JOSEPH KELLY
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
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June 02, 2015

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

1-RA June 2, 2015

PATRICK OGAWA
ACTING EXECUTIVE OFFICER

The Honorable Board of Directors
County of Los Angeles Redevelopment
Refunding Authority
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ISSUANCE AND SALE OF
COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
TAX ALLOCATION REVENUE REFUNDING BONDS,
SERIES 2015A AND SERIES 2015B
(4TH DISTRICT) (3 VOTES)

SUBJECT

The Treasurer and Tax Collector (the "Treasurer"), on behalf of the County of Los Angeles Redevelopment Refunding Authority (the "Authority"), is requesting authorization to issue tax allocation revenue refunding bonds (the "July 2015 Refunding Bonds") in an aggregate principal amount not to exceed $200 million. Proceeds from the sale of the bonds will be used to purchase tax allocation refunding bonds (the "Local Obligations") issued by the Successor Agency to the City of Long Beach Redevelopment Agency (the "Long Beach Successor Agency"). Such Local Obligations are to be issued for the purpose of achieving debt service savings that will benefit local taxing entities, including the County, that receive a share of the ad valorem property tax.

The July 2015 Refunding Bonds are being issued by the Authority pursuant to the State of California Marks-Roos Bond Pooling Act. The payment of debt service on the July 2015 Refunding Bonds will be funded exclusively by the Long Beach Successor Agency with no financial recourse to either the County or the Authority. The issuance of the July 2015 Refunding Bonds represents the sixth bond sale to be completed under the County of Los Angeles Redevelopment Bond Refunding Program (the "Program").

IT IS RECOMMENDED THAT THE BOARD:

Adopt the resolution authorizing all necessary actions related to the issuance and sale of the County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A and 2015B, in an aggregate principal amount not to exceed $200 million to fund the purchase of the Local Obligations.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Effective February 1, 2012, pursuant to Assembly Bill x1 26 ("AB 26"), redevelopment agencies throughout the State were abolished and prohibited from engaging in future redevelopment activities. AB 26 enabled the formation of successor agencies ("Successor Agencies"), which have the responsibility of winding down outstanding obligations of the former redevelopment agencies.

On June 27, 2012, the State passed Assembly Bill 1484 ("AB 1484"), which included provisions permitting Successor Agencies to refund outstanding bonds or other obligations of a former redevelopment agency to achieve savings. While Successor Agencies can refund their bonds utilizing their own staff, underwriters, lawyers and consultants, the Treasurer developed the Program to assist Successor Agencies that may not have the staff or the time to pursue a refunding on their own. To further benefit the Successor Agencies, the Treasurer structured the Program to include the following key benefits:

1. The County financing team assumes responsibility for marketing the refunding bonds, managing the credit rating process, and coordinating the approval process with the State Department of Finance.

2. The issuance of multiple series of refunding bonds achieves economies of scale, resulting in reduced costs of issuance for each participating Successor Agency.

3. The Treasurer assumes much of the continuing disclosure responsibility by serving as dissemination agent for the Local Obligations.

4. Structural enhancements, including the County's intercept of debt service payments, improves the marketability of the refunding bonds and results in lower interest rates and increased savings.

Since the Program was first established in 2013, eight Successor Agencies have participated and over $433 million of tax allocation bonds have been successfully refunded. The refunding transactions have generated gross savings in excess of $103 million that are beginning to be recognized as additional revenue by the County and other local taxing entities.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal #1: Operational Effectiveness/Fiscal Sustainability through collaborative actions between the County and local agencies to refinance outstanding bond obligations of various Successor Agencies to secure additional property tax revenue for the local taxing entities, including the County General Fund.

FISCAL IMPACT/FINANCING

The proposed financing is scheduled to close in July 2015 and will include two series of revenue refunding bonds. The Series 2015A Bonds will consist of approximately $76 million of tax-exempt

debt, and the Series 2015B Bonds will consist of approximately $83 million of taxable debt. The Long Beach Successor Agency has previously obtained its governing board and oversight board approvals for the proposed refunding.

The total projected debt service savings for the July 2015 Refunding Bonds is estimated to be greater than $50 million. These savings will translate to additional property tax revenue for the local taxing agencies that have jurisdiction over the seven redevelopment project areas within the City of Long Beach. By lowering the amount of future principal and interest payments on their tax allocation bonds, the Long Beach Successor Agency will be able to reduce the amount requested on its semi-annual Recognized Obligation Payment Schedules ("ROPS"). This will result in a smaller claim on tax increment revenues and an increased residual distribution to those local agencies that receive a share of the ad valorem property tax.

Of the projected debt service savings, the City of Long Beach is expected to receive at least 22% of the additional property tax revenues. The County itself can expect to receive approximately 25% of the gross debt service savings, which is projected to result in over $12.5 million of additional property tax revenue over the life of the bonds. The County General Fund will receive the greatest share of this savings, but certain amounts will also benefit the Flood Control District, Consolidated Fire Protection District, and County Library District. Upon the successful sale of the July 2015 Refunding Bonds, the County will have refunded approximately $620 million of tax allocation bonds through the Program, with an estimated savings in excess of $153 million.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The July 2015 Refunding Bonds will be issued pursuant to Health and Safety Code Section 34177.5 and Government Code Section 53580. Utilizing a Marks-Roos structure, the Authority will issue a single series of tax allocation revenue refunding bonds to purchase the Local Obligations. Both the July 2015 Refunding Bonds and the underlying Local Obligations will be secured by a pledge of tax increment revenues from each of the seven Long Beach Successor Agency project areas.

To assist the County with the July 2015 refunding transaction, the Treasurer has assembled a team of professionals with extensive experience in redevelopment financing. Based on the results of a formal solicitation process, Stifel, Nicolaus & Company, Inc. was selected to be the senior managing underwriter, and Citigroup as co-senior manager. KNN Public Finance has been selected as financial advisor, Keyser Marston Associates as fiscal consultant, and Orrick, Herrington & Sutcliffe was chosen as bond counsel. Stradling Yocca Carlson & Rauth will serve as counsel to the underwriters.

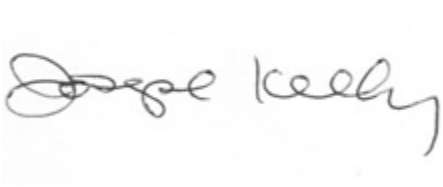
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

CONCLUSION

Upon approval, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted resolution to the Treasurer and Tax Collector (Office of Public Finance).

Respectfully submitted,



Joseph Kelly

Treasurer and Tax Collector

JK:DB:LS:pabPb/b
rdltr/redevlopment

Enclosures

c: Interim Chief Executive Officer
Acting Executive Officer, Board of Supervisors
Auditor-Controller
County Counsel
Orrick, Herrington & Sutcliffe LLP

RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY APPROVING THE ISSUANCE AND SALE OF TAX ALLOCATION REVENUE REFUNDING BONDS, IN ONE OR MORE SERIES OR SUBSERIES, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $200,000,000, APPROVING A FORM OF TRUST AGREEMENT, A FORM OF CONTINUING DISCLOSURE AGREEMENT, A FORM OF LOCAL OBLIGATION PURCHASE CONTRACT AND A FORM OF BOND PURCHASE AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF ONE OR MORE OF EACH IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS, AUTHORIZING THE DISTRIBUTION OF ONE OR MORE OFFICIAL STATEMENTS IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, California Assembly Bill No. 26 (First Extraordinary Session) ("AB X1 26") enacted on June 28, 2011, dissolved all redevelopment agencies and community development agencies in existence in the State of California as of February 1, 2012, and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies; and

WHEREAS, California Assembly Bill No. 1484 (AB "1484"), a follow on bill to AB X1 26, was enacted on June 27, 2012 and provides a mechanism to refund tax increment obligations under certain circumstances including authorizing, under California Health and Safety Code Section 34177.5(a), successor agencies to refund outstanding bonds or other indebtedness provided that (i) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (ii) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, the County of Los Angeles (the "County"), a political subdivision of the State of California and taxing entity recipient of property tax revenues, represented by voting membership on each oversight board within the County, has developed a program (the "Refunding Program") to assist successor agencies within the County to refund tax increment obligations pursuant to AB 1484 in order to provide debt service savings to successor agencies within the County which have determined to participate in the Refunding Program, efficiencies in issuance and cost of issuance savings; and

WHEREAS, in order to achieve debt service savings in accordance with California Health and Safety Code Section 34177.5(a), Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Participating Successor Agency") determined to issue its Tax

Allocation Refunding Bonds, with such other name and series designation as shall be deemed appropriate (collectively the "Refunding Bonds"), for the purpose of (i) refinancing specified obligations of the Participating Successor Agency (collectively, the "Refunded Obligations"), (ii) paying the costs of issuing the related series of Refunding Bonds and costs of issuing the related Authority Bonds (as defined below), (iii) funding a reserve account for the related series of Refunding Bonds, and (iv) if advisable, paying for the cost of municipal bond insurance and/or a surety to fund the reserve account for the related series of Refunding Bonds in lieu of funding all or a portion of such reserve account; and

WHEREAS, the Participating Successor Agency has been directed by its oversight board, pursuant to California Health and Safety Code Section 34177.5(f), to issue bonds to refund the bonds and other obligations of its former redevelopment agency to provide debt service savings; and

WHEREAS, in order to facilitate the Refunding Program, the County of Los Angeles Redevelopment Refunding Authority (the "Authority") has been created pursuant to a Joint Exercise of Powers Agreement, dated August 6, 2013, between the Los Angeles County Public Works Financing Authority and the County; and

WHEREAS, the Refunding Program offered by the County contemplates revenue bonds to be offered to the public in connection with the proposed refunding of the Refunded Obligations through the issuance by the Authority of one or more series of its Tax Allocation Revenue Refunding Bonds, Series 2015 (the "Authority Bonds"), in one or more series on a federally tax-exempt basis and/or on a federally taxable basis, pursuant to and under the terms of a separate trust agreement for each related series of Authority Bonds (each, a "Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "Authority Trustee"), with the proceeds of sale to be derived from the sale of the applicable series of Authority Bonds to be used by the Authority to purchase the related Refunding Bonds; and

WHEREAS, the Authority Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Section 6584 *et seq*. of the California Government Code (the "Act"); and

WHEREAS, the Participating Successor Agency has determined pursuant to Section 6588(v) of the California Government Code to sell its Refunding Bonds to the Authority pursuant to a Local Obligation Purchase Contract (the "Local Obligation Purchase Contract"), by and between the Participating Successor Agency and the Authority; and

WHEREAS, Stifel, Nicolaus & Company, Incorporated and Citigroup Global Markets Inc. (together, the "Underwriters"), have submitted to the Treasurer of the Authority a proposal to purchase the Authority Bonds in the form of a Bond Purchase Agreement (the "Bond Purchase Agreement") by and between the Underwriters and the Authority, including a Letter of Representations of the Participating Successor Agency relating to the applicable series of Authority Bonds; and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Authority Bonds, the underwriters thereof must have reasonably determined that the Participating Successor Agency, as an obligated person, has undertaken in a written agreement or contract for the benefit of the holders of the Authority Bonds to provide disclosure of certain financial information and operating data and certain enumerated events on an ongoing basis; and

WHEREAS, in order to facilitate the satisfaction of such requirement, the Authority desires to execute one or more continuing disclosure agreements (each, a "Continuing Disclosure Agreement") by and between the Participating Successor Agency and the Authority, pursuant to which the Authority and the Participating Successor Agency will provide annual disclosure and notices in the event of certain enumerated events; and

WHEREAS, a form of the Preliminary Official Statement (the "Preliminary Official Statement") to be distributed in connection with the public offering of the Authority Bonds has been prepared, pertaining primarily to the Authority Bonds but also describing the Refunding Program, the Refunding Bonds relating to such series of Authority Bonds, the Participating Successor Agency and the redevelopment project areas and certain other information deemed material to an informed investment decision respecting the Authority Bonds; and

WHEREAS, the Board of Directors of the Authority (the "Board of Directors") has determined that securing the timely payment of the principal of and interest on one or more series of Authority Bonds, or on the related series of Refunding Bonds, by obtaining one or more municipal bond insurance policies with respect thereto could be economically advantageous to the Authority; and

WHEREAS, the Board of Directors has been presented with the form of each document referred to herein relating to the actions contemplated hereby, and the Board of Directors has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such actions, as follows:

(a) a form of Trust Agreement;

(b) a form of Local Obligation Purchase Contract;

(c) a form of Bond Purchase Agreement;

(d) a form of Continuing Disclosure Agreement; and

(e) a form of Preliminary Official Statement; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the County of Los Angeles Redevelopment Refunding Authority, as follows:

Section 1. Recitals. All of the recitals herein contained are true and correct and the Board of Directors so finds.

Section 2. Approval of Bonds. Subject to the provisions of Section 3 hereof, the issuance of the Authority Bonds, in one or more series or subseries, on a federally tax-exempt or federally taxable basis, or any combination thereof, in an aggregate principal amount of not to exceed $200,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the applicable Trust Agreement, is hereby authorized and approved. The Authority Bonds shall be dated, shall bear interest at the rates, shall mature on the date or dates, shall be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the applicable Trust Agreement, as the same shall be completed as provided in this Resolution. The Board of Directors hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on the Authority Bonds issued on a federally taxable basis will be subject to federal income taxation under the Internal Revenue Code in existence on the date of issuance of such Authority Bonds.

Section 3. Approval of Trust Agreement. The form of the Trust Agreement, submitted to and on file with the Secretary of the Authority, is hereby approved, and the Chairman of the Board of Directors of the Authority, and such other member of the Board of Directors as the Chairman may designate, the Treasurer of the Authority and his Assistant Treasurer and Tax Collector, Finance, and such other officers of the Authority as the Treasurer of the Authority may designate (collectively, the "Authorized Officers"), are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver one or more Trust Agreements in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate principal amount of the Authority Bonds shall not exceed $200,000,000. The Chairman or Treasurer of the Authority is hereby authorized to execute the Bonds and the Secretary and any Acting Secretary of the Board of Directors of the Authority is hereby authorized to attest, each by manual or facsimile signature.

Section 4. Approval of Local Obligation Purchase Contract. The form of Local Obligation Purchase Contract, submitted to and on file with the Secretary of the Board of Directors, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver one or more Local Obligation Purchase Contracts in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, provided that the Refunding Bonds shall be purchased at a price and shall bear or accrete interest which does not result in a yield in excess of that prescribed by Section 6592.5(a) of the California Government Code.

Section 5. Approval of Bond Purchase Agreement. The form of Bond Purchase Agreement, submitted to and on file with the Secretary of the Board of Directors, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the

name and on behalf of the Authority, to execute and deliver one or more Bond Purchase Agreements in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriters' discount for the sale of the Authority Bonds shall not exceed 0.80% of the aggregate principal amount of the Authority Bonds subject to such Bond Purchase Agreement.

Section 6. Approval of Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement, submitted to and on file with the Secretary of the Board of Directors, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver one or more Continuing Disclosure Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Approval of Preliminary Official Statement. The form of Preliminary Official Statement, submitted to and on file with the Secretary of the Board of Directors, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Authority Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the Authority that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12 and the information contained in appendices thereto specific to the Refunding Bonds and the Participating Successor Agency). The Authorized Officers are authorized to approve corrections and additions to the Preliminary Official Statement by supplement or amendment thereto, by appropriate insertions, or otherwise as appropriate, provided that such corrections or additions shall be regarded by the Authorized Officer as necessary to cause the information contained therein to conform to facts enumerated to the Refunding Bonds or the Authority Bonds or to the proceedings of the Authority or the Participating Successor Agency or that such corrections or additions are in form rather than in substance.

Section 8. Approval of Official Statement. The preparation and delivery of one or more final Official Statements, and use of such by the Underwriters in connection with the offering and sale of the Authority Bonds, is hereby authorized and approved. Each Official Statement shall be in substantially the form of the related Preliminary Official Statement with such changes as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the Authority, to deliver each final Official Statement and any supplement or amendment thereto to the Underwriters. The Authorized Officers are authorized to approve corrections and additions to the Official Statement by supplement or amendment thereto, by appropriate insertions, or otherwise as appropriate, provided that such corrections or additions shall be regarded by the Authorized Officer as necessary to cause the information contained therein to conform to facts enumerated to the Refunding Bonds or the Authority Bonds or to the proceedings of the Authority or the Participating Successor Agency or that such corrections or additions are in form rather than in substance.

Section 9. Other Acts. The Authorized Officers and the Secretary and any Acting Secretary of the Board of Directors are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Trust Agreement(s), the Authority Bonds, the Refunding Bonds, the Local Obligation Purchase Contract(s) and the Bond Purchase Agreement(s), including, without limitation, to execute and deliver any and all documents and contracts which they may deem necessary or advisable in order to facilitate the sale or purchase, as applicable, issuance and delivery of the Authority Bonds and the Refunding Bonds, the security for the Authority Bonds and the Refunding Bonds, the subordination of pass-through payments to debt service on the Refunding Bonds, and applying for, and negotiating the terms of, a municipal bond insurance policy or policies (which may include entering into a mutual insurance agreement(s) therefor) for all or a portion of any series of Authority Bonds, as the Authorized Officer may require or approve, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 10. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Authority declares that the Authority would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 11. Effective Date. This Resolution shall take effect from and after its date of adoption.

The foregoing Resolution was on the 2nd day of June, 2015, adopted by the Board of Directors of the County of Los Angeles Redevelopment Refunding Authority.

PATRICK OGAWA, Acting Secretary of the Board of Directors of the County of Los Angeles Redevelopment Refunding Authority

By: _____
Deputy

APPROVED AS TO FORM:

MARK. J. SALADINO, County Counsel

By: _____
Principal Deputy County Counsel

TRUST AGREEMENT

by and between

COUNTY OF LOS ANGELES
REDEVELOPMENT REFUNDING AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

_____

$_____	**$_____**
County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt)	**County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable)**

_____

Dated as of _____ 1, 2015

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TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of _____ 1, 2015 (the "Trust Agreement"), is between the COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority"), 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"),

W I T N E S S E T H:

WHEREAS, the County of Los Angeles (the "County") has developed a program (the "Refunding Program") to assist successor agencies to former community redevelopment agencies within the County to refund tax allocation obligations pursuant to Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484") in order to provide debt service savings to such successor agencies, efficiencies in such refundings and cost of issuance savings, and to increase property tax revenues available for distribution to affected taxing entities, including the County; and

WHEREAS, the Authority is empowered under the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code to issue its bonds for the purpose of purchasing certain local obligations issued by certain local agencies and other purposes, including refunding any of its then-outstanding bonds, and the purchase of tax allocation obligations issued by said successor agencies as described in Section 34173 of the California Health and Safety Code; and

WHEREAS, such tax allocation obligations will be secured by a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172 of the California Health and Safety Code; and

WHEREAS, the Authority has determined that it would be in the best interests of the Authority to assist said successor agencies to refund tax allocation obligations pursuant to AB 1484; and

WHEREAS, the Authority has determined to issue its County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) (the "Series 2015A Bonds") and its County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (the "Series 2015B Bonds" and, together with the Series 2015A Bonds and any other bonds issued under this Trust Agreement, the "Bonds"), in order to provide funds to acquire certain local obligations in order to refund tax allocation obligations of successor agencies; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Trust Agreement, the valid, binding and legal obligations of the Authority according to the import thereof and hereof have been done and performed;

NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH that the Authority, in consideration of the premises, the acceptance by the Trustee of the trusts hereby

created, the purchase and acceptance of the Bonds by the purchasers thereof and other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the interest on and the principal of and the redemption premium, if any, on all Bonds Outstanding hereunder from time to time according to their tenor and effect, and such other payments required to be made under the Trust Agreement, and to secure the observance and performance by the Authority of all the agreements, conditions, covenants and terms expressed and implied herein and in the Bonds, does hereby assign, bargain, convey, grant, mortgage and pledge a security interest unto the Trustee, and unto its successors in the trusts hereunder, and to them and their successors and assigns forever, in all right, title and interest of the Authority in, to and under, subject to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, each and all of the following (collectively the "Trust Estate"):

(a) the Revenues (as herein defined);

(b) the amounts in the Funds (as herein defined) established by the Trust Agreement, except amounts in the Rebate Fund; and

(c) the Local Obligations (as herein defined).

TO HAVE AND TO HOLD IN TRUST all of the same hereby assigned, conveyed and pledged or agreed or intended so to be to the Trustee and its successors and assigns forever for the equal and ratable benefit of the Owners from time to time of the Bonds authenticated hereunder and issued by the Authority and outstanding and without any priority as to the Trust Estate of any one Bond over any other (except as expressly provided in or permitted by the Trust Agreement), upon the trusts and subject to the agreements, conditions, covenants and terms hereinafter set forth;

AND THIS TRUST AGREEMENT FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property hereby assigned, bargained, conveyed, granted, mortgaged and pledged are to be dealt with and disposed of under, upon and subject to the agreements, conditions, covenants, purposes, terms, trusts and uses as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. The terms set forth below shall have the following meanings in the Trust Agreement, unless the context clearly otherwise requires:

"Act" shall mean Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended and supplemented from time to time.

"Agency" shall mean the Successor Agency to the Redevelopment Agency of the City of Long Beach, as successor to the Former RDA in accordance with the Dissolution Act, and its successors.

"Agency Indenture" shall mean, as the context requires, each or all of the following indentures and/or supplements executed and delivered by a successor agency participating the Refunding Program with respect to the Bonds issued under this Trust Agreement, including, the Indenture of Trust, dated as of _____ 1, 2015, by and between the Agency and U.S. Bank National Association, as trustee, relating to the Successor Agency to the Redevelopment Agency of the City of Long Beach, Tax Allocation Refunding Bonds, Series 2015A and Series 2015B (Federally Taxable), as amended or supplemented from time to time in accordance with its terms.

"Agency Trustee" shall mean, as the context requires, the trustee under the Agency Indenture.

"Authority" shall mean the County of Los Angeles Redevelopment Refunding Authority duly organized and existing under and pursuant to the laws of the State of California and a Joint Exercise of Powers Agreement, dated August 6, 2013, between the Los Angeles County Public Works Financing Authority and the County.

"Authorized Denominations" shall mean five thousand dollars ($5,000) and any integral multiple thereof, but not exceeding the principal amount of Bonds maturing on any one date.

"Authorized Officer" shall mean the Chairman, Treasurer, Secretary or any other Person authorized by the Authority in a Written Order to perform an act or sign a document on behalf of the Authority for purposes of the Trust Agreement.

"Bond" or **"Bonds"** shall mean any bond or all of the bonds, as the case may be, authorized and issued by the Authority and authenticated by the Trustee and delivered under the Trust Agreement, including the Series 2015A Bonds and the Series 2015B Bonds.

"Bond Counsel" shall mean Orrick, Herrington & Sutcliffe LLP or such other counsel of recognized national standing in the field of law relating to municipal bonds.

"Bond Register" shall mean the registration books specified as such in Section 2.05.

"Bond Insurance Policy" shall mean the insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Insured Bonds issued hereunder, when due.

"Bond Insurer" or "_____" shall mean _____, or any successor thereto or assignee thereof, as insurer of the Authority Bonds.

"Bond Year" shall mean (1) with respect to the initial Bond Year, the period from the date the Bonds are originally delivered to and including the first succeeding [August] 1, and (2) thereafter, each twelve-month period from [August] 2 in any calendar year to and including [August] 1 in the following calendar year.

"Business Day" shall mean any day other than (i) a Saturday or Sunday or (ii) a day on which commercial banks in New York, New York or the city in which the Principal Corporate Trust Office of the Trustee is located are closed.

"Cash Flow Certificate" shall mean a written certificate executed by an Independent Financial Consultant.

"Chairman" shall mean the Chairman of the Authority.

"City" shall mean, the City of Long Beach, California, and its successors.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

"Continuing Disclosure Agreement" shall mean, as the context requires, each or all of the following undertakings executed and delivered by a successor agency participating in the Refunding Program with respect to the Bonds issued under this Trust Agreement, including, that Continuing Disclosure Agreement, dated as of _____ 1, 2015, between the Authority and the Successor Agency to the Redevelopment Agency of the City of Long Beach, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Cost of Issuance Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Costs of Issuance" shall mean all items of expense directly or indirectly payable by or reimbursable to an Agency, the Authority or the City and related to the authorization, issuance, sale and delivery of the Local Obligations and the Authority Bonds, including but not limited to publication and printing costs, costs of preparation and reproduction of documents, filing and recording fees, fees and charges of the Trustee and the Agency Trustee, legal fees and charges, fees and disbursements of consultants and professionals, rating agency fees, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Local Obligations and the Authority Bonds as provided in a Costs of Issuance invoice transmitted by the Authority to the Agency at the time of the original issuance of the Bonds to be paid from proceeds of the Local Obligations in accordance with Section 3.01 (or similarly purposed section, if different) of the Agency Indenture.

"Debt Service Account" shall mean the account within the Revenue Fund by that name established and maintained pursuant to Section 5.03.

"Defeasance Opinion" shall mean an opinion of Bond Counsel, addressed to the Authority, the Trustee and the Bond Insurer (unless waived), to the effect that Bonds are no longer Outstanding under the Trust Agreement.

"Dissolution Act" shall mean Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of the Law.

"Event of Default" shall mean any event of default specified as such in Section 8.01.

"Federal Securities" means (a) non-callable direct obligations of the United States of America ("United States Treasury Obligations"), and (b) evidences of ownership of proportionate interests in future interest and principal payments on United States Treasury Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying United States Treasury Obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

"Financial Advisor" shall mean KNN Public Finance, or such other independent investment bank or financial advisor selected by the Authority and the Agency to serve as such.

"Fiscal Year" shall mean the fiscal year of the Authority, which at the date hereof is the period commencing on July 1 in each calendar year and ending on June 30 in the following calendar year.

"Funds" shall mean, collectively, the Revenue Fund, the Interest Fund, the Principal Fund, the Cost of Issuance Fund, the Redemption Fund and the Rebate Fund, including all accounts therein.

"Independent Financial Consultant" shall mean a financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field, appointed and paid by the applicable Agency and who, or each of whom:

(1) is in fact independent and not under the domination of the Agency;

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

(3) is not connected with the Agency as a member, officer or employee of the Agency, but who may be regularly retained to make annual or other reports to the Agency.

"Insured Bonds" shall mean the Insured 2015__ Bonds and the Insured 2015__ Bonds.

"Insured 2015A Bonds" shall mean the Series 2015A Bond maturities identified as Insured Series 2015A Bonds in Section 2.01.

"Insured 2015B Bonds" shall mean the Series 2015B Bond maturities identified as Insured Series 2015B Bonds in Section 2.01.

"Interest Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Interest Payment Date" shall mean [February] 1 and [August] 1 in each year, commencing, with respect to the Bonds, on _____ 1, 2015.

"Local Obligations" shall mean, as the context requires, the following (in each case as such agreement or instrument may be amended from time to time): $_____ original principal amount of Successor Agency to the Redevelopment Agency of the City of Long Beach, Tax Allocation Refunding Bonds, Series 2015A and $_____ original principal amount of

Successor Agency to the Redevelopment Agency of the City of Long Beach, Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable).

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Officer's Certificate" shall mean a certificate signed by an Authorized Officer.

"Opinion of Bond Counsel" shall mean a legal opinion signed by Bond Counsel.

"Outstanding" shall mean, with respect to the Bonds and as of any date, the aggregate of Bonds authorized, issued, authenticated and delivered under the Trust Agreement, except:

(a) Bonds cancelled or surrendered to the Trustee for cancellation pursuant to Section 2.08;

(b) Bonds deemed to have been paid as provided in Section 12.02; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Trust Agreement.

"Owner" shall mean, as of any date, the Person or Persons in whose name or names a particular Bond shall be registered on the Bond Register as of such date.

"Permitted Investments" shall mean any of the following to the extent then permitted by the general laws of the State of California applicable to investments by counties:

(1) (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank, trust company or bank holding company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated (collectively "United States Obligations"). These include, but are not necessarily limited to:

- U.S. Treasury obligations
  All direct or fully guaranteed obligations
- Farmers Home Administration

Certificates of beneficial ownership

- General Services Administration
  Participation certificates
- U.S. Maritime Administration
  Guaranteed Title XI financing
- Small Business Administration
  Guaranteed participation certificates
- Guaranteed pool certificates
- Government National Mortgage Association (GNMA)
  GNMA-guaranteed mortgage-backed securities
  GNMA-guaranteed participation certificates
- U.S. Department of Housing & Urban Development
  Local authority bonds

(2) Obligations of instrumentalities or agencies of the United States of America limited to the following: (a) the Federal Home Loan Bank Board ("FHLB"); (b) the Federal Home Loan Mortgage Corporation ("FHLMC"); (c) the Federal National Mortgage Association (FNMA); (d) Federal Farm Credit Bank ("FFCB"); (e) Government National Mortgage Association ("GNMA"); (f) Student Loan Marketing Association ("SLMA"); and (g) guaranteed portions of Small Business Administration ("SBA") notes.

(3) Commercial Paper having original maturities of not more than 270 days, payable in the United States of America and issued by corporations that are organized and operating in the United States with total assets in excess of $500 million and having "A" or better rating for the issuer's long-term debt as provided by S&P, or Fitch and "A-1", "F1" or better rating for the issuer's short-term debt as provided by S&P or Fitch, respectively.

(4) The Los Angeles County Treasury Pool.

(5) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as "bankers' acceptances," having original maturities of not more than 180 days. The institution must have a minimum short-term debt rating of "A-1" or "F1" by S&P or Fitch, respectively, and a long-term debt rating of no less than "A" by S&P or Fitch.

(6) Shares of beneficial interest issued by diversified management companies, known as money market funds, registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) and whose fund has received the highest possible rating from S&P and at least one other Rating Agency.

(7) Certificates of deposit issued by a nationally- or state-chartered bank or a state or federal association (as defined by Section 5102 of the California Financial Code) or by a state-licensed branch of a foreign bank, in each case which has, or which is a subsidiary of a parent company which has, obligations outstanding having a rating in the "A" category or better from S&P or Fitch.

(8) Pre-refunded municipal obligations rated "AAA" by S&P meeting the following requirements:

(a) the municipal obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

(b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

(c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

(d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

(e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(9) Repurchase agreements which have a maximum maturity of 30 days, or due on demand, and are fully secured at or greater than 102% of the market value plus accrued interest by obligations of the United States Government, its agencies and instrumentalities, in accordance with number (2) above.

(10) Investment agreements and guaranteed investment contracts with issuers having a long-term debt rating of at least "AA-" by S&P.

(11) Local Agency Investment Fund (established under Section 16429.1 of the California Government Code), provided that such investment is held in the name and to the credit of the Trustee, and provided further that the Trustee may restrict such investment if required to keep moneys available for the purposes of the Trust Agreement.

(12) Shares in a State of California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the California Government Code which invests exclusively in investments permitted by Section 53601 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

"Prepayment" shall mean any amounts received with respect to a Local Obligation earlier than the time scheduled for payment resulting from an optional redemption of such Local Obligation (or portion thereof).

"Prepayment Account" shall mean the account by that name within the Revenue Fund established and maintained pursuant to Section 5.03.

"Principal Corporate Trust Office" shall mean the corporate trust office of the Trustee in Los Angeles, California, except that with respect to presentation of Bonds for payment, transfer or exchange, such term shall mean the corporate trust office of the Trustee in St. Paul, Minnesota, or such other offices as it shall designate from time to time.

"Principal Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Principal Installment" shall mean, with respect to any Principal Payment Date, the principal amount of Outstanding Bonds (including mandatory sinking fund payments) due on such date, if any.

"Principal Payment Date" shall mean [August] 1 of each year commencing [August] 1, 20__, and ending [August] 1, 20__.

"Rebate Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Rebate Instructions" shall mean those calculations and directions required to be delivered to the Trustee by the Authority pursuant to the respective Tax Certificate.

"Rebate Requirement" shall mean the Rebate Requirement defined in the respective Tax Certificate.

"Record Date" shall mean the close of business on the fifteenth (15th) day of the month preceding the month in which any Interest Payment Date occurs, whether or not such day is a Business Day.

"Redemption Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Related Documents" shall mean the Trust Agreement, the Agency Indenture, the Bonds, Local Obligations and other transaction documents.

"Responsible Officer" shall mean any Vice-President, Assistant Vice-President, Trust Officer or other trust officer of the Trustee having regular responsibility for corporate trust matters.

"Revenue Fund" shall mean the Fund by that name established pursuant to Section 5.01.

"Revenues" shall mean all amounts received by the Trustee as the payment of interest or redemption premium on, or the equivalent thereof, and the payment or return of principal of, or the equivalent thereof, all Local Obligations, whether as a result of scheduled payments or Prepayments or remedial proceedings taken in the event of a default thereon, and all investment earnings on any moneys held in the Funds or accounts established hereunder, except the Rebate Fund.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Series 2015A Bonds" shall mean the County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) issued hereunder.

"Series 2015B Bonds" shall mean the County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) issued hereunder.

"S&P" shall mean Standard & Poor's Financial Services LLC and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term "S&P" shall be deemed to refer to any other nationally-recognized rating agency selected by the Authority.

"Secretary" shall mean the Secretary of the Authority.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, N.Y., or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other securities depositories, or no such depositories, as designated by the Trustee.

"Special Record Date" shall mean the date established by the Trustee pursuant to Section 2.01 as a record date for the payment of defaulted interest on the Bonds.

"State" shall mean the State of California.

"Substitute Depository" shall mean the substitute depository as defined in Section 2.10.

"Supplemental Trust Agreement" shall mean any trust agreement supplemental to or amendatory of the Trust Agreement which is duly executed and delivered in accordance with the provisions of the Trust Agreement.

"Tax Certificate" shall mean each certificate, relating to various federal tax requirements of the Series 2015A Bonds, including the requirements of Section 148 of the Code, signed by the Authority and the Agency on the date the Series 2015A Bonds are issued, as the same may be amended or supplemented in accordance with its terms.

"Tax-Exempt" shall mean, with respect to interest on any obligations of a state or local government, including interest on the Series 2015A Bonds, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code.

"Treasurer" shall mean the Treasurer of the Authority.

"Trust Agreement" shall mean this Trust Agreement, dated as of _____ 1, 2015, between the Authority and the Trustee, pursuant to which the Bonds are to be issued, as amended or supplemented from time to time in accordance with its terms.

"Trustee" shall mean U.S. Bank National Association, a national banking association, in its capacity as trustee hereunder and any other successor as trustee under the Trust Agreement.

"Trust Estate" shall have the meaning ascribed thereto in the granting clause hereof.

"Verification Report" shall mean a report of an independent firm of nationally recognized certified public accountants, or such other firm as shall be acceptable to the Bond Insurer, addressed to the Authority and the Trustee and the Bond Insurer, verifying the sufficiency of the escrow established to pay Bonds in full at maturity or on a redemption date.

"Written Request" or **"Written Order"** shall mean a written direction of the Authority to the Trustee signed by an Authorized Officer.

Section 1.02 Rules of Construction. Except where the context otherwise requires, words imparting the singular number shall include the plural number and vice versa, and pronouns inferring the masculine gender shall include the feminine gender and vice versa. All references herein to particular articles or sections are references to articles or sections of the Trust Agreement. The headings and Table of Contents herein are solely for convenience of reference and shall not constitute a part of the Trust Agreement, nor shall they affect its meanings, construction or effect.

ARTICLE II

TERMS OF BONDS

Section 2.01 The Bonds. There shall be issued under and secured by the Trust Agreement bonds in the form of fully registered bonds to be designated "County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt)" (the "Series 2015A Bonds") in the aggregate principal amount of _____ dollars ($_____) and "County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable)" (the "Series 2015B Bonds") in the aggregate principal amount of _____ dollars ($_____). The Bonds shall be registered initially in the name of "Cede & Co.," as nominee of the Securities Depository and shall be evidenced by one bond for each maturity of Bonds in the principal amount of the respective maturities of Bonds.

Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except as set forth herein. The Series 2015A Bonds shall be dated their date of initial delivery and shall bear interest at the rates specified in the table below, such interest being payable on each Interest Payment Date, and shall mature on the Principal Payment Dates in the following years in the following principal amounts, namely:

Principal Payment Date ([August] 1)	**Principal Amount**	**Interest Rate**
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		

* Insured Bonds

The Series 2015A Bonds shall be dated their date of initial delivery and shall bear interest at the rates specified in the table below, such interest being payable on each Interest Payment Date, and shall mature on the Principal Payment Dates in the following years in the following principal amounts, namely:

Principal Payment Date ([August] 1)	Principal Amount	Interest Rate
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		

* Insured Bonds

The principal of and redemption premium, if any, and interest on the Bonds shall be payable by check in lawful money of the United States of America. The Bonds shall be issued as fully registered bonds in Authorized Denominations and shall be numbered as the Authority shall determine. The Bonds shall bear interest from their date of initial delivery. Payment of the interest on any Bond shall be made to the Person whose name appears on the Bond Register as the Owner thereof as of the Record Date, such interest to be paid by check mailed by first class mail on the Interest Payment Date to the Owner at the address which appears on the Bond Register as of the Record Date for that purpose; except that in the case of an Owner of one million dollars ($1,000,000) or more in aggregate principal amount of Bonds, upon written request of such Owner to the Trustee, in form satisfactory to the Trustee, received not later than the Record Date, such interest shall be paid on the Interest Payment Date in immediately available funds by wire transfer. The principal of and redemption premium, if any, on the Bonds shall be payable at the Principal Corporate Trust Office of the Trustee upon presentation and surrender of such Bonds. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Notwithstanding any other provision herein contained, any interest not punctually paid or duly provided for, as a result of an Event of Default or otherwise, shall forthwith cease to be payable to the Owner on the Record Date and shall be paid to the Owner in whose name the Bond is authenticated at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof being given to the Owners not less than ten (10) days prior to such Special Record Date.

Section 2.02 Form of Bonds. The Bonds and the certificate of authentication and assignment forms to appear thereon shall be in substantially the forms set forth in Exhibit A

hereto, with such variations, insertions or omissions as are appropriate and not inconsistent herewith.

Section 2.03 Bonds Mutilated, Destroyed, Stolen or Lost. In the event any Bond, whether temporary or definitive, is mutilated, lost, stolen or destroyed, the Authority may execute and, upon its request in writing, the Trustee shall authenticate and deliver a new Bond of the same principal amount and maturity as the mutilated, lost, stolen or destroyed Bond in exchange and substitution for such mutilated Bond, or in lieu of and substitution for such lost, stolen or destroyed Bond.

Application for exchange and substitution of mutilated, lost, stolen or destroyed Bonds shall be made to the Trustee at the Principal Corporate Trust Office. In every case the applicant for a substitute Bond shall furnish to the Authority and the Trustee security or indemnification to their satisfaction. In every case of loss, theft or destruction of a Bond, the applicant shall also furnish to the Authority and the Trustee evidence to their satisfaction of the loss, theft or destruction and of the identity of the applicant, and in every case of mutilation of a Bond, the applicant shall surrender the Bond so mutilated.

Notwithstanding the foregoing provisions of this section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bonds, the Trustee may pay the same (without surrender thereof except in the case of a mutilated Bond) instead of issuing a substitute Bond so long as security or indemnification is furnished as above provided.

Upon the issuance of any substitute Bond, the Authority and the Trustee may charge the Owner of such Bond with their reasonable fees and expenses in connection therewith. Every substitute Bond issued pursuant to the provisions of this section by virtue of the fact that any Bond is lost, stolen or destroyed shall constitute an original additional contractual obligation of the Authority, whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of the Trust Agreement equally and proportionally with any and all other Bonds duly issued under the Trust Agreement to the same extent as the Bonds in substitution for which such Bonds were issued.

Section 2.04 Execution of Bonds. All the Bonds shall, from time to time, be executed on behalf of the Authority by the manual or facsimile signature of the Chairman or Treasurer and attested by the manual or facsimile signature of the Secretary.

If any of the officers who shall have signed any of the Bonds shall cease to be such officer of the Authority before the Bond so signed shall have been actually authenticated by the Trustee or delivered, such Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the Person or Persons who signed such Bonds had not ceased to be such officer of the Authority, and any such Bond may be signed on behalf of the Authority by those Persons who, at the actual date of the execution of such Bonds, shall be the proper officers of the Authority, although at the date of such Bond any such Person shall not have been such officer of the Authority.

Section 2.05 Transfer and Registration of Bonds. The Bonds may be transferred or exchanged and title thereto shall pass only in the manner provided in the provisions for registration set forth in the form of the Bond contained in this Article II and the Trustee shall keep books constituting the Bond Register for the registration and transfer of the Bonds as provided herein. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee, duly executed by the Owner or by his attorney duly authorized in writing and all such Bonds shall be surrendered to the Trustee and cancelled by the Trustee pursuant to Section 2.08 hereof. The Authority and the Trustee may deem and treat the Owner of any Bond as the absolute owner of such Bond for the purpose of receiving any payment on such Bond and for all other purposes of the Trust Agreement, whether such Bond shall be overdue or not, and neither the Authority nor the Trustee shall be affected by any notice to the contrary. Payment of, or on account of, the principal of and redemption premium, if any, on and interest on any Bond shall be made to such Owner or, if such Owner owns $1,000,000 or more in aggregate principal amount of the Bonds upon such Owner's written order. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 2.06 Regulations with Respect to Exchanges or Transfers of Bonds. (a) In all cases in which the privilege of exchanging or registering the transfer of Bonds is exercised, the Authority shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Trust Agreement. There shall be no charge to the Owner for any such exchange or registration of transfer of Bonds, but the Authority may require the payment of a sum sufficient to pay any tax or other governmental charge required to be paid with respect to any such exchange or registration of transfer. Neither the Authority nor the Trustee shall be required to register the transfer of or exchange of any Bond on or after the fifteenth (15th) Business Day immediately preceding the date on which the notice of redemption is scheduled to be mailed and ending on the date scheduled for redemption or any Bond selected for redemption.

(b) Upon surrender for exchange or transfer of any Bond at the Principal Corporate Trust Office of the Trustee, the Authority shall execute (which may be by facsimile) and the Trustee shall authenticate and deliver in the name of the Owner (in the case of transfers) a new Bond or Bonds of Authorized Denominations, in the aggregate principal amount which the registered Owner is entitled to receive.

(c) New Bonds delivered upon any transfer or exchange shall be valid obligations of the Authority, evidencing the same debt as the Bonds surrendered, shall be secured by the Trust Agreement and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

Section 2.07 Authentication of Bonds. No Bond shall be secured by the Trust Agreement or entitled to its benefits or shall be valid or obligatory for any purpose unless there shall be endorsed on such Bond the Trustee's certificate of authentication, substantially in the form prescribed in the Trust Agreement, executed by the manual signature of a duly authorized signatory of the Trustee; and such certificate on any Bond issued by the Authority shall be conclusive evidence and the only competent evidence that such Bond has been duly authenticated and delivered under the Trust Agreement.

Section 2.08 Cancellation of Bonds. Upon the surrender to the Trustee of any temporary or mutilated Bond, such Bond surrendered for transfer or exchange, such Bonds purchased, redeemed or paid at maturity, the same shall forthwith be cancelled and the Trustee shall destroy such Bonds and upon written request of the Authority deliver a certificate of destruction with respect thereto to the Authority.

Section 2.09 Bonds as Special Obligations. The Bonds shall be special obligations of the Authority, payable and secured as to the payment of the principal thereof and the redemption premium, if any, and the interest thereon in accordance with their terms and the terms of the Trust Agreement, solely from the Trust Estate. The Bonds shall not constitute a charge against the general credit of the Authority or any of its members, and under no circumstances shall the Authority be obligated to pay principal of or redemption premium, if any, or interest on the Bonds except from the Trust Estate. Neither the State nor any public agency (other than the Authority) nor any member of the Authority is obligated to pay the principal of or redemption premium, if any, or interest on the Bonds, and neither the faith and credit nor the taxing power of the State or any public agency thereof or any member of the Authority is pledged to the payment of the principal of or redemption premium, if any, or interest on the Bonds. The payment of the principal of or redemption premium, if any, or interest on the Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Authority) or any member of the Authority.

No agreement or covenant contained in any Bond or the Trust Agreement shall be deemed to be an agreement or covenant of any officer, member, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer or employee thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of such Bonds.

Section 2.10 Use of Depository. Notwithstanding any provision of the Trust Agreement to the contrary:

(a) The Bonds shall be initially issued as provided in Section 2.01. Registered ownership of the Bonds, or any portion thereof, may not thereafter be transferred except:

(i) To any successor of the Securities Depository or its nominee, or to any substitute depository designated pursuant to clause (ii) of this subsection (a) ("Substitute Depository"); provided that any successor of the Securities Depository or Substitute Depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;

(ii) To any Substitute Depository designated by the Authority and not objected to by the Trustee, upon (1) the resignation of the Securities Depository or its successor (or any Substitute Depository or its successor) from its functions as depository or (2) a determination by the Authority that the Securities Depository or its successor (or any Substitute Depository or its successor) is no longer able to carry out its functions as depository; provided that any such Substitute Depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of the Securities Depository or its successor (or Substitute Depository or its successor) from its functions as depository; provided that no Substitute Depository which is not objected to by the Trustee can be obtained or (2) a determination by the Authority that it is in the best interests of the Authority to remove the Securities Depository or its successor (or any Substitute Depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) hereof, upon receipt of the Outstanding Bonds by the Trustee, together with a Written Request of the Authority to the Trustee, a single new Bond shall be executed and delivered in the aggregate principal amount of the Bonds then Outstanding, registered in the name of such successor or such Substitute Depository, or their nominees, as the case may be, all as specified in such Written Request of the Authority. In the case of any transfer pursuant to clause (iii) of subsection (a) hereof, upon receipt of the Outstanding Bonds by the Trustee together with a Written Request of the Authority to the Trustee, new Bonds shall be executed and delivered in such denominations numbered in consecutive order and registered in the names of such persons as are requested in such a Written Request of the Authority, subject to the limitations of Section 2.02 hereof, provided the Trustee shall not be required to deliver such new Bonds within a period less than sixty (60) days from the date of receipt of such a Written Request of the Authority.

(c) In the case of partial redemption or an advance refunding of the Bonds evidencing all or a portion of the principal amount Outstanding, the Securities Depository shall make an appropriate notation on the Bonds indicating the date and amounts of such reduction in principal, in form acceptable to the Trustee.

(d) The Authority and the Trustee shall be entitled to treat the person in whose name any Bond is registered as the Owner thereof for all purposes of the Trust Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the Authority; and the Authority and the Trustee shall have no responsibility for transmitting payments to, communication with, notifying, or otherwise dealing with any beneficial owners of the Bonds. Neither the Authority nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including the Securities Depository or its successor (or Substitute Depository or its successor), except for the Owner of any Bond.

(e) So long as the outstanding Bonds are registered in the name of Cede & Co. or its registered assign, the Authority and the Trustee shall cooperate with Cede & Co., as sole registered Owner, and its registered assigns in effecting payment of the principal of and redemption premium, if any, and interest on the Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01 Provisions for the Issuance of Bonds. The Bonds shall be executed by the Authority and delivered to the Trustee for authentication, together with a Written Order certifying that all conditions precedent to the authorization of the Bonds have been satisfied and authorizing the Trustee to authenticate the Bonds. The Trustee shall authenticate and deliver the Bonds upon receipt of the Written Order described above, and upon the following having been made available to the Trustee (in the case of the documents referred to in subsections (a), (c), (e), (f), (g) and (h) below, the Trustee may assume, and shall not be required to verify, the validity of such documents):

(a) A copy of the resolution or resolutions adopted by the Authority authorizing the issuance of the Bonds and the execution and delivery by the Authority of the Trust Agreement, duly certified by the Secretary to have been duly adopted by the Authority and to be in full force and effect on the date of such certification;

(b) An Opinion of Bond Counsel, dated the date of delivery of the Bonds, to the effect that (i) the Bonds constitute the valid and binding, special obligations of the Authority, (ii) the Trust Agreement has been duly executed and delivered by, and (assuming valid execution and delivery by the Trustee) constitutes a valid and binding obligation of, the Authority and (iii) the interest on the Tax-Exempt Bonds is excluded from gross income for federal income tax purposes and the interest on the Bonds is exempt from State personal income taxes; provided, that with respect to (i) and (ii) above, no opinion need be expressed as to the effect of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, the application of equitable principles, the exercise of judicial discretion in appropriate cases and the limitation on legal remedies against public entities in the State;

(c) A Written Order directing that the Trustee authenticate the Bonds and containing instructions as to the delivery of the Bonds;

(d) The proceeds of sale of the Bonds;

(e) An Officer's Certificate stating that the Authority is not in default in the performance of any of the agreements, conditions, covenants or terms contained in the Trust Agreement;

(f) A Cash Flow Certificate to the effect that, assuming that all payments are made with respect to the Local Obligations, (i) the Revenues, together with moneys on deposit in other funds and accounts held under the Trust Agreement, will be sufficient to pay all scheduled principal and interest payments on the Bonds when due; and (ii) the redemption premium, if any, on the Local Obligations payable in the event of early retirement of the Local Obligations, together with other Revenues available to the Trustee for such purpose, are sufficient to offset any difference between the interest to accrue on the Bonds to be paid or redeemed with the proceeds of Prepayment of such Local

Obligations (plus any redemption premium payable upon redemption of such Bonds) and the income to be earned on any investment of such proceeds (assured as of the date of payment thereof), in each case until the date of payment or redemption of Bonds, such that in no event will the Prepayment of the Local Obligations cause the Trustee to have insufficient funds to pay (A) debt service on the Bonds when due and (B) scheduled debt service on the Bonds which remain Outstanding after such redemption, plus in each case expenses;

(g) An original executed counterpart of the Trust Agreement;

(h) The Local Obligations; and

(i) An Opinion or Opinions of Bond Counsel to the effect that each of the Local Obligations is a valid and binding obligation of the Agency.

Section 3.02 <u>No Additional Bonds</u>. [The Authority shall not issue or incur additional indebtedness secured by a lien on any part of the Trust Estate.]

ARTICLE IV

REDEMPTION AND PURCHASE OF BONDS

Section 4.01 <u>Privilege of Redemption and Redemption Price</u>. Bonds subject to redemption prior to maturity pursuant to the Trust Agreement shall be redeemable, upon mailed notice as provided in this Article, at such times and upon such terms as are contained in this Article. Whenever, by the terms of the Trust Agreement, the Trustee is required or authorized to redeem Bonds, the Trustee shall select the Bonds to be redeemed, shall give the notice of redemption and shall pay out of moneys available therefor the redemption price thereof, plus interest accrued and unpaid to the redemption date, in accordance with the terms of this Article.

Section 4.02 <u>Redemption of Bonds</u>.

(a) [*Mandatory Redemption from Sinking Fund Installments*. (i) The Bonds maturing on [August] 1, 20__ are subject to mandatory redemption in part by lot on [August] 1 in each year commencing [August] 1, 20__, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption in accordance with the following schedule:

Redemption Date ([August] 1)	**Principal Amount**
*	

* Maturity

(ii) In the event that Bonds subject to mandatory redemption pursuant to this subsection (a) are redeemed in part prior to their stated maturity date from any moneys

other than Principal Installments, the remaining Principal Installments for such Bonds shall be reduced as directed by the Authority.]

(b) [*Mandatory Redemption from Prepayments.* (i) The Series 2015A Bonds shall be subject to mandatory redemption on or after [August] 1, 20__, in whole or in part on any date, from and to the extent of any Prepayments with respect to the Local Obligations, at a redemption price equal to the principal amount of the Series 2015A Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption.

The Authority shall give the Trustee written notice of the redemption of Series 2015A Bonds pursuant to this subsection not less than 35 days prior to the applicable redemption date, unless a later date is agreed to by the Trustee. Such written notice shall be accompanied by the Written Request of the Agency (as defined in the Agency Indenture) required to be delivered to, and the Cash Flow Certificate of an Independent Financial Consultant required to be filed with, the Agency Trustee pursuant to Section 2.04(a) (or similarly purposed section, if different) of the Agency Indenture, and no such redemption of Series 2015A Bonds shall occur unless such written notice is so accompanied by such Written Request of the Agency and such Cash Flow Certificate of an Independent Financial Consultant. In the event that the Agency Trustee shall mail notice of the redemption of any Local Obligations that will produce Prepayments with respect to Local Obligations, the Trustee shall concurrently mail notice of the redemption of Series 2015A Bonds pursuant to this subsection, such redemption to occur on the date fixed for such redemption of such Local Obligations. On the date of such redemption of the Local Obligations, the proceeds of such redemption shall be applied by the Trustee to pay the redemption price of Series 2015A Bonds pursuant to this subsection.]

(ii) The Series 2015B Bonds shall be subject to mandatory redemption on or after [August] 1, 20__, in whole or in part on any date, from and to the extent of any Prepayments with respect to the Local Obligations, at a redemption price equal to the principal amount of the Series 2015B Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption.

The Authority shall give the Trustee written notice of the redemption of Series 2015B Bonds pursuant to this subsection not less than 35 days prior to the applicable redemption date, unless a later date is agreed to by the Trustee. Such written notice shall be accompanied by the Written Request of the Agency (as defined in the Agency Indenture) required to be delivered to, and the Cash Flow Certificate of an Independent Financial Consultant required to be filed with, the Agency Trustee pursuant to Section 2.04(a) (or similarly purposed section, if different) of the Agency Indenture, and no such redemption of Series 2015B Bonds shall occur unless such written notice is so accompanied by such Written Request of the Agency and such Cash Flow Certificate of an Independent Financial Consultant. In the event that the Agency Trustee shall mail notice of the redemption of any Local Obligations that will produce Prepayments with respect to Local Obligations, the Trustee shall concurrently mail notice of the redemption of Series 2015B Bonds pursuant to this subsection, such redemption to occur on the date fixed for such redemption of such Local Obligations. On the date of such redemption of the Local Obligations, the proceeds of such redemption shall be applied by the Trustee to pay the redemption price of Series 2015B Bonds pursuant to this subsection.]

(c) *Mandatory Redemption as a Result of Acceleration.* The Bonds shall be subject to mandatory redemption, in whole or in part on any date, from and to the extent of any amounts received with respect to any Local Obligations as a result of the acceleration of amounts due on such Local Obligations upon an event of default thereunder, at a redemption price equal to the principal amount of the Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption. Whenever less than all of the Bonds are to be redeemed pursuant to this subsection (c), the Trustee shall, on or prior to the redemption date, receive a Cash Flow Certificate specifying the maturity or maturities of Bonds to be redeemed and showing that the remaining payments of principal of and interest on Local Obligations, together with other Revenues available to the Trustee, will be sufficient to pay on a timely basis the principal of and the interest on the Bonds not so redeemed when due.

Section 4.03 Notice of Redemption. In the case of any redemption of Bonds, the Trustee shall give notice, as hereinafter in this section provided, that Bonds, identified by CUSIP numbers, serial numbers and maturity date, have been called for redemption and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof that has been called for redemption (or if all the Outstanding Bonds are to be redeemed, so stating, in which event such serial numbers may be omitted), that they will be due and payable on the date fixed for redemption (specifying such date) upon surrender thereof at the Principal Corporate Trust Office, at the redemption price (specifying such price), together with any accrued interest to such date, and that all interest on the Bonds, or portions thereof, so to be redeemed will cease to accrue on and after such date and that from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof shall have no rights in respect of such redeemed Bond or such portion except to receive payment from such moneys of such redemption price plus accrued interest to the date fixed for redemption.

Such notice shall be mailed by first class mail, postage prepaid, at least twenty (20) but not more than sixty (60) days before the date fixed for redemption, to the Security Depository, the MSRB and the Owners of such Bonds, or portions thereof, so called for redemption, at their respective addresses as the same shall last appear on the Bond Register. No notice of redemption need be given to the Owner of a Bond to be called for redemption if such Owner waives notice thereof in writing, and such waiver is filed with the Trustee prior to the redemption date. Neither the failure of an Owner to receive notice of redemption of Bonds hereunder nor any error in such notice shall affect the validity of the proceedings for the redemption of Bonds.

Any notice of redemption may be expressly conditional and may be rescinded by Written Order given to the Trustee not later than the date fixed for redemption. Upon receipt of such Written Order, the Trustee shall promptly mail notice of such rescission to the same parties that were mailed the original notice of redemption.

Section 4.04 Selection of Bonds for Redemption. Whenever less than all the Outstanding Bonds of any one maturity are to be redeemed on any one date, the Trustee shall select the particular Bonds to be redeemed by lot and in selecting the Bonds for redemption the Trustee shall treat each Bond of a denomination of more than five thousand dollars ($5,000) as representing that number of Bonds of five thousand dollars ($5,000) denomination which is obtained by dividing the principal amount of such Bond by five thousand dollars ($5,000), and

the portion of any Bond of a denomination of more than five thousand dollars ($5,000) to be redeemed shall be redeemed in an Authorized Denomination. The Trustee shall promptly notify the Authority in writing of the numbers of the Bonds so selected for redemption in whole or in part on such date.

Section 4.05 Payment of Redeemed Bonds. If notice of redemption has been given or waived as provided in Section 4.03, the Bonds or portions thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price thereof, together with accrued interest to the date fixed for redemption, upon presentation and surrender of the Bonds to be redeemed at the office specified in the notice of redemption. If there shall be called for redemption less than the full principal amount of a Bond, the Authority shall execute and deliver and the Trustee shall authenticate, upon surrender of such Bond, and without charge to the Owner thereof, Bonds of like interest rate and maturity in an aggregate principal amount equal to the unredeemed portion of the principal amount of the Bonds so surrendered in such Authorized Denominations as shall be specified by the Owner.

If any Bond or any portion thereof shall have been duly called for redemption and payment of the redemption price, together with unpaid interest accrued to the date fixed for redemption, shall have been made or provided for by the Authority, then interest on such Bond or such portion shall cease to accrue from such date, and from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof shall have no rights in respect of such Bond or such portion except to receive payment of such redemption price, and unpaid interest accrued to the date fixed for redemption.

Section 4.06 Purchase in Lieu of Redemption. In lieu of redemption of any Bond pursuant to the provisions of Section 4.02, amounts on deposit in the Principal Fund or in the Redemption Fund may also be used and withdrawn by the Trustee at any time prior to selection of Bonds for redemption having taken place with respect to such amounts, upon a Written Order for the purchase of such 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 Fund) as the Authority may in its discretion determine, but not in excess of the redemption price thereof plus accrued interest to the purchase date. All Bonds so purchased shall be delivered to the Trustee for cancellation.

ARTICLE V

REVENUES AND FUNDS

Section 5.01 Establishment of Funds. There is hereby established with the Trustee and the Trustee hereby agrees to maintain the following special trust funds for the Bonds, which the Trustee shall keep separate and apart from all other funds and moneys held by it: the Revenue Fund (and the Debt Service Account and the Prepayment Account therein), the Interest Fund, the Principal Fund, the Cost of Issuance Fund, the Redemption Fund and the Rebate Fund.

Section 5.02 Deposit of Proceeds of Bonds and Other Moneys. (a) The proceeds received from the sale of the Series 2015A Bonds in the amount of $_____ (consisting of the

aggregate principal amount of the Series 2015A Bonds of $_____, [plus/less net] original issue [premium/discount] of $_____, less underwriting discount of $_____[, less premium for the Bond Insurance Policy of $_____ and less the premium for the Reserve Surety of $_____]) shall be applied by the Trustee to the purchase of the Local Obligations. Such purchase price shall be applied net of the deposit of costs of issuance, for a net purchase price of $_____.

(b) The proceeds received from the sale of the Series 2015B Bonds in the amount of $_____ (consisting of the aggregate principal amount of the Series 2015B Bonds of $_____, [plus/less net] original issue [premium/discount] of $_____, less underwriting discount of $_____[, less premium for the Bond Insurance Policy of $_____ and less the premium for the Reserve Surety of $_____]) shall be applied by the Trustee to the purchase of the Local Obligations. Such purchase price shall be applied net of the deposit of costs of issuance, for a net purchase price of $_____.

Section 5.03 Revenue Fund. (a) All Revenues, other than Revenues described in subsection (b), received by the Trustee shall be deposited by the Trustee into the Debt Service Account within the Revenue Fund, which account is hereby created. The Trustee shall transfer Revenues from the Debt Service Account, in the amounts and at the times specified in Sections 5.04 and 5.05 hereof for deposit into the following respective funds in the following order of priority, the requirements of each fund to be fully satisfied, leaving no deficiencies therein, prior to any deposit into any fund later in priority:

(i) Interest Fund; and

(ii) Principal Fund.

(b) All Revenues derived from Prepayments, or the acceleration of amounts due on Local Obligations upon an event of default thereunder, received by the Trustee shall be deposited in the Prepayment Account within the Revenue Fund, which account is hereby created. Amounts in the Prepayment Account shall be transferred as soon as practicable (and in any event prior to the next succeeding Interest Payment Date which is at least forty-five (45) days following receipt of such Prepayment) to the Redemption Fund to be used to redeem Bonds pursuant to Section 4.02, subject to the terms of Section 4.06.

Section 5.04 Interest Fund. The Trustee shall deposit in the Interest Fund not later than each Interest Payment Date from the Debt Service Account an amount of Revenues which together with any amounts then on deposit in said Fund is equal to the interest on the Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Bonds on such date from the Interest Fund. All amounts in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity pursuant to the Trust Agreement).

Section 5.05 Principal Fund. The Trustee shall deposit in the Principal Fund not later than each Principal Payment Date from the Debt Service Account an amount of Revenues which together with any amounts then on deposit in said Fund is equal to the principal on the Bonds

due on such date. On each Principal Payment Date, the Trustee shall pay the principal due and payable on the Bonds on such date from the Principal Fund. All amounts in the Principal Fund shall be used and withdrawn by the Trustee solely for the purpose of paying principal on Bonds as it shall become due and payable.

Section 5.06 Cost of Issuance Fund. Moneys deposited in the Costs of Issuance Fund shall be held by the Trustee in trust and applied to the payment of Costs of Issuance upon a Requisition of the Authority filed with the Trustee, which shall be in substantially the form attached hereto as Exhibit B. Each such requisition 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. In no event shall moneys from any other fund or account established hereunder be used to pay Costs of Issuance. All payments from the Costs of Issuance Fund shall be reflected on the Trustee's regular accounting statements. At the end of twelve months from the date of issuance of the Bonds, or upon earlier receipt of a Written Order of the Authority stating that amounts in such fund are no longer required for the payment of Costs of Issuance, such fund shall be terminated and any amounts then remaining in such fund shall be transferred to the Agency Trustee for deposit in the [tax increment fund] (or similarly purposed fund if named differently) in proportion to the original amount deposited in the Cost of Issuance Fund by the Agency Trustee. The Trustee shall then close the Costs of Issuance Fund.

Section 5.07 Redemption Fund. (a) All moneys held in or transferred to the Redemption Fund pursuant to Section 5.03(b) shall be used for the purpose of redeeming or purchasing all or a portion of the Outstanding Bonds pursuant to Section 4.02 or Section 4.06.

(b) The Trustee shall use amounts in the Redemption Fund solely for the payment of the redemption price of Bonds called for redemption pursuant to Sections 4.02 or the purchase price of Bonds purchased pursuant to Section 4.06 (accrued interest to the redemption or purchase date on such Bonds shall be paid from the Interest Fund).

Section 5.08 Rebate Fund. The Trustee shall deposit in the Rebate Fund the Rebate Requirement all in accordance with Rebate Instructions received from the Authority. The Trustee will apply moneys held in the Rebate Fund as provided in Section 7.04 hereof and according to instructions provided by the Authority. Subject to the provisions of Section 7.04, moneys held in the Rebate Fund are hereby pledged to secure payments to the United States of America. The Authority and the Owners will have no rights in or claim to such moneys. The Trustee will invest all amounts held in the Rebate Fund in Permitted Investments as directed in writing by the Authority and all investment earnings with respect thereto shall be deposited in the Rebate Fund.

Upon receipt of the Rebate Instructions required by the respective Tax Certificate to be delivered to the Trustee, the Trustee will remit part or all of the balance held in the Rebate Fund to the United States of America as so directed. In addition, if the Rebate Instructions so direct, the Trustee will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as the Rebate Instructions shall direct. The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the Authority including supplying all necessary information in the manner provided in the respective Tax Certificate to the extent such information is reasonably available to the Trustee, and shall

have no liability or responsibility to monitor or enforce compliance by the Authority with the terms of the respective Tax Certificate.

The Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this section, other than from moneys held in the Rebate Fund or from other moneys provided to it by the Authority. The Trustee shall not be responsible for computing the Rebate Requirement. Computations of the Rebate Requirement shall be furnished to the Trustee or on behalf of the Authority in accordance with the respective Tax Certificate.

Notwithstanding any other provision of the Trust Agreement, including in particular Article XII hereof, the obligation to remit the rebate amounts to the United States and to comply with all other requirements of this section, and the respective Tax Certificate shall survive the defeasance or payment in full of the Tax-Exempt Bonds.

ARTICLE VI

SECURITY FOR AND INVESTMENT OF MONEYS

Section 6.01 Security. All moneys required to be deposited with or paid to the Trustee in any of the Funds (other than the Rebate Fund) referred to in any provision of the Trust Agreement shall be held by the Trustee in trust, and except for moneys held for the payment or redemption of Bonds or the payment of interest on Bonds pursuant to Section 12.02, shall, while held by the Trustee, constitute part of the Trust Estate and shall be subject to the lien and pledge created hereby.

Section 6.02 Investment of Funds. So long as the Bonds are Outstanding and there is no default hereunder, moneys on deposit to the credit of the Revenue Fund, the Interest Fund, the Principal Fund, and the Cost of Issuance Fund and all accounts within such funds shall, at the request of an Authorized Officer, which may be telephonic if confirmed in writing within two (2) Business Days, specifying and directing that such investment of such funds be made, be invested by the Trustee in Permitted Investments, and moneys held in the Rebate Fund or the Redemption Fund shall, at the request of an Authorized Officer, which may be telephonic if confirmed in writing within two (2) Business Days, specifying and directing that such investment of such funds be made, be invested by the Trustee in Federal Securities, and the Trustee shall be entitled to rely on such instructions for purposes of this section. If no such instructions are provided, the Trustee shall invest such funds in Permitted Investments described in clause (6) of the definitions thereof, and the Trustee shall thereupon immediately request investment instructions from the Authority. The Trustee shall not be responsible for any losses or consequences of any investment if it follows such instructions in good faith. The Trustee and its affiliates may act as principal, agent, sponsor or otherwise with respect to any Permitted Investment.

The securities purchased with the moneys in each such Fund shall be deemed a part of such Fund. If at any time it shall become necessary or appropriate that some or all of the securities purchased with the moneys in any such Fund be redeemed or sold in order to raise moneys necessary to comply with the provisions of the Trust Agreement, the Trustee shall effect such redemption or sale, employing, in the case of a sale, any commercially reasonable method of effecting the same. The Trustee shall not be liable or responsible for any consequences

resulting from any such investment or resulting from the redemption, sale or maturity of any such investment as authorized pursuant to this section.

Investments in the Revenue Fund, the Interest Fund, the Principal Fund, the Redemption Fund, and the Cost of Issuance Fund may be commingled at the written direction of the Authority for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in particular Funds amounts received or held by the Trustee; provided, that the Trustee shall at all times account for such investments strictly in accordance with the Funds to which they are credited and otherwise as provided in the Trust Agreement.

The Authority acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Authority the right to receive brokerage confirmations of security transactions as they occur, the Authority will not receive such confirmations to the extent permitted by law. The Trustee will furnish the Authority periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

ARTICLE VII

COVENANTS OF THE AUTHORITY

Section 7.01 Payment of Bonds; No Encumbrances. The Authority shall cause the Trustee to promptly pay, from Revenues and other funds derived from the Trust Estate pledged hereunder, the principal of and redemption premium, if any, and the interest on every Bond issued under and secured by the Trust Agreement at the place, on the dates and in the manner specified in the Trust Agreement and in such Bonds according to the true intent and meaning thereof. The Authority shall not issue any bonds, notes or other evidences of indebtedness or incur any obligations payable from or secured by the Trust Estate, other than the Bonds.

Section 7.02 Enforcement and Amendment of Local Obligations. The Authority shall enforce all of its rights with respect to the Local Obligations to the fullest extent necessary to preserve the rights and protect the security of the Owners under the Trust Agreement. The Authority hereby covenants to take such actions as may be reasonable and necessary to compel the County Auditor-Controller to comply with the irrevocable direction of the Agency to transfer to an account of the Agency, held by the Agency Trustee under the Agency Indenture, all amounts set forth in any duly approved Recognized Obligation Payment Schedule ("ROPS") with respect to principal and interest payments due on the related Local Obligations and any senior and/or parity obligations, and any deficiency in the related reserve accounts for such related Local Obligations and parity obligations related thereto.

The Authority and the Trustee may, without the consent of or notice to the Owners, consent to any amendment, change or modification of any Local Obligation that may be required (a) to conform to the provisions of the Trust Agreement (including any modifications or changes contained in any Supplemental Trust Agreement), (b) for the purpose of curing any ambiguity or inconsistency or formal defect or omission, (c) so as to add additional rights acquired in accordance with the provisions of such Local Obligation, (d) in connection with any other

change therein which is not to the material prejudice of the Trustee or the owners of the Bonds pursuant to an Opinion of Bond Counsel, or (e) in the Opinion of Bond Counsel, to preserve or assure the exemption of interest on the Tax-Exempt Bonds from federal income taxes or the exemption from California personal income tax. So long as the Bond Insurer shall be in compliance with its payment obligations under the Bond Insurance Policy, the Bond Insurer shall be deemed to be the sole owner of the Local Obligations for purposes of such consent.

Except for amendments, changes or modifications provided for in the preceding paragraph, neither the Authority nor the Trustee shall consent to any amendment, change or modification of any Local Obligation without the mailing of notice and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding given and procured as in this section provided. If at any time the Authority or any Agency, as the case may be, shall request the consent of the Trustee to any such proposed amendment, change or modification of a Local Obligation, the Trustee shall, upon being satisfactorily indemnified with respect to reasonable expenses, cause notice of such proposed amendment, change or modification to be mailed in the same manner as provided by Section 13.04 hereof. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file with the Trustee for inspection by all Owners. Nothing contained in this section shall be construed to prevent the Trustee, with the consent of the Authority, from settling a default under any Local Obligation on such terms as the Trustee may determine to be in the best interests of the Owners.

The Authority shall deliver a full transcript of the original documents and proceedings relating to the amendment, change or modification of any Local Obligation to the Bond Insurer.

Section 7.03 Further Documents. The Authority covenants that it will from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of the Trust Agreement; provided, that no such instruments or actions shall pledge the faith and credit or the taxing power of the Authority, any member of the Authority, the Agency, the City, the County of Los Angeles, the State of California, or any political subdivision thereof.

Section 7.04 Tax Covenants.

(a) The Authority will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds under Section 103 of the Code. The Authority will not directly or indirectly use or permit the use of any proceeds of the Tax-Exempt Bonds or any other funds of the Authority or take or omit to take any action that would cause the Tax-Exempt Bonds to be "private activity bonds" within the meaning of Section 141(a) of the Code or obligations which are "federally guaranteed" within the meaning of Section 149(b) of the Code. The Authority will not allow ten percent (10%) or more of the proceeds of the Tax-Exempt Bonds to be used in the trade or business of any nongovernmental units and will not lend five percent (5%) or more of the proceeds of the Tax-Exempt Bonds to any nongovernmental units.

(b) The Authority will not directly or indirectly use or permit the use of any proceeds of the Tax-Exempt Bonds or any other funds of the Authority to take or omit to take any action

that would cause the Tax-Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, the Authority will comply with all requirements of Section 148 of the Code to the extent applicable to the Tax-Exempt Bonds. In the event that at any time the Authority is of the opinion that for purposes of this section it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee hereunder, the Authority will so instruct the Trustee in writing, and the Trustee will take such actions as directed by such instructions.

(c) The Authority will pay or cause to be paid the Rebate Requirement as provided in the respective Tax Certificate. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds. The Authority will cause the Rebate Requirement to be deposited in the Rebate Fund as provided in the respective Tax Certificate (which is incorporated herein by reference).

The Trustee will conclusively be deemed to have complied with the provisions of this section including the provisions of the respective Tax Certificate if it follows the directions of the Authority set forth in the respective Tax Certificate and the Rebate Instructions and shall not be required to take any actions hereunder in the absence of Rebate Instructions from the Authority.

(d) Notwithstanding any provision of this section, if the Authority shall provide to the Trustee an Opinion of Bond Counsel that any specified action required under this section is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the Tax-Exempt Bonds, the Trustee and the Authority may conclusively rely on such Opinion in complying with the requirements of this section, and the covenants hereunder shall be deemed to be modified to that extent.

(e) The provisions of this Section 7.04 shall survive the defeasance of the Tax-Exempt Bonds.

Section 7.05 Maintenance of Existence. The Authority shall maintain its existence, powers and authority as a joint powers authority under California law.

Section 7.06 Continuing Disclosure. So long as any of the Bonds are Outstanding, the Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement for which it has assumed responsibility as Dissemination Agent. Notwithstanding any other provision of the Trust Agreement, failure of the Authority or the Agency to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; provided, however, the Trustee (at the request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or the Owners or Beneficial Owners of at least 25% aggregate principal amount of Bonds Outstanding) shall take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority or the Agency to comply with its obligations under this section and the Continuing Disclosure Agreement. For purposes of this section, "Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly,

to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Section 7.07 Notifications Required by the Act. The Trustee shall notify the Authority in writing if the Trustee fails to pay principal or interest due on any scheduled payment date for the Bonds and shall notify the Authority in writing of any withdrawal of funds from any reserve fund to pay principal and interest on a Local Obligation, as applicable, and, in accordance with Section 6599.1(c) of the Act, the Authority shall notify the California Debt and Investment Advisory Commission of such failure or withdrawal, as applicable, within 10 days of the failure or withdrawal, as applicable.

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.01 Events of Default. The following shall constitute "Events of Default" hereunder:

(a) if payment of interest on the Bonds shall not be made when due; or

(b) if payment of any Principal Installment shall not be made when due and payable, whether at maturity, by proceedings for redemption, by acceleration or otherwise; or

(c) if the Authority shall fail to observe or perform in any material way any agreement, condition, covenant or term contained in the Trust Agreement on its part to be performed, and such failure shall continue for thirty (30) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Authority by the Trustee or by the Owner(s) of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds Outstanding, provided, that if such default (other than a default arising from nonpayment of the Trustee's fees and expenses) be such that it cannot be corrected within such thirty (30) day period, it shall not constitute an Event of Default if corrective action is instituted by the Authority within such thirty (30) day period and the Authority shall thereafter diligently and in good faith cure such failure in a reasonable period of time; or

(d) the Authority or any Agency shall commence a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

Within five Business Days after obtaining actual knowledge of the occurrence of an Event of Default, the Trustee shall notify the Bond Insurer thereof. "Actual knowledge" shall mean the actual knowledge of a Responsible Officer of the Trustee.

Section 8.02 Action on Default. Upon the happening and continuance of any Event of Default, the Trustee in its discretion may, or at the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding shall, but subject to the provisions of Section 13.11, upon notice in writing to the Authority, take whatever action at law or in equity as may appear necessary or desirable to protect and enforce any of the rights

vested in the Trustee or the Owners by the Trust Agreement or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 8.03 hereof.

Section 8.03 Other Remedies of the Trustee. Subject to the provisions of Section 13.11, during the continuance of an Event of Default, the Trustee shall have the right to do the following:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners, including the right to receive and collect the Revenues;

(b) bring suit upon or otherwise enforce any defaulting Local Obligation;

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners;

(d) as a matter of right, have a receiver or receivers appointed for the Trust Estate and of the earnings, income, issues, products, profits and revenues thereof pending such proceedings, with such powers as the court making such appointment shall confer; and

(e) take such action with respect to any and all Local Obligations or Permitted Investments as the Trustee shall deem necessary and appropriate, subject to Section 9.02 and to the terms of such Local Obligations or Permitted Investments.

Section 8.04 Effect of Discontinuance or Abandonment. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Trustee and the Owners shall be restored to their former positions and rights under the Trust Agreement, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Section 8.05 Rights of Owners. Anything in the Trust Agreement to the contrary notwithstanding, subject to the limitations and restrictions as to the rights of the Owners in Sections 8.01, 8.02, 8.03 and 8.06 and 13.11, upon the happening and continuance of any Event of Default, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have the right, upon providing the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Trust Agreement.

The Trustee may refuse to follow any direction that conflicts with applicable laws, the Trust Agreement or that the Trustee determines is prejudicial to rights of other Owners or would subject the Trustee to personal liability without adequate indemnification therefor.

Section 8.06 Restriction on Owner's Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in this Article, no Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any trust under the Trust Agreement, or any other remedy under the Trust Agreement or on the Bonds, unless such Owner previously shall have given to the Trustee written notice of an Event of Default as hereinabove provided and unless the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have made written request of the Trustee to institute any such suit, action, proceeding or other remedy, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Trust Agreement, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case to be conditions precedent to the execution of the trusts of the Trust Agreement or for any other remedy under the Trust Agreement, it being understood and intended that no one or more Owners of the Bonds secured by the Trust Agreement shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Trust Agreement, or to enforce any rights under the Trust Agreement or under the Bonds, except in the manner provided in the Trust Agreement, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Trust Agreement, and for the equal benefit of all Owners of Outstanding Bonds; subject, however, to the provisions of this section. Notwithstanding the foregoing provisions of this section, the obligation of the Authority shall be absolute and unconditional to pay, but solely from the Trust Estate, the principal of and the redemption premium, if any, and the interest on the Bonds to the respective Owners thereof at the respective due dates thereof, and nothing herein shall affect or impair the right of action, which is absolute and unconditional, of such Owners to enforce such payment. This section is subject in all respects to the provisions of Section 13.11.

Section 8.07 Power of Trustee to Enforce. All rights of action under the Trust Agreement or under any of the Bonds secured by the Trust Agreement which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceedings instituted by the Trustee shall be brought in its own name, as Trustee, for the equal and ratable benefit of the Owners subject to the provisions of the Trust Agreement.

Section 8.08 Remedies Not Exclusive. No remedy in the Trust Agreement conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Trust Agreement or now or hereafter existing at law or in equity or by statute.

Section 8.09 Waiver of Events of Default; Effect of Waiver. Upon the written request of the Owners of at least a majority in aggregate principal amount of all Outstanding Bonds the Trustee shall waive any Event of Default hereunder and its consequences. The Trustee may waive any Event of Default hereunder and its consequences at any time. If any Event of Default

shall have been waived as herein provided, the Trustee shall promptly give written notice of such waiver to the Authority and shall give notice thereof by first class mail, postage prepaid, to all Owners of Outstanding Bonds if such Owners had previously been given notices of such Event of Default; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default, or impair any right or remedy consequent thereon.

No delay or omission of the Trustee or of any Owner to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this Article to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

This section is subject in all respects to the provisions of Section 13.11.

Section 8.10 Application of Moneys. Any moneys received by the Trustee pursuant to this Article shall, after payment of all fees and expenses of the Trustee, and the reasonable fees and expenses of its outside counsel, if any, incurred in connection with the performance of the Trustee's duties hereunder, be applied as follows:

(a) to the payment of the Owners entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

(b) to the payment of the Owners entitled thereto of the unpaid principal of and redemption premium, if any, and any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Trust Agreement) in the order of their due dates, and if the amount available shall not be sufficient to pay in full the principal of and redemption premium, if any, on such Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the Persons entitled thereto without any discrimination or privilege; and

(c) to be held for the payment to the Owners entitled thereto as the same shall become due of the principal of and redemption premium, if any, on and interest on the Bonds which may thereafter become due, either at maturity or upon call for redemption prior to maturity, and if the amount available shall not be sufficient to pay in full such principal and redemption premium, if any, due on any particular date, together with interest then due and owing thereon, payment shall be made in accordance with paragraphs (a) and (b) hereof.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give prompt notice to the Owner of the deposit with it of any such moneys.

ARTICLE IX

THE TRUSTEE

Section 9.01 Appointment and Acceptance of Duties. The Trustee hereby accepts and agrees to the trusts hereby created to all of which the Authority agrees and the respective Owners of the Bonds, by their purchase and acceptance thereof, agree.

Section 9.02 Duties, Immunities and Liability of Trustee.

(a) Subject to Section 13.11, the Trustee shall, prior to 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 the Trust Agreement, and no implied duties or obligations shall be read into the Trust Agreement against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise the rights and powers vested in it by the Trust Agreement, and use the same degree of care and skill in their exercise as a reasonable individual would exercise or use under the circumstances in the conduct of his own affairs.

(b) Subject to Section 13.11, the Authority may, in the absence of an Event of Default, and upon receipt of 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 upon receipt of a written request of the Bond Insurer stating good cause, or upon receipt of a written request of the Bond Insurer following an Event of Default (irrespective of cause), or if at any time the Trustee shall cease to be eligible in accordance with subsection (e) of this section, or shall become incapable of acting, or shall commence a case under any bankruptcy, insolvency or similar law, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take control or charge of the Trustee or its property or affairs for the purpose of rehabilitation, conservation or liquidation, shall, remove the Trustee by giving written notice of such removal to the Trustee, and thereupon the Authority shall promptly appoint a successor Trustee by an instrument in writing. The Authority shall promptly notify the Bond Insurer of any such removal and appointment.

(c) The Trustee may, subject to (d) below, resign by giving written notice of such resignation to the Authority and the Bond Insurer and by giving notice of such resignation by mail, first class postage prepaid, to the Owners at the addresses listed in the Bond Register. Upon receiving such notice of resignation, the Authority shall promptly appoint a successor Trustee by an instrument in writing, and shall notify the Bond Insurer of such appointment.

(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 shall have accepted appointment within thirty (30) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of himself and all other Owners) may petition any court of competent jurisdiction 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 the Trust Agreement shall signify its acceptance of such appointment by

executing and delivering to the Authority and to its predecessor Trustee and the Bond Insurer 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 Authority or 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 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 the Trust Agreement 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 Authority shall execute and deliver any and all instruments as may be reasonably required for 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, such successor Trustee shall mail a notice of the succession of such Trustee to the trusts hereunder by first class mail, postage prepaid, to the Owners at their addresses listed in the Bond Register.

(e) Any Trustee appointed under the provisions of this section shall be a trust company or bank having the powers of a trust company or authorized to exercise trust powers, having a corporate trust office in California, having (or in the case of a bank, trust company or bank holding company which is a member of a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least fifty million dollars ($50,000,000), and subject to supervision or examination by federal or state authority. If such bank, trust company or bank holding company 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 bank, trust company or bank holding company 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, the Trustee shall resign immediately in the manner and with the effect specified in this section.

(f) No provision in the Trust Agreement shall require the Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder unless the Owners shall have offered to the Trustee security or indemnity it deems reasonable, against the costs, expenses and liabilities that may be incurred.

(g) In accepting the trust hereby created, the Trustee acts solely as Trustee for the Owners and not in its individual capacity, and under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds.

(h) The Trustee makes no representation or warranty, express or implied, as to the compliance with legal requirements of the use contemplated by the Authority of the funds under the Trust Agreement including, without limitation, the purchase of the Local Obligations hereunder.

(i) The Trustee shall not be responsible for the validity or effectiveness or value of any collateral or security securing any Local Obligation. The Trustee shall not be responsible for the recording or filing of any document relating to this Agreement or any Local Obligation or of financing statements (or continuation statements in connection therewith) or mortgage or of any supplemental instruments or documents of further assurance as may be required by law in order to perfect the security interests or lien on or in any collateral or security securing any Local Obligation. The Trustee shall not be deemed to have made representations as to the security afforded thereby or as to the validity, sufficiency or priority of any such document, collateral or security of the Bonds.

(j) 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 at the Trustee's Principal Corporate Trust Office.

(k) The Trustee shall not be accountable for the use or application by the Authority or any other party of any funds which the Trustee has released under the Trust Agreement.

(l) The Trustee shall provide a monthly accounting of all Funds held pursuant to the Trust Agreement to the Authority within fifteen (15) Business Days after the end of each month and shall provide statements of account for each annual period beginning July 1 and ending June 30, within 90 days after the end of such period. Such accounting shall show in reasonable detail all financial transactions made by the Trustee during the accounting period and the balance in any Funds and accounts created under the Trust Agreement as of the beginning and close of such accounting period.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law.

(n) The permissive rights of the Trustee to do things enumerated in the Trust Agreement shall not be construed as a duty unless so specified herein.

(o) The Trustee may appoint and act through an agent and shall not be responsible for any misconduct or negligence of any such agent appointed with due care.

(p) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Bonds, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 9.03 Merger or Consolidation. Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (e) of Section 9.02, shall succeed to the rights and obligations of such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 9.04 Compensation. The Authority shall pay or cause the Agency to pay the Trustee reasonable compensation for its services rendered hereunder and reimburse the Trustee for reasonable expenses, disbursements and advances, including reasonable attorney's and agent's fees, and expenses incurred by the Trustee in the performance of its obligations hereunder and with respect to the Local Obligations.

The Authority agrees, to the extent permitted by law, to indemnify the Trustee and its officers, directors, employees, attorneys and agents for, and to hold it harmless against, any loss, liability or expense incurred without negligence or willful misconduct on its part arising out of or in connection with (i) the acceptance or administration of the trusts imposed by the Trust Agreement, including performance of its duties hereunder, including the costs and expenses of defending itself against any claims or liability in connection with the exercise or performance of any of its powers or duties hereunder (ii) the Local Obligations; (iii) the sale of any Bonds or the purchase of any Local Obligations and the carrying out of any of the transactions contemplated by the Bonds or the Local Obligations; or (iv) any untrue statement of any material fact or omission to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading in any official statement or other disclosure document utilized by the Authority or under its authority in connection with the sale of the Bonds or the Local Obligations. The Authority's obligations hereunder with respect to indemnity of the Trustee and the provision for its compensation set forth in this Article shall survive and remain valid and binding notwithstanding the maturity and payment of the Bonds, or the resignation, or removal of the Trustee.

The Trustee shall have no responsibility for or liability in connection with assuring that all of the procedures or conditions to closing set forth in the contract of purchase for sale of the Bonds are satisfied, or that all documents required to be delivered on the closing date to the parties are actually delivered, except its own responsibility to receive or deliver the proceeds of the sale, deliver the Bonds and other certificates expressly required to be delivered by it and its counsel.

The Trustee shall not be responsible for determining or investigating whether any Local Obligation held hereunder is a Local Obligation, as defined in the Trust Agreement, and the Trustee may conclusively rely on the Authority's determination and direction in this regard. The Trustee shall be entitled to rely on the covenants, representations and warranties of each obligor on any Local Obligation and in the documents and certificates delivered in connection therewith.

Section 9.05 Liability of Trustee. The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Trustee does not assume any responsibility for the correctness of the same, and does not make any representations as to the

validity or sufficiency of the Trust Agreement or of the Bonds, and shall not incur any responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Bonds assigned to or imposed upon it; provided, that the Trustee shall 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 willful misconduct. The Trustee (in its individual or any other capacity) may become the Owner of Bonds with the same rights it would have if it were not Trustee hereunder, and, to the extent permitted by law, may act as depository for and permit any of its officers, directors and employees to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of a majority in principal amount (or any lesser amount that may direct the Trustee in accordance with, and as provided in, the provisions of the Trust Agreement) of the Bonds then Outstanding. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in principal amount (or any lesser amount that may direct the Trustee in accordance with, and as provided in, the provisions of the Trust Agreement) of the Outstanding Bonds 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, hereunder. Whether or not therein expressly so provided, every provision of the Trust Agreement or related documents relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article. All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

Section 9.06 Right to Rely on Documents. The Trustee may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the Authority, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection for any action taken or suffered or omitted by it hereunder in good faith and in accordance therewith.

Whenever in the administration of the trusts imposed upon it by the Trust Agreement the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting 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 an Officer's Certificate, and such Certificate shall be full warrant to the Trustee for any action taken or suffered or omitted in good faith under the provisions of the Trust Agreement in reliance upon such Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee shall be entitled to advice of counsel and other professionals concerning all matters of trust and its duty hereunder, but the Trustee shall not be answerable for the professional malpractice of any attorney-at-law or certified public accountant in connection with the rendering of his professional advice in accordance with the terms of the Trust Agreement, if such attorney-at-law or certified public accountant was selected by the Trustee with due care.

Section 9.07 Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of the Trust Agreement shall be retained in its possession and shall be subject at all reasonable times upon prior notice to the inspection of the Authority, the Owners of at least twenty-five percent (25%) of the aggregate principal amount of the Bonds, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

Section 9.08 Indemnity for Trustee. Before taking any action or exercising any rights or powers under the Trust Agreement, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses which it may incur and to indemnify it against all liability, except liability which may result from its negligence or willful misconduct, by reason of any action so taken.

ARTICLE X

EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 10.01 Execution of Instruments; Proof of Ownership. Any request, direction, consent or other instrument in writing required or permitted by the Trust Agreement to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor by different parties and may be signed or executed by such Owners in Person or by agent appointed by an instrument in writing. Proof of the execution of any such instrument and of the ownership of Bonds shall be sufficient for any purpose of the Trust Agreement and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted by either of them under such instrument if made in the following manner:

(a) The fact and date of the execution by any Person of any such instrument may be proved by the certificate of any officer in any jurisdiction who, by the laws thereof, has power to take acknowledgments within such jurisdiction, to the effect that the Person signing such instrument acknowledged before him the execution thereof, or by an affidavit of a witness to such execution.

(b) The fact of the ownership of Bonds under the Trust Agreement by any Owner and the serial numbers of such Bonds and the date of his ownership of the same shall be proved by the Bond Register.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters in this Article stated which to it may seem sufficient. Any request or consent of the Owner of any Bond shall bind every future Owner of the same Bond and any Bond or Bonds issued in exchange or substitution therefor or upon the registration of transfer thereof in respect of anything done by the Trustee in pursuance of such request or consent.

ARTICLE XI

MODIFICATION OF TRUST AGREEMENT AND SUPPLEMENTAL TRUST AGREEMENTS

Section 11.01 Supplemental Trust Agreements Without Consent of Owners. The Authority may, without the consent of the Owners, enter into any Supplemental Trust Agreement, which thereafter shall form a part of the Trust Agreement, for any one or more of the following purposes:

(a) to add to the agreements and covenants of the Authority contained in the Trust Agreement other agreements and covenants thereafter to be observed, or to surrender any right or power in the Trust Agreement reserved to or conferred upon the Authority; provided, that no such agreement, covenant or surrender shall materially adversely affect the rights of any Owner;

(b) to cure any ambiguity, to supply any omission or to cure, correct or supplement any defect or inconsistent provisions contained in the Trust Agreement or in any Supplemental Trust Agreement;

(c) to make any change which does not materially adversely affect the rights of any Owner;

(d) to grant to the Trustee for the benefit of the Owners additional rights, remedies, powers or authority;

(e) to subject to the Trust Agreement additional collateral or to add other agreements of the Authority;

(f) to modify the Trust Agreement or the Bonds to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States of America;

(g) to make any change necessary or appropriate to accommodate changes to the Dissolution Act; provided, that no such change shall permit the creation by the Authority of any lien prior to or on a parity with the lien of the related Trust Agreement upon the related Trust Estate or which will affect the times, amounts and currency of payment of the principal of or the redemption premium, if any, on or the interest on the Bonds;

(h) to evidence the succession of a new Trustee; or

(i) in the Opinion of Bond Counsel, to preserve or assure the exemption of interest on the Tax-Exempt Bonds from federal income taxes or the exemption from California personal income tax.

The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment, any particular Bond would be affected by any such modification or amendment of the Trust Agreement and any such determination shall be binding and conclusive on the Authority and all Owners of Bonds. For all purposes of this section, the Trustee shall be entitled to rely upon and shall be fully protected in relying upon an Opinion of Bond Counsel, in form and substance satisfactory to it, with respect to the extent, if any, to which any action affects the rights under the Trust Agreement of any Owner. Notwithstanding anything to the contrary in this section, the written consent of the Bond Insurer shall be required prior to any amendment for the purposes set forth in clauses (b) or (c) of this section.

Section 11.02 Trustee Authorized to Enter into Supplemental Trust Agreement. The Trustee is hereby authorized to enter into any Supplemental Trust Agreement with the Authority authorized or permitted by the terms of the Trust Agreement, and to make the further agreements and stipulations which may be therein contained, and for all purposes of this section, the Trustee shall be entitled to rely upon and shall be fully protected in relying upon an Opinion of Bond Counsel, in form and substance satisfactory to it, to the effect that such Supplemental Trust Agreement is authorized or permitted by the provisions of the Trust Agreement.

Section 11.03 Supplemental Trust Agreements With Consent of Owners. Any modification or alteration of the Trust Agreement or of the rights and obligations of the Authority or of the Owners of the Bonds may be made with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding and the consent of the Bond Insurer; provided, that no such modification or alteration shall be made which will reduce the percentage of aggregate principal amount of Bonds the consent of the Owners of which is required for any such modification or alteration, or permit the creation by the Authority of any lien prior to or on a parity with the lien of the Trust Agreement upon the Trust Estate or which will affect the times, amounts and currency of payment of the principal of or the redemption premium, if any, on or the interest on the Bonds or affect the rights, duties or obligations of the Trustee without the consent of the party affected thereby.

Section 11.04 Notice and Information Requirements. The Authority shall deliver a copy of any modification or amendment to the Trust Agreement to the Bond Insurer and S&P at least ten days prior to the effective date thereof. After the effective date, the Authority shall deliver to the Bond Insurer a full transcript of the original documents and proceedings relating to such modification or amendment.

ARTICLE XII

DEFEASANCE

Section 12.01 Defeasance. (a) If (i) the Authority shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Bonds the principal thereof and the interest and premium, if any, thereon at the times and in the manner stipulated herein and therein, and (ii) all other amounts due and payable hereunder shall have been paid, then the Owners shall cease to be entitled to the lien created hereby, and all agreements, covenants and other obligations of the Authority hereunder shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Authority all

such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the Authority all money or securities held by it pursuant hereto which are not required for the payment of the principal of and interest and premium, if any, on the Bonds.

(b) Subject to the provisions of subsection (a) of this Section, when any Bond shall have been paid and if, at the time of such payment, the Authority shall have kept, performed and observed all of the covenants and promises in such Bonds and in the Trust Agreement required or contemplated to be kept, performed and observed by it or on its part on or prior to that time, then the Trust Agreement shall be considered to have been discharged in respect of such Bond and such Bond shall cease to be entitled to the lien created hereby, and all agreements, covenants and other obligations of the Authority hereunder shall cease, terminate, become void and be completely discharged and satisfied as to such Bond.

(c) Notwithstanding the discharge and satisfaction of the Trust Agreement or the discharge and satisfaction of the Trust Agreement in respect of any Bond, for as long as any Bond remain outstanding those provisions of the Trust Agreement relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and shall be binding upon the Trustee and the Owners and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of and interest and premium, if any, on the Bonds, to pay to the Owners of the Bonds the funds so held by the Trustee as and when such payment becomes due.

Section 12.02 <u>Bonds Deemed to Have Been Paid</u>. (a) If moneys shall have been set aside and held by the Trustee for the payment or redemption of any Bond and the payment of the interest thereon to the maturity or redemption date thereof, such Bond shall be deemed to have been paid within the meaning and with the effect provided in Section 12.01 hereof. Any Outstanding Bond shall prior to the maturity date or redemption date thereof be deemed to have been paid within the meaning of and with the effect expressed in Section 12.01 hereof if (i) in case any of such Bonds are to be redeemed on any date prior to their maturity date, the Authority shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail, on a date in accordance with the provisions of Section 4.03 hereof, notice of redemption of such Bond on said redemption date, said notice to be given in accordance with Section 4.03 hereof, (ii) there shall have been deposited with the Trustee either (A) money in an amount which shall be sufficient, or (B) Federal Securities, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which shall be sufficient to pay when due the interest to become due on such Bond on and prior to the maturity date or redemption date thereof, as the case may be, and the principal of and premium, if any, on such Bond, and (iii) in the event such Bond is not by its terms subject to redemption within the next succeeding 60 days, the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the owners of such Bond that the deposit required by clause (ii) above has been made with the Trustee and that such Bond is deemed to have been paid in accordance with this Section and stating the maturity date or redemption date upon which money is to be available for the payment of the principal of and premium, if any, on such Bond. Neither the money nor the Federal Securities deposited with the Trustee pursuant to this

subsection in connection with the deemed payment of Bonds, nor principal or interest payments on any such Federal Securities, shall be withdrawn or used for any purpose other than, and shall be held in trust for and pledged to, the payment of the principal of and, premium, if any, and interest on such Bonds.

(b) No Bond shall be deemed to have been paid pursuant to clause (ii)(B) of subsection (a) of this Section unless the Authority shall cause to be delivered (A) an executed copy of a Verification Report with respect to such deemed payment, addressed to the Authority and the Trustee, (B) a copy of any escrow agreement or instruction entered into in connection with the deposit pursuant to clause (ii)(B) of subsection (a) of this Section resulting in such deemed payment, which escrow agreement or instruction shall provide that no substitution of Federal Securities shall be permitted except with other Federal Securities and upon delivery of a new Verification Report and no reinvestment of Federal Securities shall be permitted except as contemplated by the original Verification Report or upon delivery of a new Verification Report, and (C) a copy of an Opinion of Bond Counsel, dated the date of such deemed payment and addressed to the Authority and the Trustee, to the effect that such Bond has been paid within the meaning and with the effect expressed in the Trust Agreement, and all agreements, covenants and other obligations of the Authority hereunder as to such Bond have ceased, terminated, become void and been completely discharged and satisfied. Such deliverables shall also be addressed to the Bond Insurer.

(c) The Trustee may seek and is entitled to rely upon (i) an Opinion of Bond Counsel reasonably satisfactory to the Trustee to the effect that the conditions precedent to a deemed payment pursuant to clause (ii) of subsection (a) of this Section have been satisfied, and (ii) such other opinions, certifications and computations, as the Trustee may reasonably request, of accountants or other financial consultants concerning the matters described in subsection (b) of this Section.

ARTICLE XIII

MISCELLANEOUS

Section 13.01 Dissolution of Authority. In the event of the dissolution of the Authority, all the agreements, conditions, covenants and terms contained in the Trust Agreement by or on behalf of, or for the benefit of, the Authority shall bind or inure to the benefit of the successors of the Authority from time to time and any officer, board, commission, agency or instrumentality to whom or to which any power or duty of the Authority shall be transferred.

Section 13.02 Parties Interested Herein. Except as in the Trust Agreement otherwise specifically provided, nothing in the Trust Agreement expressed or implied is intended or shall be construed to confer upon any Person other than the Authority, the Trustee and the Owners of the Bonds issued under the Trust Agreement and the Bond Insurer any right, remedy or claim under or by reason of the Trust Agreement, the Trust Agreement being intended to be for the sole and exclusive benefit of the Authority, the Trustee and the Owners of the Bonds issued under the Trust Agreement and the Bond Insurer.

Section 13.03 Severability of Invalid Provisions. If any clause, provision or section of the Trust Agreement is held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections of the Trust Agreement, and the Trust Agreement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein.

Section 13.04 Notice. All written notices to be given hereunder to the Authority or the Trustee or the Bond Insurer shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Authority:	County of Los Angeles Redevelopment Refunding Authority c/o County of Los Angeles 500 West Temple Street, Room 437 Los Angeles, California 90012 Attention: Treasurer and Tax Collector
If to the Trustee:	U.S. Bank National Association 633 West Fifth Street, 24th Floor Los Angeles, California 90071 Attention: Global Corporate Trust Services
If to the Bond Insurer	

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answer back or other written acknowledgment or confirmation of receipt of the entire notice, approval, demand, report or other communication, (c) if given by first class registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, seventy-two (72) hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, twenty-four (24) hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this section.

In case, by reason of the suspension of or irregularities in regular mail service, it shall be impractical to mail to the Owners of Bonds notice of any event when such notice is required to be given pursuant to any provision of the Trust Agreement, then any manner of giving such notice as the Authority shall direct and not objected to by the Trustee shall be deemed to be a sufficient giving of such notice.

Section 13.05 Counterparts. The Trust Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but all of which such counterparts shall together constitute but one and the same instrument.

Section 13.06 Governing Law. The Trust Agreement shall be governed as to validity, construction and performance by the laws of the State.

Section 13.07 Non-Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in the Trust Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in the Trust Agreement, and no interest shall accrue for the period from and after such nominal date.

Section 13.08 Limitation of Liability. The Authority shall not be obligated to make any payments required hereunder or under any Bond, or be deemed to incur any liability hereunder or by reason hereof or arising out of any of the transactions contemplated hereby, payable from any funds or assets other than the Trust Estate as provided herein. The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto will not constitute indebtedness or an obligation of the Authority, the members and officers of the Authority, any Agency, any City, the County of Los Angeles, the State of California or any other political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a special obligation of the Authority, payable solely from the Trust Estate duly pledged therefor. Neither the faith and credit nor the taxing power of the Authority, any member of the Authority, any Agency, any City, the County of Los Angeles, the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds.

Section 13.09 Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest on, or principal or prepayment premium, if any, of any Bond which remains unclaimed for two (2) years after the date when such amounts have become payable, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date such amounts have become payable shall be paid by the Trustee to the Authority as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Authority for the payment of such amounts; provided, that before being required to make any such payment to the Authority, the Trustee shall, at the expense of the Authority, give notice by first class mail to all Owners and to the Securities Depository and the MSRB that such money remains unclaimed and that after a date named in such notice, which date shall not be less than sixty (60) days after the date of giving such notice, the balance of such money then unclaimed will be returned to the Authority.

Section 13.10 Moneys Held for Particular Bonds. The money held by the Trustee for the payment of the principal of or premium or interest on particular Bonds due on any date (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, subject, however, to the provisions of Section 13.09 hereof, but without any liability for interest thereon.

Section 13.11 **Bond Insurance Payment and Reimbursement Provisions**. The following provisions shall govern in the event of a conflict with any contrary provision of the Trust Agreement.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under the Trust Agreement, moneys sufficient to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall give notice to the Bond Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall make a claim under the Bond Insurance Policy and give notice to the Bond Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to the Bond Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

In accordance with the Agency Indenture, the Agency Trustee shall telephonically notify Authority Trustee on 3rd Business Day and again 2nd Business day, confirmed by fax/email, prior to each Interest Payment Date if there is an insufficiency of funds on deposit with the Agency Trustee. The Authority Trustee shall give the notice and claim to Bond Insurer if it has been notified by the Agency Trustee of the insufficiency of funds on deposit with the Agency Trustee for the upcoming payment to Authority Trustee.

The Trustee shall designate any portion of payment of principal on Insured Bonds paid by the Bond Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Bonds registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Bond Insurer, registered in the name of _____, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Bond shall have no effect on the amount of principal or interest payable by the Authority on any Insured Bond or the subrogation rights of the Bond Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Bond Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Insured Bond. The Bond Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Bond Insurance Policy in trust on behalf of Owners and shall deposit any such amount in the Policy Payments Account and

distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Insured Bonds under the sections hereof regarding payment of Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Authority agrees to pay to the Bond Insurer (i) a sum equal to the total of all amounts paid by the Bond Insurer under the Bond Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Bond Insurer until payment thereof in full, payable to the Bond Insurer at the Late Payment Rate per annum, each including from amounts paid to the Authority by the Agency to the extent allocable to unpaid debt service on the related Local Obligations (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3.00%, and (ii) the then applicable highest rate of interest on the Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Authority hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Insured Bonds, payable solely from the Trust Estate.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a bond payment date shall promptly be remitted to the Bond Insurer.

The Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy. Each obligation of the Authority to the Bond Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

The Authority shall pay or reimburse the Bond Insurer any and all charges, fees, costs and expenses that the Bond Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under the Trust Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Trust Agreement or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Trust Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Bond Insurer to honor its obligations under the Bond Insurance Policy. The Bond Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Trust Agreement or any other Related Document.

After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Authority only after the payment of past due and current debt service on the Insured Bonds.

The Bond Insurer shall be entitled to pay principal or interest on the Insured Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Authority (as such terms are defined in the Bond Insurance Policy) and any amounts due on the Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Trust Agreement, whether or not the Bond Insurer has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

The rights granted to the Bond Insurer under the Trust Agreement or any other Related Document to request, consent to or direct any action are rights granted to the Bond Insurer in consideration of its issuance of the Bond Insurance Policy. Any exercise by the Bond Insurer of such rights is merely an exercise of the Bond Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners and such action does not evidence any position of the Bond Insurer, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of the Bond Insurer.

Amounts paid by the Bond Insurer under the Bond Insurance Policy shall not be deemed paid for purposes of the Trust Agreement and the Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with the Trust Agreement. The Trust Agreement shall not be discharged unless all amounts due or to become due to the Bond Insurer have been paid in full or duly provided for.

In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Trust Agreement would adversely affect the security for the Insured Bonds or the rights of the Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy.

The Bond Insurer shall be deemed to be the sole holder of the Bond Insured for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds insured by it are entitled to take pursuant to the Trust Agreement pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. Remedies granted to the Owners shall expressly include mandamus.

No contract shall be entered into or any action taken by which the rights of the Bond Insurer or security for or sources of payment of the Insured Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Bond Insurer.

So long as the Bond Insurer shall be in compliance with its payment obligations under the Bond Insurance Policy, the Trustee and each Owner appoint the Bond Insurer as their agent and attorney-in-fact and agree that, to the proportionate extent that the Insured Bonds represent a share of the aggregate principal amount of outstanding Bonds and otherwise with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds (other than the Insured Bonds) then Outstanding, the Bond Insurer may at any time during the continuation of any proceeding by or against the Agency under the United States Bankruptcy Code or any other

applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner delegate and assign to the Bond Insurer, to the fullest extent permitted by law and to the proportionate extent that the Insured Bonds represent a share of the aggregate principal amount of outstanding Bonds and otherwise with the consent of the Owners of not less than a majority in aggregate principal amount of the Bonds (other than the Insured Bonds) then Outstanding, the rights of the Trustee and each Owner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

Any interest rate exchange agreement ("Swap Agreement") entered into by the Authority and/or Agency with respect to the Bonds or Local Obligations shall meet the following conditions: (i) the Swap Agreement must be entered into to manage interest costs related to, or a hedge against (a) assets then held, or (b) debt then outstanding, or (iii) debt reasonably expected to be issued within the next twelve (12) months, and (ii) the Swap Agreement shall not contain any leverage element or multiplier component greater than 1.0x unless there is a matching hedge arrangement which effectively off-sets the exposure from any such element or component. Unless otherwise consented to in writing by the Bond Insurer, any uninsured net settlement, breakage or other termination amount then in effect shall be subordinate to debt service on the Insured Bonds and on any debt on parity with the Bonds. The Authority and/or Agency shall not terminate a Swap Agreement unless it demonstrates to the satisfaction of the Bond Insurer prior to the payment of any such termination amount that such payment will not cause the Authority and/or Agency to be in default under the Related Documents, including but not limited to, any monetary obligations thereunder. All counterparties or guarantors to any Swap Agreement must have a rating of at least "A-" and "A3" by Standard & Poor's (S&P") and Moody's Investors Service ("Moody's"). If the counterparty or guarantor's rating falls below "A-" or "A3" by either S&P or Moody's, the counterparty or guarantor shall execute a credit support annex to the Swap Agreement, which credit support annex shall be acceptable to the Bond Insurer. If the counterparty or the guarantor's long term unsecured rating falls below "Baal" or "BBB+" by either Moody's or S&P, a replacement counterparty or guarantor, acceptable to the Bond Insurer, shall be required.

Section 13.12 <u>Bond Insurer Notice Provisions</u>. The Bond Insurer shall be provided with the following information by the Authority, Agency or Trustee, as the case may be:

(i) Annual audited financial statements regarding the Agency as part of the Annual Report (as defined in the Continuing Disclosure Agreement) together with a statement in the Agency's Annual report to the effect that it is not aware of any default or Event of Default under the Indenture, provided, however, that the audited financial statements of the Agency may be submitted separately from the balance of the Annual Report, and later than the date required for the filing of the Annual Report and as soon as practicable if they are not available by that date, and such other information, data or reports as the Bond Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon the Agency's Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the applicable reserve requirement and (ii) withdrawals in connection with a refunding of Bonds;

(iii) Notice of any default known to the Trustee or Authority within five Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Authority or Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(ix) All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents.

In addition, to the extent that the Authority or the Agency has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Bonds, all information furnished pursuant to such agreements shall also be provided to the Bond Insurer, simultaneously with the furnishing of such information.

The Bond Insurer shall have the right to receive such additional information as it may reasonably request.

The Authority and the Agency will permit the Bond Insurer to discuss the affairs, finances and accounts of the Authority and the Agency or any information the Bond Insurer may reasonably request regarding the security for the Insured Bonds with appropriate officers of the Authority and the Agency and will use commercially reasonable efforts to enable the Bond Insurer to have access to the facilities, books and records of the Authority and the Agency on any business day upon reasonable prior notice.

The Trustee shall notify the Bond Insurer of any failure of the Authority or the Agency to provide notices, certificates and other information under the transaction documents.

Notwithstanding the foregoing, the Bond Insurer agrees to receive notice, and shall be deemed to have received notice in satisfaction of the provisions set forth in this Section, by filings made (or caused to be made) by the Authority or the Agency through the Electronic

Municipal Market Access website of the Municipal Securities Rulemaking Board (including in accordance with Section 13.12(i)), currently located at http://emma.msrb.org. The Authority or the Agency, as applicable, will use good faith efforts to provide notice (by first class mail or facsimile or electronic mail) of such filings to the Bond Insurer.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Authority has caused this Trust Agreement to be executed by its Treasurer, and the Trustee has caused this Trust Agreement to be executed by its authorized officer, all as of the day and year first above written.

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY

By _____
Joseph Kelly
Treasurer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By _____
Authorized Officer

[Signature page to Trust Agreement]

EXHIBIT A

[FORM OF BOND]

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
TAX ALLOCATION REVENUE REFUNDING BONDS,
SERIES 2015[__ (TAX-EXEMPT)][__ (FEDERALLY TAXABLE)]

No. R- $_____

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP NUMBER
____%	[August] 1, 20__	_____, 2015	54465A ___

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

THE COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority"), for value received hereby promises to pay to the registered owner specified above, or registered assigns, on the maturity date set forth above (subject to any right of prior redemption hereinafter mentioned) the principal sum set forth above in lawful money of the United States of America; and to pay interest thereon at the interest rate per annum set forth above in like lawful money from the date hereof. The interest on this Bond will be payable on [February] 1 and [August] 1 in each year (each an "Interest Payment Date"), commencing on _____ 1, 2015. The principal hereof and redemption premium hereon, if any, are payable upon presentation and surrender hereof at the Principal Corporate Trust Office (as defined in the Trust Agreement) of U.S. Bank National Association (together with any successor as trustee under the Trust Agreement hereinafter mentioned, the "Trustee"). Interest hereon is payable by check, mailed by first class mail, on each interest payment date to the owner whose name appears on the Bond Register maintained by the Trustee as of the close of business on the fifteenth day of the month preceding the month in which the interest payment date occurs (the "Record Date"), except with respect to defaulted interest for which a special record date will be established; provided, that in the case of an owner of one million dollars ($1,000,000) or more in aggregate principal amount of Bonds, upon written request of such owner to the Trustee received not later than the Record Date, such interest shall be paid on the interest payment date in immediately available funds by wire transfer. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Authority and the Trustee may deem and treat the owner of this Bond as the absolute owner hereof for the purpose of receiving payment as herein provided and for all other purposes, and the Authority and the Trustee shall not be affected by notice to the contrary.

No member or officer of the Authority, nor any person executing this Bond, shall in any event be subject to any personal liability or accountability by reason of the issuance of this Bond.

This Bond is one of a duly authorized issue of a series of bonds of the Authority designated as "County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015[__ (Tax-Exempt)][__ (Federally Taxable)]" (the "Series [__][__] Bonds") issued in the aggregate principal amount of _____ dollars ($_____) pursuant to the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the California Government Code, including the Marks-Roos Local Bond Pooling Act of 1985 (California Government Code, Sections 6584-6594) as amended and supplemented (the "Act"), and pursuant to a Trust Agreement, dated as of _____ 1, 2015, by and between the Authority and the Trustee (the "Trust Agreement"). The Bonds are issued for the purpose of providing funds to acquire certain local obligations, and reference is hereby made to the Trust Agreement (a copy of which is on file at the Principal Corporate Trust Office of the Trustee) and all trust agreements supplemental thereto and to the Act for a description of the purposes thereof, of the rights thereunder of the owners of the Bonds, of the nature and extent of the security for the Bonds and of the rights, duties and immunities of the Trustee and the rights and obligations of the Authority thereunder, to all the provisions of which Trust Agreement, the owner of this Bond, by acceptance hereof, assents and agrees.

The Series [__][__] Bonds are being issued concurrently under the Trust Agreement with a series of bonds of the Authority designated as "County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015[__ (Federally Taxable)][__ (Tax-Exempt)]" (the "Series [__][__] Bonds" and, together with the Series [__][__] Bonds, the "Bonds").

The Bonds and the interest thereon and any redemption premium thereon are special obligations of the Authority payable solely from the Trust Estate (as that term is defined in the Trust Agreement) and are secured by the Trust Estate, including amounts held in the funds and accounts (other than the Rebate Fund) established pursuant to the Trust Agreement (including proceeds of the sale of the Bonds), subject only to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in the Trust Agreement.

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE AND SECURED AS TO THE PAYMENT OF THE PRINCIPAL OF AND ANY REDEMPTION PREMIUM ON OR INTEREST ON THE BONDS IN ACCORDANCE WITH THEIR TERMS AND THE TERMS OF THE TRUST AGREEMENT, SOLELY FROM THE TRUST ESTATE. THE BONDS DO NOT CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY OR ITS MEMBERS, AND UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE OBLIGATED TO PAY PRINCIPAL OF OR ANY REDEMPTION PREMIUM ON OR INTEREST ON THE BONDS EXCEPT FROM THE TRUST ESTATE. NEITHER THE STATE OF CALIFORNIA NOR ANY PUBLIC AGENCY (OTHER THAN THE AUTHORITY) NOR ANY MEMBER OF THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OF OR ANY REDEMPTION PREMIUM ON OR INTEREST ON THE BONDS, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CALIFORNIA OR ANY PUBLIC AGENCY THEREOF OR ANY MEMBER OF THE AUTHORITY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR ANY REDEMPTION PREMIUM ON OR INTEREST ON THE BONDS, AND NEITHER THE PRINCIPAL OF OR ANY REDEMPTION PREMIUM ON OR

INTEREST ON THE BONDS CONSTITUTES A DEBT, LIABILITY OR OBLIGATION OF THE STATE OF CALIFORNIA OR ANY PUBLIC AGENCY (OTHER THAN THE AUTHORITY) OR ANY MEMBER OF THE AUTHORITY.

The Bonds are subject to redemption at the times, in the manner, at the redemption prices and upon notice as specified in the Trust Agreement.

The Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof. This Bond may be transferred or exchanged by the owner hereof, in person or by an attorney duly authorized in writing, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Trust Agreement, and upon surrender and cancellation of this Bond. Upon such transfer or exchange, a new Bond or Bonds, of authorized denominations, for the same aggregate principal amount, interest rate, and maturity will be issued to the transferee in accordance with the provisions of the Trust Agreement. The Trustee is not required to register the transfer of, or to exchange, any Bond during a period commencing on or after the fifteenth (15th) business day immediately preceding the date on which the notice of redemption is scheduled to be mailed and ending on the date scheduled for redemption of any Bonds selected for redemption.

The Trust Agreement and the rights and obligations of the Authority and of the owners of the Bonds may be modified or amended from time to time and at any time (and in certain cases without the consent of the owners) in the manner, to the extent, and upon the terms provided in the Trust Agreement.

It is hereby certified and recited that any and all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of California, including the Act, and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution and laws of the State of California, including the Act, and is not in excess of the amount of Bonds permitted to be issued under the Trust Agreement.

This Bond shall not be entitled to any benefit under the Trust Agreement, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by an authorized signatory of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

IN WITNESS WHEREOF, the County of Los Angeles Redevelopment Refunding Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of its Secretary, all as of the dated date first set forth above.

COUNTY OF LOS ANGELES
REDEVELOPMENT REFUNDING
AUTHORITY

By _____
Chairman

ATTEST:

_____
Secretary

STATEMENT OF INSURANCE

[]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This is one of the Bonds described in the within-mentioned Trust Agreement, which has been authenticated on the date below.

DATED: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____

[FORM OF ASSIGNMENT]

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned registered Bond and do(es) hereby irrevocably constitute and appoint _____ attorney to transfer the same on the bond register of the Trustee, with full power of substitution in the premises.

Date: _____

_____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of this Bond in every particular, without alteration or enlargement or any change whatsoever. The signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or other Identifying Number of Assignee:

_____

Signature Guaranteed:

_____

Notice: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B

[FORM OF COST OF ISSUANCE REQUISITION]

The County of Los Angeles Redevelopment Refunding Authority (the "Authority") hereby requests U.S. Bank National Association, as trustee (the "Trustee"), pursuant to that certain Trust Agreement, dated as of _____ 1, 2015 (the "Trust Agreement"), by and between the Authority and the Trustee with respect to the County of Los Angeles Redevelopment Refunding Authority, Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) and the County of Los Angeles Redevelopment Refunding Authority, Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable), to pay from money in the Costs of Issuance Fund established pursuant to Section 5.01 of the Trust Agreement (the "Costs of Issuance Fund"), the amounts shown on Schedule I attached hereto to the parties indicated in Schedule I.

The payees, the purpose for which the costs have been incurred and the amount of the disbursement requested are itemized on Schedule I hereto.

The undersigned hereby certifies as follows:

Each obligation mentioned herein is a Cost of Issuance as defined in the Trust Agreement, has been properly incurred and is a proper charge against the Costs of Issuance Fund. None of the items for which payment is requested has been reimbursed previously from the Costs of Issuance Fund

Dated: _____, 20__

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY

By: _____

SCHEDULE I

Costs of Issuance – Series 2015[__ (Tax-Exempt) and Series 2015__ (Federally Taxable)]

Payee	Purpose	Amount

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

LOCAL OBLIGATION PURCHASE CONTRACT

relating to

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015A (TAX-EXEMPT)	**COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015B (FEDERALLY TAXABLE)**

_____, 2015

Successor Agency to the Redevelopment
Agency of the City of Long Beach
333 W. Ocean Blvd, 6th Floor
Long Beach, California

Ladies and Gentlemen:

The undersigned County of Los Angeles Redevelopment Refunding Authority (the "Authority"), offers to enter into this Local Obligation Purchase Contract (the "Local Obligation Purchase Contract") with you, the Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Agency"), which, upon acceptance, will be binding upon the Agency and the Authority.

1. Purchase, Sale and Delivery of the Local Obligations.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Authority hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell to the Authority, all (but not less than all) of the following (the "Local Obligations"):

(1) $_____ aggregate principal amount of Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015A (the "Series 2015A Refunding Bonds") to be issued under the provisions of the Indenture of Trust, dated as of _____ 1, 2015 (the "Agency Indenture"), between the Successor Agency and U.S. Bank National Association, as trustee (the "Agency Trustee"); and

(2) $_____ aggregate principal amount of Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds,

Series 2015B (Federally Taxable) (the "Series 2015B Refunding Bonds") to be issued under the provisions of the Agency Indenture.

The Agency Indenture was approved by Resolution No. _____ adopted by the Governing Board of the Agency on _____, 2015 (the "Agency Resolution") related to the issuance and sale of the Local Obligations. Except as otherwise provided herein, capitalized terms used herein shall have the meanings attributed to them in the Agency Indenture.

The Local Obligations are to be dated the date of their delivery and bear interest payable on the dates and at the interest rates, and mature on the dates and in the amounts set forth in Exhibit A attached hereto. So long as the Local Obligations are held by the Authority Trustee (defined below), there shall be one Local Obligation for series and each maturity thereof in the denomination of the entire outstanding principal amount of such maturity of such series of Local Obligations.

The Local Obligations will be purchased with proceeds of the Authority's Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) (the "Series A Authority Bonds") and the Authority's Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (the "Series B Authority Bonds" and, together with the Series A Authority Bonds, the "Authority Bonds"). The Authority Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the Trust Agreement, dated as of _____ 1, 2015 (the "Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "Authority Trustee"), and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code (the "Bond Law"). The issuance of the Authority Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on _____ __, 2015.

The purchase price for the Series A Authority Bonds shall be:

Principal Amount	
[Net] Original Issue [Premium]	
Underwriters' Discount	_____
Purchase Price	

The purchase price for the Series B Authority Bonds shall be:

Principal Amount	
[Net] Original Issue [Premium]	
Underwriters' Discount	_____
Purchase Price	

The above purchase prices shall be payable from amounts received from the Underwriters under the Bond Purchase Agreement (as defined below).

The purchase price for the Series 2015A Refunding Bonds shall be:

Principal Amount	$
Original Issue Premium	
Purchaser's Discount	
Purchase Price	0

The above purchase price shall be payable from amounts held by the Authority Trustee under the Trust Agreement subject to the terms and conditions thereof.

Such purchase price for the Series 2015A Refunding Bonds, which is net of the allocable purchaser's discount, includes the Agency's share (as determined by the Authority) of the funding of insurance premium, surety premium and costs of issuance allocable to the Series 2015A Refunding Bonds and the Series A Authority Bonds, in the amount of $_____, which amounts shall be transferred to the Authority and paid on the Agency's behalf by the Authority for such purposes. Amounts on deposit on account of the obligations to be refunded in the amount of $_____ will be released and applied to costs of the refunding.

The purchase price for the Series 2015B Refunding Bonds shall be:

Principal Amount	$
Original Issue Premium	
Purchaser's Discount	
Purchase Price	0

The above purchase price shall be payable from amounts held by the Authority Trustee under the Trust Agreement subject to the terms and conditions thereof.

Such purchase price for the Series 2015B Refunding Bonds, which is net of the allocable purchaser's discount, includes the Agency's share (as determined by the Authority) of the funding of insurance premium, surety premium and costs of issuance allocable to the Series 2015B Refunding Bonds and the Series B Authority Bonds, in the amount of $_____, which amounts shall be transferred to the Authority and paid on the Agency's behalf by the Authority for such purposes. Amounts on deposit on account of the obligations to be refunded in the amount of $_____ will be released and applied to costs of the refunding.

The Local Obligations shall be substantially in the forms described in, shall be issued and secured under the provisions of, and shall be payable as provided in the Agency Indenture providing for the issuance of the Local Obligations and registered in the name of the Authority Trustee. Pursuant to the Agency Indenture, the Agency Trustee shall deposit or cause to be deposited from the proceeds of the Local Obligations the amounts in the funds and accounts established under the Agency Indenture and in the Costs of Issuance Fund established under the Trust Agreement.

Stifel, Nicolaus & Company, Incorporated and Citigroup Global Markets Inc. (collectively, the "Underwriters"), have submitted to the Agency a proposed form of an agreement to purchase the Authority Bonds (the "Bond Purchase Agreement") by and between

the Underwriters and the Authority, which includes a Letter of Representations (the "Letter of Representations") to be executed by the Agency, each to be executed and delivered concurrently with this Local Obligation Purchase Contract.

Pursuant to the authorization of the Agency and the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated _____, 2015, pertaining primarily to the Authority Bonds but also describing the Authority's tax allocation bond refunding program, the Local Obligations, the Agency and its Central Long Beach Redevelopment Project, Downtown Redevelopment Project, Los Altos Redevelopment Project, West Long Beach Industrial Project, North Long Beach Redevelopment Project, Poly High Redevelopment Project, and West Beach Redevelopment Project (collectively, the "Project Areas"), which, together with the cover page, inside cover page and appendices thereto is herein called the "Preliminary Official Statement." By its acceptance of this Local Obligation Purchase Contract, the Agency hereby acknowledges the use by the Underwriters of the Preliminary Official Statement including the form of Agency "Appendix A" with respect to the Agency's Project Areas (the "Agency Appendix") and the Agency Appendix is hereby approved. The Agency hereby approves the distribution of a final official statement (the "Official Statement") which will substantially consist of the Preliminary Official Statement and the related Agency Appendix with such changes with such changes as may be made thereto, with the approval of (i) as to the Agency Appendix, Agency Counsel, (ii) Orrick, Herrington & Sutcliffe LLP, the Authority's Bond Counsel (herein called "Bond Counsel"), and (iii) the Underwriters.

Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Authority Bonds, the Underwriters must have reasonably determined that the Agency, as an obligated person, has undertaken in a written agreement or contract for the benefit of the holders of the Authority Bonds to provide disclosure of certain financial information and operating data and certain enumerated events on an ongoing basis. In furtherance thereof, the Agency agrees to deliver a continuing disclosure agreement with respect to the Local Obligations (the "Continuing Disclosure Agreement") by and between the Authority and the Agency, pursuant to which the Agency will provide annual disclosure and notices in the event of certain enumerated events.

(b) At 8:00 a.m., California time, on _____, 2015, or at such earlier or later time or date as shall be agreed by the Agency and the Authority (such time and date being herein referred to as the "Closing Date"), the Agency will deliver to the Authority at the offices of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California (or such other location as may be designated by the Authority and approved by the Agency), the Local Obligations in definitive forms, duly executed by the Agency and authenticated by the Agency Trustee, and will deliver to the Authority at said location, the other documents described in Section 3 hereof; and the Authority will accept such delivery and pay the purchase price of the Local Obligations as set forth in paragraph (a) of this Section by wire transfer payable as provided in the Agency Indenture (such delivery and payment being herein referred to as the "Closing"). The Local Obligations shall be made available to the Authority not later than one business day before the Closing Date for purposes of inspection.

2. Representations, Warranties and Agreements of the Agency. The Agency represents and warrants to and agrees with the Authority that:

(a) The Agency is duly organized and validly existing as a successor agency under California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484"), with full right, power and authority to adopt the Agency Resolution, to issue the Local Obligations and to execute, deliver and perform its obligations under the Agency Indenture, the Local Obligations, the Continuing Disclosure Agreement, the Letter of Representations, the Agency's Tax Certificate and the Local Obligation Purchase Contract (collectively, the "Agency Documents") and to carry out and consummate the transactions contemplated by the Agency Documents and the Agency Appendix, and the Agency Documents are and will be at the Closing Date valid and binding obligations of the Agency and Enforceable Obligations under AB 1484; and

(b) When delivered to and paid for by the Authority at the Closing in accordance with the provisions of this Local Obligation Purchase Contract, the Local Obligations will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the Agency in conformity with, and entitled to the benefit and security of, the Agency Indenture; and

(c) By all necessary official action, the Agency has duly adopted the Agency Resolution at a meeting properly noticed at which a quorum was present and acting throughout and has duly authorized and approved the execution and delivery of, and the performance by the Agency of its obligations contained in, the Agency Documents, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the Agency and the other respective parties thereto, the Agency Documents will constitute the legally valid and binding obligations of the Agency enforceable against the Agency in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental agencies in the State. The Agency has complied, and will at the Closing be in compliance in all respects, with the terms of the Agency Documents; and

(d) The Agency has complied with all material requirements of the Community Redevelopment Law of the State of California (being Part 1 of Division 24 of the California Health and Safety Code, as amended) (the "Law") and the California Environmental Quality Act with respect to capital improvements financed and refinanced with proceeds of the Refunded Bonds pursuant to the applicable Redevelopment Plan duly adopted by the City Council of the City of Long Beach; and

(e) The information contained in the Agency Appendix is true and correct in all material respects, and information contained in the Agency Appendix does not contain a misstatement of any material fact and does not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading; and

(f) Except as otherwise disclosed in the Agency Appendix, the Agency is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to

which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in the Agency Appendix, the authorization, execution and delivery of the Agency Documents, and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance agreement or other to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Documents; and

(g) All approvals, consents, authorizations, certifications and other orders of any governmental authority, board, agency or commission having jurisdiction, and all filings with any such entities, which would constitute conditions precedent to or the failure to obtain which would materially adversely affect the performance by the Agency of its obligations hereunder or under the Agency Documents have been duly obtained and no further consent, approval, authorization or other action or filing with or by any governmental or regulatory authority having jurisdiction over the Agency is or will be required for the issue and sale of the Local Obligations or the consummation by the Agency of the other transactions described in the Agency Documents; and

(h) Except as disclosed in the Agency Appendix, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or threatened: (i) in any way questioning the corporate existence of the Former RDA or the Agency or the titles of the officers of the Agency to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Local Obligations, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Local Obligations, or in any way contesting or affecting the validity of the Local Obligations or the Agency Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Series A Authority Bonds relating to any Local Obligations from taxation or contesting the powers of the Agency or its authority to issue the Local Obligations; (iii) which may result in any material adverse change relating to the Agency; (iv) with respect to information relating to the Agency only, contesting the completeness or accuracy of the Agency Appendix or any supplement or amendment thereto or asserting that the Preliminary Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (v) there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this paragraph; and

(i) Except as described in the Agency Appendix, the Agency has not failed within the past five years to comply with its previous undertakings with regard to Rule 15c2-12 of the

Securities and Exchange Commission under the Securities Exchange Act of 1934 to provide annual reports and notices of enumerated events; and

(j) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State income tax purposes of the interest on the Series A Authority Bonds relating to the Local Obligations; and

(k) The Agency's Oversight Board has duly approved the issuance of the Local Obligations and no further Oversight Board approval or consent is required for the issuing of the Local Obligations; and

(l) In furtherance of the terms of the Agency Indenture, the Agency will authorize the transfer to an account of the Agency, held by the Trustee under the Agency Indenture, all amounts set forth in any duly approved Recognized Obligation Payment Schedule ("ROPS") with respect to principal and interest payments due on the Local Obligations, any deficiency in the Reserve Account established pursuant to such Local Obligations and any parity obligations related thereto; provided that the County Auditor shall have no obligation to transfer amounts not related specifically to the Local Obligations nor shall it have any obligation to transfer amounts not set forth on an approved ROPS.

The execution and delivery of this Local Obligation Purchase Contract by the Agency shall constitute a representation by the Agency to the Authority that the representations, warranties and agreements contained in this Section 2 are true as of the date hereof; provided that no member of the Governing Board of the Agency shall be individually liable for the breach of any representation, warranty or agreement contained herein.

3. Conditions to the Local Obligations of the Authority. The obligation of the Authority to accept delivery of and pay for the Local Obligations on the Closing Date shall be subject, at the option of the Authority, to the accuracy in all material respects of the representations, warranties and agreements on the part of the Agency contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Agency made in any certificates, or other documents furnished pursuant to the provisions hereof, and to the performance by the Agency of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, all conditions precedent to the purchase of the Authority Bonds by the Underwriters shall have been satisfied or waived and no conditions to the obligations of the Underwriters to accept delivery of and pay for the Authority Bonds on the Closing Date shall have been identified by the Underwriters as an impediment to such purchase and sale;

(b) At the Closing Date, the Agency Documents shall be in full force and effect in the form heretofore submitted to the Authority and there shall have been taken in connection with the issuance of the Local Obligations and with the transactions contemplated thereby and by this Local Obligation Purchase Contract, all such actions as, in the opinion Bond Counsel, shall be necessary and appropriate;

(c) At the Closing Date, the Agency Resolution shall not have been rescinded or amended, modified or supplemented, except as may have been agreed to by the Authority;

(d) At or prior to the Closing Date, the Authority and the Authority Trustee shall have received the following documents with respect to the Local Obligations, in each case satisfactory in form and substance to the Authority:

(1) A certified copy of the Agency Resolution;

(2) An executed copy of the Agency Indenture;

(3) An executed copy of the Continuing Disclosure Agreement;

(4) An executed copy of any escrow agreement or form of certificate instruction for the deposit of refunding proceeds, and each of them;

(5) An executed copy of the Tax Certificate relating to the Series A Authority Bonds;

(6) A certificate dated the Closing Date and signed by an authorized representative of the Agency or an authorized designee, on behalf of the Agency to the effect that: (i) the representations and warranties of the Agency in the Letter of Representations and herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Agency Appendix for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the Agency has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the Local Obligation Purchase Contract, the Agency Resolution and the Agency Indenture at or prior to the Closing Date; and (iv) all information in the Agency Appendix relating to the Agency is true as of the date of the Official Statement and as of the Closing Date does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(7) Copies of the Redevelopment Plans for the Project Areas for which Local Obligations are being issued, together with all amendments thereto;

(8) An unqualified opinion of Bond Counsel, dated the Closing Date and addressed to the Agency with respect to the Local Obligation to the effect that each Local Obligation and the Agency Indenture has been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the applicable trustee, constitute the legal, valid and binding agreements of the Agency and are enforceable in accordance with their terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance

with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State;

(9) A defeasance opinion of Bond Counsel, dated the Closing Date and addressed to the Authority, the Underwriters and the Agency to the effect that the Refunded Obligations have been legally defeased in accordance with each of the agreements pursuant to which such obligations were issued, and the owners of such obligations have ceased to be entitled to the pledge of Tax Revenues;

(10) An opinion of counsel to the Agency, dated the Closing Date and addressed to the Authority and the Underwriters, substantially in the form attached hereto as Exhibit B hereto;

(11) A counterpart original or certified copy of each of the documents and opinions specified in Section 3(F) of the Bond Purchase Agreement, in each case satisfactory in form and substance to the Representative (as defined in the Bond Purchase Agreement); and

(12) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Authority or Bond Counsel may reasonably request to evidence compliance by the Agency with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Agency contained herein, and the due performance or satisfaction by the Agency at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Agency.

If the Agency shall be unable to satisfy the conditions to the Authority's obligations contained in this Local Obligation Purchase Contract, this Local Obligation Purchase Contract shall terminate and neither the Authority nor the Agency shall have any further obligation hereunder.

4. Expenses. All expenses and costs of the Agency and the Authority incident to the authorization, issuance and sale of the Local Obligations and a share of the costs (as determined by the Authority) incident to the authorization and issuance of the Local Obligations and the authorization, issuance and sale of the Authority Bonds including, in each case, fees and expenses of trustees, auditors, financial advisors and fiscal consultant fees and continuing disclosure and rating agency costs, Bond Counsel and counsel for the Agency, shall be paid by the Agency from proceeds of the Local Obligations or otherwise in accordance with the Dissolution Act. The Underwriters will pay the expenses of the preparation of the Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Authority Bonds, including CDIAC fees and the fee and disbursements of Underwriters' Counsel.

5. Indemnification. The Agency, to the fullest extent permitted by law, shall indemnify, defend and hold harmless the Authority and the County and their respective officers, directors, agents and employees and the Underwriters (each an "Indemnified Party"), from and against any and all Indemnifiable Losses (as defined in this section) arising out of, resulting from, or in any way connected with:

(a) the redevelopment projects financed, or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or from the planning, design, acquisition, installation or construction, of any facilities within the redevelopment projects, or any part thereof, including, without limitation, Indemnifiable Losses resulting from or in any way relating to any generation, processing, handling, transportation, storage, treatment or disposal of solid wastes, Hazardous Substances (as defined in this section) including, but not limited to, any of those activities occurring, to occur or having previously occurred and any releases on, under or from the facilities to the extent occurring or existing prior to the execution and delivery of this Local Obligation Purchase Contract and the Local Obligations;

(b) the issuance and sale of the Authority Bonds, the carrying out of any of the transactions or undertakings contemplated by the Agency Indenture, the Local Obligations, the Trust Agreement or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing;

(c) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of any material fact concerning the Agency, the Project Areas, the Tax Revenues or the Redevelopment Plans in Appendix A, any supplement thereto or continuing disclosure document for the Authority Bonds or any statement made in connection with the purchase or sale of the Authority Bonds (other than any such statement in the Official Statement provided by the County or the Authority, expressly for use in the Official Statement or in Appendix A, any supplement thereto or continuing disclosure document for the Authority Bonds), or any omission or alleged omission to state a material fact concerning the Agency, the Project Areas, Tax Revenues or the Redevelopment Plans necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(d) any declaration of taxability of interest paid or payable on the Series A Authority Bonds, or allegations (or regulatory inquiry) that interest paid or payable on the Series A Authority Bonds is taxable, for federal income tax purposes; except in the case of such indemnification of any Indemnified Party, to the extent such damages are caused by the omission or misconduct of the Authority and/or the County or the Authority Trustee and their respective officers, directors, agents and employees;

(e) the Agency Trustee's acceptance or administration of the trust of the Agency Indenture or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Local Obligations to which it is a party;

(f) any misrepresentation or breach of warranty by the Agency of any representation or warranty in this Local Obligation Purchase Contract, the Agency Indenture, the Letter of Representations, the Local Obligations or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing or the Local Obligations;

(g) any breach by the Agency of any covenant or undertaking set forth in this Local Obligation Purchase Contract, the Agency Indenture, the Letter of Representations, the Local Obligations, or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing or the Local Obligations;

(h) the exercise and performance of the Indemnified Parties' powers and duties pursuant to this Local Obligation Purchase Contract, the Agency Indenture, the Local Obligations and related documents; or

(i) the exercise and performance of the Indemnified Parties' powers and duties pursuant to any Adverse Change in State Law or pursuant to any Court Order obtained in connection with any Adverse Change in State Law.

The Authority agrees to notify the Agency and the Underwriters promptly, but in no event later than 45 business days, after written notice to the County or the Authority that any third party has brought any action, suit or proceeding against an Indemnified Party that may result in an Indemnifiable Loss (a "Third Party Action"). Upon such notice or other notice from an Indemnified Party of a Third Party Action, the Agency shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and reasonably acceptable to the Agency, and shall assume the payment of all Litigation Expenses (as defined in this Section) related thereto, with full power to litigate, compromise or settle the same in its discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove (in its reasonable discretion) any such compromise or settlement and the Indemnified Party has no liability with respect to any compromise or settlement of any Third Party Action or similar claim effected without its written approval. If the Indemnified Party fails to provide such notice to the Agency, the Agency is still obligated to indemnify the Indemnified Party for Indemnifiable Losses. It is hereby acknowledged that the indemnification of the County in this Section 5 relates to the County Auditor-Controller's obligations as set forth in California Health and Safety Code Section 34183 and the Agency's irrevocable direction under Section 5.02 of the Indenture.

The rights and undertakings set forth in this Section do not terminate and shall survive the final payment or defeasance of the Local Obligations and the termination or defeasance of the Agency Indenture or any related agreement.

For purposes of this Section, the term "Adverse Change in State Law" means a change in State law, including any judicial decision that adversely affects the ability of the Agency to comply with the Agency Indenture.

For purposes of this Section, the term "Environmental Regulation" shall mean any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances, chemical waste, materials or substances.

For purposes of this Section, the term "Hazardous Substances" shall mean (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to facilities in the Project Areas or to Persons on or about facilities in the Project Areas or (ii) cause facilities in the Project Areas to be in violation of any Environmental Regulation; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of

"waste," "hazardous substances," "hazardous wastes," "hazardous materials," extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; the California Environmental Quality Act ("CEQA"), California Public Resources Code § 21000 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health and Safety §§ 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health and Safety Code §§ 25300 et seq.; the Underground Storage of Hazardous Substances Act, California Health and Safety §§ 25280 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code §§ 13000 et seq., the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); and Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of facilities in the Project Areas or the owners and/or occupants of property adjacent to or surrounding facilities in the Project Areas, or any other Person coming upon the facilities in the Project Areas or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

For purposes of this Section "Indemnifiable Losses" shall mean the aggregate of Losses and Litigation Expenses; provided that such indemnification pursuant to this Section shall not apply to Losses or Litigation Expenses resulting because of the negligence or willful misconduct of any Indemnified Party.

For purposes of this Section "Litigation Expenses" shall mean any court filing fee, court cost, witness fee, any fee associated with any alternative dispute resolution mechanism (such as arbitration or mediation), and each other fee and cost of investigating and defending or asserting a claim, including, without limitation, in each case, attorneys' fees, other professionals' fees and disbursements.

For purposes of this Section "Losses" shall mean any liability, loss, claim, settlement payment, cost and expense, interest, award, judgment, damages (other than punitive damages to the extent they may not, under law, be indemnified), diminution in value, fine, fee and penalty, and other charge or cost, of every conceivable kind, character and nature whatsoever, contingent or otherwise, known or unknown, except Litigation Expenses.

The Agency shall place all costs expected to be incurred and actually incurred in connection with its indemnification obligations, including any amounts in connection with a valid indemnification claim received from the County or the Authority, on the next ROPS and shall make best efforts at ensuring that such expenditures are approved by the Oversight Board and the DOF. Any unpaid amounts shall constitute a debt and an enforceable obligation of the Agency and shall continue to be carried forward and placed on subsequent ROPS until paid in full. If payable to the County or the Authority, the term "paid in full" in the preceding sentence includes payment of interest in addition to the unpaid amount and the interest rate on the unpaid amount shall increase over time as follows: (a) the rate of return earned by the Los Angeles

County Treasury Pool for the relevant time period ("County Pool Rate") for the first year that payments are overdue to the County or the Authority; (b) the County Pool Rate plus 3 percent for the second year that payments are overdue to the County or the Authority; (c) the County Pool Rate plus 6 percent for the third year the payments are overdue and (d) the County Pool Rate plus 9 percent for the fourth year and any additional years the payments are overdue; provided, however, that in no event shall the interest rate exceed 10 percent in any year. The payment of any Indemnifiable Losses that are reimbursable under this Local Obligation Purchase Contract shall be subordinate to the payment of debt service on the Local Obligations.

6. Notices. Any notice or other communication to be given to the Agency under this Local Obligation Purchase Contract may be given by delivering the same in writing at the Agency's address set forth above, Attention: Director of Financial Management, and any such notice or other communications required to be given to the Authority may be given by delivering the same in writing to the Authority at County of Los Angeles Redevelopment Refunding Authority c/o County of Los Angeles, 500 West Temple Street, Room 437, Los Angeles, California 90012, Attention: Treasurer and Tax Collector. The approval of the Authority when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing signed by the Authority and delivered to the Agency.

7. Parties In Interest; Governing Law. This Local Obligation Purchase Contract is made solely for the benefit of the Agency, the Authority, the County, the Underwriters and the Authority Trustee and no other persons, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. This Local Obligation Purchase Contract shall be governed by the laws of the State.

8. Pledge; Assignment. The Agency hereby approves the Trust Agreement and the pledge and assignment of all of the Authority's right, title and interest in this Local Obligation Purchase Contract and the Local Obligations to the Authority Trustee under the Trust Agreement for the benefit of the Owners of the Authority Bonds (as provided in the Trust Agreement).

9. Limitation on Liability. The Authority shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereby, and shall be under no obligation to purchase the Local Obligations hereunder, except from proceeds of the Authority Bonds available therefor held by the Authority Trustee under, and subject to the conditions set forth in, the Trust Agreement. The Agency shall incur no liability hereunder or by reason hereof or arising out of the transactions contemplated hereunder, except as otherwise provided in Sections 3, 4 and 5 hereof, or be obligated to make any payments with respect to the Local Obligations, except from amounts pledged to the payment of the respective Local Obligations pursuant to the terms thereof.

10. Counterparts. This Local Obligation Purchase Contract may be signed in two or more counterparts; all such counterparts, when signed by all parties, shall constitute but one single agreement.

COUNTY OF LOS ANGELES
REDEVELOPMENT REFUNDING AUTHORITY

By _____
Joseph Kelly, Treasurer

ACCEPTED AND AGREED TO:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF LONG BEACH

By _____
[Director of Financial Management] of
the City of Long Beach, acting for the
Successor Agency to the Redevelopment
Agency of the City of Long Beach

Exhibit A

Maturity Schedules Attached

Exhibit B

[Form of Agency Counsel Opinion]

[to be revised to agree with the Bond Purchase Agreement]

_____, 2015

County of Los Angeles
Redevelopment Refunding Authority
Los Angeles, California

Stifel, Nicolaus & Company, Incorporated
Los Angeles, California

Successor Agency to the Redevelopment
Agency of the City of Long Beach
Long Beach, California

Citigroup
Los Angeles, California

RE: Successor Agency to the Redevelopment Agency of the City of Long Beach
Tax Allocation Refunding Bonds, Series 2015A

Successor Agency to the Redevelopment Agency of the City of Long Beach
Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable)

Ladies and Gentlemen:

The undersigned is the duly qualified and acting counsel of the Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Agency"), and in connection with the issuance and delivery of $_____ principal amount of the Successor Agency to the Redevelopment Agency of the City of Long Beach, Tax Allocation Refunding Bonds, Series 2015A [and the Successor Agency to the Redevelopment Agency of the City of Long Beach, Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable) ([together,] the "Local Obligations"), I have examined originals (or copies certified or otherwise identified to my satisfaction) of such documents, records and other instruments as I deem necessary or appropriate for the purposes of rendering this opinion, including, without limitation, Resolution No. _____ adopted by the Governing Board of the Agency on [_____, 20__] (the "Agency Resolution") and the Indenture of Trust, dated as of _____ 1, 2015 (the "Indenture"), between the Agency and U.S. Bank National Association, as trustee (the "Agency Trustee"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Local Obligation Purchase Contract, dated _____, 2015, by and between the County of Los Angeles Redevelopment Refunding Authority (the "Authority") and the Agency.

Based upon the foregoing, it is my opinion that:

(A) The Agency is duly organized and validly existing as a successor agency under California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484"), with full legal right, power and authority to enter into the Local Obligation Purchase Contract and to issue the Local Obligations

and to perform all of its obligations under the Local Obligation Purchase Contract and the Local Obligations;

(B) The Agency Resolution approving and authorizing the execution and delivery of the Agency Indenture, the Local Obligations, the Letter of Representations, the Continuing Disclosure Agreement, the Tax Certificate and the Local Obligation Purchase Contract (collectively, the "Agency Documents") and approving the Agency Appendix has been duly adopted, and the Agency Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(C) The Agency Documents have been duly authorized, executed and delivered by the Agency and constitute valid, legal and binding agreements of the Agency enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California;

(D) Except as otherwise disclosed in the Agency Appendix, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending or to the best knowledge of such counsel after due inquiry threatened against the Agency, challenging the creation, organization or existence of the Former RDA or the Agency, or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Authority Bonds or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions the right of the Agency to use the tax increment for repayment of the Local Obligations or affects in any manner the right or ability of the Agency to collect or pledge the tax increment from each of the Project Areas (as defined in the Agency Appendix) or the Project Areas' plan limits as described in the Agency Appendix;

(E) No consent, waiver or any other action of any person, board or body, public or private, is required as of the date hereof for the Agency to enter into the Local Obligation Purchase Contract or to perform its obligations under it; and

(F) Except as otherwise disclosed in the Agency Appendix, there are no outstanding bonds, notes or other obligations of the Agency, senior to or on a parity with the Local Obligations, which are payable out of tax increment from the Project Areas.

This opinion is limited to the laws of the State of California, and I assume no responsibility as to the applicability or the effect of the laws (including securities, blue sky and insolvency laws) of any other jurisdiction or of federal or state income tax laws. This opinion is limited to the matters stated herein, and no opinion is implied beyond the matters expressly stated. This opinion is given for your use and benefit only in connection with transactions described herein, and it may not be relied upon in any other transaction or by any other person, nor may copies be delivered to any person other than your counsel without my prior written consent.

Very truly yours,

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
TAX ALLOCATION REVENUE REFUNDING BONDS

$_____	**$_____**
Series 2015A	**Series 2015B**
Successor Agency to the	*Successor Agency to the*
Long Beach Redevelopment Agency	*Long Beach Redevelopment Agency*
(Tax-Exempt)	*(Federally Taxable)*

BOND PURCHASE AGREEMENT

_____, 2015

County of Los Angeles Redevelopment Refunding Authority
c/o County of Los Angeles
Los Angeles, California

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative (the "Representative") of Citigroup Global Markets Inc. (collectively, the "Underwriters"), and acting in its capacity as principal and not as a fiduciary or agent, offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the County of Los Angeles Redevelopment Refunding Authority (the "Authority"), which upon acceptance will be binding upon the Underwriters and the Authority. The agreement of the Underwriters to purchase the Bonds (as hereinafter defined) is contingent upon the Authority purchasing the Local Obligations (as hereinafter defined) from the Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Agency"), upon the Authority satisfying all of the obligations imposed upon it under this Purchase Agreement and upon the delivery of an executed Agency Letter of Representations in the form substantially set forth in Exhibit B hereto by the Agency on the date hereof (the "Agency Letter of Representations"). This offer is made subject to the Authority's acceptance by the execution of this Purchase Agreement and its delivery to the Representative at or before 8:00 p.m., California local time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Authority at any time prior to the acceptance hereof by the Authority. All capitalized terms used herein, which are not otherwise defined, shall have the meaning provided for such terms in the Trust Agreement (as hereinafter defined), or if not defined therein, in the Local Obligations Indenture (as hereinafter defined).

1. Purchase, Sale and Delivery of the Bonds.

A. Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Authority and the Authority hereby agrees to sell to the Underwriters all (but not less than all) of the following bonds each dated the Closing Date (as hereinafter defined), bearing interest at the rates and maturing on the dates and in the principal amounts set forth in Exhibit A hereto:

i. $_____ aggregate principal amount of the County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) (the "Series 2015A Bonds"), and

ii. $_____ aggregate principal amount of the County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (the "Series 2015B Bonds," and together with the Series 2015A Bonds, the "Bonds" or individually, a "Series of Bonds").

The purchase price for each Series of Bonds shall be as shown on Exhibit A hereto.

The Underwriters agree to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriters reserve the right to change the public offering prices (or yields) as each deems necessary in connection with the marketing of the Bonds, provided that the Underwriters shall not change the interest rates set forth in Exhibit A. The Bonds will be offered and sold to certain dealers at prices lower than such initial offering prices.

Each Series of Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the trust agreement relating to the Bonds, dated as of _____ 1, 2015, (the "Trust Agreement") by and between the Authority and U.S. Bank National Association, as Trustee (the "Authority Trustee"), the Preliminary Official Statement (as hereinafter defined), Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (the "Bond Law"). The issuance of the Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on _____, 2015.

The net proceeds of the Bonds will be used to purchase (i) the $_____ aggregate principal amount of the Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015A (the "Series A Local Obligations"), and (ii) the $_____ aggregate principal amount of the Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable) (the "Series B Local Obligations," and with the Series A Local Obligations, the "Local Obligations").

The Local Obligations shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from tax increment revenues pledged thereto as provided in the Indenture of Trust dated as of _____ 1, 2015 (the "Local Obligations Indenture"), by and between the Agency and U.S. Bank National Association (the "Local Obligations Trustee").

The Local Obligations shall be issued in accordance with Parts 1.8 and 1.85 of Division 24 of the Health & Safety Code of the State of California (as amended from time to time, the "Dissolution Act"). The issuance of the Local Obligations has been duly authorized by a resolution adopted by the Board of Directors or Governing Board of the Agency (the "Agency Resolution") and by a resolution (the "Oversight Board Resolution") of the Oversight Board for the Agency (the "Oversight Board"). The net proceeds of the Local Obligations will be used as indicated in the Local Obligations Indenture. The Local Obligations shall be purchased by the Authority pursuant to the terms of a Local Obligations Purchase Contract (the "Local Obligations Purchase Contract") by and between the Authority and the Agency.

The Local Obligations are being issued to (i) [to acquire a debt service reserve fund surety policy (the "Surety Policy")], (ii) pay costs of issuance allocable to the Local Obligations, (iii) refund and defease the bonds issued by the predecessor-in-interest to the Agency, and certain related bonds of the Long Beach Bond Financing Authority, as set forth in Exhibit D hereto (such bonds are referred to collectively or individually herein as the "Refunded Bonds"), and (iv) [purchase a municipal bond insurance policy (the "Policy") from [INSURER] (the "Insurer") with respect to the Bonds which insures the maturities of Bonds as shown on Exhibit A].

B. The Authority hereby acknowledges that the Representative is entering into this Purchase Agreement in reliance on the representations, warranties and agreements made by the Authority herein, and the Authority shall take all action necessary to enforce its rights hereunder for the benefit of the Underwriters and shall immediately notify the Representative if it becomes aware that any representation, warranty or agreement made by the Agency in connection herewith is incorrect in any material respect.

The Authority acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Authority and the Representative; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Representative is and has been acting solely as principal and is not acting as a Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); (iii) the Representative has not assumed an advisory or fiduciary responsibility in favor of the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Representative has provided other services or is currently providing other services to the Authority or the County of Los Angeles (the "County") on other matters); and (iv) the Authority has consulted its own legal, financial and other advisors to the extent that it has deemed appropriate.

C. Pursuant to the authorization of the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated _____, 2015, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "Preliminary Official Statement." By its acceptance of this Purchase Agreement, the Authority hereby ratifies the use by the Underwriters of the Preliminary Official Statement and the Authority agrees to execute a final official statement relating to the Bonds (the "Official Statement") which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Orrick, Herrington & Sutcliffe LLP, the Authority's Bond Counsel (herein called "Bond Counsel"), and the Underwriters, and to provide copies thereof to the Underwriters as set forth in Section 2(N) hereof. The Authority hereby authorizes and requires the Underwriters to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary Official Statement, the Official Statement and any supplement or amendment thereto. The Authority further authorizes the Underwriters to use and distribute, in connection with the offer and sale of the Bonds, the Trust Agreement, the Local Obligations Indenture, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the Authority or the Agency to the Representative in connection with the transactions contemplated by this Purchase Agreement.

D. To assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"), the Agency will undertake pursuant to a Continuing Disclosure Agreement, dated as of _____ 1, 2015 (the "Continuing Disclosure Agreement"), by and between the Agency and the Authority, acting as dissemination agent (the "Dissemination

Agent"), to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

E. Except as the Representative and the Authority may otherwise agree, the Authority will deliver to the Underwriters, at the offices of Bond Counsel in Los Angeles, California, or at such other location as may be mutually agreed upon by the Representative and the Authority, the documents hereinafter mentioned; and the Authority will deliver to the Underwriters through the facilities of The Depository Trust Company ("DTC") in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Authority and authenticated by the Authority Trustee in the manner provided for in the Trust Agreement and the Bond Law at 8:00 a.m. California time, on _____, 2015 (the "Closing Date"), and the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the "Closing"). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

2. Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants to the Underwriters that:

A. The Authority is a joint exercise of powers authority, duly organized and existing under the Constitution and laws of the State of California, and formed pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code (the "JPA Act"), with full right, power and authority: (i) to enter into this Purchase Agreement and the Local Obligations Purchase Contract; (ii) to enter into the Trust Agreement; (iii) to adopt the Authority Resolution authorizing the issuance of the Bonds and entry into this Purchase Agreement and the Trust Agreement and to take all other actions on the part of the Authority relating thereto; (iv) to issue, sell and deliver the Bonds to the Underwriters as provided herein; (v) to purchase the Local Obligations; and (vi) to carry out and consummate the transactions on its part contemplated by this Purchase Agreement, the Trust Agreement, the Local Obligations Purchase Contract, the Continuing Disclosure Agreement and the Official Statement.

The Trust Agreement, the Bonds, this Purchase Agreement, the Continuing Disclosure Agreement and the Local Obligations Purchase Contract are collectively referred to herein as the "Authority Documents."

B. By all necessary official action of the Authority, the Authority has duly authorized and approved the execution and delivery by the Authority of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents, and has approved the use by the Underwriters of the Preliminary Official Statement and the Official Statement and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the parties thereto, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable upon the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally. To the best of the Authority's knowledge, the Authority has complied, and will at the Closing Date be in compliance in all respects, with the terms of the Authority Documents that are applicable to the Authority.

C. The information in the Preliminary Official Statement and in the Official Statement (other than statements pertaining to the book-entry system and Appendices A, C, H, and I as to which no view is expressed), is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and, upon delivery and up to and including 25 days after the End of the Underwriting Period (as defined in paragraph (D) below), the Official Statement will be amended and supplemented so as to contain no misstatement of any material fact or omission of any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

D. Up to and including 25 days after the End of the Underwriting Period (as defined below), the Authority will advise the Underwriters promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriters, which consent will not be unreasonably withheld. The Authority will advise the Underwriters promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise materially affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds. As used herein, the term "End of the Underwriting Period" means the later of such time as: (i) the Bonds are delivered to the Underwriters; or (ii) the Underwriters do not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriters give notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the Authority at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period."

E. At the time of acceptance, the Authority is not, and as of the Closing Date, except as otherwise disclosed in the Official Statement, will not be, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject; and, to the Authority's knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization, execution and delivery of the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

F. To the best knowledge of the Authority, at the time of acceptance, as of the Closing Date, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending (notice of which has been served on the Authority) or to the best knowledge of the Authority threatened, in which any such Action: (i) in any way questions the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Revenues (as defined in the Trust Agreement) or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the Authority Documents or the consummation of the transactions on the part of the Authority contemplated thereby; (iii) contests the exclusion of the interest on the Bonds from federal or state income taxation or contests the powers of the Authority which may result in any material adverse change relating to the financial condition of the Authority; or (iv) contests the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserts that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and, as of the time of acceptance hereof, there is not, and as of the Closing Date, there will be no known basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this sentence.

G. The Authority will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters and at the expense of the Underwriters as the Underwriters may reasonably request in order: (i) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriters may designate; and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds, provided; however, that the Authority will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

H. Those Authority Documents described in the Official Statement conform as to form and tenor to such descriptions contained therein. The Authority represents that the Bonds, when issued, executed and delivered in accordance with the Trust Agreement and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Trust Agreement pursuant to which such Series of Bonds was issued. The Trust Agreement creates a valid pledge of the moneys in certain funds and accounts established pursuant to such Trust Agreement, subject in all cases to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein.

I. The issuance and sale of the Bonds is not subject to any transfer or other documentary stamp taxes of the State of California or any political subdivision thereof.

J. The Authority has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Authority or the County of Los Angeles (the "County") is a bond issuer whose arbitrage certifications may not be relied upon.

K. Any certificate signed by any authorized officer of the Authority and delivered to the Representative in connection with the issuance and sale of the Bonds shall be deemed to be a representation and covenant by the Authority to the Underwriters as to the statements made therein.

L. The Authority will apply the proceeds of the Bonds in accordance with the Trust Agreement.

M. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon and premium, if any, to maturity or to the date of redemption if redeemed prior to maturity, the Authority will faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Trust Agreement related to such Series of Bonds.

N. The Preliminary Official Statement was deemed final by a duly authorized officer of the Authority prior to its delivery to the Underwriters, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of the Rule. The Authority hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Representative within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriters, the Authority shall cause a final printed form of the Official Statement to be delivered to the Underwriters in sufficient quantity to comply with paragraph (b)(4) of the Rule and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

The Authority hereby approves the preparation and distribution of the Official Statement, consisting of the Preliminary Official Statement with such changes as are noted thereon and as may be made thereto, with the approval of Bond Counsel, and the Underwriters, from time to time prior to the Closing Date.

The Authority hereby ratifies any prior use of and authorizes the future use by the Underwriters, in connection with the offering and sale of the Bonds, of the Preliminary Official Statement, the Official Statement, this Purchase Agreement, the Local Obligations Purchase Contract, the Continuing Disclosure Agreement and all information contained herein, and all other documents, certificates and written statements furnished by the Authority to the Underwriters in connection with the transactions contemplated by this Purchase Agreement.

The execution and delivery of this Purchase Agreement by the Authority shall constitute a representation to the Representative that the representations and warranties contained in this Section 2 are true as of the date hereof.

3. Conditions to the Obligations of the Underwriters. The obligation of the Underwriters to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties on the part of the Authority contained herein and on the part of the Agency contained in the Agency Letter of Representations, to the accuracy in all material respects of the statements of the officers and other officials of the Authority and the Agency made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the Authority of its obligations to be performed hereunder at or prior to the Closing Date, to the performance of the

Agency of its obligations to be performed under the Local Obligations Purchase Contract at or prior to the Closing Date and, to the following additional conditions:

A. At the Closing Date, (i) the Authority Resolution, (ii) the Agency Resolution, (iii) the Authority Documents, (iii) the Local Obligations Indenture, (iv) the Continuing Disclosure Agreement, and (v) the Irrevocable Escrow Instructions relating to the Refunded Bonds (collectively, the "Escrow Instructions"), from the Agency to each trustee for the Prior Bonds, shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Representative, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the Local Obligations, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

B. At the Closing Date, except as was described in the Preliminary Official Statement, the Authority shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, and the performance by the Authority of its obligations under the Authority Documents, the Authority Resolution and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Authority is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Authority of its obligations under the Authority Documents or the Authority Resolution.

C. At the Closing Date, except as described in the Preliminary Official Statement, the Agency shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Agency is a party or is otherwise subject or bound, and the performance by the Agency of its obligations under its Local Obligations, Agency Resolution, Local Obligations Indenture, Local Obligations Purchase Contract, Continuing Disclosure Agreement, Escrow Instructions and any other instruments contemplated by any of such documents, and compliance with the provisions of each thereof, or the performance of the conditions precedent to be performed hereunder, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which the Agency is a party or is otherwise subject or bound, in any manner which would materially and adversely affect the performance by the Agency of its obligations under its Local Obligations Indenture, the Local Obligations issued by the Agency or the performance of the conditions

precedent to be performed by the Agency under the Local Obligations Purchase Contract, under the Continuing Disclosure Agreement, or under the Escrow Instructions.

D. The information contained in the Official Statement is, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant hereto, true and correct in all material respects and does not, as of the Closing Date or as of the date of any supplement or amendment thereto, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

E. Between the date hereof and the Closing Date, the market price or marketability, at the initial offering prices set forth on the cover page of the Official Statement, of the Bonds shall not have been materially adversely affected, in the judgment of the Representative (evidenced by a written notice to the Authority terminating the obligation of the Underwriters to accept delivery of and pay for the Bonds), by reason of any of the following:

i. Legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States of America, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration, or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department of the United States of America or the Internal Revenue Service, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon such interest as would be received by any owners of the Series 2015A Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

ii. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or the Local Obligations, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Trust Agreement or the Local Obligations Indenture are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds or the Local Obligations, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

iii. A general suspension of trading in securities on the New York Stock Exchange, or a general banking moratorium declared by federal, State of New York or State of California officials authorized to do so;

iv. The introduction, proposal or enactment of any amendment to the United States or California Constitution or any action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority

or the Agency, its property, income, securities (or interest thereon), the validity or enforceability of Local Obligations, or the ability of the Authority to purchase the Local Obligations as contemplated by the Local Obligations Indenture, the Local Obligations Purchase Contract and the Official Statement;

v. Any event occurring, or information becoming known which, in the judgment of the Representative, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or in the Official Statement, or has the effect that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

vi. Any national securities exchange, the Comptroller of the Currency, or any other governmental authority, shall impose as to the Bonds, the Local Obligations or obligations of the general character of the Bonds or the Local Obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters;

vii. There shall have occurred any material outbreak or escalation of hostilities or other calamity or crisis the effect of which on the financial markets of the United States of America is such as to make it impracticable, in the reasonable judgment of the Underwriters, following consultation with the Authority, to sell the Bonds;

viii. Any proceeding shall have been commenced or be threatened in writing by the Securities and Exchange Commission against the Agency, the County or the Authority;

ix. An adverse event has occurred affecting the financial condition or operation of the Agency which, in the opinion of the Underwriters, requires or has required a supplement or amendment to the Official Statement;

x. Any rating of the securities of the Agency shall have been downgraded, suspended or withdrawn by a national rating service, or there shall have been any official statement by a national rating service as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification), in either case which, in the Underwriters' reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

xi. Any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriters, materially adversely affects the market price of the Bonds.

F. At or prior to the Closing Date, the Representative shall have received a counterpart original or certified copy of the following documents, in each case satisfactory in form and substance to the Representative:

i. The Official Statement, executed on behalf of the Authority by its Executive Director or other authorized officer;

ii. The Trust Agreement, duly executed and delivered by the Authority and the Authority Trustee, and the Local Obligations Indenture, duly executed and delivered by the Agency and Local Obligations Trustee;

iii. The Authority Resolution, together with a certificate of the Secretary of the Authority, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the resolution duly adopted by the Board of Directors of the Authority;

iv. The Agency Resolution and the Escrow Instructions, together with a certificate dated as of the Closing Date of the Agency to the effect that the Agency Resolution is a true, correct and complete copy of the resolution duly adopted by that Agency's Board;

v. The Local Obligations Purchase Contract executed by the Authority and the Agency and the Continuing Disclosure Agreement executed and delivered by the Agency and the Authority;

vi. Unqualified approving opinions for each series of Bonds, dated the Closing Date and addressed to the Authority, of Bond Counsel, to the effect such Series of Bonds are the valid, legal and binding obligations of the Authority and that the interest thereon is excluded from gross income for federal income tax purposes (with respect to the Series 2015A Bonds only) and exempt from personal income taxes of the State of California, in substantially the form included as Appendix E to the Official Statement, together with one or more letters of Bond Counsel, dated the Closing Date and addressed to the Underwriters, to the effect that such opinion addressed to the Authority may be relied upon by the Underwriters to the same extent as if such opinions were addressed to it;

vii. A supplemental opinion or opinions, dated the Closing Date and addressed to the Underwriters and the Agency, of Bond Counsel, to the effect that:

a. this Purchase Agreement has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery by the Representative, constitutes the legal, valid and binding agreement of the Authority and is enforceable in accordance with its terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State of California;

b. the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended;

c. the information contained in the Official Statement on the cover and under the captions "INTRODUCTION," 'REFUNDING OF AGENCY OBLIGATIONS," "THE SERIES 2015 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS" and "TAX MATTERS" and in Appendices D and E to the Official Statement and the information under the captions "SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH—Tax Revenues," "—Security for the Refunding Bonds," "THE REFUNDING BONDS" and "SECURITY FOR THE REFUNDING BONDS" in Appendix A to the Official Statement, are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Local Obligations, the Trust Agreement, the Local Obligations Indenture, Bond Counsel's and final approving opinion; and

d. the Authority Documents have been duly and validly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought;

viii. An unqualified opinion of Bond Counsel addressed to the Authority, the Agency and the Underwriters with respect to the Local Obligations that the Local Obligations and Local Obligations Indenture have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the trustee, constitute the legal, valid and binding agreements of the Agency and are enforceable in accordance with their terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State of California;

ix. One or more defeasance opinions of Bond Counsel addressed to the Authority, the Underwriters and the Agency to the effect that each of the Refunded Bonds have been legally defeased in accordance with each of the agreements pursuant to which such Refunded Bonds were issued, and the owners of such obligations have ceased to be entitled to the pledge of tax increment revenues thereunder;

x. An opinion of counsel to the Agency, dated the Closing Date and addressed to the Authority and the Underwriters, substantially in the form attached hereto as Exhibit C;

xi. An opinion, dated the Closing Date and addressed to the Underwriters, of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel for the Underwriters, to the effect that (i) the Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Local Obligations Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the Authority, the Agency, Bond Counsel, representatives of the Underwriters, and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no

opinion or belief need be expressed as to any financial or statistical data or forecasts contained in the Official Statement or as to the information included in Appendices B through I thereto or information relating to DTC, [the Insurer, the Policy or the Surety Policy]);

xii. A certificate, dated the Closing Date and signed by the Chairman of the Board of Directors of the Authority or other authorized officer, to the effect that: (i) the representations and warranties of the Authority contained herein are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Authority has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Authority Documents and the Authority Resolution at or prior to the Closing Date;

xiii. A certificate dated the Closing Date and signed by an authorized representative of the Agency or an authorized designee, on behalf of the Agency to the effect that: (i) the representations and warranties of the Agency in the Agency Letter of Representations are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best knowledge of such officer, no event has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein with respect to the Agency and the Project Areas not misleading in any material respect; (iii) the Agency has complied with all the agreements and satisfied all the conditions on its part to be satisfied under the Local Obligations Purchase Contract, the Agency Resolution and Local Obligations Indenture at or prior to the Closing Date; and (iv) all information in the Appendix to the Official Statement relating to the Agency is true as of the date of the Official Statement and as of the Closing Date does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

xiv. An opinion of County Counsel, as counsel to the Authority, dated the date of Closing and addressed to the Underwriters, the Authority and the Agency, to the effect that:

a. The Authority is a public body, corporate and politic, duly organized and validly existing as a joint powers authority under the laws of the State of California;

b. The Authority has full legal power and lawful authority to enter into the Authority Documents and to carry out the transactions contemplated under the Authority Documents;

c. The Authority Resolution was duly adopted at a meeting of the governing body of the Authority, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

d. The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the

Authority enforceable against the Authority in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

e. To the best knowledge of such counsel, the execution and delivery of the Authority Documents and the Official Statement and compliance with the provisions thereof under the circumstances contemplated thereby: (a) do not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound; and (b) do not and will not in any material respect or constitute on the part of the Authority a violation, breach of or default under any court order or consent decree to which the Authority is subject;

f. The Authority Documents and the Official Statement have been duly authorized by the Board of Directors of the Authority and executed on its behalf by an authorized officer of the Authority; and

g. Except as may be stated in the Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending (notice of which has been served on the Authority) or, to such counsel's knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Authority, or the titles of its members and officers to their respective offices; (b) enjoin or restrain the issuance, sale and delivery of the Bonds, the collection of the Revenues or the pledge thereof; (c) in any way question or affect any of the rights, powers, duties or obligations of the Authority with respect to the Revenues or the moneys and assets pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds; (d) in any way question or affect any authority for the issuance of the Bonds, or the validity or enforceability of the Bonds; or (e) in any way question or affect the Authority Documents or the transactions contemplated by the Authority Documents, the Official Statement, or any activity regarding the Bonds;

xv. A certificate of Keyser Marston Associates, Inc. (the "Fiscal Consultant"), dated the date of the Closing, addressed to the Authority, the Agency and the Underwriters, in form and substance acceptable to the Underwriters, (i) certifying as to the accuracy of (A) the information contained in APPENDIX B—"FISCAL CONSULTANT'S REPORT", and the information in Appendix A to the Official Statement under the captions "SECURITY FOR THE REFUNDING BONDS—Pass-Through Agreements," "THE REDEVELOPMENT PLANS" and "THE PROJECT AREAS," (ii) consenting to the inclusion of such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report;

xvi. Certified copies of the general resolution of the Authority Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution of the Trust Agreement and the authentication of the Bonds;

xvii. A Certificate of the Authority Trustee addressed to the Underwriters and the Authority dated the Closing Date, to the effect that: (i) the Authority Trustee is authorized to carry out corporate trust powers, and has full power and authority to perform its duties under the

Trust Agreement; (ii) the Authority Trustee is duly authorized to execute and deliver the Trust Agreement, to accept the obligations created by the Trust Agreement and to authenticate the Bonds pursuant to the terms of the Trust Agreement; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Authority Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Authority Trustee of the other transactions contemplated to be performed by the Authority Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Trust Agreement; and (iv) to the best of its knowledge, compliance with the terms of the Trust Agreement will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Authority Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Authority Trustee or any of its activities or properties;

xviii. An opinion of counsel to the Authority Trustee, dated the Closing Date, addressed to the Underwriters, the Authority and the Agency to the effect that the Authority Trustee is a national banking association duly organized and validly existing under the laws of the United States of America having full power and being qualified to enter into, accept and agree to the provisions of the Trust Agreement, and that the Trust Agreement has been duly authorized, executed and delivered by the Authority Trustee, and, assuming due execution and delivery by the respective other parties thereto, constitutes the legal, valid and binding obligation of the Authority Trustee enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by the application of equitable principles if equitable remedies are sought;

xix. A certificate of the Authority dated the Closing Date, in a form acceptable to Bond Counsel and the Underwriters, that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

xx. A Certificate of the Local Obligations Trustee in form and substance acceptable to the Authority, the Agency, Bond Counsel and the Underwriters;

xxi. An opinion of counsel to the Local Obligations Trustee dated the Closing date, addressed to the Agency, the Authority and the Underwriters in form and substance acceptable to the Underwriters;

xxii. A letter addressed to the Authority and the Agency, dated the date of the Closing, from Grant Thornton LLP verifying the accuracy of the mathematical computations concerning the adequacy of the maturing principal amounts of the government obligations, together with other moneys, if any, to be deposited in the applicable redemption fund to pay when due pursuant to the stated maturity or call for redemption or prepayment, as applicable, the principal of and interest and premium with respect to the Refunded Bonds;

xxiii. Evidence that the ratings on the Bonds are as described in the Official Statement;

xxiv. Copies of proposed and final CDIAC Notices;

xxv. [Copies of the Policy and the Surety Policy];

xxvi. [Opinions of counsel and/or certificates of the Insurer as to the enforceability of its Policy and Surety Policy and as to the accuracy of the information in the Official Statement relating to the Insurer and its Policy and Surety Policy]; and

xxvii. Such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the material representations and warranties of the Authority contained herein, and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Authority and the Agency at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the Authority and the Agency in connection with the transactions contemplated hereby and by the Local Obligations Indenture, the Trust Agreement, the Local Obligations Purchase Contract, the Escrow Instructions, the Continuing Disclosure Agreement and the Official Statement.

If the Authority shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriters to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Authority nor the Underwriters shall be under any further obligation hereunder, except that the respective obligations of the Authority and the Underwriters set forth in Section 4 hereof shall continue in full force and effect.

4. Conditions to the Obligations of the Authority.

A. The obligation of the Authority to accept delivery of and pay for the Local Obligations on the Closing Date shall be subject, at the option of the Authority, to the sale of the Bonds, to the accuracy in all material respects of the representations and warranties on the part of the Agency contained in the Local Obligations Purchase Contract, to the accuracy in all material respects of the statements of the officers and other officials of the Agency made in any certificates or other documents furnished pursuant to the provisions hereof, and to the performance by the Agency of its obligations to be performed under the Local Obligations Purchase Contract and the conditions precedent to be performed by the Agency pursuant thereto at or prior to the Closing Date. The obligations of the Authority shall be further subject to the satisfaction of the conditions contained in Section 3 of this Purchase Agreement.

B. If the Agency or the Authority shall be unable to satisfy the conditions to the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations contained in the Local Obligations Purchase Contract, or if the obligations of the Authority to purchase, accept delivery of and pay for the Local Obligations shall be terminated for any reason permitted thereby, this Purchase Agreement shall terminate and neither the Authority nor the Underwriters shall be under any further obligation hereunder, except that the respective obligations of Agency and the Authority set forth in Section 5 hereof shall continue in full force and effect.

5. Expenses. The Authority will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Authority Documents and the Agency Documents (other than this Purchase Agreement); (b) the fees

and disbursements of Bond Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Authority or the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds and the Local Obligations; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses (included in the expense component of the spread) incurred by the Underwriter which are incidental to implementing this Purchase Agreement; and [(h) the cost of the premiums for the purchase of the Policy and the Surety Policy]. The Underwriters shall pay, and the Authority shall be under no obligation to pay, the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, including CDIAC fees and the fee and disbursements of Underwriters' Counsel.

6. Notices. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to the County of Los Angeles, Kenneth Hahn Hall of Administration, 500 West Temple Street, Room 437, Los Angeles, California 90012, Attention: Treasurer and Tax Collector; any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 37th Floor, San Francisco, California 94104, Attention: Ralph Holmes.

7. Parties In Interest. This Purchase Agreement is made solely for the benefit of the Authority and the Underwriters (including any successors or assignees of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof; provided, however, that the Agency is an intended third party beneficiary of this Purchase Agreement.

8. Survival of Representations and Warranties. The representations and warranties of the Authority under this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of any investigations made by or on behalf of the Underwriters (or statements as to the results of such investigations) concerning such representations and statements of the Authority and regardless of delivery of and payment for the Bonds.

9. Execution in Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

10. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

11. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understanding among the parties hereto in relation to the sale of the Bonds by the Authority.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

12. Governing Law. This Purchase Agreement shall be governed by the laws of the State of California.

13. Effective Date. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the Authority and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

STIFEL, NICOLAUS & COMPANY, INCORPORATED, as Representative of the Underwriters

By: _____
Its: Authorized Officer

ACCEPTED:

This __ day of _____, 2015

COUNTY OF LOS ANGELES
REDEVELOPMENT REFUNDING
AUTHORITY

By: _____
Its: Treasurer

APPROVED AS TO FORM:

MARK J. SALADINO, County Counsel

By: _____
Principal Deputy County Counsel

EXHIBIT A

Schedule of Bond Maturities, Principal Amounts and Interest Rates

$_____
COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015A (TAX-EXEMPT)

Maturity Date (August 1)	***Principal Amount***	***Interest Rate***	***Yield***	***Price***

_____

The Purchase Price for the Series 2015A Bonds shall be $_____ (being the aggregate principal amount of the Series 2015A Bonds [plus/minus] an [net] original issue [premium/discount] of $_____ and less an Underwriters' discount of $_____. [In connection with the issuance of the Series 2015A Bonds, the Underwriters shall wire $_____ directly to the Insurer for the costs of the premium on the Policy and the Surety Policy.]

$_____

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015B
(FEDERALLY TAXABLE)

Maturity Date (August 1)	***Principal Amount***	***Interest Rate***	***Yield***	***Price***

_____

The Purchase Price for the Series 2015B Bonds shall be $_____ (being the aggregate principal amount of the Series 2015B Bonds [plus/minus] an [net] original issue [premium/discount] of $_____ and less an Underwriters' discount of $_____. [In connection with the issuance of the Series 2015B Bonds, the Underwriters shall wire $_____ directly to the Insurer for the costs of the premium on the Policy and the Surety Policy.]

EXHIBIT B

Agency Letter of Representations
of the Successor Agency to the Redevelopment Agency of the City of Long Beach

Stifel, Nicolaus & Company, Incorporated
San Francisco, California

Citigroup Global Markets Inc.
Los Angeles, California

County of Los Angeles Redevelopment Refunding Authority
Los Angeles, California

The Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Agency") hereby represents and warrants as follows:

1. The Agency is a public entity validly existing under the laws of the State of California (the "State") with full right, power and authority to adopt the Agency Resolution, to issue the Local Obligations and to execute, deliver and perform its obligations under the Local Obligations Indenture, Local Obligations Purchase Contract, Continuing Disclosure Agreement and Escrow Instructions (collectively, the "Agency Documents") and to carry out and consummate the transactions on its part contemplated by the Agency Documents and the Official Statement.

2. By all necessary official action, the Agency has duly adopted the Resolution No. __ (the "Agency Resolution") at a meeting properly noticed at which a quorum was present and acting throughout and has duly authorized and approved the execution and delivery of, and the performance by the Agency of the obligations contained in, the Agency Documents, and as of the date hereof such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by the Agency and the other respective parties thereto, the Agency Documents will constitute the legally valid and binding obligations of the Agency enforceable upon the Agency in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental agencies in the State of California. The Agency has complied, and will at the Closing be in compliance in all respects, with the terms of the Agency Documents.

3. The Agency deems Appendix A to the Preliminary Official Statement to be final for purposes of the Securities and Exchange Commission Rule 15c2-12(b)(5) and has approved the distribution of such appendix as a part of the Preliminary Official Statement pursuant to the Agency Resolution.

4. The information contained in Appendix A to the Preliminary Official Statement is true and correct in all material respects, and information contained in Appendix A to the Preliminary Official Statement does not contain a misstatement of any material fact and does not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading.

5. Until the date which is twenty-five (25) days after the "End of the Underwriting Period" (as hereinafter defined), if any event shall occur of which the Agency is aware, as a result of which it may be necessary to supplement Appendix A to the Official Statement in order to make the statements in Appendix A to the Official Statement, in light of the circumstances existing at such time, not misleading, the Agency shall forthwith notify the Authority and the Underwriters of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriters' opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time. Unless the Underwriters give notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant the previous sentence shall be written notice delivered to the Agency at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period."

6. Except as otherwise disclosed in Appendix A to the Preliminary Official Statement, the Agency is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in Appendix A to the Preliminary Official Statement, the authorization, execution and delivery of the Agency Documents, and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance agreement or other to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Documents.

7. Except as disclosed in Appendix A and under the caption "LITIGATION" to the Preliminary Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending with respect to which the Agency has been served with process, or threatened against the Agency: (i) in any way questioning the corporate existence of the Agency or the titles of the officers of the Agency to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of the Local Obligations, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Local Obligations, or in any way contesting or affecting the validity of the Local Obligations or the Agency Documents or the consummation of the transactions on the part of the Agency contemplated thereby or hereby, or contesting the powers of the Agency or its authority to issue the Local Obligations; (iii) which may result in any material adverse impact on the obligation of the Agency to pay debt service on the Local Obligations when due; (iv) with respect to information relating to the Agency only, contesting the completeness or accuracy of Appendix A to the Preliminary Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

and (v) there is no known basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of this paragraph.

8. The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State of California income tax purposes of the interest on the Authority Bonds.

9. Except as disclosed in Appendix A to the Preliminary Official Statement, the Agency has not defaulted under any prior continuing disclosure undertaking.

10. Except as disclosed in Appendix A to the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

All terms not otherwise defined herein shall have the meaning ascribed to them in the Bond Purchase Agreement, dated _____, 2015 (the "Purchase Agreement"), by and between the County of Los Angeles Redevelopment Refunding Authority (the "Authority") and Stifel, Nicolaus & Company, Incorporated (the "Representative"), on behalf of itself and Citigroup Global Markets Inc.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

By: _____
Its: _____

EXHIBIT C

Form of Agency Counsel Opinion

(A) The Agency is a public entity validly existing under the laws of the State of California;

(B) The Agency Resolution approving and authorizing the execution and delivery of the Agency Documents defined below and approving Appendix A to the Official Statement has been duly adopted, and the Agency Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption;

(C) The Local Obligations Indenture, Local Obligations Purchase Contract, Escrow Instructions and the Continuing Disclosure Agreement (collectively, the "Agency Documents") have been duly authorized, executed and delivered by the Agency and, when duly executed by the other respective parties thereto, constitute valid and binding legal obligations of the Agency enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California;

(D) Except as otherwise disclosed in Appendix A and under the caption "LITIGATION" to the Official Statement, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending (and notice of which has been served on the Agency) or to the best knowledge of such counsel after due inquiry threatened against the Agency, challenging the creation, organization or existence of the Agency, or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Local Obligations or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions the right of the Agency to use the Tax Revenues (defined in the Local Obligations Indenture) for repayment of the Local Obligations or affects in any manner the right or ability of the Agency to collect or pledge the tax revenues or the plan limits of any of the redevelopment project areas as described in Appendix A to the Official Statement; and

(F) Except as otherwise disclosed in Appendix A to the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of tax increment of any of the redevelopment project areas on a basis senior to the Local Obligations.

EXHIBIT D

List of Refunded Bonds being refunded by the Series A Local Bonds

Issuer	Project Area	Refunding
Redevelopment Agency of the City of Long Beach	Downtown Redevelopment Project	A portion of the $26,820,000 2002 Subordinate Tax Allocation Bonds (Downtown Redevelopment Project)
Redevelopment Agency of the City of Long Beach	North Long Beach Redevelopment Project	A portion of the $40,290,000 2002 Tax Allocation Bonds (North Long Beach Redevelopment Project)
Redevelopment Agency of the City of Long Beach	West Beach Redevelopment Project	$8,895,000 2002 Tax Allocation Bonds (West Beach Redevelopment Project)
Redevelopment Agency of the City of Long Beach	West Long Beach Industrial Redevelopment Project	A portion of the $21,860,000 West Long Beach Industrial Redevelopment Project Tax Allocation Refunding Bonds 2002 Series A
Redevelopment Agency of the City of Long Beach	Central Long Beach Redevelopment Project	A portion of the $56,930,000 2005 Tax Allocation Bonds (Central Long Beach Redevelopment Project)
Redevelopment Agency of the City of Long Beach	Los Altos Redevelopment Project	$4,685,000 2005 Tax Allocation Bonds (Los Altos Redevelopment Project)
Redevelopment Agency of the City of Long Beach	North Long Beach Redevelopment Project	A portion of the $64,080,000 2005 Tax Allocation Bonds (North Long Beach Redevelopment Project)
Redevelopment Agency of the City of Long Beach	Poly High Redevelopment Project	$2,557,752.60 2005 Tax Allocation Bonds (Poly High Redevelopment Project)
Redevelopment Agency of the City of Long Beach	West Beach Redevelopment Project	$839,553.30 2005 Subordinate Tax Allocation Bonds (West Beach Redevelopment Project)

List of Refunded Bonds
being refunded by the Series B Local Bonds

Issuer	Project Area	Refunding
Redevelopment Agency of the City of Long Beach	All Project Areas	$55,665,000 2005 Tax Allocation Bonds (Housing Projects)
Redevelopment Agency of the City of Long Beach	Central Long Beach Redevelopment Project	A portion of the $56,930,000 2005 Tax Allocation Bonds (Central Long Beach Redevelopment Project)
Redevelopment Agency of the City of Long Beach	North Long Beach Redevelopment Project	A portion of the $64,080,000 2005 Tax Allocation Bonds (North Long Beach Redevelopment Project)

CONTINUING DISCLOSURE AGREEMENT

by and between

COUNTY OF LOS ANGELES
REDEVELOPMENT REFUNDING AUTHORITY,

and

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

Dated as of _____ 1, 2015

Relating to:

County of Los Angeles Redevelopment Refunding Authority
Tax Allocation Revenue Refunding Bonds,
Series 2015A (Tax-Exempt)

and

County of Los Angeles Redevelopment Refunding Authority
Tax Allocation Revenue Refunding Bonds,
Series 2015B (Federally Taxable)

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of _____ 1, 2015 (this "Disclosure Agreement"), is by and between the COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY, a joint exercise of powers agency duly organized and existing under the laws of the State of California (the "Authority") and the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, a public body, corporate and politic, duly organized and existing pursuant to the Community Redevelopment Law of the State of California (as successor agency to the Redevelopment Agency of the City of Long Beach, the "Agency"), in connection with the issuance of the Authority's Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) and the Authority's Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (together, the "Authority Bonds") pursuant to a Trust Agreement, dated as of _____ 1, 2015 (the "Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "Authority Trustee").

W I T N E S S E T H :

WHEREAS, the County of Los Angeles (the "County") has developed a program (the "Refunding Program") to assist the successor agencies to former community redevelopment agencies within the County to refund tax increment obligations pursuant to California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484") in order to provide debt service savings to successor agencies and to increase property tax revenues available for distribution to affected taxing entities, including the County; and

WHEREAS, the Authority is empowered under the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code to issue its bonds for the purpose of purchasing certain local obligations issued by certain local agencies and other purposes, including refunding any of its then-outstanding bonds, and the purchase of tax allocation obligations issued by said successor agencies as described in Section 34173 of the California Health and Safety Code; and

WHEREAS, the Authority has determined to issue the Authority Bonds in order to provide funds to acquire certain local obligations issued by the Agency in order to assist the Agency in refunding outstanding bonds or other indebtedness pursuant to AB 1484; and

WHEREAS, the Agency has issued its Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015A and its Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable) (together, the "Refunding Bonds") pursuant to an Indenture of Trust, dated as of _____ 1, 2015 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Agency Trustee"), as may be amended or supplemented in accordance with its terms; and

WHEREAS, such Refunding Bonds will be secured by a pledge of, and lien on, and shall be repaid from property tax revenues pledged under the Indenture; and

WHEREAS, this Disclosure Agreement is being executed and delivered by the Authority and the Agency for the benefit of the holders and beneficial owners of the Authority Bonds and in order to assist the underwriters of the Authority Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5);

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

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Disclosure Agreement have the meanings herein specified. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement or the Indenture, as applicable.

"Annual Report" means any Annual Report provided by the Agency pursuant to, and as described in, Sections 2 and 3 hereof.

"Annual Report Date" means the date in each year that is 180 days after the end of the Agency's fiscal year (presently ending September 30).

"Agency" means the Successor Agency to the Redevelopment Agency of the City of Long Beach, a public body, corporate and politic, duly organized and existing under and pursuant to the Law.

"Agency Trustee" means U.S. Bank National Association, as trustee under the Indenture, or any successor thereto as trustee thereunder, substituted in its place as provided thereunder.

"Authority" means the County of Los Angeles Redevelopment Refunding Authority duly organized and existing under and pursuant to the laws of the State of California and a Joint Exercise of Powers Agreement, dated August 6, 2013, between the Los Angeles County Public Works Financing Authority and the County.

"Authority Trustee" means U.S. Bank National Association, as trustee under the Trust Agreement, or any successor trustee substituted in its place as provided thereunder.

"Bonds" means, collectively, the Authority Bonds and the Refunding Bonds.

"City" means the City of Long Beach, California.

"County" means the County of Los Angeles, a political subdivision of the State of California.

"County Auditor-Controller" means the Auditor-Controller of the County of Los Angeles.

"Disclosure Representative" means the Director of Financial Management or the Debt Manager of the City, or such other officer as the City Manager, the Director of Financial

Management or the Debt Manager of the City shall designate in writing to the Authority and the Dissemination Agent (if other than the Authority) from time to time.

"Dissemination Agent" means the Authority, acting solely in its capacity as Dissemination Agent hereunder, or any successor dissemination agent designated in writing by the Authority and which has filed with the Authority and the Agency a written acceptance of such designation.

"Listed Events" means any of the events listed in subsection (a) or subsection (b) of Section 4 hereof.

"MSRB" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" means the Official Statement, dated _____, 2015, relating to the Authority Bonds.

"Participating Underwriter" means any of the original underwriters of the Authority Bonds required to comply with the Rule in connection with the offering of the Authority Bonds.

"Project Area" shall have the meaning specified in Appendix A to the Official Statement.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports. (a) The Agency shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report which is consistent with the requirements of Section 3 hereof, not later than the Annual Report Date, commencing with the report for the [2014-15] Fiscal Year. [Notwithstanding the foregoing, to satisfy the annual reporting requirement for the 2013-14 Fiscal Year, the Agency shall, or shall cause the Dissemination Agent to, provide to the MSRB a copy of the Official Statement and the audited financial statements of the Agency for the 2013-14 Fiscal Year in accordance with Section 3(a) hereof.] The Annual Report may include by reference other information as provided in Section 3 hereof; provided, however, that the audited financial statements of the Agency, if any, may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Agency's fiscal year changes, it shall, or it shall instruct the Dissemination Agent to, give notice of such change in a filing with the MSRB. The Annual Report shall be submitted on a form acceptable to the MSRB and shall identify the Authority Bonds by name and CUSIP number.

The Authority, on behalf of the Agency, shall obtain from the County and shall provide the Agency with the information specified in Exhibit B for inclusion in the Annual Report not later than 60 days prior to the applicable Annual Report Date.

(b) Not later than 15 business days prior to the date specified in subsection (a) of this Section for the providing of the Annual Report to the MSRB, the Agency shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Agency and the Authority to determine if the Agency is in compliance with the first sentence of subsection (a) of this Section.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a) of this Section, the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) provide any Annual Report received by it to the MSRB, as provided herein; and

(ii) file a report with the Authority and the Agency certifying the filing date and that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement.

Section 3. <u>Content of Annual Reports</u>. The Annual Report shall contain or include by reference the following:

(a) The Agency's audited financial statements, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to subsection (a) of Section 2 hereof, the Annual Report shall contain unaudited financial statements in a format similar to that used for the audited financial statements, and the audited financial statements, if any, shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Agency, substantially similar to that provided in the corresponding tables relating to the Agency and the Project Area in Appendix A to the Official Statement:

(i) An update of the ten largest assessees in substantially the format of Table __ of Appendix A to the Official Statement for the current fiscal year;

(ii) An update of taxable assessed and incremental values in substantially the format of Table __ of Appendix A to the Official Statement including the current fiscal year;

(iii) An update of tax levy, total collections and total collections as a percentage of the tax levy in substantially the format of Table __ of Appendix A to the Official Statement including the most recent fiscal year;

(iv) An update of the number of pending appeals, the combined values of pending appeals, the number of resolved appeals and resulting reduction of value provided in Table __ of Appendix A to the Official Statement as of the most recent fiscal year;

(v) An entry in substantially the format of the entries in Table __ of Appendix A to the Official Statement reflecting Tax Revenues of the most recent fiscal year;

(vi) An entry in substantially the format of the entries in Table __ of Appendix A to the Official Statement reflecting the aggregate debt service coverage of the most recent fiscal year;

(vii) [If applicable in furtherance of an Agency covenant regarding Redevelopment Plan limits, amount of all Agency debt outstanding secured by a pledge of the Tax Revenues and cumulative amount of Tax Revenues available to the Agency to date: (A) a statement of annual debt service remaining to be paid on all Outstanding Bonds [and Senior Bonds] and the amount of Tax Revenues which the Agency is permitted to receive under its Redevelopment Plan, (B) the amount of tax increment revenues allocated to the Agency during the one year period covered by the statement, and (C) the amount, if any, to be used or escrowed for use to pay principal and interest on Refunding Bonds]; and

(viii) If applicable, a summary statement and certification, prepared on or before the previous September 1, of the amounts applied in making the calculations pursuant to paragraph (b)(1) of Section 6.09 of the Indenture and a copy of any plan delivered in accordance with paragraph (b)(2) of Section 6.09 of the Indenture.

(c) In addition to any of the information expressly required to be provided under subsections (a) and (b) of this Section, the Agency shall provide such further information, if any, as may be necessary to make the specifically required statements, in light of the circumstances under which they are made, not misleading.

Any or all of the items described above may be included by specific reference to other documents, including official statements of debt issues of the Agency or related public entities, which have been submitted to the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Agency shall clearly identify each such other document so included by reference.

Section 4. <u>Reporting of Significant Events</u>. (a) Pursuant to the provisions of this Section, the Agency shall give, or cause to be given with respect to the Bonds, and hereby authorizes the Dissemination Agent to give, or cause to be given, with respect to the Bonds, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

(i) Principal and interest payment delinquencies.

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties.

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties.

(iv) Substitution of credit or liquidity providers, or their failure to perform.

(v) Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB).

(vi) Tender offers.

(vii) Defeasances.

(viii) Rating changes.

(ix) Bankruptcy, insolvency, receivership or similar event of the obligated person.

For purposes of each event identified in paragraph (ix), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section, the Agency shall give, or cause to be given with respect to the Bonds, and hereby authorizes the Dissemination Agent to give, or cause to be given, with respect to the Bonds, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

(i) Unless described in paragraph (v) of subsection (a) of this Section, other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds.

(ii) Modifications to rights of holders of the Bonds.

(iii) Optional, unscheduled or contingent Bond calls.

(iv) Release, substitution, or sale of property securing repayment of the Bonds.

(v) Non-payment related defaults.

(vi) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(vii) Appointment of a successor or additional trustee or the change of name of a trustee.

(c) The Dissemination Agent shall, within one business day of obtaining knowledge of the occurrence of any of the Listed Events, contact the Disclosure Representative and inform such person of the event.

(d) Whenever the Agency obtains knowledge of the occurrence of a Listed Event described in subsection (b) of this Section, the Agency shall determine if such event would be material under applicable Federal securities law.

(e) Whenever the Agency obtains knowledge of the occurrence of a Listed Event described in subsection (a) of this Section, or determines that the occurrence of a Listed Event described in subsection (b) of this Section is material under subsection (d) of this Section, the Agency shall, or shall cause the Dissemination Agent to, file a notice of the occurrence of such Listed Event with the MSRB within ten business days of such occurrence.

(f) Notwithstanding the foregoing, notice of Listed Events described in paragraph (iii) of subsection (b) of this Section and in paragraph (vii) of subsection (a) of this Section need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Authority Bonds pursuant to the Trust Agreement.

Section 5. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted as prescribed by the MSRB in electronic format.

Section 6. Termination of Reporting Obligation. The obligations of the Agency and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Authority Bonds relating to the Refunding Bonds or the legal defeasance, prior redemption or payment in full of all of the Refunding Bonds, if earlier. If such termination occurs prior to the final principal payment date of the Authority Bonds, the Agency or the Dissemination Agent, on behalf of the Agency, shall give notice of such termination in a filing with the MSRB.

Section 7. Dissemination Agent. The Agency may, from time to time, appoint or engage a Dissemination Agent (if the Authority is not the Dissemination Agent) to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent (if other than the Authority or the Authority Trustee), with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Authority and the Agency may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of subsection (a) of Section 2 hereof, Section 3 hereof or subsections (a) or (b) of Section 4 hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Authority Bonds, or the type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Authority Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver (i) is approved by Owners of the Authority Bonds in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of Owners or Beneficial Owners of the Authority Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Agency shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Agency. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall prevent the Agency from voluntarily disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other reasonable means of communication, or including such information in any Annual Report or notice required to be filed pursuant to this Disclosure Agreement. If the Agency chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Agreement, the Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 10. Default. The parties hereto acknowledge that in the event of a failure of the Agency or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Authority Trustee may (and, at the written direction of any Participating Underwriter or the

Owners of at least 25% of the aggregate amount of principal evidenced by Outstanding Authority Bonds, shall, upon receipt of indemnification reasonably satisfactory to the Authority Trustee), or any Owner or Beneficial Owner of the Authority Bonds, may seek specific performance by court order, to cause the Agency or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or the Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall (so long as the Authority is the Dissemination Agent) be entitled to the protections and limitations from liability afforded to the Authority under the Trust Agreement. The Dissemination Agent shall not be responsible for the form or content of financial statements made part of any Annual Report or notice of Listed Event or for information sourced to the Agency. So long as the Authority is the Dissemination Agent hereunder, no compensation shall be due from the Agency for the Dissemination Agent services provided herein. Any replacement Dissemination Agent shall receive reasonable compensation for its services provided under this Disclosure Agreement as may be agreed upon by the Agency. The Dissemination Agent (if other than the Authority or the Authority acting in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement. To the extent permitted by law, the Agency shall indemnify and save the Dissemination Agent (if other than the Authority), the Authority and the County harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to the negligence or willful misconduct of the Dissemination Agent (if other than the Authority), the Authority, or the County. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Authority Bonds and the Refunding Bonds.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Authority, the Agency, the Dissemination Agent, the Participating Underwriter and the Owner and Beneficial Owners from time to time of the Authority Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Agreement 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.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY

By: _____
Joseph Kelly
Treasurer

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

By: _____
[City Finance Director of the City of Long Beach, for the Successor Agency to the Redevelopment Agency of the City of Long Beach]

ACCEPTED AND AGREED:

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY, as Dissemination Agent

By: _____
Authorized Officer

ACKNOWLEDGED AND AGREED:

U.S. BANK NATIONAL ASSOCIATION, as Authority Trustee

By: _____
Authorized Officer

[Signature page to Continuing Disclosure Agreement]

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	County of Los Angeles Redevelopment Refunding Authority
Name of Issue:	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable)
Obligated Person:	Successor Agency to the Redevelopment Agency of the City of Long Beach
Date of Issuance:	_____, 2015

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Agency") has not provided an Annual Report with respect to the above-named bonds as required by the Continuing Disclosure Agreement, dated as of _____ 1, 2015, by and between the County of Los Angeles Redevelopment Refunding Authority and the Agency. [The Agency anticipates that the Annual Report will be filed by _____.]

Dated: _____

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY, as Dissemination Agent, on behalf of the Successor Agency to the Redevelopment Agency of the City of Long Beach

cc: Successor Agency to the Redevelopment Agency of the City of Long Beach

EXHIBIT B

INFORMATION TO BE ASSEMBLED BY THE COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY,

relating to the

Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015A and Series 2015B (Federally Taxable)

The Authority will provide the following financial information and operating data with respect to the Agency, substantially similar to that provided in the corresponding tables relating to the Agency and the Project Area in Appendix A to the Official Statement:

(i) An update of the ten largest assessees in substantially the format of Table __ of Appendix A to the Official Statement for the current fiscal year;

(ii) An update of taxable assessed and incremental values in substantially the format of Table __ of Appendix A to the Official Statement including the current fiscal year;

(iii) An update of tax levy, total collections and total collections as a percentage of the tax levy in substantially the format of Table __ of Appendix A to the Official Statement including the most recent fiscal year;

(iv) An update of the number of pending appeals, the combined values of pending appeals, the number of resolved appeals and resulting reduction of value provided in Table __ of Appendix A to the Official Statement as of the most recent fiscal year;

(v) An entry in substantially the format of the entries in Table __ of Appendix A to the Official Statement reflecting Tax Revenues of the most recent fiscal year;

(vi) An entry in substantially the format of the entries in Table __ of Appendix A to the Official Statement reflecting the aggregate debt service coverage of the most recent fiscal year; and

(vii) [If applicable in furtherance of an Agency covenant regarding Redevelopment Plan limits, amount of all Agency debt outstanding secured by a pledge of the Tax Revenues and cumulative amount of Tax Revenues available to the Agency to date: (A) a statement of annual debt service remaining to be paid on all Outstanding Bonds [and Senior Bonds] and the amount of Tax Revenues which the Agency is permitted to receive under its Redevelopment Plan, (B) the amount of tax increment revenues allocated to the Agency during the one year period covered by the statement, and (C) the amount, if any, to be used or escrowed for use to pay principal and interest on Refunding Bonds.]

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2015

NEW ISSUES – BOOK-ENTRY ONLY

STANDARD & POOR'S RATINGS:
Insured Series 2015 Bonds (Insured Rating): "___"
Series 2015A Bonds (Uninsured/Underlying Rating): "___"
Series 2015B Bonds (Uninsured/Underlying Rating): "___"

See "RATINGS" herein.

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2015A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Series 2015A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel is also of the opinion that interest on the Series 2015 Bonds is exempt from State of California personal income taxes. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Series 2015 Bonds. See "TAX MATTERS" herein.

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
Tax Allocation Revenue Refunding Bonds

$_____*
Series 2015A (Tax-Exempt)
Successor Agency to the Long Beach Redevelopment Agency Project Areas

$_____*
Series 2015B (Federally Taxable)
Successor Agency to the Long Beach Redevelopment Agency Project Areas

Dated: Date of Delivery **Due: As Shown on the Inside Cover Pages**

The County of Los Angeles Redevelopment Refunding Authority (the "Authority") will issue its Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) (the "Series 2015A Bonds") and its Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (the "Series 2015B Bonds" and, together with the Series 2015A Bonds, the "Series 2015 Bonds" or, individually, a "Series") pursuant to a Trust Agreement, dated as of _____ 1, 2015 (the "Trust Agreement"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee"). Concurrently with the issuance of the Series 2015 Bonds, the Successor Agency to the Long Beach Redevelopment Agency (the "Agency Participant"), will issue two individual series of tax allocation refunding bonds (each a "Local Obligation" and, together, the "Local Obligations") for its Project Areas (the "Project Areas") pursuant to an Indenture of Trust, dated as of _____ 1, 2015 (the "Agency Indenture"), by and between the Agency Participant and U.S. Bank National Association (the "Agency Trustee"), the proceeds of which will be used to refund all or portion of certain bonds and indebtedness of the Agency Participant as more fully described herein. Proceeds of each Series of the Series 2015 Bonds will be used to purchase the related Local Obligations.

Each Series of the Series 2015 Bonds will be special, limited obligations of the Authority, payable from and secured by Revenues (as defined herein) of the Authority, consisting primarily of payments on the Local Obligations to be purchased by the Authority under the Trust Agreement and received by the Authority from the Agency Participant. Each series of Local Obligations will be payable from and secured by designated property tax revenues (formerly tax increment revenues) related to the Project Areas of the Agency Participant, which will include moneys deposited, from time to time, in the related Redevelopment Property Tax Trust Fund for the benefit of the Agency Participant as provided in the California Health and Safety Code as more fully described herein. Collectively, such designated property tax (subject to certain statutory and contractual deductions specified in the Agency Indenture) as pledged under the Agency Indenture is referred to herein as "Tax Revenues." Each Series of Local Obligations is payable from Tax Revenues on a parity with each other. Debt service on the Local Obligations will be subordinate to the payment of debt service on the Senior Bonds (as described herein). Payments on the Local Obligations to be purchased by the Authority under the Trust Agreement are calculated to be sufficient to permit the Authority to pay the principal of, premium (if any) and interest on the related Series of Series 2015 Bonds when due. The Local Obligations will be registered in the name of the Trustee under the Trust Agreement and payments on the Local Obligations will be paid to the Trustee. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS."

The Series 2015 Bonds will be issued in Authorized Denominations of $5,000 and any integral multiple thereof. The Series 2015 Bonds will be delivered in fully-registered form only, and when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2015 Bonds. Ownership interests in the Series 2015 Bonds may be purchased in book-entry form only. Principal of and interest and redemption premium (if any) on the Series 2015 Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payments to its Participants (defined herein) for subsequent disbursement to the Owners of the Series 2015 Bonds. See APPENDIX H – "BOOK-ENTRY ONLY SYSTEM" attached hereto.

The Series 2015 Bonds will be subject to redemption prior to maturity, as described herein. See "THE SERIES 2015 BONDS – Redemption" herein.

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* *Preliminary, subject to change.*

The scheduled payment of principal of and interest on the Insured Series 2015 Bonds (as shown on the inside cover pages herein) when due will be guaranteed pursuant to an insurance policy to be issued concurrently with the delivery of the Series 2015 Bonds by [INSURER]. [The reserve accounts for both of the Local Obligations will be secured by a Debt Service Reserve Insurance Policy as described herein.]

THE SERIES 2015 BONDS WILL BE SPECIAL LIMITED OBLIGATIONS OF THE AUTHORITY, PAYABLE FROM AND SECURED AS TO THE PAYMENT OF THE PRINCIPAL THEREOF AND THE REDEMPTION PREMIUM, IF ANY, AND THE INTEREST THEREON IN ACCORDANCE WITH THEIR TERMS AND THE TERMS OF THE TRUST AGREEMENT, SOLELY FROM THE TRUST ESTATE ESTABLISHED UNDER THE TRUST AGREEMENT. THE SERIES 2015 BONDS SHALL NOT CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY OR ANY OF ITS MEMBERS, AND UNDER NO CIRCUMSTANCES SHALL THE AUTHORITY BE OBLIGATED TO PAY PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON ANY SERIES OF SERIES 2015 BONDS EXCEPT FROM THE TRUST ESTATE. NEITHER THE STATE NOR ANY PUBLIC AGENCY (OTHER THAN THE AUTHORITY) NOR ANY MEMBER OF THE AUTHORITY IS OBLIGATED TO PAY THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2015 BONDS, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR ANY PUBLIC AGENCY THEREOF OR ANY MEMBER OF THE AUTHORITY IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2015 BONDS. THE PAYMENT OF THE PRINCIPAL OF OR REDEMPTION PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2015 BONDS DOES NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE STATE OR ANY PUBLIC AGENCY (OTHER THAN THE AUTHORITY) OR ANY MEMBER OF THE AUTHORITY.

This cover page contains information for quick reference only. It is not a summary of this issue. Potential purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2015 Bonds are offered when, as and if issued, subject to the approval as to their legality by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority by County Counsel as Counsel to the Authority. Certain legal matters will be passed upon for the Agency Participant by general counsel of the Agency Participant. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. It is anticipated that the Series 2015 Bonds will be available for delivery through the facilities of DTC in New York, New York on or about _____, 2015.

[Stifel Logo] [Citigroup Logo]

Dated: _____, 2015

MATURITY SCHEDULE

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY

$_____*
Tax Allocation Revenue Refunding Bonds
Series 2015A (Tax-Exempt)
Successor Agency to the Long Beach Redevelopment Agency
Project Areas

(Base CUSIP†: _____)

Due (August 1)	*Principal Amount*	*Interest Rate*	*Yield*	*CUSIP†*	*Due (August 1)*	*Principal Amount*	*Interest Rate*	*Yield*	*CUSIP†*

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* *Preliminary, subject to change.*

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^ *Insured Series 2015 Bonds.*

$_____*

Tax Allocation Revenue Refunding Bonds
Series 2015B (Federally Taxable)
Successor Agency to the Long Beach Redevelopment Agency
Project Areas

(Base CUSIP†: _____)

Due (August 1)	*Principal Amount*	*Interest Rate*	*Yield*	*CUSIP†*	*Due (August 1)*	*Principal Amount*	*Interest Rate*	*Yield*	*CUSIP†*

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* *Preliminary, subject to change.*

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^ *Insured Series 2015 Bonds.*

COUNTY OF LOS ANGELES

County of Los Angeles Redevelopment Refunding Authority
Tax Allocation Revenue Refunding Bonds, Series 2015A and 2015B

Board of Directors / County Board of Supervisors

Michael D. Antonovich
Fifth District, Mayor

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Don Knabe
Fourth District

Patrick Ogawa
Acting Executive Officer-Clerk
Board of Supervisors

County Officials

Sachi A. Hamai
Interim Chief Executive Officer

Mark J. Saladino
County Counsel

Joseph Kelly
Treasurer and Tax Collector

John Naimo
Auditor-Controller

Keyser Marston Associates Inc.
Fiscal Consultant

KNN Public Finance, a division of Zions First National Bank
Financial Advisor

U.S. Bank National Association
Trustee

Grant Thornton LLP
Escrow Verification Agent

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the County of Los Angeles, California (the "County"), the County of Los Angeles Redevelopment Refunding Authority (the "Authority") or the Successor Agency to the Long Beach Redevelopment Agency (the "Agency Participant"). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2015 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the Series 2015 Bonds. Statements contained in this Official Statement which involve estimates, projections, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The information set forth in this Official Statement has been obtained from the Authority, the County, the Agency Participant, and other sources that are believed by the Authority, the County and the Agency Participant to be reliable. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale of the Series 2015 Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Agency Participant, the County or the Authority since the date hereof. All summaries of the documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions. Preparation of this Official Statement and its distribution have been duly authorized and approved by the Authority and the Agency Participant. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2015 BONDS, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2015 BONDS TO CERTAIN DEALERS, INSTITUTIONAL INVESTORS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES HEREOF AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "expect," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events or circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results; those differences could be material. Neither the Authority nor the Agency Participant plans to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur. All statements other than statements of historical facts included in this Official Statement, including Appendix A, including without limitation the statements included in such Appendix under the captions "THE PROJECT AREAS" and "SECURITY FOR THE REFUNDING BONDS" regarding the financial position, capital resources and status of the project area are forward-looking statements. Although the Agency Participant believes that the expectations reflected in its forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Important factors which could cause actual results to differ materially from expectations of the Agency Participant (collectively, the "Cautionary Statements") are disclosed under the captions "LIMITATIONS ON TAX REVENUES" and "RISK FACTORS" and in Appendix A under the caption "SPECIAL RISK FACTORS." All forward-looking statements attributable to the Agency Participant are expressly qualified in their entirety by the Cautionary Statements.

[Insurer] ("_____") makes no representation regarding the Insured Series 2015 Bonds (as shown on the inside cover pages herein) or the advisability of investing in the Insured Series 2015 Bonds. In addition, _____ has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding _____ supplied by _____ and presented under the heading "BOND INSURANCE" and in APPENDIX I – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The County, the City of Long Beach and the Agency Participant described in this Official Statement each maintain their own website. However, the information presented on such websites is not part of this Official Statement and should not be relied upon in making investment decisions with respect to the Series 2015 Bonds.

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OFFICIAL STATEMENT

COUNTY OF LOS ANGELES REDEVELOPMENT REFUNDING AUTHORITY
Tax Allocation Revenue Refunding Bonds

$_____*	**$_____***
Series 2015A (Tax-Exempt)	**Series 2015B (Federally Taxable)**
Successor Agency to the Long Beach Redevelopment Agency Project Areas	*Successor Agency to the Long Beach Redevelopment Agency Project Areas*

INTRODUCTION

This introduction contains only a brief summary of certain terms of the Series 2015 Bonds being offered, and a brief description of this Official Statement. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. References to, and summaries of, provisions of the Constitution and laws of the State of California (the "State") and any documents referred to herein do not purport to be complete and such references are qualified in their entirety by reference to the complete provisions. All capitalized terms used in the forepart of this Official Statement and not otherwise defined herein have the respective meanings assigned to them in the Trust Agreement. See APPENDIX D – "SUMMARY OF TRUST AGREEMENT" attached hereto. For information regarding the Agency Participant and the terms of the Agency Indenture for the Local Obligations (each as defined below), see APPENDIX A.

General

This Official Statement, including the cover page, the inside cover pages and the appendices attached hereto (the "Official Statement"), provides certain information concerning the sale and issuance by the County of Los Angeles Redevelopment Refunding Authority (the "Authority") of its Tax Allocation Revenue Refunding Bonds, Series 2015A (Tax-Exempt) (the "Series 2015A Bonds") and its Tax Allocation Revenue Refunding Bonds, Series 2015B (Federally Taxable) (the "Series 2015B Bonds" and, together with the Series 2015A Bonds, the "Series 2015 Bonds" or, individually, a "Series"). Each Series of the Series 2015 Bonds will be issued pursuant to a Trust Agreement dated as of _____ 1, 2015 (the "Trust Agreement"), by and between the Authority and U.S. Bank National Association, as trustee (the "Trustee") and the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended from time to time.

For over 50 years, State law provided for the creation of redevelopment agencies and redevelopment commissions in accordance with the Community Redevelopment Law (Part 1 of Division 24 of the California Health and Safety Code and referred to herein as the "Law"). Once created, each was authorized to transact business and exercise its powers, all under and pursuant to the Law, including the power to issue bonds and incur indebtedness for any of its corporate purposes. As part of an effort to address structural deficits in the State's general fund budgets for its fiscal years 2011-12 and 2012-13, the State Legislature and Governor serially enacted Assembly Bill X1 26 ("AB 26") and Assembly Bill 1484 ("AB 1484") as trailer bills necessary to implement provisions of the State's budget acts for such years.

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* *Preliminary, subject to change.*

In general, this legislation dissolved redevelopment agencies ("Former RDAs") and provided for the assumption of defined enforceable obligations by successor agencies and other designated authorities to such Former RDAs (the "Successor Agencies") under limited powers and authority. AB 1484 was enacted on June 27, 2012 as part of the Fiscal Year 2012-13 State of California budget bill. AB 1484 modified and supplemented provisions of AB 26, including provisions related to the refunding of outstanding former redevelopment agency bonds and other indebtedness, and the expenditure of remaining bond proceeds derived from redevelopment agency bonds issued on or before December 31, 2010. With respect to outstanding bonds and indebtedness, AB 1484 authorizes successor agencies to refund outstanding bonds or other indebtedness provided that (i) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (ii) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the bonds or other indebtedness as described herein, to establish customary debt service reserves, and to pay related costs of issuance. See "THE REFUNDING PLAN" in Appendix A for information with respect to the refunding plan.

The County Refunding Program

The County of Los Angeles (the "County") has developed a program (the "County Refunding Program") and caused the formation of the Authority to assist Successor Agencies within the County to refund tax increment obligations pursuant to AB 1484 in order to provide debt service savings and to increase property tax revenues available for distribution to affected taxing entities. Concurrently with the issuance of the Series 2015 Bonds, the Successor Agency to the Long Beach Redevelopment Agency (the "Agency Participant") will issue two individual series of tax allocation refunding bonds (each a "Local Obligation" and, together, the "Local Obligations") pursuant to an Indenture of Trust dated as of _____ 1, 2015 (the "Agency Indenture"), by and between the Agency Participant and U.S Bank National Association (the "Agency Trustee"), the proceeds of which will be used to refund certain bonds relating to the Agency Participant's Project Areas (the "Project Areas"), as more fully described herein. Proceeds of each Series of the Series 2015 Bonds will be used to purchase the Local Obligations.

Concurrently with the issuance of the Series 2015 Bonds, and from time to time, the Authority may issue other tax allocation revenue refunding bonds, each under a separate trust agreement and offering document, for the purpose of assisting Successor Agencies within the County, which may include the Agency Participant, to refund tax increment obligations pursuant to AB 1484 by purchasing tax allocation refunding bonds issued by such Successor Agencies. There is no cross-collateralization among any of such tax allocation revenue refunding bonds issued by the Authority.

For detailed information regarding the Agency Participant and the terms of the Agency Indenture for the Local Obligations, see "SECURITY FOR THE REFUNDING BONDS" in Appendix A.

Each Series of the Series 2015 Bonds will be special, limited obligations of the Authority, payable from and secured by Revenues (as defined herein) of the Authority, consisting primarily of payments on the Local Obligations to be purchased by the Authority under the Trust Agreement and received by the Authority from the Agency Participant. The Local Obligations consist of the: (i) Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015A (the "Series A Bonds"), and (ii) Successor Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015B (Federally Taxable) (the "Series B Bonds"). The Series 2015A Bonds will be secured solely by the payments made on the Series A Bonds and the Series 2015B Bonds will be secured solely by the payments made on the Series B Bonds.

The Series A Bonds are being issued to refund certain of the Former RDA's outstanding obligations consisting of: (i) a portion of the 2002 Subordinate Tax Allocation Bonds (Downtown Redevelopment Project), (ii) a portion of the 2002 Tax Allocation Bonds (North Long Beach Redevelopment Project), (iii) all of the 2002 Tax Allocation Bonds (West Beach Redevelopment Project), (iv) a portion of the West Long Beach Industrial Redevelopment Project Tax Allocation Refunding Bonds 2002 Series A, (v) a portion of the 2005 Tax Allocation Bonds (Central Long Beach Redevelopment Project), (vi) all of the 2005 Tax Allocation Bonds (Los Altos Redevelopment Project), (vii) all of the 2005 Tax Allocation Bonds (Poly High Redevelopment Project), (viii) all of the 2005 Subordinate Tax Allocation Bonds (West Beach Redevelopment Project) and (ix) a portion of the 2005 Tax Allocation Bonds (North Long Beach Redevelopment Project) (collectively, the "Series A Refunded Bonds"). The Series A Refunded Bonds were outstanding in the aggregate principal amount of $95,524,901.72 as of August 1, 2014.

The Series B Bonds are being issued to refund certain of the Former RDA's outstanding obligations consisting of: (i) the remaining portion of the 2005 Tax Allocation Bonds (Central Long Beach Redevelopment Project), (ii) all of the 2005 Tax Allocation Bonds (Housing Projects) (iii) the remaining portion of the 2005 Tax Allocation Bonds (North Long Beach Redevelopment Project) (collectively, the "Series B Refunded Bonds," and with the Series A Refunded Bonds, the "Refunded Bonds"). The Series B Refunded Bonds are currently outstanding in the aggregate principal amount of $90,215,000.00.

Each series of Local Obligations will be payable from and secured by designated property tax revenues (formerly tax increment revenues) related to the Project Areas as specified in the Agency Indenture, which will include moneys deposited, from time to time, in the related Redevelopment Property Tax Trust Fund ("RPTTF") attributable to the Agency Participant and the Project Areas, as provided in California Health and Safety Code section 34183, as more fully described herein. The Agency Indenture specifies the property tax revenues pledged. Collectively, such designated property tax (subject to certain statutory and contractual deductions specified in the Agency Indenture) as pledged under the Agency Indenture is referred to herein as "Tax Revenues."

Under the Agency Indenture, Tax Revenues is defined to mean: "all taxes annually allocated within the Plan Limit and paid to the Agency Participant pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law, Section 16 of Article XVI of the Constitution of the State and other applicable state laws and as provided in the Redevelopment Plan available and deposited in the RPTTF, subject to the prior application and lien in favor of the Senior Bonds, payable with respect to Pass-Through Agreements or in accordance with Section 33607.5 or Section 33607.7 or Section 33676 of the Law.

If, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to California Health and Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution. Other bonds of the Agency Participant currently have, and future bonds and obligations will have, a parity claim on moneys deposited into the RPTTF so long as the requirements of the Dissolution Act have been satisfied.

Each Series of Local Obligations is payable from Tax Revenues on a parity with each other. Debt service on the Local Obligations will be subordinate to the payment of debt service on the Former RDA's: (i) Downtown Redevelopment Project Tax Allocation Refunding Bonds, Series 1992A; (ii) West Long Beach Industrial Redevelopment Project Tax Allocation Refunding Bonds, Series 1992; (iii) Downtown

Redevelopment Project Tax Allocation Refunding Bonds 2002 Series B; (iv) the remaining portion of the 2002 Subordinate Tax Allocation Bonds, (Downtown Redevelopment Project), (v) the remaining portion of the 2002 Tax Allocation Bonds, (North Long Beach Redevelopment Project), (vi) Taxable Recovery Zone Economic Development Bonds, 2010 Series A (North Long Beach Redevelopment Project; (vii) Taxable Build America Bonds, 2010 Series B (North Long Beach Redevelopment Project, and (viii) the unrefunded portion of the West Long Beach Industrial Redevelopment Project Tax Allocation Refunding Bonds 2002 Series A (collectively, the "Senior Bonds"). The Senior Bonds are currently outstanding in the aggregate principal amount of $113,925,000.00. Payments on the Local Obligations to be purchased by the Authority under the Trust Agreement are calculated to be sufficient to permit the Authority to pay the principal of, premium (if any) and interest on the related Series of Series 2015 Bonds when due. The Local Obligations will be registered in the name of the Trustee and Local Obligation payments will be paid to the Trustee under the Trust Agreement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS" herein.

This Official Statement describes two Series of Series 2015 Bonds, each secured by and issued under the Trust Agreement and secured by and payable from discrete Revenues and a discrete Trust Estate (each as defined herein). The general terms of the Trust Agreement are discussed summarily herein except for certain Series specific terms for security, payment, redemption and taxable status, which are detailed specifically, and this Official Statement must be considered in that context by potential purchasers in making an investment decision. Such terms, and terms with respect to the Trustee, and terms for default and remedies should be considered on a Series specific basis and statements herein considered in such contexts, both general and Series specific. Series specific references, including those where the context reasonably suggests Series specific interpretation or application, are specific to such Series. There is no cross-collateralization among the Series of Series 2015 Bonds or the Local Obligations.

The County Intercept

In order to assist the Agency Participant, the County Auditor-Controller and the County Treasurer and Tax Collector have accepted the irrevocable direction of the Agency Participant to transfer on or about each January 2 and June 1 to an account of the Agency Participant, held by the Agency Trustee under the Agency Indenture, all amounts set forth in any duly approved ROPS with respect to principal and interest payments due on the Local Obligations and any senior obligations, including the Senior Bonds, and any deficiency in the reserve account for the Local Obligations. Such transfers to the Agency Trustee shall be made after the payment of unsubordinated pass-through obligations to local taxing entities, if any, as provided in Section 34183(a) of the California Health and Safety Code. The Authority has covenanted to take such actions as may be reasonable and necessary to compel the County Auditor-Controller and the County Treasurer and Tax Collector to comply with the irrevocable direction of the Agency Participant to make such transfers. However, no assurance can be given that a court would order the County Auditor-Controller and the County Treasurer and Tax Collector to continue to make such transfers if either or both refused to do so. The Agency Participant remains obligated under the Agency Indenture to take all actions required under the Dissolution Act to include on its ROPS for each six-month period (or twelve-month period if then applicable under the Dissolution Law (see "RISK FACTORS – State Budget" for a discussion of the Governor's proposal to transition successor agencies to an annual ROPS process instead of a biannual process)) all payments expected to be made to the Agency Trustee in order to satisfy the requirements of the Agency Indenture, including any amounts required to pay principal and interest payments due on the Local Obligations, any deficiency in the reserve account for the Local Obligations to the debt service reserve requirement, and any Compliance Costs (as defined in this Official Statement).

Terms of the Series 2015 Bonds

The Series 2015 Bonds will be issued in Authorized Denominations of $5,000 and any integral multiple thereof. The Series 2015 Bonds will be dated the date of original delivery thereof and will bear interest payable semiannually on February 1 and August 1, commencing on August 1, 2015. Principal on the Series 2015 Bonds will be due on August 1, as shown on the inside cover.

The Series 2015 Bonds will be issued in fully-registered form only, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2015 Bonds. Ownership interests in the Series 2015 Bonds may be purchased in book-entry form only. Principal of and interest on the Series 2015 Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payments to its Participants (defined herein) for subsequent disbursement to the Owners of the Series 2015 Bonds. See APPENDIX H – "BOOK-ENTRY ONLY SYSTEM" attached hereto.

The Series 2015 Bonds will be subject to redemption prior to maturity, as described herein. See "THE SERIES 2015 BONDS – Redemption" herein.

Security and Sources of Payment for the Series 2015 Bonds

The Series 2015 Bonds will be special limited obligations of the Authority, payable from and secured as to the payment of the principal, redemption premium (if any) and interest thereon in accordance with their terms and the terms of the Trust Agreement, solely from (i) the Revenues (as defined below); (ii) the amounts in the funds and accounts established under and as specified in the Trust Agreement (except amounts in the Rebate Fund and the Expense Account held in connection with the Series 2015A Bonds), and (iii) the Local Obligations purchased from proceeds of the related Series of Series 2015 Bonds (collectively, the "Trust Estate"). Under the Trust Agreement, "Revenues" is defined to mean all amounts received by the Trustee as the payment of interest or redemption premium on, or the equivalent thereof, and the payment or return of principal of, or the equivalent thereof, all Local Obligations purchased from proceeds of such Series of Series 2015 Bonds, whether as a result of scheduled payments or redemptions or remedial proceedings taken in the event of a default thereon, and all investment earnings on any moneys held in the funds or accounts established under the Trust Agreement, except the Rebate Fund and the Expense Account held in connection with the Series 2015A Bonds.

The Series 2015 Bonds shall not constitute a charge against the general credit of the Authority or any of its members, and under no circumstances shall the Authority be obligated to pay principal of, premium (if any) and interest on any Series of Series 2015 Bonds except from the Trust Estate. Neither the State nor any public agency (other than the Authority) nor any member of the Authority is obligated to pay the principal of, premium (if any) and interest on the Series 2015 Bonds, and neither the faith and credit nor the taxing power of the State or any public agency thereof or any member of the Authority is pledged to the payment of the principal of, premium (if any) and interest on the Series 2015 Bonds. The payment of the principal of, premium (if any) and interest on the Series 2015 Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Authority) or any member of the Authority. See APPENDIX D – "SUMMARY OF TRUST AGREEMENT" attached hereto.

Each series of Local Obligations will be special limited obligations of the Agency Participant and is payable, as to principal, redemption premium (if any) and interest thereon, exclusively from the Tax Revenues under, and to the extent described in, the Agency Indenture, and the Agency Participant is not obligated to pay such principal of, premium (if any) and interest on the Local Obligations except from such Tax Revenues. See Appendix A for a description of the lien of Tax Revenues for the Project Areas,

including a description of any superior claims and liens on such Tax Revenues. Each series of Local Obligations will be payable as set forth in the Agency Indenture, is not a debt of the City of Long Beach, the County, the State or any other political subdivision of the State, and neither said city, the State, the County nor any of the State's other political subdivisions is liable therefor, nor in any event shall a series of Local Obligations be payable out of any funds or properties other than those of the Agency Participant pledged therefor as provided in the Agency Indenture.

The Series 2015A Bonds will be secured solely by the payments made on the Series A Bonds and the Series 2015B Bonds will be secured solely by the payments made on the Series B Bonds. All of the obligations of the Agency Participant and the Project Areas with respect to the Local Obligations are not general obligations of the Agency Participant or Former RDA, but are limited obligations of the Agency Participant and the Project Areas, payable solely from the Tax Revenues under, and to the extent described in, the Agency Indenture and the funds pledged therefor under the Agency Indenture, as applicable.

For information regarding the Agency Participant and the Agency Indenture, see Appendix A under the caption "SECURITY FOR THE REFUNDING BONDS."

Reserve Account under Agency Indenture

Upon issuance of each series of Local Obligations, the amount on deposit in the reserve account established under the Agency Indenture will be equal to the debt service reserve requirement for such series of Local Obligations. For information regarding the reserve account relating to the Agency Indenture and the Project Areas, see Appendix A under the heading "Reserve Account" under the caption "SECURITY FOR THE REFUNDING BONDS."

Municipal Bond Insurance and Debt Service Reserve Policy

The scheduled payment of principal of and interest on the insured Series 2015 Bonds (as shown on the inside cover pages herein, the "Insured Series 2015 Bonds") when due will be guaranteed pursuant to an insurance policy to be issued concurrently with the delivery of the Series 2015 Bonds by [INSURER] ("_____"). [_____ will also issue a debt service reserve fund policy for the Local Obligations as described herein.] See "BOND INSURANCE" herein, Appendix A under the heading "Reserve Account" under the caption "SECURITY FOR THE REFUNDING BONDS" and APPENDIX I – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

Additional Bonds

The Trust Agreement does not authorize the issuance of additional bonds or parity debt. There is limited authority under the Agency Indenture for the Agency Participant to issue additional bonds. The Dissolution Act in its current form does not permit a successor agency issuing bonds or incurring other indebtedness for purposes other than refunding existing enforceable obligations or outstanding bonds of the agency resulting in savings. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS" herein and Appendix A under the heading "Parity Debt Limited to Refunding Bonds" under the caption "SECURITY FOR THE REFUNDING BONDS."

The County

The County is located in the southern coastal portion of the State and covers 4,084 square miles. The County was established under an act of the State Legislature on February 18, 1850. It is the most populous county in the nation and is more populous than 43 states. The economy of the County is

diversified and includes manufacturing, technology, world trade, financial services, motion picture and television production, and tourism.

The Authority

The Authority was formed pursuant to a Joint Exercise of Powers Agreement, dated August 6, 2013 (the "JPA Agreement"), by and between the County and the Los Angeles County Public Works Financing Authority, a joint exercise of powers authority formed pursuant to a Joint Exercise of Powers Agreement, dated May 18, 1993, as amended by a Certificate of Amendment dated April 26, 1994 and a Certificate of Amendment dated October 22, 1996, to purchase certain local tax allocation obligations issued by successor agencies to former community redevelopment agencies within the County as described in Section 34173 of the California Health and Safety Code, as amended, and other purposes, including refunding any of its then-outstanding bonds.

Continuing Disclosure

The Agency Participant will covenant and agree for the benefit of Owners and any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Series 2015 Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) (the "Beneficial Owners") to provide certain financial information and operating data relating to the Agency Participant by not later than 180 days after the end of the Agency Participant's fiscal year (presently September 30) in each year commencing with its report for the 2014-15 Fiscal Year. The Authority will covenant and agree to provide notices of the occurrence of certain enumerated events. See "CONTINUING DISCLOSURE" and APPENDIX G – "FORM OF CONTINUING DISCLOSURE AGREEMENT." For information regarding the Agency Participant and the Continuing Disclosure Agreement, see Appendix A under the heading "Continuing Disclosure" under the initial captions describing the Agency Participant.

The Authority as Dissemination Agent

The Authority has agreed to assist the Agency Participant in the preparation of annual updates of the information contained in the tables included in this Official Statement with respect to property tax revenues, collections, principal taxpayers, and, if applicable, plan limit calculations. The Agency Participant will agree to be responsible for preparing the audited financial statements required under the Continuing Disclosure Agreement. The Authority will act as Dissemination Agent (the "Dissemination Agent") and will file the annual reports, including audited financial statements, and notices with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access system ("EMMA"), including notices of enumerated events. In carrying out the duties of Dissemination Agent, the Authority will adhere to the continuing disclosure procedures approved by the County Treasurer and Tax Collector.

REFUNDING OF AGENCY OBLIGATIONS

Proceeds of each Series of the Series 2015 Bonds will be used by the Authority to purchase the Local Obligations. The Local Obligations are being issued to (i) refund the Refunded Bonds, (ii) fund a deposit to, or purchase a surety for deposit to, a reserve account under the Agency Indenture for the benefit of the related Series of Series 2015 Bonds, and (iii) pay costs of issuance of the Local Obligations and the related Series of Series 2015 Bonds. The Refunded Bonds were originally issued to finance or refinance improvements for the benefit of the Project Areas. For information regarding the Agency Participant and the refunding plan, see Appendix A under the caption "THE REFUNDING PLAN."

The following tables detail the principal amount of each Local Obligation, final maturity of each Local Obligation, and the principal amount of Refunded Bonds to be refunded.

Series 2015A Bonds

Local Obligation	***Local Obligation Amount***	***Refunded Bond Amount***[(1)]	***Final Maturity***
Series A Bonds	$_____[*]	$_____	____

Series 2015B Bonds

Local Obligation	***Local Obligation Amount***	***Refunded Bond Amount***[(1)]	***Final Maturity***
Series B Bonds	$_____[*]	$_____	____

[*] *Preliminary, subject to change.*
[(1)] Amount at the prepayment date.

On the date of issuance of the Series 2015 Bonds and the Local Obligations, a portion of the proceeds will be transferred, pursuant to irrevocable escrow instructions (each an "Escrow Instruction"), to a prior trustee (each, a "Prior Trustee") for each respective series of Refunded Bonds for deposit into Redemption Accounts previously established for each of the Refunded Bonds (the "Redemption Accounts"). The amount deposited pursuant to each Escrow Instruction, together with other available moneys, will be held uninvested, or invested in certain Federal Securities, and irrevocably pledged for the payment of the related Refunded Bonds on the first date for which redemption can be duly noticed. See Appendix A with respect to the refunding plan under the caption "THE REFUNDING PLAN."

The amounts held by the Prior Trustee for the respective Refunded Bonds in the Redemption Accounts are pledged solely to the payment of amounts due and payable by the Agency Participant under the respective Refunded Bonds. The funds irrevocably deposited in the Redemption Accounts for the Refunded Bonds will not be available for the payment of debt service on the Local Obligations or the Series 2015 Bonds.

See "ESTIMATED SOURCES AND USES OF PROCEEDS OF THE SERIES 2015 BONDS" below. See also "VERIFICATION OF MATHEMATICAL ACCURACY" below.

ESTIMATED SOURCES AND USES OF PROCEEDS OF THE SERIES 2015 BONDS

The proceeds of the Series 2015 Bonds are expected to be applied approximately as set forth below. Costs of issuance, which includes legal fees, printing costs, rating agency fees, underwriters' discount, and other miscellaneous expenses will be paid from proceeds of the Local Obligations.

	Series 2015A Bonds	***Series 2015B Bonds***	***Total***
Sources of Funds:			
Principal Amount of Series 2015 Bonds			
Original Issue [Premium/Discount]			
Less Underwriters' Discount			
Amounts released from prior obligations [(1)]			
TOTAL SOURCES			
Uses of Funds:			
Purchase of Local Obligations [(2)]			
TOTAL USES			

(1) Includes amounts released from indentures securing certain Refunded Bonds including unspent bond proceeds and existing balances in the debt service funds in excess of required reserves.

(2) For more information, see the sources and uses of funds for each of the Local Obligations in the following two tables.

The proceeds of the Series 2015A Bonds are expected to be applied approximately as set forth below. Underwriters' discount and costs of issuance, which includes legal fees, printing costs, rating agency fees, underwriters' discount, and other miscellaneous expenses will be paid from proceeds of the Local Obligations.

	Series A Bonds
Sources of Funds:	
Principal Amount of Series 2015A Bonds	
Original Issue [Premium/Discount]	
Less Original Underwriters' Discount	
Amounts released from prior obligations [(1)]	
TOTAL SOURCES	
Uses of Funds:	
Deposit to Redemption Accounts	
Share of Costs of Issuance [(2)]	
TOTAL USES	

(1) Includes amounts released from indentures securing the Series A Refunded Bonds including unspent bond proceeds and existing balances in the debt service funds in excess of required reserves.

(2) Includes cost of bond insurance and share of debt service reserve fund policy, trustee and prior trustee fees, rating agency fees, bond counsel fees, financial advisor fees, printing costs and other miscellaneous expenses.

The proceeds of the Series 2015B Bonds are expected to be applied approximately as set forth below. Underwriters' discount and costs of issuance, which includes legal fees, printing costs, rating agency fees, underwriters' discount, and other miscellaneous expenses will be paid from proceeds of the Local Obligations.

	Series B Bonds
Sources of Funds:	
Principal Amount of Series 2015B Bonds	
Less Original Underwriters' Discount	
Amounts released from prior obligations [1]	
TOTAL SOURCES	
Uses of Funds:	
Deposit to Redemption Accounts	
Share of Costs of Issuance [2]	
TOTAL USES	

[1] Includes amounts released from the indentures securing the Series B Refunded Bonds including existing balances in the debt service funds in excess of required reserves.

[2] Includes share of debt service reserve fund policy, trustee and prior trustee fees, rating agency fees, bond counsel fees, financial advisor fees, printing costs and other miscellaneous expenses.

DEBT SERVICE SCHEDULES

The following table sets forth the debt service schedules and aggregate debt service for the Series 2015A Bonds and the Series 2015B Bonds, assuming no prepayments or redemptions. Each series of Local Obligations has its own payment schedule which, in the aggregate, has been sized to equal debt service on the related Series of Series 2015 Bonds.

	Series 2015A Bonds			***Series 2015B Bonds***		
Bond Year Ending (August 1)	***Principal***	***Interest***	***Total***	***Principal***	***Interest***	***Total***
Totals						

Source: The Underwriters.

DEBT SERVICE COVERAGE FROM LOCAL OBLIGATIONS

The following tables set forth the debt service schedules and aggregate debt service for the Series 2015A Bonds and the Series 2015B Bonds, assuming no prepayments or redemptions other than sinking fund redemption.

Debt Service Coverage Table - Series 2015A Bonds*

Year Ending (August 1)	*Series A Debt Service*	*Total Series 2015A Bonds Debt Service*	*Debt Service Coverage*
			100%
			100
			100
			100
			100
			100
			100
			100
			100
			100
			100
			100
			100
			100

* *Preliminary, subject to change.*
Source: The Underwriters.

Debt Service Coverage Table - Series 2015B Bonds*

Year Ending (August 1)	*Series B Debt Service*	*Total Series 2015B Bonds Debt Service*	*Debt Service Coverage*
			100%
			100
			100

* *Preliminary, subject to change.*
Source: The Underwriters.

As can be seen in the tables above, each series of Local Obligations has its own payment schedule which, in the aggregate, equals debt service on the related Series of Series 2015 Bonds. Keyser Marston Associates Inc., Los Angeles, California (the "Fiscal Consultant") has been retained to estimate the incremental taxable value for the Project Areas as set forth in the Fiscal Consultant's Report appearing in Appendix B. See Appendix A under the caption "THE PROJECT AREAS – Estimated Debt Service Coverage" for projections of tax increment revenues and debt service coverage on the Local Obligations.

To estimate the revenues available to pay debt service on the Local Obligations, the Fiscal Consultant has made certain assumptions with regard to the assessed valuations in the Project Areas, future tax rates and percentage of taxes collected. The Agency Participant believes these assumptions to be reasonable, but to the extent that the assessed valuation, the tax rates or the percentage of taxes collected are less than such assumptions, the Tax Revenues available to pay debt service on its Local Obligations will likely be less than those projected. No assurance can be given that the aggregate coverage projections with respect to such Local Obligations as shown in Appendix A will be met.

THE SERIES 2015 BONDS

The following is a summary of certain provisions of the Series 2015 Bonds. Reference is made to the Series 2015 Bonds for the complete text thereof and to the Trust Agreement for a more detailed description of such provisions. The discussion herein is qualified by such reference. See APPENDIX D – "SUMMARY OF TRUST AGREEMENT" attached hereto.

Authority for Issuance

Each Series of the Series 2015 Bonds will be special, limited obligations of the Authority payable from and secured by Revenues which will consist primarily of payments made on the Local Obligations to be purchased by the Authority under the Trust Agreement. The Local Obligations will be purchased by the Authority pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended from time to time (the "Marks-Roos Law"). The Series 2015 Bonds are being issued pursuant to the provisions of the Marks-Roos Law, a Resolution adopted by the Authority and the Trust Agreement. The Local Obligations will be registered in the name of the Trustee and will be pledged under the Trust Agreement to secure payment of the Series 2015 Bonds.

General

The Series 2015 Bonds will be issued in Authorized Denominations of $5,000 and any integral multiple thereof. The Series 2015 Bonds will be dated the date of original delivery thereof and will bear interest payable semiannually on February 1 and August 1, commencing on August 1, 2015. Principal on the Series 2015 Bonds will be due on August 1, as shown on the inside cover.

The Series 2015 Bonds will be delivered in fully-registered form only, and when delivered, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Series 2015 Bonds. Ownership interests in the Series 2015 Bonds may be purchased in book-entry form only. Principal of and interest and premium (if any) on the Series 2015 Bonds will be paid by the Trustee to DTC or its nominee, which will in turn remit such payments to its Direct Participants (defined herein) for subsequent disbursement to the Owners of the Series 2015 Bonds. See APPENDIX H – "BOOK-ENTRY ONLY SYSTEM" attached hereto.

The principal of, premium (if any) and interest on the Series 2015 Bonds will be payable by check in lawful money of the United States of America. The Series 2015 Bonds will be issued as fully registered bonds in Authorized Denominations and will be numbered as the Authority will determine. The Series 2015 Bonds will bear interest from their date of initial delivery. Payment of the interest on any Series 2015 Bond will be made to the Person whose name appears on the Bond Register as the Owner thereof as of the Record Date, such interest to be paid by check mailed by first class mail on the Interest Payment Date to the Owner at the address which appears on the Bond Register as of the Record Date for that purpose; except that in the case of an Owner of one million dollars ($1,000,000) or more in aggregate principal amount of Bonds, upon written request of such Owner to the Trustee under the Trust Agreement, in form satisfactory to the Trustee, received not later than the Record Date, such interest will be paid on the Interest Payment Date in immediately available funds by wire transfer. The principal and redemption premium (if any) on the Series 2015 Bonds will be payable at the Principal Corporate Trust Office of the Trustee upon presentation and surrender of such Series 2015 Bonds. Notwithstanding the foregoing, so long as DTC or its nominee is the registered owner of the Series 2015 Bonds, interest payments will be made as described in APPENDIX H – "BOOK-ENTRY ONLY SYSTEM" attached hereto.

Redemption

Mandatory Redemption from Optional Local Obligation Prepayments for Series 2015A Bonds. The Series 2015A Bonds maturing on and after August 1, ____ will be subject to mandatory redemption on or after August 1, ____, in whole or in part on any date, from and to the extent of any Prepayments with respect to the Series A Bonds, at a redemption price equal to the principal amount of the Series 2015A Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption. For a summary of terms of redemption of the Local Obligations, see Appendix A under "THE REFUNDING BONDS – Redemption of the Refunding Bonds."

Mandatory Redemption from Optional Local Obligation Prepayments for Series 2015B Bonds. The Series 2015B Bonds maturing on and after August 1, ____ will be subject to mandatory redemption on or after August 1, ____, in whole or in part on any date, from and to the extent of any Prepayments with respect to the Series B Bonds, at a redemption price equal to the principal amount of the Series 2015B Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption. For a summary of terms of redemption of the Local Obligations, see Appendix A under "THE REFUNDING BONDS – Redemption of the Refunding Bonds."

Mandatory Redemption of Series 2015A Bonds from Sinking Fund Installments. The Series 2015A Bonds maturing on August 1, ____ are subject to mandatory redemption in part by lot on August 1 in each year commencing August 1, ____, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption in accordance with the following schedule:

Series 2015A Term Bonds Maturing on August 1, ____

Redemption Date	***Principal Amount***
*	

* Stated Maturity

Mandatory Redemption of Series 2015B Bonds from Sinking Fund Installments. The Series 2015B Bonds maturing on August 1, ____ are subject to mandatory redemption in part by lot on August 1 in each year commencing August 1, ____, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption in accordance with the following schedule:

Series 2015B Term Bonds Maturing on August 1, 20__

Redemption Date	***Principal Amount***
*	

* Stated Maturity

General Terms for Mandatory Redemption from Optional Local Obligation Prepayments. The Agency Indenture provides, in order to effect such optional redemption of the respective Series of Series 2015 Bonds, that the Agency Participant will deliver to the Agency Trustee (i) a Written Request of the Agency Participant specifying (A) the maturity or maturities, and the principal amount or amounts (or portion thereof), of the Series 2015 Bonds to be mandatorily redeemed from such Prepayment (the "Callable Authority Bonds"), (B) the date on which such Callable Authority Bonds are to be mandatorily redeemed from such Prepayment (which redemption date will be a date on which such Callable Authority Bonds are subject to mandatory redemption from optional Local Obligation prepayments (the

"Prepayments")) pursuant to the Trust Agreement, (C) the amount of each mandatory sinking fund installment for the Series 2015 Bonds to be Outstanding after the date of such mandatory redemption from such Prepayments, and (D) the amount of the Prepayment (or redemption price) necessary to cause such mandatory redemption of such Callable Authority Bonds, and (ii) a Cash Flow Certificate of an Independent Financial Consultant (A) demonstrating that, if such Prepayment is allocated and applied to the redemption of the respective Local Obligations as provided in the paragraph immediately below, the debt service on the respective Local Obligations, together with the debt service payable on all other Local Obligations (as defined in the Trust Agreement), payable on each Interest Payment Date after such redemption date will be sufficient, but not materially more than sufficient, to pay debt service on the Series 2015 Bonds to be Outstanding on such Interest Payment Date, (B) specifying the principal amount, as of such redemption date, of the respective Local Obligations, or portion thereof, to the optional redemption of which such Prepayment is to be allocated and applied as provided in the paragraph immediately below, (C) specifying the amount of the redemption premium, if any, to be paid in connection with such optional redemption of the respective Local Obligations, or portion thereof, to which such Prepayment is to be allocated and applied as provided in the paragraph immediately below, and (D) specifying the principal amount, and the amount of each mandatory sinking fund installment, as of such redemption date, of each respective Local Obligations that will remain Outstanding if such Prepayment is allocated and applied to the redemption of the respective Local Obligations on such redemption date as provided in the paragraph immediately below, which Written Request of the Agency Participant and Cash Flow Certificate of such Independent Financial Consultant will be delivered to the Agency Trustee at least 35 days prior to such redemption date, or such later date as will be acceptable to the Agency Trustee.

No later than three (3) Business Days preceding the date specified in a Written Request of the Agency Participant delivered pursuant to the paragraph immediately above as the date on which Callable Authority Bonds are to be mandatorily redeemed from optional Local Agency Prepayments pursuant to the Trust Agreement, the Agency Participant will deliver to the Agency Trustee an amount equal to the amount of the Prepayment specified in such Written Request of the Agency Participant and, on such redemption date, the Agency Trustee will pay such amount to the Trustee under the Trust Agreement, on behalf of the owners of such Callable Authority Bonds. Upon the payment by the Agency Trustee to the Trustee under the Trust Agreement of such amount representing such Prepayment (i) the Local Obligations, or portion thereof, debt service on which would have, after such redemption date, been applied to the payment of debt service on such Callable Authority Bonds will, as of such redemption date, be deemed to have been optionally redeemed pursuant to the Agency Indenture, and will be considered to have been optionally redeemed pursuant to the Agency Indenture, in an amount equal to the principal amount of the Local Obligations, or portion thereof, as of such redemption date, and (ii) the remainder of (A) such Prepayment, less (B) accrued interest, if any, thereon and such principal amount of such respective Local Obligations, or portion thereof, as of such redemption date, will be deemed to be, and will be considered to be, the redemption premium paid in connection with such optional redemption of such respective Local Obligations, or portion thereof.

The Authority will give the Trustee written notice of the redemption of Series 2015 Bonds from optional Local Agency Prepayments not less than 35 days prior to the applicable redemption date, unless a later date is agreed to by the Trustee. Such written notice will be accompanied by the Written Request of the Agency Participant (as defined in the Agency Indenture) required to be delivered pursuant to, and the Cash Flow Certificate of an Independent Financial Consultant required to be filed pursuant to, the Agency Indenture, and no such redemption of Series 2015 Bonds will occur unless such written notice is so accompanied by such Written Request of the Agency Participant and such Cash Flow Certificate of an Independent Financial Consultant. In the event that the Agency Trustee will mail notice of the redemption of any Local Obligations that will produce Prepayments with respect to Series 2015 Bonds, the Trustee will concurrently mail notice of the redemption of Series 2015 Bonds from optional Local

Agency Prepayments, such redemption to occur on the date fixed for such redemption of such Local Obligations. On the date of such redemption of the Local Obligations, the proceeds of such redemption will be applied by the Trustee to pay the redemption price of Series 2015 Bonds from optional Local Agency Prepayments.

Mandatory Redemption as a Result of Acceleration. The related Series of Series 2015 Bonds may be subject to mandatory redemption, in whole or in part on any date, from and to the extent of any amounts received with respect to any Local Obligations relating to such Series of Series 2015 Bonds as a result of the acceleration of amounts due on such Local Obligations upon an event of default under the Agency Indenture, at a redemption price equal to the principal amount of the related Series of Series 2015 Bonds to be redeemed, without premium, plus accrued interest thereon to the date of redemption. Whenever less than all of the Series 2015 Bonds of a Series are to be redeemed as a result of acceleration, the Trustee will, on or prior to the redemption date, receive a Cash Flow Certificate specifying the maturity or maturities of such Series 2015 Bonds to be redeemed and showing that the remaining payments of principal of and interest on the Local Obligations, together with other Revenues available under the Trust Agreement, will be sufficient to pay on a timely basis the principal of and the interest on the related Series of Series 2015 Bonds not so redeemed when due.

Notice of Redemption. In the case of any redemption of Series 2015 Bonds, the Trustee will give notice under the Trust Agreement that the Series 2015 Bonds, identified by CUSIP numbers, serial numbers and maturity date, have been called for redemption and, in the case of Series 2015 Bonds to be redeemed in part only, the portion of the principal amount thereof that has been called for redemption (or if all the Outstanding Series 2015 Bonds are to be redeemed, so stating, in which event such serial numbers may be omitted), that they will be due and payable on the date fixed for redemption (specifying such date) upon surrender thereof at the Principal Corporate Trust Office, at the redemption price (specifying such price), together with any accrued interest to such date, and that all interest on such Series of Series 2015 Bonds, or portions thereof, so to be redeemed will cease to accrue on and after such date and that from and after such date such Series 2015 Bond or such portion will no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof will have no rights in respect of such redeemed Series 2015 Bond or such portion except to receive payment from such moneys of such redemption price plus accrued interest to the date fixed for redemption.

Such notice will be mailed by first class mail, postage prepaid, at least twenty (20) but not more than sixty (60) days before the date fixed for redemption, to the Security Depository, the MSRB and the Owners of such Series 2015 Bonds, or portions thereof, so called for redemption, at their respective addresses as the same will last appear on the Bond Register. No notice of redemption need be given to the Owner of a Series 2015 Bond to be called for redemption if such Owner waives notice thereof in writing, and such waiver is filed with the Trustee prior to the redemption date. Neither the failure of an Owner to receive notice of redemption of Series 2015 Bonds under the Trust Agreement nor any error in such notice will affect the validity of the proceedings for the redemption of Series 2015 Bonds.

Any notice of redemption may be expressly conditional and may be rescinded by Written Order given to the Trustee under the Trust Agreement not later than the date fixed for redemption. Upon receipt of such Written Order, the Trustee will promptly mail notice of such rescission to the same parties that were mailed the original notice of redemption.

Selection of Series 2015 Bonds for Redemption. Whenever less than all the Outstanding Series 2015 Bonds of any one maturity are to be redeemed on any one date, the Trustee will select the particular Series 2015 Bonds to be redeemed by lot and in selecting the Series 2015 Bonds for redemption the Trustee will treat each Series 2015 Bond of a denomination of more than five thousand dollars ($5,000) as representing that number of Series 2015 Bonds of five thousand dollars ($5,000) denomination which is

obtained by dividing the principal amount of such Series 2015 Bond by five thousand dollars ($5,000), and the portion of any Series 2015 Bond of a denomination of more than five thousand dollars ($5,000) to be redeemed will be redeemed in an Authorized Denomination. The Trustee will promptly notify the Authority in writing of the numbers of the Series 2015 Bonds so selected for redemption in whole or in part on such date.

Payment of Redeemed Series 2015 Bonds. If notice of redemption has been given as summarized above, or waived, each as provided in the Trust Agreement, the Series 2015 Bonds or portions thereof called for redemption will be due and payable on the date fixed for redemption at the redemption price thereof, together with accrued interest to the date fixed for redemption, upon presentation and surrender of the Series 2015 Bonds to be redeemed at the office specified in the notice of redemption. If there will be less than the full principal amount of a Series 2015 Bond called for redemption, the Authority will execute and deliver and the Trustee will authenticate, upon surrender of such Series 2015 Bond, and without charge to the Owner thereof, Series 2015 Bonds of like interest rate and maturity in an aggregate principal amount equal to the unredeemed portion of the principal amount of the Series 2015 Bonds so surrendered in such Authorized Denominations as will be specified by the Owner.

If any Series 2015 Bond or any portion thereof will have been duly called for redemption and payment of the redemption price, together with unpaid interest accrued to the date fixed for redemption, will have been made or provided for by the Authority, then interest on such Series 2015 Bond or such portion will cease to accrue from such date, and from and after such date such Series 2015 Bond or such portion will no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof will have no rights in respect of such Series 2015 Bond or such portion except to receive payment of such redemption price, and unpaid interest accrued to the date fixed for redemption.

Purchase in Lieu of Redemption. In lieu of redemption of any Series 2015 Bond, amounts on deposit in the Principal Fund or in the Redemption Fund may also be used and withdrawn by the Trustee at any time prior to selection of Series 2015 Bonds for redemption having taken place with respect to such amounts, upon a Written Order of the Authority for the purchase of such Series 2015 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 Fund) as the Authority may in its discretion determine, but not in excess of the redemption price thereof plus accrued interest to the purchase date. All Series 2015 Bonds so purchased will be delivered to the Trustee under the Trust Agreement for cancellation.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS

Special Obligations

The Series 2015 Bonds will be special limited obligations of the Authority, payable from and secured as to the payment of the principal, redemption premium (if any) and interest thereon in accordance with their terms and the terms of the Trust Agreement, solely from the Trust Estate, which will consist primarily of principal and interest payments on the Local Obligations to be purchased by the Authority under the Trust Agreement and to be owned by the Authority as set forth in the Agency Indenture. The Series 2015 Bonds shall not constitute a charge against the general credit of the Authority or any of its members, and under no circumstances shall the Authority be obligated to pay principal of, premium (if any) and interest on any Series of Series 2015 Bonds except from the Trust Estate. Neither the State nor any public agency (other than the Authority) nor any member of the Authority is obligated to pay the principal of, premium (if any) and interest on the Series 2015 Bonds, and neither the faith and credit nor the taxing power of the State or any public agency thereof or any member of the Authority is pledged to the payment of the principal of, premium (if any) and interest on the Series 2015 Bonds. The

payment of the principal of, premium (if any) and interest on the Series 2015 Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Authority) or any member of the Authority.

Each series of Local Obligations will be special limited obligations of the Agency Participant and are payable, as to principal, redemption premium (if any) and interest thereon, exclusively from the Tax Revenues, and funds on deposit in certain funds and accounts established under and as specified in the Agency Indenture, and the Agency Participant is not obligated to pay such principal of and interest on the Local Obligations except from such Tax Revenues. Each Series of Local Obligations is payable from Tax Revenues on a parity with each other. Debt service on the Local Obligations will be subordinate to the payment of debt service on the Senior Bonds. Each series of Local Obligations will be payable as set forth in the Agency Indenture, is not a debt of the City of Long Beach, the County, the State or any other political subdivision of the State, and neither said city, the State, the County nor any of the State's other political subdivisions is liable therefor, nor in any event shall a series of Local Obligations be payable out of any funds or properties other than those of the Agency Participant pledged therefor as provided in the Agency Indenture.

Each Local Obligation has its own payment schedule which, in the aggregate, has been sized to pay debt service on the Series 2015 Bonds. The Series 2015A Bonds will be secured solely by the payments made on the Series A Bonds and the Series 2015B Bonds will be secured solely by the payments made on the Series B Bonds. All of the obligations of the Agency Participant with respect to the Local Obligations are not general obligations of the Agency Participant or Former RDA, but are limited obligations of the Agency Participant and the Project Areas, payable solely from the Tax Revenues under, and to the extent described in, the Agency Indenture and the funds pledged therefor under the Agency Indenture.

In order to assist the Agency Participant, the County has accepted the irrevocable direction of the Agency Participant to transfer on or about each January 2 and June 1, commencing June 1, 2015, to an account of the Agency Participant, held by the Agency Trustee under the Agency Indenture, all amounts set forth in any duly approved ROPS with respect to principal and interest payments due on the Local Obligations and any senior obligations, including the Senior Bonds, and any deficiency in the reserve account for the Local Obligations. Such transfers to the Agency Trustee shall be made after the payment of unsubordinated pass-through obligations to local taxing entities, if any, as provided in Section 34183(a) of the California Health and Safety Code. The Authority has covenanted to take such actions as may be reasonable and necessary to compel the County to comply with the irrevocable direction of the Agency Participant to make such transfers. However, no assurance can be given that a court would order the County to continue to make such transfers if the County refused to do so. The Agency Participant remains obligated under the Agency Indenture to take all actions required under the Dissolution Act to include on its Recognized Obligation Payment Schedule for each six-month period (or twelve-month period if then applicable under the Dissolution Law (see "RISK FACTORS – State Budget" for a discussion of the Governor's proposal to transition successor agencies to an annual ROPS process instead of a biannual process)) all payments expected to be made to each Agency Trustee in order to satisfy the requirements of the Agency Indenture, including any amounts required to pay principal and interest payments due on the Local Obligations, deficiency in the reserve account for the Local Obligations to the debt service reserve requirement, and any Compliance Costs. See Appendix A under the caption "SECURITY FOR THE REFUNDING BONDS" for a discussion of the specific claim and lien on Tax Revenues for the Agency Participant and the Project Areas.

Upon the issuance of each series of Local Obligations, the amount on deposit in the reserve account established under the Agency Indenture will be equal to the debt service reserve requirement for such series of Local Obligations. No deposit need be made in any such reserve account so long as there

will be on deposit therein a sum equal to the debt service reserve requirement. For information regarding the Agency Participant's reserve account, which may be cash funded or secured by a debt service reserve surety and secured on a stand-alone basis or in common with other parity bonds issued by the Agency Participant, see Appendix A under the heading "Reserve Account" under the caption "SECURITY FOR THE REFUNDING BONDS."

Tax Revenues

Under California law, the rate of *ad valorem* property taxes which may be levied with respect to property within a project area is generally limited to 1% of the "full cash" assessed value. In this Official Statement and in Appendix A such taxes are referred to as the "general levy" and are allocated to the State, the County, the City of Long Beach, and all other taxing entities having jurisdiction over all or a portion of the Project Areas. The assessed values of property within such project area, as last equalized prior to adoption of the redevelopment plan, is the "base year" assessed values (the "Base Year").

Pursuant to subdivision (b) of Section 33670 of the Law and Section 16 of Article XVI of the Constitution of the State and as provided in the related redevelopment plan, taxes levied upon taxable property in the respective redevelopment project area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively called "taxing agencies") after the effective date of the ordinance approving such related redevelopment plan, or the respective effective dates of ordinances approving amendments to such related redevelopment plan that added territory to the respective redevelopment project area, as applicable, are to be divided as follows:

(a) *To Taxing Agencies*: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the respective redevelopment project area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the related redevelopment plan, or the respective effective dates of ordinances approving amendments to the related redevelopment plan that added territory to the respective redevelopment project area, as applicable (each, a "base year valuation"), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) *To the Respective Former RDA*: Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion will be allocated to, and when collected will be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within the Plan Limit following the Delivery Date, when collected will be paid into a special fund of the former redevelopment agency. Section 34172 of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the RPTTF attributable to the Agency Participant and the Project Areas will be deemed to be a special fund of the Agency Participant to pay the debt service on indebtedness incurred by the former redevelopment agencies.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller, constitute the amounts required under the Dissolution Act to be deposited by the County Auditor-Controller into the RPTTF. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date from paragraph (b) above.

Taxes are due in two equal installments. Installments of taxes levied upon secured property become delinquent after December 10 and April 10. Taxes on unsecured property are due July 1 and become delinquent August 31. As of February 1, 2012, the allocation of tax increment revenue was dictated by the legislation adopted as AB 26. Revenue to successor agencies is now made on January 2 and June 1 of each fiscal year. All tax increment revenue is accumulated by the County Auditor-Controller in the RPTTF for allocation on these two dates. The tax increment revenue available for allocation on January 2 consists of revenues collected after June 1 of the previous fiscal year and for collections in November and December of the current fiscal year. The tax increment revenues available for allocation on June 1 include revenues collected from January 2 to June 1 of the current fiscal year.

From the amounts accumulated in the RPTTF for each allocation date, the County Auditor-Controller is to deduct its own administrative charges and is to calculate and deduct amounts (if not subordinated) owed to taxing entities for tax sharing agreements entered into pursuant to Section 33401 of the Law and for statutory tax sharing obligations required by Sections 33607.5 and 33607.7 of the Law that have not been subordinated to debt obligations, including debt service. The amount remaining after these reductions, if any, will be available for payment by the Agency Participant of debt obligations on a valid ROPS of the former redevelopment agency.

Prior to receiving revenues on January 2 and June 1, the Agency Participant must adopt a ROPS that lists the debt obligations of the former redevelopment agency that must be paid during the upcoming six month periods of January 1 through June 30 and July 1 through December 31 (or the upcoming twelve month period of January 1 through December 31 if then applicable under the Dissolution Law). There is provision in the legislation for the Agency Participant to request additional amounts in one ROPS period to allow it to make payments that may be beyond the revenues available in the upcoming allocation cycle. The ROPS must be approved by an Oversight Board that is established in the legislation with membership consisting of representatives from various taxing entities. The ROPS must also receive approval from the State Department of Finance (the "DOF").

The Agency Participant is entitled to receive tax revenues to cover the administrative costs of winding down the business of the former redevelopment agency. This amount is set by the legislation at a minimum $250,000 per year and a maximum that is 3% of the RPTTF allocated to the successor agency for each fiscal year. To the extent that revenues are insufficient to pay all of the approved ROPS obligations, the Agency Participant's administrative cost allowance will be reduced or eliminated.

As to the Agency Participant, if there are RPTTF amounts remaining after reductions for county administrative charges, pass-through obligations, ROPS obligations and the Agency Participant's administrative cost allowance, these remainder amounts are referred to as Residual Revenue. Residual Revenue for each ROPS cycle is proportionately allocated to the taxing entities and to the Educational Revenue and Augmentation Fund ("ERAF").

The Agency Participant has no power to levy and collect taxes, and any provision of law limiting property taxes or allocating additional sources of income to taxing agencies and having the effect of reducing the property tax rate must necessarily reduce the amount of tax increment revenues and, accordingly, Tax Revenues that would otherwise be available to pay debt service on the Local Obligations. Likewise, broadened property tax exemptions could have a similar effect (see "LIMITATIONS ON TAX REVENUES" and "RISK FACTORS" below).

Conversely, any increase in the present tax rate or assessed valuation, or any reduction or elimination of present property tax exemptions, or the satisfaction of enforceable obligations, would increase the Tax Revenues available to pay debt service on the Local Obligations (see "LIMITATIONS

ON TAX REVENUES" and "RISK FACTORS" for discussion of the Constitutional constraints of increasing tax rates and assessed valuation).

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Former RDA had the Former RDA not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the RPTTF for the Agency Participant established and held by the County Auditor-Controller pursuant to the Dissolution Act. The Dissolution Act further provides that any bonds authorized under its terms to be issued by the Agency Participant will be considered indebtedness incurred by the dissolved RDA, with the same legal effect as if the bonds had been issued prior to effective date of AB 26, in full conformity with the applicable provision of the Law that existed prior to that date, and debt service will be included in the Agency Participant's ROPS. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Recognized Obligation Payment Schedule."

The Dissolution Act further provides that bonds authorized under its terms to be issued by the Agency Participant will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the RPTTF attributable to the Agency Participant and the Project Areas, and that property tax revenues pledged to any bonds authorized under the Dissolution Act, such as the Local Obligations, are taxes allocated to the Agency Participant pursuant to the provisions of the Law and the State Constitution which provided for the allocation of tax increment revenues under the Law, as described in the foregoing paragraph.

See Appendix A under the caption "SECURITY FOR THE REFUNDING BONDS" for a discussion of the specific claim and lien on Tax Revenues for the Agency Participant and the Project Areas. The Agency Participant has no power to levy property taxes and must look specifically to the allocation of taxes as described above.

In accordance with the Dissolution Act, the Local Obligations will be payable from and secured by Tax Revenues which will generally include, moneys deposited, from time to time, in the RPTTF attributable to the Agency Participant and the Project Areas, as provided in paragraph (2) of subdivision (a) of the California Health and Safety Code Section 34183. Each Local Obligation will be payable from and secured by Tax Revenues subject to senior obligations, and any deficiency in the reserve account for the Local Obligations, certain deductions for unsubordinated pass-through payments to taxing entities, if any, and for debt service on bonds issued on a basis senior to the Series 2015 Bonds, including the Senior Bonds, and County collection charges. See Appendix A for a description of the lien of Tax Revenues for the Project Areas. The Agency Participant is not obligated to pay such principal of, premium (if any) and interest on the Local Obligations except from such Tax Revenues. See Appendix A for a description of the lien of Tax Revenues for the Project Areas, including a description of any superior claims and liens on such Tax Revenues. As provided in the Agency Indenture, if, and to the extent, that the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 are invalidated by a final judicial decision, then Tax Revenues will include all tax revenues allocated to the payment of indebtedness pursuant to the California Health and Safety Code Section 33670 or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution, which prior to the adoption of the Dissolution Act were required to be deposited into the Former RDA's low and moderate income housing fund pursuant to Sections 33334.2, 33334.3 and 33334.6 of the Law.

The Dissolution Act eliminates the characterization of certain tax increment revenues as Housing Set-Aside. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Housing Set-Aside." All of the Local Obligations include a pledge of, or offset for a pledge of, any

Housing Set-Aside. Accordingly, the Local Obligations will be payable from, and secured by, Tax Revenues, including amounts constituting the former Housing Set-Aside.

Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Areas, to the extent they constitute Gross Tax Revenues, as further described in Appendix A, will be deposited in the RPTTF for transfer by the County Auditor-Controller to the Agency Participant's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year to the extent required for payments listed in the Agency Participant's ROPS in accordance with the requirements of the Dissolution Act (see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Recognized Obligation Payment Schedule"). Monies deposited by the County Auditor-Controller into the Agency Participant's Redevelopment Obligation Retirement Fund will be transferred by the County pursuant to an irrevocable direction of the Agency Participant directing the County to transfer to the Debt Service Fund or similar fund established under the Agency Indenture and administered by the Agency Trustee in accordance with the Agency Indenture.

The Agency Participant has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Tax Revenues available in any six-month period (or twelve-month period if then applicable under the Dissolution Law) to pay the principal of and interest on indebtedness including, without limitation, the Local Obligations (see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Tax Allocation Financing" and "– Recognized Obligation Payment Schedule" and "RISK FACTORS" in the forepart of this Official Statement). See also "LIMITATIONS ON TAX REVENUES" in the forepart of this Official Statement and "SPECIAL RISK FACTORS" in Appendix A.

Tax increment revenues are computed based upon the annual incremental assessed value of the Project Areas multiplied by a tax rate determined by the County Auditor-Controller. The tax rates which are applied to incremental taxable values consist of two components: the General Tax Rate of $1.00 per $100 of taxable values and the Override Tax Rate which is levied to pay voter approved indebtedness. The basic levy tax rate may not exceed 1% ($1.00 of $100 taxable value) in accordance with Article XIIIA. An amendment to the Constitution prohibits redevelopment agencies from receiving taxes generated by new Override Tax Rates, which are reflective of debt approved after December 31, 1988. Based upon the County Auditor-Controller's reliance to use the basic one percent tax rate in calculating the RPTTF allocation, a one percent levy is used in the revenue projections herein and in the Fiscal Consultant's Report. See Appendix A under the caption "THE PROJECT AREAS – Projected Tax Revenues" for a discussion of the tax rate assumptions utilized by the Fiscal Consultant in projecting Gross Tax Revenues for the Project Areas.

Section 34183(a)(1) of the Redevelopment Law requires the Auditor Controller to allocate all revenues attributable to tax rates levied to make annual repayments of the principal and interest on any bonded indebtedness for the acquisition or improvement of real property to the taxing entity levying the tax rate. Under the County's interpretation of this Section, revenues derived from over-ride tax rates levied for pension related obligations have been determined to not be for "annual repayments of the principal and interest on any bonded indebtedness for the acquisition or improvements of real property." As a result, tax increment revenues derived from over-ride tax rates levied for pension related obligations within the Project Areas are included in the revenues distributed from the RPTTF.

In Los Angeles County, there are thirteen cities that levy over-ride tax rates in order to fund pension fund obligations. However, the Agency Participant is not related to any of these 13 cities.

Tax Allocation Financing

Prior to the enactment of AB 26, the Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming the taxable valuation never drops below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such designated property tax allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations.

The Dissolution Act authorizes refunding bonds, including the Local Obligations, to be secured by a pledge of monies deposited from time to time in a RPTTF attributable to such Successor Agency and project area held by a county auditor-controller with respect to a successor agency, which are equivalent to the tax increment revenues that were formerly allocated under the Law to the redevelopment agency and formerly authorized under the Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the county auditor-controller. Under the Agency Indenture, Tax Revenues consist of the amounts deposited from time to time in the RPTTF attributable to the Agency Participant and the Project Areas established pursuant to and as provided in the Dissolution Act, subject to certain deductions for unsubordinated pass-through payments to taxing entities, unsubordinated contractual obligations to third parties and County collection charges. See Appendix A under the captions describing Pass-Through Agreements and Statutory Pass-Through Amounts under the caption "SECURITY FOR THE REFUNDING BONDS" for a discussion of the specific claim and lien on Tax Revenues for the Agency Participant and the Project Areas. Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See "LIMITATIONS ON TAX REVENUES" and "RISK FACTORS" in the forepart of this Official Statement. See also "SPECIAL RISK FACTORS" in Appendix A.

The Law authorized redevelopment agencies to make payments to school districts and other taxing agencies to alleviate any financial burden or detriments to such taxing agencies caused by a redevelopment project as described in Appendix A under the caption "SECURITY FOR THE REFUNDING BONDS – Statutory Pass-Through Amounts." Negotiated agreements for this purpose are generally described as pass-through or tax sharing agreements ("Pass-Through Agreements" in the forepart of this Official Statement). Additionally, Section 33607.5 and 33607.7 of the Law required mandatory tax sharing applicable to redevelopment projects adopted after January 1, 1994, or amended thereafter in certain manners specified in such statutes (the "Statutory Pass-Through Amounts" in the forepart of this Official Statement). The Dissolution Act requires the county auditor-controller to distribute from the RPTTF amounts required to be distributed under the Pass-Through Agreements and for Statutory Pass-Through Amounts to the taxing entities for each six-month period (or twelve-month period if then applicable under the Dissolution Law) before amounts are distributed by the county auditor-controller from the RPTTF to the Agency Participant's Redevelopment Obligation Retirement Fund each January 2 and June 1, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the dissolved agency, as succeeded by the Agency Participant, (ii) the Agency Participant has reported, no later than the December 1 and May 1 preceding the January 2 or June 1 distribution date, that the total amount available from the RPTTF allocation to the Agency Participant's Redevelopment Obligation Retirement Fund, from other funds transferred from the dissolved agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund each of the Agency Participant's enforceable obligations, pass-through payments, and each of the Agency Participant's administrative cost allowance

for the applicable six-month period (or twelve-month period if then applicable under the Dissolution Law), and (iii) the State Controller has concurred with the Agency Participant that there are insufficient funds for such purposes for the applicable six-month period (or twelve-month period if then applicable under the Dissolution Law).

If the requirements stated in clauses (i) through (iii) of the foregoing paragraph have been met, the Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed for such six-month period (or twelve-month period if then applicable under the Dissolution Law). To provide for calculated shortages to be paid to the Agency Participant for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the taxing entities under the Dissolution Act after payment of the Agency Participant's enforceable obligations, pass-through payments, and the Agency Participant's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Agency Participant for administrative costs for the applicable six-month period (or twelve-month period if then applicable under the Dissolution Law) in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts remaining to be distributed to taxing entities under Pass-Through Agreements and for Statutory Tax Sharing Amounts, if such amounts have been subordinated to the payment of debt service on such bonded indebtedness, and if that amount is exhausted, from amounts available for distribution for administrative, but only after the amounts described in the previous two sentences and the amounts available for distribution for administrative costs have been exhausted.

The Dissolution Act provides for a procedure by which the Agency Participant may make Statutory Tax Sharing Amounts subordinate to the Local Obligations. In accordance therewith, the Agency Participant has not undertaken the procedure required to subordinate all Statutory Tax Sharing Amounts to the payment of debt service on the Local Obligations. See Appendix A under the captions describing Pass-Through Agreements and Statutory Pass-Through Amounts under the caption "SECURITY FOR THE REFUNDING BONDS."

The Agency Participant cannot guarantee that this process prescribed by the Dissolution Act of administering the tax increment revenues and the subordinations provided in the Law and the Pass-Through Agreements will effectively result in adequate tax increment revenues for the payment of principal of and redemption premium (if any) and interest on the Local Obligations when due. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Recognized Obligation Payment Schedule." See also Appendix A under the captions describing Pass-Through Agreements and Statutory Pass-Through Amounts under the caption "SECURITY FOR THE REFUNDING BONDS" for additional information regarding the Pass-Through Agreements and the Statutory Tax Sharing Amounts applicable to the Agency Participant and the revenues derived from the Project Areas.

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See "LIMITATIONS ON TAX REVENUES" and "RISK FACTORS" in the forepart of this Official Statement.

Housing Set-Aside

Pre-Dissolution Housing Set-Aside Requirement. Before it was amended by the Dissolution Act, the Redevelopment Law generally required each redevelopment agency to set aside not less than 20% of all tax increment generated in each project area into a low and moderate income housing fund to be used for the purpose of increasing, improving and/or preserving the supply of low and moderate income housing. These tax increment revenues were commonly referred to as "Housing Set-Aside."

Impact of Dissolution Act. The Dissolution Act eliminates the characterization of certain tax increment revenues as Housing Set-Aside. All of the Local Obligations include a pledge of, or offset for a pledge of, any Housing Set-Aside. Accordingly, the Local Obligations will be payable from, and secured by, Tax Revenues, including amounts constituting the former Housing Set-Aside. See also, "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Housing Set-Aside."

Recognized Obligation Payment Schedule

Before each six-month period (or twelve-month period if then applicable under the Dissolution Law), the Dissolution Act requires Successor Agencies to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a ROPS pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. As defined in the Dissolution Act, "enforceable obligation" includes bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and amounts borrowed from the Low and Moderate Income Housing Fund. A reserve may be included on the ROPS and held by the successor agency when required by the bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bond for the next payment due in the following six-month period (or twelve-month period if then applicable under the Dissolution Law).

The Dissolution Act provides that, commencing on the date the first ROPS is valid, only those payments listed in the ROPS may be made by the successor agency from the funds specified in the ROPS.

The ROPS must be submitted by the Agency Participant, after approval by the Oversight Board, to the county administrative officer, the county auditor-controller, the DOF, and the State Controller no later than 90 days before the date of the next January 2 or June 1 property tax distribution. If successor agency does not submit an Oversight Board-approved ROPS by such deadlines, the successor agency will be subject to a civil penalty equal to $10,000 per day for every day the schedule is not submitted to the DOF. Additionally, the Agency Participant's administrative cost allowance is reduced by 25% if the successor agency does not submit an Oversight Board-approved ROPS by the 80th day before the date of the next January 2 or June 1 property tax distribution, as applicable, with respect to the ROPS for subsequent six-month periods (or twelve-month periods if then applicable under the Dissolution Law).

The Dissolution Act requires the DOF to make a determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the ROPS is submitted. Within 5 business days of the determination by the DOF, successor agencies may request additional review by the department and an opportunity to meet and confer on disputed items, if any. The DOF will notify successor agencies and the county auditor-controller as to the outcome of its review at least 15 days before the January 2 or June 1 date of property tax distribution, as applicable. Additionally, the county auditor-controller may review a submitted ROPS and object to the inclusion of any items that are not demonstrated to be enforceable obligations and may object to the funding source proposed for any items, provided that the county auditor-controller must provide notice of any such objections to successor agencies, the Oversight Board, and the DOF at least 60 days prior to the January 2 or June 1 date of property tax distribution, as applicable.

In connection with the allocation and distribution by the county auditor-controller of property tax revenues deposited in the RPTTF, under the Dissolution Act the county auditor-controller must prepare

estimates of the amounts of (i) property tax to be allocated and distributed and (ii) the amounts of pass-through payments to be made in the upcoming six-month period (or twelve-month period if then applicable under the Dissolution Law), and provide those estimates to the entities receiving the distributions and the DOF no later than October 1 and April 1 of each year, as applicable. If, after receiving such estimate from the county auditor-controller, the Agency Participant determines and reports, no later than December 1 or May 1, as applicable (*i.e.*, by May 1, 2015 with respect to the ROPS for July 1, 2015 through December 31, 2015), that the total amount available from the RPTTF allocation to the Agency Participant's Redevelopment Obligation Retirement Fund, from other funds transferred from a dissolved agency, and from funds that have or will become available through asset sales and all redevelopment operations, is insufficient to fund the payment of pass-through obligations, for the Agency Participant's enforceable obligations listed on the ROPS, and for the Agency Participant's administrative cost allowance, the county auditor-controller must notify the State Controller and the DOF no later than 10 days from the date of the Agency Participant's notification. If the State Controller concurs that there are insufficient funds to pay required debt service, the Dissolution Act provides for certain adjustments to be made to the estimated distributions.

The Dissolution Act provides that any bonds authorized under its terms to be issued by a successor agency will be considered indebtedness incurred by the related dissolved Former RDA, with the same legal effect as if the bonds had been issued prior to effective date of AB 26, in full conformity with the applicable provision of the Law that existed prior to that date, and debt service will be included in the Agency Participant's ROPS. Additionally, if an enforceable obligation provides for an irrevocable commitment of property tax revenue and where allocation of revenues is expected to occur over time, the Dissolution Act provides that a successor agency may petition the DOF to provide written confirmation that its determination of such enforceable obligation as approved in a ROPS is final and conclusive, and reflects the department's approval of subsequent payments made pursuant to the enforceable obligation. If the confirmation is granted by the DOF, then the DOF's review of such payments in each future ROPS will be limited to confirming that they are required by the prior enforceable obligation.

The Agency Participant has covenanted under the Agency Indenture to take all actions required under the Dissolution Act to include on the respective ROPS for each six-month period (or twelve-month period if then applicable under the Dissolution Law) all payments to the Agency Trustee to satisfy the requirements of the Agency Indenture and the Local Obligations, any deficiency in the reserve account established pursuant to the Local Obligations, any amounts required under an indenture or fiscal agent agreement securing parity indebtedness to replenish the reserve account established thereunder, if any, to its required level and any Compliance Costs related thereto.

The Agency Participant has further covenanted under the Agency Indenture to comply with all other requirements of the Dissolution Act. Without limiting the generality of the foregoing, the Agency Participant covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Agency Participant with its covenants under the Agency Indenture. Further, the Agency Participant will take all actions required under the Dissolution Act to include scheduled debt service on the Local Obligations, as well as any amounts required under the Agency Indenture including to replenish the reserve account in ROPS for each six-month period (or twelve-month period if then applicable under the Dissolution Law) so as to enable the County Auditor-Controller to distribute from the RPTTF to the Agency Participant's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Agency Participant to pay the principal of, premium (if any) and interest on, the Local Obligations coming due in the respective six-month period (or twelve-month period if then applicable under the Dissolution Law). These actions will include, without limitation, placing on the periodic ROPS for approval by the Oversight Board and the DOF, to the extent necessary, the amounts to be held by the Agency Participant as a reserve until the next six-month period (or twelve-month period if then applicable under the Dissolution Law), as contemplated

by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to provide for the payment of the principal of, premium (if any), and interest under the Agency Indenture, when the next property tax allocation is projected to be insufficient to pay all obligations due under the Agency Indenture for the next payment due in the following six-month period (or twelve-month period if then applicable under the Dissolution Law).

Local Obligations and the Agency Indenture

Subject only to the provisions of the Agency Indenture (including any obligations of the Agency Participant payable on a basis senior to or on a parity with the lien of its Local Obligations under the Agency Indenture, including the Senior Bonds) permitting the application thereof for the purposes and on the terms and conditions set forth in the Agency Indenture, all of the Tax Revenues and all amounts on deposit from time to time in the funds and accounts established under the Agency Indenture (other than the Rebate Fund and Expense Account held in connection with the Series 2015A Bonds) will be pledged to the payment of the principal of and interest on the Outstanding Series 2015 Bonds as provided in the Agency Indenture. The Agency Participant will irrevocably grant to the Agency Trustee for the benefit of the Owners of the Outstanding Series 2015 Bonds (subject to any obligations of the Agency Participant payable on a basis senior to or on a parity with the lien of its Local Obligations under the Agency Indenture, including the Senior Bonds) a first charge and lien on, and a security interest in, and will pledge and assign, the Tax Revenues, whether held by the Agency Participant, the County Auditor-Controller, the County Treasurer and Tax Collector or the Agency Trustee, and all amounts in the funds and accounts established under the Agency Indenture (other than the Rebate Fund and Expense Account held in connection with the Series 2015B Bonds) with respect to the Local Obligations.

Pursuant to the laws of the State, including California Health and Safety Code Sections 34183 and 34170.5(b), the County Auditor-Controller is obligated to deposit the Tax Revenues into the RPTTF attributable to the Agency Participant and the Project Areas. The Agency Participant shall take all steps to ensure that the County Auditor-Controller (1) deposits the Tax Revenues into the RPTTF, (2) allocates funds for the principal and interest payments due on the Outstanding Series 2015 Bonds, any deficiency in the related reserve account pursuant to each valid ROPS in accordance with the Dissolution Act and as provided in the Agency Indenture and any deficiency in the related reserve account pursuant to each valid ROPS in accordance with the Dissolution Act and as provided in the Agency Indenture, and any Compliance Costs, and (3) make the transfers to the Agency Trustee required thereunder.

In order to assist the Agency Participant, the County has accepted the irrevocable direction of the Agency Participant to transfer on or about each January 2 and June 1 to an account of the Agency Participant, held by the Agency Trustee under the Agency Indenture, all amounts set forth in any duly approved ROPS with respect to principal and interest payments due on the Local Obligations and any senior and parity obligations, including the Senior Bonds, and any deficiency in the reserve account for the Local Obligations and parity obligations related thereto. The Authority has covenanted to take such actions as may be reasonable and necessary to compel the County to comply with the irrevocable direction of the Agency Participant to make such transfers. However, no assurance can be given that a court would order the County to continue to make such transfers if the County refused to do so. The Agency Participant remains obligated under the Agency Indenture to take all actions required under the Dissolution Act to include on its Recognized Obligation Payment Schedule for each six-month period (or twelve-month period if then applicable under the Dissolution Law) all payments expected to be made to the Agency Trustee in order to satisfy the requirements of the Agency Indenture, including any amounts required to pay principal and interest payments due on the Local Obligations, the Senior Bonds parity obligations, any deficiency in the reserve account for the Local Obligations, the Senior Bonds and parity obligations to the debt service reserve requirement, and any Compliance Costs (as defined in this Official Statement).

As to each of the Local Obligations, in accordance with the Dissolution Act, the Agency Participant may pledge to the refunding bonds or other indebtedness the revenues pledged to the bonds or other indebtedness being refunded, and that pledge, when made in connection with the issuance of such refunding bonds or other indebtedness, shall have the same lien priority as the pledge of the bonds or other obligations to be refunded, and shall be valid, binding, and enforceable in accordance with its terms. The Agency Participant has repeated such prior pledges in connection with the issuance of the Local Obligations.

As provided in the Agency Indenture, the Agency Participant will take all actions required under the Dissolution Act to include on its ROPS for each six-month period (the second of which may include only claims for insufficient receipts under the January 1 ROPS), or twelve-month period if then applicable under the Dissolution Law, all payments expected to be made to the Agency Trustee in order to satisfy the requirements of the Agency Indenture, including any amounts required to pay principal and interest payments due on the Local Obligations, parity obligations, any deficiency in the reserve account for the Local Obligations and parity obligations to the debt service reserve requirement, and any Compliance Costs (as defined in this Official Statement). The Agency Participant shall include in its ROPS the amounts described below to be transmitted to the Agency Trustee for the applicable six month period (or twelve month period if then applicable under the Dissolution Law). See Appendix A under the caption "SECURITY FOR THE REFUNDING BONDS." The Agency Participant shall submit an Oversight Board-approved ROPS to the County Auditor-Controller and the DOF (with a copy to the Authority) at least ninety (90) days prior to the January 2 RPTTF distribution and at least ninety (90) days prior to the June 1 RPTTF distribution, as applicable.

Further, in accordance with California Health and Safety Code Section 34183(b) on or before each May 1 and December 1, the Agency Participant shall determine and report to the County Auditor-Controller and the Authority any insufficiencies in the RPTTF to fund payments in accordance with the Agency Indenture, and cooperate with the County Auditor-Controller for its distribution of funds in accordance with California Health and Safety Code Section 34183.

All Tax Revenues received by the Agency Participant (1) during the period commencing on June 2 of the prior calendar year and ending January 2 of the then current calendar year in excess of the amount required, as provided in this section, to be deposited under the Agency Indenture on January 2, and (2) during the period commencing on January 3 of the then current calendar year and ending June 1 of such calendar year in excess of the amount required, as provided in this section, to be deposited under the Agency Indenture on June 1, shall, immediately following the deposit with the Trustee of the amounts required to be so deposited as provided in this section on each such date, be released from the pledge, security interest and lien under the Agency Indenture for the security of the Outstanding Series 2015 Bonds, and may be applied by the Agency Participant for any lawful purpose of the Agency Participant, including but not limited to the payment of subordinate debt, or the payment of any amounts due and owing to the United States of America pursuant to the Agency Indenture. Prior to the payment in full of the principal of, premium (if any) and interest on the Outstanding Series 2015 Bonds and the payment in full of all other amounts payable under the Agency Indenture and under any Supplemental Indentures, the Agency Participant shall not have any beneficial right or interest in the moneys on deposit under the Agency Indenture, except as may be provided in the Agency Indenture and in any Supplemental Indenture.

Reserve Account

Upon the issuance of each series of Local Obligations, a reserve surety or cash will be deposited into the reserve account established under the Agency Indenture in an amount equal to the debt service reserve requirement for the Local Obligations. For information regarding the reserve account relating to

the Agency Indenture and the Project Areas, see Appendix A under the heading "Reserve Account" under the caption "SECURITY FOR THE REFUNDING BONDS."

Defaults and Remedies

In addition to the terms specifying the pledge and security for payment of the Local Obligations, the Agency Indenture specifies events of default which generally include payment defaults and certain covenant defaults with respect to the related bonds and the commencement by the Agency Participant of bankruptcy proceedings. Upon such event, and in general terms, the Agency Trustee may, or at the Written Request of the Authority, as owner of the Local Obligations, shall, subject to terms for indemnification of the Agency Trustee, take legal action to protect and enforce any of the rights vested in the Agency Trustee or the Authority, as owner of the Local Obligations, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in the Agency Indenture.

In some instances, the provider of a policy of municipal bond insurance, or reserve fund surety policy, for the Local Obligations shall be deemed to be the sole bondowner for purposes of direction of remedies and consent rights.

No delay or omission of the Agency Trustee or of any Owner to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by the provisions of the Agency Indenture to the Agency Trustee and to the Authority, as owner of the Local Obligations, may be exercised from time to time and as often as may be deemed expedient.

Any moneys received by the Agency Trustee pursuant to the provisions of the Agency Indenture shall, after payment of all fees and expenses of the Agency Trustee, and the reasonable fees and expenses of its outside counsel, if any, incurred in connection with the performance of the Agency Trustee's duties under the Agency Indenture, be applied to the payment of the Authority, as owner of the unpaid principal, interest and redemption premium, if any, and any of the Local Obligations which shall have become due.

Copies of the Local Obligations and the Agency Indenture may be obtained upon request from the Agency Trustee, U.S. Bank National Association at: 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Corporate Trust Administration.

Municipal Bond Insurance and Debt Service Reserve Policies

The scheduled payment of principal of and interest on the Insured Series 2015 Bonds when due will be guaranteed pursuant to an insurance policy to be issued concurrently with the delivery of the Series 2015 Bonds by _____. [_____ will also issue a debt service reserve fund policy for the Local Obligations as described herein.] See "BOND INSURANCE," Appendix A under the heading "Reserve Account" under the caption "SECURITY FOR THE REFUNDING BONDS" and APPENDIX I – "SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

Approval by Oversight Board and Department of Finance

Before the issuance of refunding bonds under the Dissolution Act, a Successor Agency must obtain the approval of the Oversight Board, by resolution. Such Oversight Board resolution (as with all Oversight Board resolutions) does not become effective unless it has been approved, or deemed approved, by the DOF. The issuance of the Local Obligations by the Agency Participant has been approved by the

Oversight Board. Additionally, on _____, 2015 the DOF issued a determination letter with respect to the Oversight Board's resolution (the "DOF Letter") indicating the DOF's approval of the Oversight Board's approval of the issuance of the Local Obligations over which it had jurisdiction. The DOF Letter conditioned such approval on the understanding that the Series 2015 Bonds will meet the limitations in Health and Safety Code Section 34177.5. See APPENDIX F – "STATE DEPARTMENT OF FINANCE LETTER."

Pursuant to Health and Safety Code Section 34177.5(f), once the DOF has given its approval to the Oversight Board resolution approving the issuance of the Local Obligations, the scheduled payments on the Local Obligations must be listed on the Successor Agency's ROPS (see "Recognized Obligation Payment Schedule" above) and will not be subject to further review and approval by the DOF or the State Controller. Furthermore, pursuant to Health and Safety Code Section 34177.5(f), once the Local Obligations are issued with an Oversight Board's approval, such Oversight Board will not be permitted to unilaterally approve any amendments to or early termination of the bonds, indebtedness, or enforceable obligation.

The Dissolution Act also provides that, notwithstanding any other State law, an action to challenge the issuance of bonds under the Dissolution Act must be brought within 30 days after the date on which the Oversight Board adopts the resolution approving the issuance of the bonds by the Successor Agency. More than 30 days have expired between the adoption of the Oversight Board resolution approving the issuance of the Local Obligations and the date of this Official Statement. During this interim, none of the Authority, the County or the Agency Participant has received notice of any action challenging the issuance of the Local Obligations.

Due Diligence Reviews

Pursuant to the Dissolution Act, the Agency Participant was required to retain an independent accountant to conduct two reviews, known as due diligence reviews (each, a "DDR"): one for the Housing Fund and the other for all of the other funds and accounts (the "Other Funds"). The purpose of the DDRs was to determine the unobligated balance (the "Unobligated Balance"), if any, of the Housing Fund and the Other Funds, as of June 30, 2012, so that such Unobligated Balance would be distributed to the taxing agencies. Pursuant to the specific procedure for determining the Unobligated Balances set forth in the Dissolution Act, legally restricted funds (including bond proceeds), value of assets that are not cash or cash equivalents (such as land and equipment) and amounts that are needed to satisfy obligations listed on an approved ROPS were excluded from the Unobligated Balance.

With respect to each DDR, the Agency Participant was required to and did submit such DDR, after review and approval by the Oversight Board, to the DOF. The DOF issued determination letters confirming the Unobligated Balances from the Housing Fund and the Other Funds to be remitted to the County Auditor-Controller. The Agency Participant issued payments to the County Auditor-Controller for the required amounts.

Because the Agency Participant has made the remittances required by the DOF's final determination concerning the DDRs, as well as certain other amounts previously required to be remitted pursuant to the Dissolution Act, the DOF issued a "Finding of Completion" to the Agency Participant. Upon receipt of such Finding of Completion, the Agency Participant in receipt of such determination is authorized to proceed with actions permitted under certain provisions of the Dissolution Act, such as the disposition of real property assets following Oversight Board and DOF approval of a Long Range Property Management Plan.

Additional Bonds

The Trust Agreement does not authorize the issuance of additional bonds or parity debt. There is limited authority under the Agency Indenture for the Agency Participant to issue additional bonds. The Dissolution Act in its current form does not permit a successor agency issuing bonds or incurring other indebtedness for purposes other than refunding existing enforceable obligations or outstanding bonds of the agency resulting in savings. See "SECURITY FOR THE REFUNDING BONDS – Parity Debt Limited to Refunding Bonds" in Appendix A for a description of the conditions precedent for the issuance of indebtedness on a parity basis with the Local Obligations.

Covenants of the Agency Participant

The following is a general description of covenants and terms that will be included in Agency Indenture. This description is intended to be general and a summary statement of terms which necessarily vary.

Punctual Payment. The Agency Participant will agree under the Agency Indenture to punctually pay the principal of, premium (if any) and interest on the Local Obligations in conformity with the terms of the Local Obligations and of the Agency Indenture and will faithfully satisfy, observe and perform all conditions, covenants and requirements of the Local Obligations and of the Agency Indenture.

Against Encumbrances. The Agency Participant will agree under the Agency Indenture to not mortgage or otherwise encumber, pledge or place any charge upon any of the Tax Revenues from the Project Areas, except as provided in the Agency Indenture, and will not issue any obligation or security superior to or on a parity with then Outstanding Series 2015 Bonds payable in whole or in part from the Tax Revenues (other than additional bonds or other parity indebtedness in accordance with the Agency Indenture).

Payment of Claims. Subject to the terms of the Dissolution Act, the Agency Participant will pay and discharge 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 Agency Participant or upon the Tax Revenues or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Local Obligations; provided that the Agency Indenture will not be required to make any such payments so long as the Agency Participant in good faith will contest the validity of any such claims.

Protection of Security and Rights of Owners. The Agency Participant will agree under the Agency Indenture to preserve and protect the security of the Local Obligations and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any Series 2015 Bonds by the Agency Participant, such Series 2015 Bonds will be incontestable by the Agency Participant.

Amendment of Redevelopment Plan. Plan amendments are limited by the terms of the Dissolution Act and generally require the report of an independent consultant which demonstrates that Tax Revenues will not be materially reduced by such proposed amendment.

Tax Revenues. The Agency Participant will agree under the Agency Indenture to comply with applicable requirements of the Law to ensure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary ROPS. The Agency Participant will represent and agree under the Agency Indenture that the pledge, payment and setting aside of Tax Revenues as provided for in the Agency Indenture is not subject to any limitation contained in Article XIIIB of the Constitution of the State of California.

The Agency Participant will further agree under the Agency Indenture that, for so long as the receipt of Tax Revenues is subject to a limit under the Law, it will annually review the total amount of Tax Revenues remaining available to be received by the Agency Participant under the Redevelopment Plan's cumulative tax increment limitation, as well as future cumulative Annual Debt Service. The expiration date of the Redevelopment Plan is as described in Appendix A under the caption "THE REDEVELOPMENT PLAN – Financial Limitations." For purposes of the projections in the forepart of this Official Statement (with respect to debt service coverage) and in Appendix A and in the Fiscal Consultant's Report appearing in Appendix B, it is assumed that all Redevelopment Plan limits will be enforced. For information regarding the Agency Participant and covenants with respect to such limitations under the Agency Indenture, see Appendix A under the description of project area plan limitations under the caption "THE REDEVELOPMENT PLAN." See also, Appendix A under the caption "THE PROJECT AREAS – Estimated Debt Service Coverage" for projections of debt service coverage on the Local Obligations.

Tax Covenants; Rebate Fund. As may be relevant to the Series 2015A Bonds, the Agency Participant will agree under the Agency Indenture to not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on any of the Series 2015A Bonds under Section 103 of the Code, and to pay from time to time its share of amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the Series 2015A Bonds from time to time.

Compliance with the Dissolution Act. The Agency Participant has further covenanted under the Agency Indenture that it will comply with all requirements of the Dissolution Act. Without limiting the generality of the foregoing, the Agency Participant covenants and agrees to file all required statements and seek all necessary successor agency or oversight board approvals required under the Dissolution Act to assure compliance by the Agency Participant with its covenants under the Agency Indenture. Further, the Agency Participant will take all actions required under the Dissolution Act to include scheduled debt service on the Local Obligations, as well as any amounts required under the Agency Indenture including to replenish the reserve account in ROPS for each six-month period (or twelve-month period if then applicable under the Dissolution Law) so as to enable the County Auditor-Controller to distribute from the RPTTF to the Agency Participant's Redevelopment Obligation Retirement Fund on each January 2 and June 1 any additional amounts required for the Agency Participant to pay the principal of, premium (if any), and interest on, the Local Obligations coming due in the respective six-month period (or twelve-month period if then applicable under the Dissolution Law). These actions will include, without limitation, placing on the periodic ROPS for approval by the Oversight Board and the DOF, to the extent necessary, the amounts to be held by the Agency Participant as a reserve until the next six-month period (or twelve-month period if then applicable under the Dissolution Law), as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to provide for the payment of the principal of, premium (if any) and interest due under the Agency Indenture when the next property tax allocation is projected to be insufficient to pay all obligations due under the Agency Indenture for the next payment due in the following six-month period (or twelve-month period if then applicable under the Dissolution Law).

Credits to Redevelopment Obligation Retirement Fund. The Agency Participant will agree under the Agency Indenture to credit all Tax Revenues withdrawn from the RPTTF by the County Auditor-Controller and remitted to the Agency Trustee for the payment of the Local Obligations to the Redevelopment Obligation Retirement Fund established pursuant to Section 34170.5 of the California Health and Safety Code.

Limited Obligations of the Agency Participant

The Local Obligations are not a debt of the County, the City of Long Beach, the State or any of its political subdivisions, and neither the City referenced in this Official Statement, the State nor any of its political subdivisions, other than the Agency Participant, is liable in any way for the Local Obligations. The principal of, premium (if any) and interest on the Local Obligations are payable solely from the Tax Revenues under, and to the extent described in, the Agency Indenture and the funds pledged therefor under the Agency Indenture, as applicable. The Local Obligations are limited obligations of the Agency Participant and the Project Areas payable solely from and secured by the Tax Revenues to be derived from the Project Areas, and from the amounts on deposit in certain funds as further described in Appendix A. Payment of the principal of, premium (if any) and interest on the Local Obligations is subordinate to payment of principal of, premium (if any) and interest on the Senior Bonds. The Agency Participant will covenant and agree under the Agency Indenture to not issue obligations with a lien on Tax Revenues on a basis senior to or on a parity with the lien of its Local Obligations (except for refunding bonds) in accordance with the Agency Indenture. The Local Obligations are issued pursuant to the Agency Indenture.

BOND INSURANCE

The scheduled payment of principal of and interest on the Insured Series 2015 Bonds (as shown on the inside cover pages herein) when due will be guaranteed pursuant to an insurance policy to be issued concurrently with the delivery of the Series 2015 Bonds by _____ (the "Policy"). The following disclosure has been provided by _____ as issuer of such Policy.

[TO COME]

LIMITATIONS ON TAX REVENUES

Property Tax and Spending Limitations

Article XIIIA of the California Constitution. Section 1(a) of Article XIIIA of the California Constitution limits the maximum *ad valorem* tax on real property to one percent of full cash value, to be collected by the counties and apportioned according to law. Section 2 of Article XIIIA defines "full cash value" to mean "the county assessor's valuation of real property as shown on the 1975/76 tax bill under full cash value or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or reduction in the consumer price index or comparable data for the area under taxing jurisdiction or reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation enacted by the California Legislature to implement Article XIIIA provides that notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except to pay debt service on indebtedness approved by the voters as described above.

In the general elections of 1986, 1988, and 1990, the voters of the State approved various measures which further amended Article XIIIA. One such amendment generally provides that the purchase or transfer of (i) real property between spouses or (ii) the principal residence and the first $1,000,000 of the full cash value of other real property between parents and children, do not constitute a "purchase" or "change of ownership" triggering reassessment under Article XIIIA. This amendment will reduce the tax increment of the Agency Participant. Other amendments permitted the Legislature to allow persons over 55 who sell their residence and on or after November 5, 1986, to buy or build another of equal or lesser value within two years in the same county, to transfer the old residence's assessed value to

the new residence, and permitted the Legislature to authorize each county under certain circumstances to adopt an ordinance making such transfers or assessed value applicable to situations in which the replacement dwelling purchased or constructed after November 8, 1988, is located within that county and the original property is located in another county within California.

In the June 1990 election, the voters of the State approved additional amendments to Article XIIIA permitting the State Legislature to extend the replacement dwelling provisions applicable to persons over 55 to severely disabled homeowners for replacement dwellings purchased or newly constructed on or after June 5, 1990, and to exclude from the definition of "new construction" triggering reassessment improvements to certain dwellings for the purpose of making the dwelling more accessible to severely disabled persons. In the November 1990 election, the voters approved the amendment of Article XIIIA to permit the State Legislature to exclude from the definition of "new construction" seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies constructed or installed in existing buildings after November 6, 1990.

Both the California Supreme Court and the United States Supreme Court have upheld the constitutionality of Article XIIIA.

Article XIIIB of the California Constitution. On November 6, 1979, California voters approved Proposition 4, the Gann Initiative, which added Article XIIIB to the California Constitution. The principal effect of Article XIIIB is to limit the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living, population and services rendered by the government entity.

Appropriations subject to Article XIIIB include generally the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds.

Effective September 30, 1980, the California Legislature added Section 33678 to the Law which provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness will not be deemed the receipt by the agency of proceeds of taxes levied by or on behalf of the agency within the meaning of Article XIIIB or any statutory provision enacted in implementation thereof, including Section 33678 of the Law. The constitutionality of Section 33678 has been upheld by the Second and Fourth District Courts of Appeal in two decisions: *Bell Community Redevelopment Agency v. Woosely* and *Brown v. Community Redevelopment Agency of the City of Santa Ana*. On the basis of these decisions, the Agency Participant has not adopted an appropriations limit.

Proposition 218. On November 5, 1996, the voters of the State approved Proposition 218, the "Right to Vote on Taxes Act." Proposition 218 added Articles XIIIC and XIIID to the State Constitution, which contain a number of provisions affecting the ability of the public agencies to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIIIC removes limitations on the initiative power in matters of local taxes, special taxes, assessments, fees and charges. While the matter is not free from doubt, it is likely that a court would hold that the initiative power cannot be used to reduce or repeal the levy of property taxes or to materially affect the collection and pledge of Tax Revenues.

The interpretation and application of the initiative provisions of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed above, and while it is not

possible at this time to predict with certainly the outcome of such determination, the Agency Participant does not believe that Proposition 218 will materially affect its ability to pay the principal of or interest on the Local Obligations.

Implementing Legislation

Legislation enacted by the California Legislature to implement Article XIIIA provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in Appendix A and in the Fiscal Consultant's Report appearing in Appendix B is shown at 100% of assessed value and all general tax rates reflect the $1.00 per $100 of taxable value. Tax rates for bond debt service and pension liability are also applied to 100% of assessed value.

Future assessed valuation growth allowed under Article XIIIA (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and school districts will share the growth of "base" revenue from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year. Neither the Authority nor the Agency Participant is able to predict the nature or magnitude of future revenue sources which may be provided by the State to replace lost property tax revenues. Article XIIIA effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Redevelopment Plan Limits

The Project Areas are subject to certain dates for the termination of the Redevelopment Plan or the deadline for the receipt of tax increment for the repayment of debt that may be relevant to the payment of debt service on the Series 2015 Bonds. The expiration date of the Redevelopment Plan is as described in Appendix A under the caption "THE REDEVELOPMENT PLAN – Financial Limitations." For purposes of the projections in the forepart of this Official Statement (with respect to debt service coverage) and in Appendix A and in the Fiscal Consultant's Report appearing in Appendix B, it is assumed that all Redevelopment Plan limits will be enforced.

There is a question on the applicability of tax increment limits as to time and amounts established under redevelopment plans after the adoption of AB 26 and AB 1484. Further, under AB 1484 and by application of the ROPS structure, a successor agency's receipt of revenues for purposes of interpretation of the project area plan limit is a matter of potential dispute. This is because while under the redevelopment plans and prior law, practitioners considered all revenues of a project area for purposes of interpretation of the project area plan limit, the current constraint on a successor agency's receipt of revenues limited by ROPS yields an odd result which may require clarifying legislation and one not considered by the Fiscal Consultant. The DOF, in a letter dated April 2, 2014, has expressed its view to certain Successor Agencies that tax increment limits are no longer applicable. However, each of these matters remains subject to further guidance from the DOF, legislation and interpretation by the courts. If the cumulative tax increment limit is deemed to no longer be applicable, covenants with respect to such limitations under the Agency Indenture will be terminated as inapplicable.

See "RISK FACTORS – State Budget" for a discussion of the Governor's proposal to eliminate plan limits.

Unitary Property

Assembly Bill 2890 (Statutes of 1986, Chapter 1457), which added Section 98.9 to the California Revenue and Taxation Code, provided that, commencing with the Fiscal Year 1988-89, assessed value derived from State-assessed unitary property (consisting mostly of operational property owned by utility companies) was to be allocated county-wide as follows: (i) each tax rate area will receive the same amount from each assessed utility received in the previous fiscal year unless the applicable county-wide values are insufficient to do so, in which case values will be allocated to each tax rate area on a pro rata basis; and (ii) if values to be allocated are greater than in the previous fiscal year, each tax rate area will receive a pro rata share of the increase from each assessed utility according to a specified formula. Additionally, the lien date on State-assessed property was changed from March 1 to January 1.

Assembly Bill 454 (Statutes of 1987, Chapter 921) further modified the distribution of tax revenues derived from property assessed by the State Board of Equalization. Chapter 921 provided for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in each county. Chapter 921 further provided for a new method of establishing tax rates on State-assessed property and distribution of property tax revenues derived from State-assessed property to taxing jurisdictions within each county as follows: for revenues generated from the 1% tax rate, each jurisdiction, including redevelopment project areas, will receive a percentage up to 102% of its prior year State-assessed unitary revenue; and if county-wide revenues generated for unitary property are greater than 102% of the previous year's unitary revenues, each jurisdiction will receive a percentage share of the excess unitary revenue generated from the application of the debt service tax rate to county-wide unitary taxable value, further, each jurisdiction will receive a percentage share of revenue based on the jurisdiction's annual debt service requirements and the percentage of property taxes received by each jurisdiction from unitary property taxes in accordance with a new formula. Railroads will continue to be assessed and revenues allocated to all tax rate areas where railroad property is sited.

The intent of Chapters 1457 and 921 was to provide redevelopment agencies with their appropriate share of revenue generated from the property assessed by the State Board of Equalization.

The Agency Participant has projected the amount of unitary revenues to be allocated for the fiscal year 2014-15 within the Project Areas. See Appendix A for such information. Neither the Authority nor the Agency Participant can predict the effect of any future litigation or settlement agreements on the amount of unitary tax revenues received or to be received nor the impact on unitary property tax revenues of any transfer of electrical transmission lines to tax-exempt agencies.

Assessed Value Appeals and Proposition 8 Adjustments

Pursuant to State law, property owners may apply for a reduction of their property tax assessment by filing a written appeal. After the applicant and the assessor have presented their arguments, the applicable local appeals board makes a final decision on the proper assessed value. The appeals board may rule in the assessor's favor, rule in the applicant's favor, or set its own opinion of the proper assessed value, which may be more or less than either the assessor's opinion or the applicant's opinion. Any reduction in the assessment ultimately granted applies to the year for which the application is made and may also affect the values in subsequent years. Refunds for taxpayer overpayment of property taxes may include refunds for overpayment of taxes in years after that which was appealed. Current year values may also be adjusted as a result of a successful appeal of prior year values. Any taxpayer payment of property taxes that is based on a value that is subsequently adjusted downward will require a refund for overpayment.

Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date. A base year assessment appeal has significant future revenue impacts because a reduced base year assessment will then reduce the compounded value of the property prospectively. Except for the two percent inflation factor, the value of the property cannot be increased until a change of ownership occurs or additional improvements are added.

Section 51 of the Revenue and Taxation Code permits a reduction (a "Proposition 8 Adjustment") in the assessed value if the full cash value of the property has been reduced by damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Reductions made under this code section may be initiated by the County Assessor or requested by the property owner. During the recent real estate market downturn which started in 2006 and appears to have ended in the past four years, the County Assessor's Office initiated proactive reviews of single family homes, condominiums, townhomes, multifamily and commercial and industrial properties, which result in Proposition 8 Adjustments for many properties in the County.

After a roll reduction is granted under this section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIIIA of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA.

The taxable value of unitary property may be contested by utility companies and railroads to the State Board of Equalization. Generally, the impact of utility appeals is on the statewide value of a utility determined by the State Board of Equalization. As a result, the successful appeal of a utility may not impact the taxable value of a project area but could impact a project area's allocation of unitary property tax revenues.

Any assessment appeal that is pending or which may be filed in the future, if successful, will result in a reduction of the assessed value of the subject property. A reduction of assessed valuation due to appeals, if significant, and the resulting property tax refunds could adversely impact the amount of Tax Revenues available to pay debt. See additional discussion on assessment appeals in Appendix A and in the Fiscal Consultant's Report appearing in Appendix B.

Additional Limitation on Tax Revenues

On November 8, 1988 the voters of the State approved Proposition 87, which amended Article XVI, Section 16 of the California Constitution to provide that property tax revenue attributable to the imposition of taxes on property within a redevelopment project area for the purpose of paying debt service on bonded indebtedness approved by the voters of the taxing entity after January 1, 1989 will be allocated to the taxing entity and not to the redevelopment agency. The Agency Participant does not project the receipt of any tax increment revenues as a result of general obligation bonds which may be approved on or after January 1, 1989.

RISK FACTORS

The following factors, along with all other information in this Official Statement, should be considered by potential investors in evaluating the Series 2015 Bonds and the credit quality of the Local Obligations. The following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Series 2015 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks. For a discussion of certain matters that will or could cause reductions in the Tax Revenues available in future years, see "LIMITATIONS ON TAX REVENUES" in the forepart of this Official Statement. See also "SPECIAL RISK FACTORS" in Appendix A for a discussion of additional risk factors specific to the Agency Participant and the Project Areas.

Limited Special Obligations

The Series 2015 Bonds will be special obligations of the Authority, payable from and secured as to the payment of the principal, redemption premium (if any) and interest thereon in accordance with their terms and the terms of the Trust Agreement, solely from the Trust Estate, which will consist primarily of principal and interest payments on the Local Obligations to be purchased by the Authority under the Trust Agreement and to be owned by the Authority as set forth in the Agency Indenture. The Series 2015 Bonds shall not constitute a charge against the general credit of the Authority or any of its members, and under no circumstances shall the Authority be obligated to pay principal of, premium (if any) and interest on any Series of Series 2015 Bonds except from the Trust Estate. Neither the State nor any public agency (other than the Authority) nor any member of the Authority is obligated to pay the principal of, premium (if any) and interest on the Series 2015 Bonds, and neither the faith and credit nor the taxing power of the State or any public agency thereof or any member of the Authority is pledged to the payment of the principal of, premium (if any) and interest on the Series 2015 Bonds. The payment of the principal of, premium (if any) and interest on the Series 2015 Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Authority) or any member of the Authority.

Risks of Real Estate Secured Investments Generally

The Owners and Beneficial Owners of the Series 2015 Bonds will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (a) adverse changes in local market conditions, such as changes in the market value of real property within and in the vicinity of the Project Areas, the supply of or demand for competitive properties in the Project Areas, and the market value of competitive properties in the event of sale or foreclosure, (b) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies, and (c) natural disasters (including, without limitation, earthquakes, fires, droughts and floods), which may result in uninsured losses.

Tax Revenues

Tax Revenues, which secure the Local Obligations, are determined by the incremental assessed value of taxable property in the Project Areas, the current rate or rates at which property in the Project Areas is taxed, and the percentage of taxes collected in the Project Areas. Several types of events which are beyond the control of the Agency Participant could occur and cause a reduction in available Tax Revenues and, potentially, Revenues under the Trust Agreement. A reduction of taxable values of property in the Project Areas or a reduction of the rate of increase in taxable values of property in the Project Areas caused by economic or other factors beyond the Agency Participant's control (such as a relocation out of the Project Areas by one or more major property owners, successful appeals by property

owners for a reduction in a property's assessed value, a reduction in the rate of transfers of property, construction activity or other events that permit reassessment of property at lower values, or the destruction of property caused by natural or other disasters, including earthquakes) could occur, thereby causing a reduction in Tax Revenues and, potentially, Revenues under the Trust Agreement. This risk increases in proportion to the percent of total assessed value attributable to any single assessee in the Project Areas and in relation to the concentration of property in the Project Areas in terms of size or land use. Several of the Project Areas have a large concentration of ownership among the largest property taxpayers. See "THE PROJECT AREAS – General" and "SPECIAL RISK FACTORS – Concentration of Ownership" in Appendix A.

Any reduction in the tax rate applicable to property in the Project Areas, by reason of discontinuance of certain override tax levies in excess of the 1% basic levy, will reduce the Tax Revenues and, potentially, Revenues under the Trust Agreement. The tax rates which are applied to incremental taxable values consist of two components: the General Tax Rate of $1.00 per $100 of taxable values and the Override Tax Rate which is levied to pay voter approved indebtedness. The basic levy tax rate may not exceed 1% ($1.00 of $100 taxable value) in accordance with Article XIIIA. An amendment to the Constitution prohibits redevelopment agencies from receiving taxes generated by new Override Tax Rates, which are reflective of debt approved after December 31, 1988. As mentioned in the Fiscal Consultant's Report, many issues involved in the dissolution of redevelopment agencies have yet to be resolved including the continuation of plan limits, override revenues and the treatment of ERAF. Additionally approximately 100 lawsuits have been filed on various aspects of AB 26 and AB 1484 which could impact the dissolution of redevelopment agencies. The projections herein could be impacted as a result of future court decisions.

The Fiscal Consultant has based certain projections herein on assumptions with regard to the Project Areas, including growth in assessed values and tax increment revenue growth. These projections assume that assessed value will increase by 1% in fiscal year 2015-16 and 2% thereafter. A 2% growth rate is the maximum inflationary growth rate permitted by law. For summary information regarding such projections and projected growth rate of the Agency Participant, see Appendix A under the caption "THE PROJECT AREAS" and the Fiscal Consultant's Report appearing in Appendix B. There can be no assurance, however that assessed values will increase as projected, if at all.

Any reduction in assessed value in the Project Areas, reduction in tax rates or reduction in taxes collected would reduce the Tax Revenues available to pay debt service on the Local Obligations. See "RISK FACTORS" and "LIMITATIONS ON TAX REVENUES – Property Tax Administrative Costs." See also Appendix A under the caption "THE PROJECT AREA" hereto for a summary of historical assessed valuation of property in the project area, current assessment appeals and historical delinquencies.

Successor Agency Powers and Resources Are Limited

Each Successor Agency was created pursuant to the Dissolution Act to wind down the affairs of a Former RDA. Its powers are limited to those granted under the Dissolution Act. It has no power to levy and collect property taxes. It does not have any legal authority to participate in redevelopment activities, except to complete work related to enforceable obligations, as defined in the Dissolution Act. Many Successor Agency actions are subject to the review or the directions of its Oversight Board and the DOF and, in some cases, the County Auditor-Controller and the State Controller. California Health and Safety Code Section 34173(e) states that that the liability of the Successor Agency, acting pursuant to the powers granted under the Dissolution Act, is limited to the extent of the total sum of property tax revenues it receives pursuant to the Dissolution Act and the value of assets transferred to it as a Successor Agency for the Former RDA.

Prior to dissolution, each Former RDA retained funds on hand, accumulated from prior years, that were available for use if short-term cash flow issues arose. In the event of a delay in the receipt of tax increment in any given year, such Former RDA could (though it was not obligated to) use such other available funds to make payments on debt obligations when due. Under the Dissolution Act, a Successor Agency is required to seek prior approval from its Oversight Board (and, therefore, the DOF because all Oversight Board actions are subject to DOF's review) in order to pay an enforceable obligation from a source of funds that is different than the one identified on the ROPS. As the result of procedures already completed under the Dissolution Act, such as the due diligence reviews (see "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2015 BONDS – Due Diligence Reviews"), the Successor Agency virtually has no alternative resources available to make payment on enforceable obligations if there is a significant delay with respect to scheduled RPTTF disbursements or if the amount from RPTTF disbursements is not sufficient for the required payment on the enforceable obligations.

The Dissolution Act expressly provides that a Former RDA's original sponsoring city and the Successor Agency are separate public entities. The liabilities of the Former RDA are not transferred to any respective Former RDA's original sponsoring city by the virtue of its election to serve as the Successor Agency. The liabilities of the Successor Agency are not the liabilities of the Former RDA's original sponsoring city.

Limited Application of Tax Revenues in Project Areas

Debt service payable on the Series 2015 Bonds has been calculated based on the assumption that the Agency Participant and the Project Areas will generate sufficient Tax Revenues to timely pay debt service on the Local Obligations with respect to the Project Areas and that the aggregate of the debt service on all Local Obligations will be available in an amount sufficient to timely pay debt service on the Series 2015 Bonds. Accordingly, if there should be a substantial decline in the amount of Tax Revenues available with respect to the Agency Participant or the Project Areas causing a default in the payment of the Local Obligations, and should the debt service reserve account established for the Local Obligations become depleted as a result of such default or defaults in the payment of the Local Obligations, the Authority may be unable to pay debt service on the Series 2015 Bonds.

Change in Law

In addition to the other limitations on Tax Revenues, the California electorate or Legislature could adopt a constitutional or legislative property tax decrease with the effect of reducing Tax Revenues payable to the Agency Participant. There is no assurance that the California electorate or Legislature will not at some future time approve additional limitations that could reduce the Tax Revenues and adversely affect the security of the Local Obligations.

Reduction in Inflationary Rate

As described in greater detail below, Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. See "LIMITATIONS ON TAX REVENUES" for a discussion of how this measure or other initiative measures adopted by the California electorate could reduce Tax Revenues and, potentially, Revenues under the Trust Agreement.

Levy and Collection

The Agency Participant has no independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Tax Revenues, and accordingly, could have an adverse impact on the ability of the Agency Participant to pay debt service on the Local Obligations. Likewise, the County has not implemented a Teeter Plan with respect to the collection and distribution of taxes and delinquencies in the payment of property taxes could have an adverse effect on the Agency Participant's ability to make timely debt service payments. See "Property Tax Collection Procedures" below.

Property Tax Collection Procedures

In California, property which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." The "secured roll" is that part of the assessment roll containing state-assessed public utilities' property and property the taxes on which are a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured properties are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. Collections are the responsibility of the County Treasurer and Tax Collector.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition property on the secured roll with respect to which taxes are due is delinquent on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector.

Historically, property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB 813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB 813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A ten percent (10%) penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer, (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (3) filing a certificate of delinquency for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

The County has not implemented a Teeter Plan with respect to the collection and distribution of taxes. See Appendix A under the caption "THE PROJECT AREAS" hereto for a summary of historical assessed valuation of property in the Project Areas, current assessment appeals and historical delinquencies.

Natural Disasters; Seismic Hazards

Natural disasters, including floods and earthquakes, could damage improvements and/or property in the Project Areas, or impair the ability of landowners within the Project Areas to further develop their properties or to pay property taxes.

There are several identified faults within close proximity to or within the boundaries of the Project Areas, including the Southern Segment of the San Andreas Fault that could potentially result in damage to buildings, roads, bridges, and property within the Project Areas in the event of an earthquake. For summary information regarding natural disasters and seismic hazards concerning the Project Areas, see Appendix A under the caption "SPECIAL RISK FACTORS – Natural Disasters; Seismic Hazards." If an earthquake or other natural disaster were to substantially damage or destroy taxable property within the Project Areas, the assessed valuation of such property would be reduced. Such a reduction of assessed valuations could result in a reduction of the Tax Revenues that secure the Local Obligations.

Hazardous Substances

An environmental condition that may result in the reduction in the assessed value of parcels would be the discovery of hazardous substances that would limit the beneficial use of a property within the Project Areas. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act" is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Areas be affected by a hazardous substance, would be to reduce the marketability and value of the property by the costs of remedying the condition, since the purchaser, upon becoming an owner, will become obligated to remedy the condition just as is the seller.

Assessment Appeals

Property taxable values may be reduced as a result of a successful appeal of the taxable value determined by the County Assessor. An appeal may result in a reduction to the Assessor's original taxable value and a tax refund to the applicant property owner. A reduction in taxable values within the Project Areas and the refund of taxes which may arise out of successful appeals by property owners will affect the amount of Tax Revenues, and, potentially, Revenues. The Agency Participant has in the past experienced reductions in Tax Revenues as a result of assessment appeals. The actual impact to tax increment is dependent upon the actual revised value of assessments resulting from values determined by the County Assessment Appeals Board or through litigation and the ultimate timing of successful appeals. See "THE PROJECT AREAS – Assessment Appeals" in Appendix A for a discussion of historical assessment appeals in the Project Areas.

Litigation

Certain litigation may affect the distribution of property tax revenues or other monies to the Agency Participant, which may affect the amounts available to pay debt service on the Series 2015 Bonds. See "LITIGATION" and APPENDIX A – "SUCCESSOR AGENCY TO THE LONG BEACH REDEVELOPMENT AGENCY – LITIGATION" herein.

Economic Risks

The Agency Participant's ability to make payments on the Local Obligations will be partially dependent upon the economic strength of the Project Areas. If there is a decline in the general economy of the Project Areas, the owners of property may be less able or less willing to make timely payments of property taxes causing a delay or stoppage of tax increment revenues. In the event of decreased values, Tax Revenues and, potentially, Revenues may decline as a result.

State Budget

AB 26 and AB 1484 were enacted by the State Legislature and Governor as trailer bills necessary to implement provisions of the State's budget acts for its fiscal years 2011-12 and 2012-13, respectively, as efforts to address structural deficits in the State general fund budget. In general terms, these bills implemented a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (then projected savings of $1.5 billion). There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or tax increment revenues, including Tax Revenues.

On June 20, 2014, the Governor signed into law the State budget for fiscal year 2014-15 (the "2014-15 Budget"). The following information is drawn from the State Department of Finance's summary of the 2014-15 Budget. The 2014-15 Budget is based on revenue projections previously included in the Governor's May revision to the proposed budget for fiscal year 2014-15. For fiscal year 2013-14, the 2014-15 Budget projects total State general fund revenues of $102.2 billion, and total State general fund expenditures of $100.7 billion. The 2014-15 Budget projects that the State will end the 2013-14 fiscal year with a $2.9 billion general fund surplus. For fiscal year 2014-15, the 2014-15 Budget projects total State general fund revenues of $109.4 billion and total State general fund expenditures of $108 billion, leaving the State with a projected general fund surplus for fiscal year 2014-15 of approximately $2.1 billion. This projected reserve is a combination of $449 million in the State's general fund traditional reserve, and an authorized deposit of $1.6 billion into the Budget Stabilization Account established by the California Balanced Budget Act of 2004 (also known as Proposition 58).

On January 9, 2015, the Governor announced his proposed budget for fiscal year 2015-16 (the "Proposed Budget"). As part of the Proposed Budget, the Governor has proposed legislation that would:

(i) Transition all successor agencies from a biannual ROPS process to an annual ROPS process beginning January 1, 2016 when the successor agencies transition to a countywide oversight board.

(ii) Establish a "Last and Final" ROPS process beginning September 2015. The Last and Final ROPS will be available only to successor agencies that have a Finding of Completion, are in agreement with the Department of Finance on what items qualify for payment, and meet other specified conditions. If approved by the Department of

Finance, the Last and Final ROPS will be binding on all parties and the successor agency will no longer submit a ROPS to the Department of Finance or the oversight board. The county auditor-controller will remit the authorized funds to the successor agency in accordance with the approved Last and Final ROPS until each remaining enforceable obligation has been fully paid.

(iii) Clarify that former tax increment caps and plan limits do not apply for the purposes of paying approved enforceable obligations.

The full text of each Assembly Bill cited above may be obtained from the "Official California Legislative Information" website maintained by the Legislative Counsel of the State of California pursuant to State law, at the following web link: http://www.leginfo.ca.gov/bilinfo.html. Information about the State budget and State spending is available at various State maintained websites. Text of the 2014-15 Budget, the Proposed Budget and other documents related to the State budget may be found at the website of the State Department of Finance, www.dof.ca.gov. A nonpartisan analysis of the budget is posted by the Legislative Analyst's Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, www.treasurer.ca.gov.

None of the websites or webpages referenced above is in any way incorporated into this Official Statement. They are cited for informational purposes only. Neither the Authority nor the Agency Participant can make any representation whatsoever as to the accuracy or completeness of any of the information on such websites.

Certain litigation is challenging some of the terms of the Dissolution Act, and it is anticipated that there will be additional future legislation in this area. The Agency Participant cannot predict what measures may be proposed or implemented for the current fiscal year or in the future.

Direct and Overlapping Indebtedness

The ability of land owners within the Project Areas to pay property tax installments as they come due could be affected by the existence of other taxes and assessments, imposed upon the land. In addition, other public agencies whose boundaries overlap those of the Project Areas could, without consent of the Agency Participant, and in certain cases without the consent of the owners of the land within the Project Areas, impose additional taxes or assessment liens on the property to finance public improvements. See "Bankruptcy and Foreclosure" below.

Bankruptcy and Foreclosure

The payment of property taxes by owners may be limited by bankruptcy, insolvency, or other laws generally affecting creditor's rights or by the laws of the State relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the issuance of the Series 2015 Bonds (including Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although bankruptcy proceedings would not cause the property tax obligation of a landowner to become extinguished, such bankruptcy could result in a delay in collection of Tax Revenues, and would increase the likelihood of a delay or default in payment of the principal of and interest on the Local Obligations.

Future Legislation and Initiatives

Article XIIIA, Article XIIIB and Proposition 218 were each adopted as measures that qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the Agency Participant or the Agency Participant's ability to expend revenues. In addition, there are currently a number of proposed legislative changes to the Dissolution Act which, if adopted, would also affect revenues of the Agency Participant or the Agency Participant's ability to expend revenues. The nature and impact of these measures cannot currently be anticipated.

TAX MATTERS

Series 2015A Bonds

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2015A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Series 2015A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that interest on the Series 2015A Bonds is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX E – "FORM OF OPINIONS OF BOND COUNSEL."

To the extent the issue price of any maturity of the Series 2015A Bonds is less than the amount to be paid at maturity of such Series 2015A Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2015A Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2015A Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2015A Bonds is the first price at which a substantial amount of such maturity of the Series 2015A Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2015A Bonds accrues daily over the term to maturity of such Series 2015A Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2015A Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2015A Bonds. Beneficial Owners of the Series 2015A Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2015A Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2015A Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2015A Bonds is sold to the public.

Series 2015A Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of

amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2015A Bonds. The Authority and the Agency Participant have each made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2015A Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2015A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2015A Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2015A Bonds may adversely affect the value of, or the tax status of interest on, the Series 2015A Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Series 2015A Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2015A Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2015A Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, Representative Dave Camp, Chair of the House Ways and Means Committee released draft legislation that would subject interest on the Series 2015A Bonds to a federal income tax at an effective rate of 10% or more for individuals, trusts, and estates in the highest tax bracket, and the Obama Administration proposed legislation that would limit the exclusion from gross income of interest on the Series 2015A Bonds to some extent for high income individuals. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2015A Bonds. Prospective purchasers of the Series 2015A Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2015A Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Authority, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Series 2015A Bonds ends with the issuance of the Series 2015A Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Authority or the Beneficial Owners regarding the tax-exempt status of the Series 2015A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Authority and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Authority legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2015A Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2015A Bonds, and may cause the Authority or Beneficial Owners to incur significant expense.

Series 2015B Bonds

The following discussion summarizes certain U.S. federal tax considerations generally applicable to holders of the Series 2015B Bonds that acquire their Series 2015B Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with all U.S. federal income tax considerations applicable to categories of investors some of which may be subject to special taxing rules (regardless of whether or not such persons constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Series 2015B Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose "functional currency" is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences or (ii) the indirect effects on persons who hold equity interests in a holder. In addition, this summary generally is limited to investors that acquire their Series 2015B Bonds pursuant to this offering for the issue price that is applicable to such Series 2015B Bonds (i.e., the price at which a substantial amount of the Series 2015B Bonds are sold to the public) and who will hold their Series 2015B Bonds as "capital assets" within the meaning of Section 1221 of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Series 2015B Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). As used herein, "Non-U.S. Holder" generally means a beneficial owner of a Series 2015B Bond (other than a partnership) that is not a U.S. Holder. If a partnership holds Series 2015B Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Series 2015B Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Series 2015B Bonds (including their status as U.S. Holders or Non-U.S. Holders).

U.S. Holders

Interest. In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions and assuming compliance with certain covenants, interest on the Series 2015B Bonds is exempt from State of California personal income taxes. Interest on the Series 2015B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or amount, accrual or receipt of interest on, the Series 2015B Bonds. A complete copy of the proposed form of opinion is set forth in APPENDIX E – "FORM OF OPINIONS OF BOND COUNSEL."

Stated interest on the Series 2015B Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. Federal income tax purposes.

The Series 2015B Bonds are not expected to be treated as issued with original issue discount ("OID") for U.S. federal income tax purposes because the stated redemption price at maturity of the Series 2015B Bonds is not expected to exceed their issue price, or because any such excess is expected to only be a *de minimis* amount (as determined for tax purposes).

Disposition of the Series 2015B Bonds. Unless a non-recognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition of a Series 2015B Bond, will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Series 2015B Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Series 2015B Bond) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Series 2015B Bond (generally, the purchase price paid by the Series 2015B Bond decreased by any amortized premium). Any such gain or loss generally will be capital gain or loss. In the case of a noncorporate U.S. Holder of the Series 2015B Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Series 2015B Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Tax on Net Investment Income. Certain non-corporate U.S. Holders of Series 2015B Bonds will be subject to a 3.8% tax on the lesser of (1) the U.S. Holder's "net investment income" (in the case of individuals) or "undistributed net investment income" (in the case of estates and certain trusts) for the relevant taxable year and (2) the excess of the U.S. Holder's "modified adjusted gross income" (in the case of individuals) or "adjusted gross income" (in the case of estates and certain trusts) for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual's circumstances). A U.S. Holder's calculation of net investment income generally will include its interest income on the Series 2015B Bonds and its net gains from the disposition of the Series 2015B Bonds, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. Holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of this tax to your income and gains in respect of your investment in the Series 2015B Bonds.

Information Reporting and Backup Withholding. Payments on the Series 2015B Bonds generally will be subject to U.S. information reporting and "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Series 2015B Bonds may be subject to backup withholding at the current rate of 28% with respect to "reportable

payments," which include interest paid on the Series 2015B Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2015B Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) there has been a failure of the payee to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS.

Non-U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," payments of principal of, and interest on, any Series 2015B Bond to a Non-U.S. Holder, other than (1) a controlled foreign corporation, as such term is defined in the Code, which is related to the Authority through stock ownership and (2) a bank which acquires such Series 2015B Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. withholding tax provided that the beneficial owner of the Series 2015B Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Series 2015B Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," any gain realized by a Non-U.S. Holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition of a Series 2015B Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. Holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the Authority) or other disposition and certain other conditions are met.

U.S. Federal Estate Tax. A Series 2015B Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that at the time of such individual's death, payments of interest with respect to such Series 2015B Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "FATCA," under current U.S. Treasury Regulations, payment of principal and interest on any Series 2015B Bonds to a holder that is not a United States person will not be subject to any backup withholding tax requirements if the beneficial owner of the Series 2015B Bond or a financial institution holding the Series 2015B Bond on behalf of the beneficial owner in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a beneficial owner provides the certification, the certification must give the name and address of such owner, state that such owner is not a United States person, or, in the case of an individual, that such owner is neither a citizen nor a resident of the United States, and the owner must sign the certificate under penalties of perjury. If a financial institution, other than a financial institution that is a qualified intermediary, provides the certification, the certification must state that the financial institution has received from the beneficial owner the certification set forth in the preceding sentence, set forth the information contained in such certification, and include a copy of such certification, and an

authorized representative of the financial institution must sign the certificate under penalties of perjury. A financial institution generally will not be required to furnish to the IRS the names of the beneficial owners of the Series 2015B Bonds that are not United States persons and copies of such owners' certifications where the financial institution is a qualified intermediary that has entered into a withholding agreement with the IRS pursuant to applicable U.S. Treasury Regulations.

In the case of payments to a foreign partnership, foreign simple trust or foreign grantor trust, other than payments to a foreign partnership, foreign simple trust or foreign grantor trust that qualifies as a withholding foreign partnership or a withholding foreign trust within the meaning of applicable U.S. Treasury Regulations and payments to a foreign partnership, foreign simple trust or foreign grantor trust that are effectively connected with the conduct of a trade or business within the United States, the partners of the foreign partnership, the beneficiaries of the foreign simple trust or the persons treated as the owners of the foreign grantor trust, as the case may be, will be required to provide the certification discussed above in order to establish an exemption from withholding and backup withholding tax requirements. The current backup withholding tax rate is 28%.

In addition, if the foreign office of a foreign "broker," as defined in applicable U.S. Treasury regulations pays the proceeds of the sale of a Series 2015B Bond to the seller of the Series 2015B Bond, backup withholding and information reporting requirements will not apply to such payments provided that such broker derives less than 50% of its gross income for certain specified periods from the conduct of a trade or business within the United States, is not a controlled foreign corporation, as such term is defined in the Code, and is not a foreign partnership (1) one or more of the partners of which, at any time during its tax year, are U.S. persons (as defined in U.S. Treasury Regulations Section 1.1441-1(c)(2)) or (2) which, at any time during its tax year, is engaged in the conduct of a trade or business within the United States. Moreover, the payment by a foreign office of other brokers of the proceeds of the sale of a Series 2015B Bond will not be subject to backup withholding unless the payer has actual knowledge that the payee is a U.S. person. Principal and interest so paid by the U.S. office of a custodian, nominee or agent, or the payment by the U.S. Office of a broker of the proceeds of a sale of a Series 2015B Bond, is subject to backup withholding requirements unless the beneficial owner provides the nominee, custodian, agent or broker with an appropriate certification as to its non-U.S. status under penalties of perjury or otherwise establishes an exemption.

FATCA. Sections 1471 through 1474 of the Code, impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of U.S. source interest (including OID) and sales proceeds of debt obligations held by or through a foreign entity. Withholding under FATCA generally will apply to (i) payments of U.S. source interest (including OID) made after June 30, 2014, (ii) gross proceeds from the sale, exchange or retirement of debt obligations paid after December 31, 2016 and (iii) certain foreign "pass-thru" payments no earlier than January 1, 2017, but exempt from withholding any payments made on and proceeds realized from the disposition of obligations that are outstanding on July 1, 2014 and are not substantially modified after that date, which exemption should exclude the Series 2015B Bonds from the withholding provisions of FATCA.

Prospective investors should nonetheless consult their own tax advisors regarding FATCA and its effect on them.

Circular 230

Under 31 C.F.R. part 10, the regulations governing practice before the IRS (Circular 230), the Authority and its tax advisors are (or may be) required to inform prospective investors that:

i. any advice contained herein is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer;

ii. any such advice is written to support the promotion or marketing of the Series 2015B Bonds and the transactions described herein; and

iii. each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

CONTINUING DISCLOSURE

In accordance with the Continuing Disclosure Agreement to be delivered concurrently with the delivery of the Series 2015 Bonds, the Agency Participant will covenant and agree for the benefit of Owners of the Series 2015 Bonds, with assistance from the Authority, to provide certain financial information and operating data relating to the Agency Participant by not later than 180 days after the end of the Agency Participant's fiscal year (presently September 30), in each year commencing with its report for the 2014-15 fiscal year (each an "Annual Report"). The Authority has also agreed to assist in providing notices of the occurrence of certain enumerated events on behalf of the Agency Participant. Such Annual Report and notices will be filed by the Agency Participant or the Authority, on behalf of the Agency Participant, with the MSRB through EMMA.

The Authority has agreed to assist the Agency Participant in the preparation of annual updates of the information contained in the tables included in this Official Statement with respect to property tax revenues, collections, principal taxpayers, and, if applicable, plan limit calculations, and has agreed to assist in filing notices of enumerated events. The Authority will act as Dissemination Agent and, unless otherwise filed by the Agency Participant, will file the Annual Reports, including audited financial statements, and notices with the MSRB through EMMA. In carrying out the duties of Dissemination Agent, the Authority will adhere to the continuing disclosure procedures approved by the County Treasurer and Tax Collector found at the Los Angeles County Treasurer and Tax Collector website (http://ttc.lacounty.gov/Proptax/Investor_Info.asp). The information contained in such website is not incorporated into this Official Statement.

These covenants have been made in order to assist the Underwriters in complying with Securities Exchange Commission Rule 15c2-12(b)(5) ("Rule 15c2-12"). The specific nature of the information to be contained in the Annual Report and the notices of enumerated events are set forth in APPENDIX G – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

The compliance of the Agency Participant is described in Appendix A in the introductory section under the caption "Continuing Disclosure" and includes incomplete and or delinquent compliance. The Agency Participant has brought itself current with respect to its past failures to timely file. [CONFIRM]

CERTAIN LEGAL MATTERS

The validity of the Series 2015 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority. Bond Counsel, as such, has not undertaken any responsibility for the accuracy, completeness or fairness of this Official Statement. A complete copy of the proposed form of opinion of Bond Counsel is contained in APPENDIX E – "FORM OF OPINIONS OF BOND COUNSEL" attached hereto. Certain legal matters will be passed upon for the Authority by County Counsel as Counsel to the Authority. Certain legal matters will be passed upon for the Agency Participant by designated general counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California.

FINANCIAL STATEMENTS

Audited annual financial statements for the City of Long Beach for the fiscal year ended June 30, 2014, were prepared by Simpson and Simpson, Certified Public Accountants. Excerpts of the Agency Participant's audited annual financial statements for the fiscal year ended June 30, 2014, are attached hereto as Appendix C. The Agency Participant has not requested, and the auditor has not provided, any update or review of such audited financial statements in connection with the inclusion thereof in Appendix C to this Official Statement.

FINANCIAL ADVISOR

KNN Public Finance, a division of Zions First National Bank, Oakland California (the "Financial Advisor") is serving as financial advisor to the Authority in connection with the execution and delivery of the Series 2015 Bonds. The Financial Advisor has not independently verified any of the data contained in this Official Statement or conducted a detailed investigation of the affairs of the Authority or the Agency Participant to determine the accuracy or completeness of this Official Statement. The Financial Advisor assumes no responsibility for the accuracy or completeness of any of the information contained in this Official Statement.

VERIFICATION OF MATHEMATICAL ACCURACY

Grant Thornton LLP, independent accountants, upon delivery of the Series 2015 Bonds, will deliver a report on the mathematical accuracy of certain computations, contained in schedules prepared by the Underwriters, relating to the sufficiency of moneys and securities deposited into the Redemption Accounts to pay, when due, the principal, whether at maturity or upon prior prepayment, interest and redemption premium requirements of the Refunded Bonds.

The report of Grant Thornton LLP will include the statement that the scope of its engagement is limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it, and that it has no obligation to update its report because of events occurring, or data or information coming to its attention, subsequent to the date of its report.

LITIGATION

To the best knowledge of the Authority, there is no litigation pending (where service of process has been completed on the Authority) or threatened against the County or the Authority concerning the validity of the Series 2015 Bonds or challenging any action taken by the Authority in connection with the authorization of the Trust Agreement, the Bond Purchase Agreement, Local Obligations Purchase

Contract or any other document relating to the Series 2015 Bonds to which the Authority is or is to become a party or the performance by the Authority of any of its obligations under any of the foregoing.

There is no action, suit or proceeding pending or, to the knowledge of any of the Agency Participant, threatened, restraining or enjoining the execution or delivery of the Local Obligations or Agency Indenture, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Agency Participant, its Oversight Board, or the City of Long Beach taken with respect to any of the foregoing. The Agency Participant is a defendant in actions for writs of mandamus, injunctive relief and related fees, and for alleged damages to persons and/or property and for other alleged liabilities arising out of matters usually incident to the operation of a former redevelopment agency (now a successor agency). However, the Agency Participant does not expect such pending or threatened litigation to result in a material adverse impact on the ability of the Agency Participant to make timely payments of debt service on its Local Obligations. See Appendix A under the caption "LITIGATION." The lawsuits described below relate to issues that may affect the distribution of property tax revenues or other monies to the Agency Participant under the Dissolution Act.

Prior to adoption of the Dissolution Act in 2011, redevelopment agencies were responsible for remitting the statutory pass-through payments to taxing agencies based on the allocation of moneys as provided by county auditor-controllers. Although the redevelopment agencies relied upon allocations provided by the County auditor controller, the redevelopment agencies were legally responsible for paying each taxing agency its allocated share. Following the adoption of the Dissolution Act, county auditor-controllers administer the allocation and payment of statutory pass-throughs directly.

In 2007, the Los Angeles Unified School District ("LAUSD") filed a lawsuit against the County and various cities, special districts and redevelopment agencies in the County, including the Agency Participant, alleging that the County Auditor-Controller and local redevelopment agencies improperly allocated and paid to cities, counties, and special districts an illegally inflated share of local property tax revenue. This lawsuit involves the method the County uses to calculate the allocation of Statutory Pass-Through Amounts among taxing agencies and does not challenge the total amount or calculation of the Statutory Pass-Through Amounts owed by redevelopment agencies.

In January 2011, the Los Angeles Community College District ("LACCD") filed a similar lawsuit against the County and various cities, special districts and redevelopment agencies in the County based on the same grounds. The court in the LACCD case determined the matter to be related to the LAUSD case and therefore the case has been placed on hold pending final resolution of LAUSD matter.

The trial court in the LAUSD litigation rendered judgment in favor of the County, cities, special districts and redevelopment agencies and, after the appellate court reversed such judgment and remanded the case back to the trial court, the trial court issued a statement of decision in favor of LAUSD on January 27, 2012, ruling that the amount of pass-through received by the County, cities and special districts had been illegally inflated, and requiring the respondents to file a return on the writ explaining how they would comply with the court's order to return the improperly withheld funds to LAUSD. LAUSD appealed on September 7, 2012 to a portion of the court's statement of decision, specifically challenging the court's determination that while ERAF revenue received by schools is to be factored when calculating their pass-through shares, the ERAF revenue they are credited with shall not include amounts diverted under Revenue & Taxation Code sections 97.68 (the "Triple Flip") and 97.70 (the "VLF Swap") since their respective enactment in 2004. The appellate court agreed with LAUSD, reversed the trial court's ruling concluding that: "The property tax revenue that LAUSD received from the ERAF's should be deemed to include its share of the ERAF revenue that was diverted by the Triple Flip and the VLF Swap legislation, thus avoiding either a decrease in LAUSD's pass-through payment allocation, or an increase in a city or county's pass-through payment allocation." The appellate court remanded to the

trial court on June 26, 2013. The County appealed, and the State Supreme Court denied the County's petition for review on this matter on October 2, 2013.

The County, LAUSD and other parties to the litigation are currently negotiating a methodology pursuant to which the Statutory Pass-Through Amounts could be allocated consistent with the appellate court decision. The County believes that a resolution with an approved calculation methodology is close to completion. LAUSD has sought return of Pass-Through Amounts to which it was entitled since 2004 in addition to correcting the allocation of pass-throughs in the future. LACCD, in its lawsuit, has sought the return of Pass-Through Amounts to which it was entitled from fiscal year 2007-08 through January 31, 2012. As discussed above, prior to the enactment of the Dissolution Act in 2011, redevelopment agencies were responsible for the payment of the Statutory Pass-Through Amounts based on allocations provided by county auditor-controllers. It is likely that the trial court could seek repayment of past due sums from the County, cities and special districts and/or from the redevelopment agencies who paid the wrong Statutory Pass-Through Amounts to the taxing agencies. The County and the school districts are also exploring the best way for the cities, special districts and former redevelopment agencies to repay the schools which filed these lawsuits. Additionally the trial court has determined that interest is owed on any past due amounts. It is unclear what liability, if any, the Agency Participant may have to LAUSD at this time or to other school districts within its boundaries. The next status conference is set for March 16, 2015.

If the Agency Participant is found liable, under the Dissolution Act, it is unclear whether any amounts owed by the Agency Participant as a result of the LAUSD case would be senior or subordinate to the payment of debt service on the Local Obligations. Notwithstanding the foregoing, due to the amount of residual tax increment revenues generated from the Project Area, neither of the Authority nor the Agency Participant expect the final judgment or similar resolution of either litigation to result in a material adverse impact on the ability of the Agency Participant to make timely payments of debt service on the Local Obligations when due. See Appendix A under the caption "THE PROJECT AREAS – Estimated Debt Service Coverage."

With respect to California successor agencies and the Dissolution Act in general, on August 1, 2012, Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "Syncora") filed a lawsuit against the State, the State Controller, the State Director of Finance, and the Auditor-Controller of San Bernardino County on his own behalf and as the representative of all other county auditors in the State (Superior Court of the State of California, County of Sacramento, Case No. 34-2012-80001215) (the "Syncora Lawsuit") challenging the terms of the Dissolution Act. Syncora are monoline financial guaranty insurers domiciled in the State of New York, and as such, provide credit enhancement on bonds issued by state and local governments and do not sell other kinds of insurance such as life, health, or property insurance. Syncora provided bond insurance and other related insurance policies for bonds issued by former California redevelopment agencies.

The Syncora Lawsuit was brought as a petition for writ of mandate, complaint for declaratory relief, inverse condemnation and injunctive relief. The injunctive relief sought included an injunction enjoining the respondents from implementing enforcing, and/or carrying out the Redistribution Provisions, ordering respondents to immediately return all money remitted by successor agencies to local taxing entities pursuant to the Redistribution Provisions, and ordering respondents to hold all future tax increment revenues in the RPTTF, or a similar fund, for the exclusive benefit of, and distribution to, the bondholders, until such a time when the bondholders are completely repaid. In August 2013, the court ordered Syncora's claims dismissed, without prejudice to refile, as premature claims for impairment of contract and an unconstitutional taking. The court noted that no redevelopment agency bonds are in default.

The original complaint alleged that the Dissolution Act, and specifically the "Redistribution Provisions" thereof (i.e., California Health and Safety Code Sections 34172(d), 34174, 34177(d), 34183(a)(4), and 34188) violate the "contract clauses" of the United States and California Constitutions (U.S. Const. art. 1, § 10, cl.1; Cal. Const. art. 1, § 9) because they unconstitutionally impair the contracts among the former redevelopment agencies, bondholders and Syncora. The complaint also alleged that the Redistribution Provisions violate the "Takings Clauses" of the United States and California Constitutions (U.S. Const. amend. V; Cal Const. art. 1 § 19) because they unconstitutionally take and appropriate bondholders' and Syncora's contractual right to critical security mechanisms without just compensation. Specifically, the complaint alleges that the security mechanism created by the irrevocable pledge of tax increment revenues to repay the redevelopment agency debts was a critical feature of the redevelopment bonds' marketability. No assurance can be made that Syncora will not re-file its claim at a later date.

RATINGS

Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, a part of McGraw Hill Financial ("Standard & Poor's") is expected to assign its municipal bond rating of "__" (stable outlook) to the Insured Series 2015 Bonds with the understanding that the Policy insuring the payment when due of the principal of and interest on the Insured Series 2015 Bonds will be issued concurrently with the delivery of the Insured Series 2015 Bonds by _____. Standard and Poor's has assigned the uninsured Series 2015A Bonds (and underlying rating for Insured Series 2015A Bonds) its municipal bond rating of "__" and the Series 2015B Bonds (and underlying rating for Insured Series 2015B Bonds) its municipal bond rating of "__." Such ratings reflect only the views of Standard & Poor's, and do not constitute a recommendation to buy, sell or hold the any of the Series 2015 Bonds. Explanation of the significance of such ratings may be obtained only from Standard and Poor's Ratings Services, 55 Water Street, New York, New York 10041. There is no assurance that any such ratings will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the ratings agency, if in the judgment of the rating agency circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series of Series 2015 Bonds to which such rating has been assigned.

UNDERWRITING

The Series 2015 Bonds are being purchased by Stifel Nicolaus & Company, Incorporated as representative of itself and Citigroup Global Markets Inc. (collectively, the "Underwriters"), pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") by and between the Authority and the Underwriters. The Underwriters have agreed to purchase the Series 2015A Bonds from the Authority at an aggregate purchase price of $_____ (consisting of the aggregate principal amount of the Series 2015A Bonds of $_____, plus/less original issue premium/discount of $_____ and less underwriters' discount of $_____), pursuant to the terms of the Bond Purchase Agreement. The Underwriters have agreed to purchase the Series 2015B Bonds from the Authority at an aggregate purchase price of $_____ (consisting of the aggregate principal amount of the Series 2015B Bonds of $_____ less underwriters' discount of $_____), pursuant to the terms of the Bond Purchase Agreement. The Bond Purchase Agreement provides that the obligations of the Underwriters are subject to certain conditions precedent and that the Underwriters will be obligated to purchase all of the Series of Series 2015 Bonds offered under the Bond Purchase Agreement if any of such Series of Series 2015 Bonds offered thereunder are purchased.

The Underwriters may offer and sell the Series 2015 Bonds to certain dealers, institutional investors and others at prices lower than the public offering prices stated on the inside cover pages hereof and such public offering prices may be changed from time to time by the Underwriters.

Citigroup Global Markets Inc., an underwriter of the Series 2015 Bonds, has entered into a retail distribution agreement with UBS Financial Services Inc. ("UBSFS"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors through the financial advisor network of UBSFS. As part of this arrangement, Citigroup Global Markets Inc. may compensate UBSFS for their selling efforts with respect to the Series 2015 Bonds.

ADDITIONAL INFORMATION

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Trust Agreement, the Local Obligations and the Agency Indenture may be obtained upon request from the Trustee at: 633 West Fifth Street, 24th Floor, Los Angeles, California 90071, Attention: Corporate Trust Administration. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement among the Authority, the Agency Participant and the purchasers or Owners of any of the Series 2015 Bonds.

This Official Statement and its distribution have been duly authorized by the Authority and the Agency Participant.

GLENN BYERS
ASSISTANT TREASURER AND TAX COLLECTOR
COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR
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APPENDIX A

SUCCESSOR AGENCY TO THE LONG BEACH REDEVELOPMENT AGENCY

APPENDIX B

FISCAL CONSULTANT'S REPORT

APPENDIX C

AUDITED FINANCIAL STATEMENTS

APPENDIX D

SUMMARY OF TRUST AGREEMENT

APPENDIX E

FORM OF OPINIONS OF BOND COUNSEL

Upon delivery of the Series 2015 Bonds, Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Authority, proposes to render its final opinions in substantially the following form with respect to each Series of Series 2015 Bonds:

APPENDIX F

STATE DEPARTMENT OF FINANCE LETTER

APPENDIX G

FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX H

BOOK-ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM

The description that follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Series 2015 Bonds, payment of principal of, premium (if any) and interest on the Series 2015 Bonds to Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Series 2015 Bonds, and other related transactions by and between DTC, Participants and Beneficial Owners, is based on information furnished by DTC which the Authority believes to be reliable, but the Authority does not take responsibility for the completeness or accuracy thereof. The Authority cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners either (a) payments of the principal of, premium (if any) and interest on the Series 2015 Bonds or (b) certificates representing ownership interests in or other confirmation of ownership interests in the Series 2015 Bonds, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2015 Bonds. The Series 2015 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond will be issued for each maturity (and each individual yield in the case of bifurcated maturities) of the Series 2015 Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and

Exchange Commission. More information about DTC can be found at www.dtcc.com; provided that nothing contained in such website is incorporated into this Official Statement.

Purchases of Series 2015 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2015 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2015 Bonds, except in the event that use of the book-entry system for the Series 2015 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2015 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the related Trust Agreement. For example, Beneficial Owners of Series 2015 Bonds may wish to ascertain that the nominee holding the Series 2015 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2015 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2015 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2015 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2015 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by

standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS OR THE SELECTION OF SERIES 2015 BONDS FOR REDEMPTION.

DTC (or a successor securities depository) may discontinue providing its services as securities depository with respect to the Series 2015 Bonds at any time by giving reasonable notice to the Authority. The Authority, in its sole discretion and without the consent of any other person, may terminate the services of DTC (or a successor securities depository) with respect to the Series 2015 Bonds. The Authority undertakes no obligation to investigate matters that would enable the Authority to make such a determination. In the event that the book-entry system is discontinued as described above, the requirements of the related Trust Agreement will apply.

THE AUTHORITY AND THE UNDERWRITERS CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL, INTEREST OR PREMIUM, IF ANY, WITH RESPECT TO THE SERIES 2015 BONDS PAID TO DTC OR ITS NOMINEE AS THE REGISTERED OWNER, OR WILL DISTRIBUTE ANY REDEMPTION NOTICES OR OTHER NOTICES, TO THE BENEFICIAL OWNERS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE AUTHORITY AND THE UNDERWRITERS ARE NOT RESPONSIBLE OR LIABLE FOR THE FAILURE OF DTC OR ANY PARTICIPANT TO MAKE ANY PAYMENT OR GIVE ANY NOTICE TO A BENEFICIAL OWNER WITH RESPECT TO THE SERIES 2015 BONDS OR AN ERROR OR DELAY RELATING THERETO.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority deems reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC may discontinue providing its services as securities depository with respect to the Series 2015 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2015 Bonds are required to be printed and delivered as described in the related Trust Agreement.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2015 Bonds will be printed and delivered as described in the related Trust Agreement and payment of interest to each Owner who owns of record

$1,000,000 or more in aggregate principal amount of Series 2015 Bonds may be made to such Owner by wire transfer to such wire address within the United States that such Owner may request in writing for all Interest Payment Dates following the 15th day after the Trustee's receipt of such request.

APPENDIX I

SPECIMEN MUNICIPAL BOND INSURANCE POLICY