EXHIBIT A

NOTICE OF DEFEASANCE

**REDEVELOPMENT AGENCY OF THE CITY OF CORCORAN
CORCORAN INDUSTRIAL SECTOR REDEVELOPMENT PROJECT
TAX ALLOCATION BONDS, SERIES 2004**

BASE CUSIP[†] NO. _____

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (as further defined below, the “Refunded Bonds”), that the Successor Agency to the Redevelopment Agency of the City of Corcoran (the “Agency”) has deposited with U.S. Bank National Association, as trustee (the “Trustee”) under that certain Indenture of Trust dated as of October 1, 2004 (the “Indenture”), cash which will provide moneys sufficient to redeem on _____, 2016, the principal of the Refunded Bonds maturing after February 1, 2016, along with interest accrued to such date.

The Refunded Bonds to be defeased are as follows:

<i>CUSIP[†]</i>	<i>Maturity (February 1)</i>	<i>Rate</i>	<i>Amount</i>
	2017	4.300%	\$ 240,000
	2018	4.400	250,000
	2019	4.500	260,000
	2020	4.600	275,000
	2021	4.650	285,000
	2022	4.700	300,000
	2028	4.900	475,000
	2034	5.000	625,000

In accordance with the Indenture, the Refunded Bonds are deemed to have been paid in accordance with Section [11.1] thereof and the obligations of the Agency under the Indenture shall thereupon cease, terminate and become void and be discharged and satisfied.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

Dated this ____ day of _____, 2016.

[†] Copyright 2016, American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the Agency, the City of Corcoran nor the Trustee guarantees the accuracy of the CUSIP data.

City of

CORCORAN

A MUNICIPAL CORPORATION

FOUNDED 1914

STAFF REPORTS ITEM #: 7-E

MEMO

TO: City Council

FROM: Kindon Meik, City Manager

DATE: February 12, 2016

MEETING DATE: February 16, 2016

SUBJECT: County-wide Transactions and Use Tax Memorandum of Understanding (MOU)

Recommendation:

Approve the county-wide transactions and use tax MOU between the City of Corcoran and the County of Kings, the City of Avenal, the City of Hanford, and the City of Lemoore.

Discussion:

In 2012, Governor Brown initiated Proposition 30 which, in part, allowed for a 0.25 percent increase in the state sales tax for a period of four years.

With the understanding that Proposition 30 will expire this year, the County of Kings has proposed a county-wide transactions and use tax of 0.25 percent (1/4 cent increase) to take effect when Proposition 30 ends. As outlined, the transaction and use tax would be a special tax dedicated to public safety activities. It is anticipated that the initiative will be presented to the voters at the June primary election. To be adopted, the transactions and use tax would require two-thirds voter.

At the January 19, 2016 council meeting, the City Council approved the City's expenditure plan outlining proposed uses for the revenues. The City's expenditure plan outlines the use of the tax for personnel costs, programs, supplies and equipment, facilities, and training related to public safety.

The MOU includes the City's expenditure plan and establishes a revenue sharing methodology between the City of Corcoran and the four other government entities.

CITY OFFICES:

832 Whitley Avenue * Corcoran, CA 93212 * Phone 559-992-2151 * www.cityofcorcoran.com

Budget Impact:

If approved, the transactions and use tax will generate additional revenues for the City of Corcoran that will be used to offset public safety costs. The amount of new revenues will be based on the overall sales tax generated within the county.

Attachments:

Memorandum of Understanding

AGREEMENT NO. _____

**MEMORANDUM OF UNDERSTANDING (“MOU”)
BETWEEN THE COUNTY OF KINGS AND
THE CITIES OF AVENAL, CORCORAN, HANFORD, AND LEMOORE,
REGARDING EQUITABLE DISTRIBUTION OF
PUBLIC SAFETY TRANSACTIONS AND USE TAX REVENUES**

THIS AGREEMENT is entered into on this _____ day of _____, 2016 by and between the County of Kings (“County”) and the Cities of Avenal, Corcoran, Hanford, and Lemoore (collectively, the “Cities,” and collectively with County, the “Parties”).

1. PURPOSE

This MOU is entered into pursuant to the Joint Exercise of Powers Act, chapter 5, division 7, title 1 of the Government Code, beginning at section 6500.

It is not the intent of the Parties in entering into this MOU to establish a separate entity pursuant to Government Code section 6503.5, and the MOU shall not be construed to create such an entity.

If approved by County’s Board of Supervisors (“Board”) and the electorate, County anticipates establishing a transactions and use tax (the “Tax”) pursuant to Revenue and Taxation Code section 7285.5, and collected at a rate of one-quarter of one percent (0.25%). Because the tax will be collected countywide, and recognizing that the public safety needs of all of the jurisdictions in Kings County are interrelated, County intends to share the revenues of the Tax equitably between the Parties.

The purpose of this MOU is to provide for such equitable distribution.

2. RECITALS

WHEREAS, the Parties agree that the purposes of this MOU are as stated above in Paragraph 1; and

WHEREAS, each of the Parties has participated in the creation of the Tax; and

WHEREAS, in consideration for such participation and for the mutual covenants and conditions hereby imposed, each Party desires and agrees to be bound by this MOU; and

WHEREAS, each governing body approving this MOU finds that the Tax is in the public interest.

THEREFORE, it is hereby agreed as follows:

3. DISTRICT

County shall be the “district” for purposes of the Tax, but Cities hereby accept responsibility for the administration of the Tax to the extent called for herein. County shall contract with the State Board of Equalization to administer and collect the Tax, as provided for in state law.

4. AUDITOR’S DUTIES

A. Pursuant to Government Code section 50075.1, subdivision (c), County’s Auditor shall maintain a separate fund to receive and disburse Tax revenues in accordance with the ordinance adopting the Tax (“Ordinance”), the terms of this MOU, any and all contracts with the state for collection and administration of the Tax, and any resolution or indenture or similar document providing for the issuance of bonds or other obligations of any Party under section 3A of the Ordinance.

B. The first disbursement by the Auditor to each of the Parties shall be made as soon as reasonably possible after the end of the calendar quarter immediately following the first calendar quarter in which County receives Tax revenues from the State Board of Equalization. As used herein, a “calendar quarter” includes any of the following periods: January 1 to March 31, April 1 to June 30, July 1 to September 30, and October 1 to December 31. Thereafter, disbursements shall be made at regular quarterly intervals.

C. Annually, County’s Auditor shall generate the report required by Government Code section 50075.3, which shall state the amount of Tax funds collected and expended in the fiscal year closing prior to the issuance of the report, and shall describe the status of any project herein required or authorized to be funded. The report shall be submitted to the Citizens’ Oversight Committee described in Paragraph 8 of this MOU.

D. Each Party hereby agrees to cooperate expeditiously and fully with any requests for information made to that Party by County’s Auditor in order to gather information necessary to prepare the annual report required by Government Code section 50075.3. The Auditor in his or her discretion may request that a City’s officials prepare that portion of the annual report that relates to the City’s operations, and said request likewise shall be complied with expeditiously and fully.

F. The Parties may by separate agreement allow for equitable distribution of the Auditor's expenses in performing the duties described in this Paragraph 4.

5. PARTIES' OBLIGATIONS

In addition to every other obligation created by this MOU or any other relevant source of law, each fiscal year County will appropriate funds from the special fund created pursuant to Paragraph 4.A above to the Parties according to the formula described in Paragraph 6 below, except where the Auditor has authority to repay bonds and related expenses directly from a Party's apportionment. Each Party shall then deposit its allocation in a special fund within its own treasury, which shall be used only for the purposes described in Paragraph 6. Allocations to Cities shall be deemed and treated as irrevocable grants from County, and unless otherwise required by state or federal law, County shall exercise no supervision over City's use of said grant funds. However, if any action or omission by any Party impairs the ability of County or of any other Party to receive or use Tax revenues, the Parties shall meet and confer in good faith an attempt to resolve the situation before resorting to alternative dispute resolution or judicial action.

6. EXPENDITURE PLAN

A. Funds shall be distributed among the Parties according to the following formula:

1. Each fiscal year in which the Tax is collected, using data of the California Department of Finance, the Auditor shall determine the unincorporated population of County and population of each City. The Department of Finance annual population report released most recently prior to the beginning of the fiscal year in question shall be used for this purpose. Thus, for example, for the fiscal year beginning on July 1, 2016, if the Department of Finance's annual population report as of January 1, 2016, is issued and made publicly available prior to July 1, 2016, then the Auditor would use that report as the basis for calculation. If for any reason (e.g., a change in statutory deadlines) the annual report as of January 1, 2016, were not available by July 1, 2016, then the Auditor would rely upon the annual report as of January 1, 2015.

2. Using California Department of Rehabilitations and Correction prison population data (available as of January 2016, at: http://www.cdcr.ca.gov/Reports_Research/Offender_Information_Services_Branch/Monthly/Monthly_Tpop1a_Archive.html) for the December 31 prior to the January 1 from which the population data used for purposes to Paragraph 6.A.1 above is derived, the Auditor shall subtract from the populations of Avenal and Corcoran the populations of the state prisons located within those cities and add the subtracted totals to the unincorporated population. Thus, for example, if January 1, 2016 Department of Finance population figures are used to determine jurisdictions' populations for the fiscal year beginning on

July 1, 2016, then prison population data as of December 31, 2015, would be used to make the prison population adjustments described herein.

3. Using the population totals derived as described above in Paragraph 6.A.1, as adjusted pursuant to Paragraph 6.A.2, the Auditor shall determine the percentage of County's total population residing in each City and in the unincorporated area of County. Said percentages shall be rounded to the nearest tenth of one percent, but adjusted as necessary to total 100 percent. For example, the numbers 6.30, 8.46, 37.37, 16.48, and 31.39, would round to 6.3, 8.5, 37.4, 16.5, and 31.4. However, the latter rounded series would total 100.1 percent, so that the lowest fractional portion of a number to be round up would need to be adjusted downward as follows: 6.3, 8.4, 37.4, 16.5, and 31.4.

4. Each Party's final adjusted percentage, as determined pursuant to Paragraph 6.A.3 above, shall form the basis of that Party's allocation of Tax revenues.

5. If any of the statistics required by this Paragraph 6.A to be used to calculate the Parties' allocations of Tax revenues should become unavailable, then the County Administrative Officer and city manager of each City shall collectively agree upon a source of data to use instead, and should consult with the director of the Kings County Association of Governments to identify recommended sources of data.

6. Within 30 days after the annual making of the calculations required by this Paragraph 6.A, the Auditor shall transmit the calculations in writing to the Cities' finance directors. If no objection is made to the Auditor in writing within 30 days after the date on which the Auditor sent the data, then the Auditor's calculations shall be conclusive. If an objection is made, the Auditor shall recheck the calculations. If the Auditor agrees with an objection, then the calculations shall be adjusted accordingly, and the Auditor shall provide written notice of the change to all City finance directors. If the Auditor disagrees, written notice of that determination shall likewise be provided. If any Party disputes such an adjustment, or if no adjustment is made in response to an objection because the Auditor disagrees with the objection, any judicial action or other formal dispute resolution proceedings shall be initiated within 30 days after receipt of notice of the Auditor's determination by the finance director of the Party disputing that determination. Upon resolution, any necessary adjustment to disbursements previously made in reliance upon calculations determined to be incorrect shall be made in the next quarterly disbursement, but no interest shall be due thereon. Notices and calculations provided to the finance directors of the Cities pursuant to this Paragraph 6.A.6 shall be identical for all Cities. The source of all data used in the calculations is a matter of public record, as described herein; however, the Auditor will respond to questions from Cities regarding those sources and the manner in which the calculations were made.

7. In the event that any Party's governing body fails to ratify this MOU, the Party's annual allocation shall be allocated equitably between the remaining Parties in proportion to the ratio of each of the remaining Parties' population to the total combined population of those Parties, determined using methods substantially consistent with the methods described above in Paragraphs 6.B.1 to 6.B.6.

B. Funds allocated to each of the Parties shall be used as described in this Paragraph 6.B. As used herein, the term "frontline equipment" means any equipment used in the community for police or fire operations, but does not include such items as office furniture or supplies. Any reference herein to repayment of bonds with future Tax revenues includes payment of principal, interest, origination fees, debt servicing, and related fees and expenses. As used herein, the term "legitimate public safety purpose" means any of the following:

1. Training for public safety personnel.
2. Creation or expansion of neighborhood crime prevention programs and anti-gang, anti-drug, and anti-bullying programs. Such programs may be carried out by a Party directly, or the Party may offer grants to, or work cooperatively with, neighborhood associations, schools, or similar organizations.
3. Any other public safety purpose reasonably calculated to –
 - a. Improve police and fire response times;
 - b. Reduce recidivism;
 - c. Help government agencies, private businesses, and residents prepare for and prevent fires or crimes; or
 - d. Otherwise reduce crime rates.

County: Exactly half of County's allocation shall be appropriated annually by the County Board of Supervisors for use by the Kings County Sheriff's Office ("KCSO"), and half shall be appropriated to the Kings County Fire Department ("KCFD"). These two agencies shall use the funds as follows:

1. KCSO:

The initial revenues shall be used for staffing. KCSO will use Tax revenues to hire more deputy sheriffs on patrol and in the County jail. Current estimates would allow the Sheriff to hire minimally six (6) more deputy sheriffs. With the recent expansion of the jail facilities AB900 (Assembly Bill 900 phase II) and SB1022 (senate Bill 1022) the

Sheriff is in need of more sworn deputy sheriffs to staff the opening of the expansions. During the recession of 2008/2009, in an agreement between the former Sheriff and the Board of Supervisors, six (6) patrol deputy positions were frozen. This caused a reduction in staffing for the outlying areas of Corcoran and Kettleman City, and these reductions are still affecting staffing today. The tax proceeds would also be used to bolster patrol staffing positions throughout the county, including the outlying areas.

After meeting the staffing needs described above, any Tax revenue received in any fiscal year not needed for personnel expenses may be used by the Sheriff with approval from the Board of Supervisors as follows: (1) to build or rehabilitate facilities to house KCSO operations; (2) to replace aging and/or outdated frontline equipment; (3) to hold funds in reserve to purchase frontline equipment in future years; and/or (4) for any other legitimate public safety purpose relating to crime prevention. For the purpose of building or rehabilitating facilities, the County is hereby authorized to issue bonds to be repaid from any and all Tax revenues received in future years that are determined by the Sheriff, with the concurrence of the Board of Supervisors, not to be needed for personnel expenses or other priorities.

2. KCFD:

Currently KCFD has four (4) fire stations that have only one (1) firefighter during the 24 hour duty shift. This poses a safety concern and limits the operational capability of units responding to emergencies. KCFD will use Tax revenues to hire additional firefighters to eliminate one-person staffing of fire stations and to ensure that an effective response force is available for emergencies.

After meeting the staffing needs described above, any Tax revenue received in any fiscal year not needed for personnel expenses may be used by the Fire Chief with approval from the Board of Supervisors as follows: (1) to build or rehabilitate facilities to house KCFD operations; (2) to replace aging and/or outdated frontline equipment; (3) to hold funds in reserve to purchase frontline equipment in future years; and/or (4) for any other legitimate public safety purpose relating to fire safety. For the purpose of building or rehabilitating facilities, the County is hereby authorized to issue bonds to be repaid from any and all Tax revenues received in future years that are determined by the Fire Chief, with the concurrence of the Board of Supervisors, not to be needed for personnel expenses or other priorities.

Avenal:

The City of Avenal anticipates future needs as follows: (1) additional police officers and support staff; (2) construction of new and/or expanded facilities; (3) rehabilitation of existing facilities; and (4) additional frontline police equipment. To meet these needs, each year in which the City receives revenue from the Tax, the City Council

will approve on the recommendation of the City Manager and Police Chief an expenditure plan, which may be included as part of the annual City budget. Expenditures of Tax revenues under the plan will not supplant existing general fund and/or development impact fee fund expenditures.

In developing the annual expenditure plan, any Tax revenues determined by the City Council not to be needed for personnel costs may be used to purchase frontline police equipment, may be held in reserve to purchase such equipment in a future year, or may be used for other legitimate public safety purposes. In order to meet the City's need for new and/or expanded facilities or the rehabilitation of aging existing facilities, each year any and all Tax revenues may also be allocated for the construction and rehabilitation of facilities to house and support police operations; therefore, the City is hereby authorized to issue bonds for facility construction to be repaid from Tax revenues in future years.

Corcoran:

Revenues generated through the Tax will be entirely dedicated to public safety purposes in the City of Corcoran. This plan is intended to create the flexibility needed to maintain and improve public safety activities in Corcoran through locally generated funds. Each year in which the City receives Tax revenue, the City will allocate the use of funds through the budgetary process. The City Council reserves the right to allocate revenues from the Tax at its discretion based upon the approved plan, and will determine with City staff the local public safety priorities and needs of the community. Tax revenues may be used for any of the following:

1. Public safety personnel costs, including training of safety personnel;
2. The implementation or expansion of local public safety programs and initiatives;
3. Frontline supplies and equipment;
4. Rehabilitation of existing public safety facilities or construction of new public safety facilities; for which purpose the City is hereby authorized to issue bonds for facility construction to be repaid from any and all Tax revenues received in future years; and
5. Any other legitimate public safety purpose.

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Hanford:

The City's current police station is outdated and insufficiently small to meet current needs, and the City anticipates building an additional fire station to reduce response times citywide. The City also has the following unmet and anticipated public safety needs: (1) to hire additional sworn police officers and firefighters; (2) to purchase additional frontline police and fire equipment; and (3) to rehabilitate existing police and fire facilities. In the future, the City may have need for additional new police and fire facilities not currently anticipated.

To meet these needs, each year in which the City receives revenue from the Tax, the City Council will approve on the recommendation of the City Manager and Police and Fire Chiefs an expenditure plan, which may be included as part of the annual City budget. Expenditures of Tax revenues under the plan will not supplant existing general fund and/or development impact fee fund expenditures.

Each year, any and all Tax revenues may be allocated for the construction and rehabilitation of facilities to house police and fire operations, and the City is hereby authorized to issue bonds for facility construction to be repaid from Tax revenues in future years. Any funds determined by the City Council not to be needed to rehabilitate and construct facilities or to repay bonds authorized herein should be used to hire additional sworn police officers and/or firefighters, or to pay the salaries and benefits of police officers and firefighters hired in previous years with Tax revenues. Any Tax revenues determined by the City Council not to be needed for personnel costs may be used to purchase frontline police or fire equipment, may be held in reserve to purchase frontline police or fire equipment in a future year, or may be used for any other legitimate public safety purpose.

Lemoore:

Each year in which the City receives Tax revenue, the City Council will, as part of its annual budget, adopt a plan allocating Tax revenues for public safety purposes. Any and all Tax revenues may be allocated for the construction and rehabilitation of facilities to house police and fire operations, and the City is hereby authorized to issue bonds for facility construction to be repaid from Tax revenues in future years. The City may also hold Tax revenues in reserve for future projects to rehabilitate or construct public safety facilities.

Any funds determined by the City Council not to be needed to rehabilitate or construct facilities or to repay bonds authorized by this funding plan should be used to hire additional sworn police officers and firefighters, or to pay the salaries and benefits of police officers and firefighters hired in previous years using Tax revenues. Funds determined by the City Council not to be needed for personnel costs may: (1) be used to

purchase frontline police or fire equipment, (2) be held in reserve to purchase frontline police or fire equipment in future years, or (3) be used for any legitimate public safety purpose determined by the City Council to be the best use of the funds.

C. It is understood and agreed by the Parties that the State Board of Equalization will withhold administrative, preparation, and other expenses from allocations of Tax revenues made to County. County's actual receipts shall be used for purposes of dividing revenues between the Parties rather than gross receipts actually collected by the State Board of Equalization. If in the future the State Board of Equalization's fees are directly billed to County rather than withheld from Tax collections, then disbursements to the Parties under this Paragraph 6 shall be calculated and made after deducting fees from total collections.

7. BONDING AUTHORITY

A. To the extent that this MOU and Paragraph 3A of the Ordinance authorizes any Party to issue bonds to be repaid with Tax revenues, any Party wishing to issue such bonds is responsible for consulting with its own legal and financial experts regarding its authority to do so and the manner in which any bonding authority should be exercised. Nothing contained herein, in the Ordinance, or in any written or oral statement between the Parties prior to the execution of this MOU should be construed as a guarantee that any bonding authority exists.

B. For any City wishing to issue bonds to be repaid through Tax revenues, County hereby delegates to that City, to the fullest extent allowed by law, those duties County may have as the "authority" pursuant to Revenue and Taxation Code section 7285.5, subdivision (b) and chapter 1 (commencing with section 55800) of part 3 of division 2 of title 5 of the Government Code. For any duty determined to be nondelegable, County shall cooperate with the City in an expeditious manner to assist the City in issuing bonds as approved by that City's city council, in consideration whereof the City shall hold County harmless and indemnify and defend it in any action challenging the issuance of the bonds.

C. A City that issues bonds to be repaid from Tax revenues, or upon whose behalf such bonds are issued, shall reimburse County for any and all expenses incurred by County relating to bond issuance, debt servicing, or related expenses.

D. No Party shall take any action that would commit another Party's allocation of Tax revenues to the repayment of bonds, except by separate agreement of those Parties.

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8. CITIZENS’ OVERSIGHT COMMITTEE

A. There shall be appointed a Citizens’ Oversight Committee (the “Committee”), which shall meet at least annually to review the Auditor’s report created pursuant to Government Code section 50075.3, and to make any recommendations thereon. Recommendations made by the Committee shall be forwarded to each of the Parties’ governing bodies.

B. Meetings of the Committee shall be open to the public and subject to the Brown Act. A designee of County’s Administrative Officer shall staff the Committee as its secretary, and the Committee shall function according to its own bylaws and rules of procedure not inconsistent herewith. County Counsel shall serve as the Committee’s legal advisor and parliamentarian.

C. The governing body of each Party may appoint one member of the body to serve as a liaison to, and non-voting ex officio member of, the Committee. Each governing body shall appoint one public member to serve as a voting member of the Committee. Non-voting ex officio members shall not be counted for purposes of establishing a quorum of the Committee, and shall serve at the pleasure of their respective governing bodies. Voting members of the Committee shall each be appointed to serve not more than two consecutive two-year terms.

D. In no event shall the Committee be deemed or treated as a separate entity from County.

E. County shall incur in-kind the reasonable cost of providing meeting space, staffing, and copies of agenda, minutes, and the Auditor’s annual report to Committee members. In the event that County incurs extraordinary costs relating to the work of the Committee, County shall invoke the procedures set forth below in Paragraph 10 of this MOU, and the Parties shall meet and confer in good faith to devise means to equitably share those extraordinary costs.

9. ELECTION COSTS

County’s Elections Division shall conduct the election necessary to approve the Tax. Regardless of whether the proposed Tax measure meets the required two-thirds threshold for adoption, the Parties agree to divide election costs in the following proportions: County shall incur 50 percent of the cost of the election in-kind, Avenal shall reimburse County for 5 percent of the cost, Corcoran for 6 percent, Hanford for 27 percent, and Lemoore for 12 percent.

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10. INDEMNITY

A. In the event of an action solely against County challenging the Ordinance or the election seeking approval of the Tax, the Cities shall indemnify County for a share of County's reasonably incurred attorneys' fees and costs, in proportion to the percentage of Tax revenues each Party anticipates receiving in the first fiscal year in which the Tax is to be levied. If fewer than all of the Parties are named in such an action under circumstances where all the Parties would benefit by the defense of the action, Parties not named as defendants in the action likewise shall, except as otherwise provided herein, indemnify the named Parties for a pro rata share of reasonably incurred attorneys' fees and costs.

B. Except as provided above in Paragraph 10.A or below in Paragraph 10.C, in the event of a challenge to the Ordinance, the election, this MOU, or the collection or use of Tax revenues, the Parties shall cooperate in the defense of said action, and any Party may contract with any other Party to handle its defense. Each Party shall bear its own attorneys' fees and costs unless one or more of the Parties is obligated to indemnify one or more other Party(ies) hereunder, or unless the Parties meet and confer and agree upon some equitable apportionment based upon a discrepancy between Parties' costs and benefits to be realized thereby.

C. Each Party will indemnify the other Parties with respect to all claims, causes of action, damages, and costs (including attorneys' fees and other legal costs) arising out that the Party's sole willful misconduct, or arising principally from the Party's use or misuse of funds received hereunder.

D. No Party shall bring an action against any other Party arising out of allegations that the latter Party's actions or omissions caused the Tax not to pass into law or take effect. Nor shall any Party be entitled to consequential or expectation damages resulting from any non-malicious error or omission on the part any other Party that prevents Tax revenues from being collected or received by County for distribution amongst the Parties. Nothing contained in this Paragraph 10.D should be construed to abrogate any Party's indemnification obligations under this MOU.

E. Notwithstanding any other provision of this MOU, no duty to indemnify or defend another Party shall arise under this MOU where the circumstances otherwise giving rise to that duty are the result of the sole willful misconduct the indemnitee.

11. ASSIGNMENT

Except as provided for in this MOU, no Party may assign or delegate its rights or obligations pursuant to the MOU without the prior written consent of the other Parties, and any assignment or delegation in violation of this paragraph shall be void.

12. NOTICE

Any notice necessary to the performance of this Agreement shall be given in writing by personal delivery or by prepaid first-class mail addressed to the city manager or County Administrative Officer of the Party to whom notice is directed (or finance director where notice is given pursuant to Paragraph 6.A.6 above), with a copy to that Party's counsel (i.e., County Counsel or the Party's designated city attorney). If notice is given by personal delivery, notice is deemed received as of the date of personal delivery. If notice is given by mail, notice is deemed received as of three days following the date of mailing or as of the date of delivery as reflected on a return receipt, whichever occurs first. A defect in providing notice may be affirmatively waived by a Party, and absent prejudice to any Party, clear and convincing evidence of actual notice shall be sufficient to establish substantial compliance with these notice requirements.

13. CHANGES AND AMENDMENTS; TERMINATION

Except to correct a clerical error, Paragraph 6 of this MOU may be amended only upon the unanimous consent of the governing bodies of all the Parties, with the concurrence of two-thirds of the electorate. Clerical errors in Paragraph 6 and provisions of the remaining paragraphs of this MOU may be amended only upon the unanimous consent of the governing bodies of all the Parties.

This MOU shall not terminate so long as Tax revenues are being collected, and shall thereafter continue into force as long as is necessary to give effect to the MOU's covenants and conditions.

As used in this Paragraph 13, "clerical error" refers only to those defects of a mechanical, mathematical, or clerical nature that do not alter the substance of this MOU, or where it can be shown clearly from the face of the MOU that the literal construction of the erroneous language would produce a result that is so fundamentally absurd or anomalous and contrary to the purposes of this MOU that the parties could not have intended it.

14. CHOICE OF LAW

This agreement shall be governed by the laws of the state of California.

15. INTEGRATION; COUNTERPARTS; CONTRIBUTION OF ALL PARTIES

This MOU, including any exhibits referenced herein, constitutes the entire agreement between the Parties, and there are no inducements, promises, terms, conditions, or obligations made or entered into by the Parties other than those contained

herein. This MOU may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument. This Agreement represents the contributions of all Parties, who are each represented by competent counsel, and it is expressly agreed and understood that the rule stated in Civil Code section 1654, that ambiguities in a contract shall be construed against the drafter, shall have no application to the construction of this MOU.

16. CALIFORNIA ENVIRONMENTAL QUALITY ACT

No Party is, by cooperating in the submission of the Tax measure to the voters, committing itself to any project. Specific projects will be approved only if the Tax measure is adopted by the voters, and will depend upon actual receipts, other available resources, and public safety needs that arise from year to year. As such, the Parties agree that there are no currently foreseeable significant environmental impacts of the Ordinance, this MOU, or any action relating to placing the Tax measure before voters, all of which are exempt from environmental review under California Administrative Code, title 14, section 15061(b)(3).

17. CONSTRUCTION; INCORPORATION OF EXHIBITS

Unless otherwise provided in this MOU, or unless the context so requires, the following definitions and rules of construction shall apply herein:

- A. Captions. The captions of this MOU are for convenience in reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction or meaning of the provisions of this MOU.
- B. Number and Gender. Wherever the context so requires in this MOU, the neuter gender includes the feminine and masculine, and vice versa, the feminine includes the masculine and vice versa, the singular includes the plural, and the word “person” includes corporations, partnerships, firms or associations.
- C. Mandatory and Permissive. The terms “shall” and “will” and “agrees” are mandatory. “May” is permissive.
- D. Term Includes Extensions. All references to the term of this MOU shall include any extensions of such term.
- E. Exhibits. Any exhibits mentioned herein and attached hereto are specifically incorporated herein by this reference and made a part of this MOU.
- F. Parties’ Intent. In the event that any provision of this MOU is capable of more than one interpretation or is otherwise found to contain a latent or patent

ambiguity, the interpretation that best effectuates the objects of the MOU, as expressed in the Ordinance and by the Parties in Paragraphs 1 and 2 above, shall govern to the extent that such interpretation does not render the MOU or any material provision thereof void or otherwise unenforceable, and even if that interpretation conflicts with the most literal or grammatically correct construction of the MOU.

18. SEVERABILITY; CHANGES IN STATE OR FEDERAL LAW

If any of the provisions of this MOU is found to be unenforceable, the remainder shall be enforced as fully as possible, and the unenforceable provision shall be deemed modified to the limited extent required to permit enforcement of the Agreement as a whole.

Should any change in state or federal law affect the enforceability of any provision of this MOU, the MOU shall be deemed to incorporate the change in law to the extent necessary to effectuate the objects and purposes of the MOU.

THIS AGREEMENT is entered into by and between the Parties as of the date by which all Parties have executed it.

COUNTY
Dated: _____

CITY OF AVENAL
Dated: _____

Doug Verboon,
Chairman of the Board of Supervisors

, Mayor

ATTEST

ATTEST

Catherine Venturella, Clerk of the Board

, City Clerk

APPROVED AS TO FORM

APPROVED AS TO FORM

Colleen Carlson, County Counsel

, City Attorney

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CITY OF CORCORAN

Dated: _____

, Mayor

ATTEST

, City Clerk

APPROVED AS TO FORM

, City Attorney

CITY OF LEMOORE

Dated: _____

, Mayor

ATTEST

, City Clerk

APPROVED AS TO FORM

, City Attorney

CITY OF HANFORD

Dated: _____

, Mayor

ATTEST

APPROVED AS TO FORM

, City Attorney

**MATTERS FOR MAYOR AND COUNCIL
ITEM #: 8-A**

MEMORANDUM

MEETING DATE: February 16, 2016
TO: Corcoran City Council
FROM: Kindon Meik, City Manager
SUBJECT: Matters for Mayor and Council

UPCOMING EVENTS / MEETINGS

- March 7, 2016 (Monday) City Council Meeting – 6:00 PM, Council Chambers
- March 21, 2016 (Monday) City Council Meeting – 6:00 PM, Council Chambers

- A. Information Items
 - 1.
- B. Council Comments – *This is the time for council members to comment on matters of interest.*
 - 1. Staff Referral Items
- C. Committee Reports
- D. Council Goals:



**COUNCIL REQUESTS OR REFERRAL ITEMS
PENDING FURTHER ACTION or RESOLUTION BY STAFF**

DATE Sent to Council/ Request made	REQUEST	STATUS	DEPARTMENT RESPONSIBLE Dept/Division
04/01/13	Council directed staff to explore options to establish electronic council packets (e-packets) and cost of tablets including funding options.	Ongoing	City Manager
04/01/13	Council directed staff to explore options to upgrade audio visual (AV) equipment, including audio (microphone), video projection and display in the Council Chambers.	Ongoing	City Manager
07/01/13	UPDATE: 02/17/15 Council authorized NHA Advisors to prepare financial strategic plan. Plan will discuss city revenues and projected expenses. 09/16/13 Staff presented revenue generating options to Council. Council requested additional information on specific items.	Ongoing	City Manager
03/16/15	UPDATE: Water reduction percentages: January (2016) 27% December 22% November 34% October 30% September 26% August 31% July 36% 11/02/15 The City adopted a one-day irrigation schedule to take effect December 1, 2015. 06/10/15 Direct mailer with Stage 2 rules and restrictions finalized and sent to printer. 05/26/15 Council approved Ordinance No. 625 amending Chapter 1 of Title 8 and approved Resolution No. 2778 implementing Water Conservation Stage 2. 05/04/15 Council provided final comments on Chapter 1 of Title 8. An ordinance amending said section of the municipal code will be introduced at a special meeting on May 26, 2015.	Ongoing	City Manager/ Public Works/ Community Development
1/19/16	Council discussed the option of changing the day/time of the council meetings. The item will be included on a future agenda for a decision.	Ongoing	City Manager/City Clerk