



LEMOORE
CALIFORNIA

OVERSIGHT BOARD FOR
SUCCESSOR AGENCY TO
THE FORMER LEMOORE
REDEVELOPMENT
AGENCY
COUNCIL CHAMBER
429 "C" STREET
June 23, 2016

AMENDED AGENDA

Changes are italicized.

REGULAR MEETING 9:00 a.m.

Please silence all electronic devices as a courtesy to those in attendance. Thank you.

1. Call to Order: A. Pledge of Allegiance B. Roll Call
2. Public Comment

Public Comment may be addressed to the Regular Meeting Items listed below. In order to allow time for all public comments, each individual's comments are limited to five minutes. When addressing the Council, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

3. Approval – Minutes – Regular Meeting – January 28, 2016 (*attached*)
4. Report and Recommendation – Disposition of Proceeds of 2011 Bonds Issued by the Former Redevelopment Agency – *Resolution 2016-02 (attached)*
5. Adjournment

Notice of ADA Compliance: If you or anyone in your party needs reasonable accommodation to attend, or participate in, any Oversight Board Meeting, please make arrangements by contacting City Hall at least 24 hours prior to the meeting by calling 924-6700, or by mail at 119 Fox Street, Lemoore, California 93245.

Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 119 Fox Street, Lemoore, CA during normal business hours. In addition, most documents will be posted on the City's website at www.lemoore.com.

CERTIFICATION OF POSTING

I, Mary J. Venegas, Board Clerk for the Oversight Board, do hereby declare that the foregoing agenda for the Oversight Board regular meeting of June 23, 2016 was posted on the outside bulletin board located at City Hall, 119 Fox Street in accordance with applicable legal requirements on the 20th day of June 2016.

 //s//

Mary J. Venegas, Board Clerk

WELCOME TO YOUR OVERSIGHT BOARD OF THE SUCCESSOR AGENCY MEETING

Whether you are attending this meeting because of general interest, or because a particular item of special interest is to be reviewed, your presence is an important means of helping to insure an informed public and responsible City Government.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY

The purpose of the Oversight Board of the Successor Agency is to supervise and review the activities of the Successor Agency in administering the dissolution and wind down of the City of Lemoore's Redevelopment Agency. The Oversight Board has a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues.

CONDUCT AT PUBLIC MEETINGS

Your courtesy is requested to help our meeting run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of time. Please turn off all cell phones and pagers. Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities. Any disruptive activities that substantially interfere with the ability of the City to carry out its meeting or prevents/disrupts others from fully participating in the meeting will not be permitted and offenders will be requested to leave the meeting pursuant to Government Code § 54957.9.

PUBLIC COMMENTS

At an Oversight Board meeting, those who wish to be heard on matters on the agenda should indicate their desire to speak when the item is ready for discussion. If you wish to comment on an item which is not on the agenda, you may do so under "Public Comments". In order to allow time for all public comments, each individual's comments are limited to five minutes. Time shall not be shared/loaned from speaker to speaker. If you wish to request time on an upcoming Board Agenda to present a particular item or matter to the Board, you may contact the City Manager at any time before 12:00 noon on the Thursday immediately preceding the Board meeting to so request. If the matter is within the Board's jurisdiction, and the Board has not taken action or considered the item at a recent meeting, the City Manager may place the item on the Agenda. When addressing the Board, you are requested to come forward to the speaker's microphone, state your name and address, and then proceed with your presentation.

Minutes of the Regular Meeting of the
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
TO THE LEMOORE REDEVELOPMENT AGENCY
January 28, 2016

ATTENDANCE: Members Cavanagh, Corl, Holwell, Stoppenbrink; Board Clerk Venegas

ABSENT: Murray, Siegel, Verboon

MEETING CALLED TO ORDER:

At 9:01 a.m. the meeting was called to order.

PUBLIC COMMENT:

There was no comment.

APPROVAL – Minutes – Special Meeting – September 24, 2015:

It was moved by Board Member Stoppenbrink, seconded by Board Member Holwell, and carried that the Board approve the Minutes of Special Meeting for September 24, 2015 as amended.

Ayes: Cavanagh, Corl, Holwell, Stoppenbrink

Absent: Murray, Siegel, Verboon

REPORT AND RECOMMENDATION – Approval of the Successor Agency Recognized Obligation Payment Schedule for Period of July 1, 2016 to June 30, 2017 (ROPS 16-17 A&B) – Resolution 2016-01

It was moved by Board Member Stoppenbrink, seconded by Board Member Holwell, and carried that the Board approve the Successor Agency Recognized Obligation Payment Schedule for Period of July 1, 2016 to June 30, 2017 (ROPS 16-17 A&B) – Resolution 2016-01

Ayes: Cavanagh, Corl, Holwell, Stoppenbrink

Absent: Murray, Siegel, Verboon

REPORT AND RECOMMENDATION – Approval of 2016-2017 Administrative Budget for Successor Agency – Resolution 2016-02

It was moved by Board Member Corl, seconded by Board Member Stoppenbrink, and carried that the Board Adopt Resolution 2016-02 approving the Annual Budget for the Successor Agency for the fiscal year 2016/17 which begins July 1, 2016 and ends June 30, 2017.

Ayes: Cavanagh, Corl, Holwell, Stoppenbrink

Absent: Murray, Siegel, Verboon

Adjournment: At 9:16 a.m. the meeting adjourned.

Full digital audio recording is available.

Approved the 23rd day of June 2016.

ATTEST:

APPROVED:

Mary J. Venegas, City Clerk

Doug Verboon, Vice Chairman

Mayor
Lois Wynne
Mayor Pro Tem
Jeff Chedester
Council Members
Ray Madrigal
Eddie Neal
William Siegel



119 Fox Street
Lemoore, CA 93245
Phone (559) 924-6700
Fax (559) 924-9003

Staff Report

ITEM NO. 4

To: Oversight Board for the Successor Agency to
the Lemoore Redevelopment Agency

From: John Herrera,
Successor Agency Finance Director Consultant

Date: June 11, 2016 **Meeting Date:** June 23, 2016

Subject: Disposition of Proceeds of 2011 Bonds Issued by the Former
Redevelopment Agency – Resolution 2016-02

Proposed Motion:

Adopt Resolution 2016-02, authorizing the Successor Agency's execution and delivery of Instructions to the Trustee Regarding Partial Optional Redemption and the the Successor Agency's execution and delivery of a 2011 Bond Proceeds Funding Agreement relating to proceeds of 2011 bonds issued by the former Lemoore Redevelopment Agency (the "Former Agency") and taking other related actions.

Subject/Discussion:

On January 5, 2016 staff brought forward a proposal to the City Council and Successor Agency to "refund" 35% of the above-referenced 2011 Bonds. Since then, staff has determined that those bonds would not be refunded, opting instead to pay off most of the bonds. Also, on April 19, 2016 staff promised to come back to Council and Successor Agency in 60 days with a proposal on the resolution of the 2011 bonds. The report that follows below addresses that proposal.

Background

In March 2011, the Former Agency issued its Lemoore Redevelopment Project, 2011 Tax Allocation Bonds (the "2011 Bonds"), in the aggregate principal amount of \$19.15 million. The 2011 Bonds were issued pursuant to an Indenture of Trust, dated as of February 1, 2011, by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee"). Approximately \$17 million from the proceeds of the 2011 Bonds was deposited into a project fund, intended for the financing of redevelopment projects (the "2011 Project Proceeds").

Pursuant to AB X1 26 (enacted in June 2011), as upheld by the California Supreme Court, the Former Agency was dissolved as of February 1, 2012. The Successor Agency was constituted to wind-down the Former Agency's affairs. AB X1 26, together with amendments and supplements thereto, is referred to below as the "Dissolution Law."

Before September 2015, the State Department of Finance (the “DOF”) took the position that, under the Dissolution Law, no proceeds of bonds issued by former redevelopment agencies in 2011 (the year that AB X1 26 was enacted) may be spent on projects, unless there was a pre-existing contract committing such use, subject to the DOF’s concurrence. There was no such pre-existing contract recognized by the DOF with respect to the Former Agency’s 2011 Project Proceeds. According to the DOF, the 2011 Project Proceeds could be used to defease (*i.e.*, pay off) the 2011 Bonds. However, pursuant to the terms by which the 2011 Bonds were issued, the earliest date that the 2011 Bonds may be called for redemption (and thereby prepaid) is August 1, 2016. In light of foregoing, as of today, none of the 2011 Project Proceeds have been spent.

SB 107, enacted in September 2015, amended and supplemented many provisions of the Dissolution Law. SB 107 included provisions for the expenditure of the 2011 Project Proceeds for projects, subject to certain conditions and limitations.

Specifically, under the amended Health and Safety Code Section 34191.4, the Successor Agency may expend up to 5 percent of the 2011 Project Proceeds before the DOF approves the Successor Agency’s LFROPS (defined below). Under SB 107, the Successor Agency may opt to prepare a Last and Final Recognized Obligation Payment Schedule (the “LFROPS”). For the LFROPS, the Successor Agency would have to ascertain and list the payments for all enforceable obligations for each future six-month period until the Successor Agency’s termination. The LFROPS will become effective only upon the Oversight Board’s and the DOF’s approval. Once the LFROPS becomes effective, the Successor Agency will be allowed to request *only* two future amendments to the LFROPS, which will also be subject to Oversight Board’s and the DOF’s review and approval. If the Successor Agency decides to prepare a LFROPS and the LFROPS is approved by the Oversight Board and the DOF, then the Successor Agency may expend another 30 percent of the 2011 Project Proceeds for projects (in addition to the 5 percent permitted without the LFROPS).

With regard to any 2011 Project Proceeds that cannot be expended on projects, the Successor Agency must use such 2011 Project Proceeds to defease (*i.e.*, prepay) the 2011 Bonds. After the prepayment, the dollar amount of “residuals” from the Redevelopment Property Tax Trust Fund (“RPTTF”) distributable to the taxing entities (*i.e.*, the RPTTF moneys remaining after deductions for County administrative expenses and payment to taxing entities for pass-through payments, and disbursement to the Successor Agency to pay enforceable obligations) will increase, based on the dollar amount that otherwise would have been needed to pay the 2011 Bonds debt service.

On April 19, 2016, the Successor Agency Governing Board directed Staff to analyze and provide recommendations regarding the Successor Agency’s options with respect to the disposition of the 2011 Project Proceeds.

Discussion

After a review of the Successor Agency’s on-going obligations, Staff reached the conclusion that the Successor Agency is not in a position to prepare an LFROPS. After consulting with the Successor Agency’s Financial Advisor, Staff recommends the use of

(i) 5 percent of the 2011 Project Proceeds for projects (as permitted by SB 107 without an LFROPS), and (ii) the other 95 percent of the 2011 Project Proceeds for a redemption of the outstanding 2011 Bonds, which will result in the prepayment of most (but not all) of the 2011 Bonds.

On June 21, 2016, the Successor Agency Governing Board will consider a resolution (the "SA Resolution") to: (A) authorize the Successor Agency's execution and delivery of: (i) the Instructions to Trustee Regarding Partial Optional Redemption (the "Redemption Instructions"), and (ii) a 2011 Bond Proceeds Funding Agreement (the "Funding Agreement"), and (B) request the Oversight Board to adopt a resolution (the "OB Resolution") to authorize the same. A form of the SA Resolution is attached to this Report. A copy of the adopted SA Resolution will be available at the Oversight Board's meeting.

The Redemption Instructions will provide for the transfer of the 2011 Project Proceeds and other actions to be taken by the Trustee to implement the redemption of the 2011 Bonds.

The Funding Agreement will provide for the Successor Agency's transfer of all of the 2011 Project Proceeds remaining after the redemption to the City for use on projects. Staff anticipates that such moneys will be used to fund a portion of the costs for a new police dispatch center.

The Successor Agency's transfer of the 2011 Project Proceeds pursuant to the Funding Agreement must be listed on a recognized obligation payment schedule (a "ROPS"). The DOF has indicated that it will not permit an amendment to ROPS 16-17 (*i.e.*, the ROPS for the current fiscal year) for such purpose. The Successor Agency must wait to list the transfer on ROPS 17-18 (*i.e.*, the ROPS for fiscal year 2017-18) and, therefore, the transfer will not take place until July 2017 at the earliest. The Funding Agreement provides that the 2011 Project Proceeds may be used to reimburse the City for any advance made for the projects before the transfer.

Pursuant to the Dissolution Law, after the Oversight Board's adoption of the OB Resolution, the OB Resolution will be submitted to the DOF for approval. Upon the receipt of the OB Resolution, the DOF will have five business days to indicate whether the DOF will take up further review. If the DOF decides to review, then the DOF will have an additional 40 days to approve or disapprove the OB Resolution. The OB Resolution will only become effective upon the DOF's approval.

Expected Timeline

Assuming that the OB Resolution is submitted to the DOF soon after its adoption on June 23, 2016 and the DOF decides to take up review, the DOF review period will end around August 9, 2016. The Successor Agency will execute the Redemption Instructions and the Funding Agreement shortly after receiving the DOF's approval of the OB Resolution. Pursuant to the Redemption Instructions, the Trustee will send out 30-day notices to the holders of the 2011 Bonds regarding the redemption. Based on this timeline, Staff anticipates that the redemption will take place in early to mid-September 2016. As described above, the transfer of the 5 percent of the 2011 Project Proceeds to the City is expected to take place in July 2017.

Financial Consideration(s):

Attached to this report are estimates prepared by the Successor Agency’s Financial Advisor, Del Rio Advisors LLC, on June 9, 2016. Based on these estimates, Staff anticipates that the Successor Agency will be able to use approximately \$855,000 from the 2011 Project Proceeds for projects. The partial redemption of the 2011 Bonds (with 95 percent of the 2011 Project Proceeds) will result in debt service savings ranging from \$1.27 million to \$2.72 million a year, or \$41.81 million in the aggregate. The redemption will significantly shorten the duration that the Successor Agency will have to pay debt service on the 2011 Bonds, with a new final payment date expected to occur around the year 2021 (in contrast to the original final maturity in 2040). Staff anticipates that such debt service savings will result in an approximately equal dollar increase to available RPTTF Residuals (defined below) for the taxing entities.

It should be noted that the Financial Advisor’s estimates assume a September 10, 2016 redemption date and reflect fund balances as of May 31, 2016 (as provided by the Trustee). The eventual results will likely differ depending the actual redemption date and fund balance changes from investment earnings.

Alternatives or Pros/Cons:

Successor Agency Staff believes that the use of the 2011 Project Proceeds outlined above reflects the best option with respect to project funding and debt services savings, in light of current parameters.

As an alternative, the Oversight Board may decide to not adopt the resolution.

Staff Recommendation:

Recommend that the Oversight Board adopt Resolution 2016-02.

Attachments:

- Resolution 2016-02
- Ordinance
- Map
- Other Exhibit A – Instructions to Trustee
Exhibit B – 2011 Bond Proceeds Funding Agreement, Successor Agency Resolution 2016-03 & City Council Resolution 2016-19

Review:

- Finance
- City Attorney
- City Manager
- City Clerk

Date:

06/21/16

RESOLUTION 2016-02

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY AUTHORIZING THE SUCCESSOR AGENCY'S EXECUTION AND DELIVERY OF INSTRUCTIONS TO TRUSTEE REGARDING PARTIAL OPTIONAL REDEMPTION AND THE SUCCESSOR AGENCY'S EXECUTION AND DELIVERY OF A 2011 BOND PROCEEDS FUNDING AGREEMENT RELATING TO PROCEEDS OF 2011 BONDS ISSUED BY THE FORMER REDEVELOPMENT AGENCY AND TAKING OTHER RELATED ACTIONS

WHEREAS, the Lemoore Redevelopment Agency (the "Former Agency") issued its Lemoore Redevelopment Project, 2011 Tax Allocation Bonds (the "2011 Bonds"), in the aggregate principal amount of \$19,150,000, pursuant to an Indenture of Trust, dated as of February 1, 2011 (the "Indenture"), by and between the Former Agency and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, pursuant to the Indenture, a portion of the proceeds of the 2011 Bonds were deposited into a Redevelopment Fund (established under the Indenture) intended to be used on redevelopment projects (the moneys deposited and maintained in the Redevelopment Fund being referred to herein as the "2011 Project Proceeds"); and

WHEREAS, pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012, the Successor Agency to the Lemoore Redevelopment Agency (the "Successor Agency") was constituted, and an oversight board of the Successor Agency (the "Oversight Board") was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC") (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the "Dissolution Act"); and

WHEREAS, pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including the unspent 2011 Project Proceeds, transferred to the control of the Successor Agency by operation of law; and

WHEREAS, in light of the timing of the enactment of AB X1 26 and the subsequent dissolution of the Former Agency, none of the 2011 Project Proceeds in the Redevelopment Fund have been spent; and

WHEREAS, pursuant to the Dissolution Act (as amended by SB 107 enacted in September 2015), after the Successor Agency's receipt of a finding of completion (the "Finding of Completion") issued by the California State Department of Finance (the "DOF"), the

Successor Agency may spend the 2011 Project Proceeds in a manner permitted under HSC Section 34191.4; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on June 7, 2013, pursuant to HSC Section 34179.7; and

WHEREAS, pursuant to HSC Section 34191.4(c)(2)(A) and HSC Section 34191(c)(2)(C), the Successor Agency has determined to: (i) use 5 percent of the 2011 Project Proceeds for projects in a manner consistent with bond covenants (the “Projects”), and (ii) use the other 95 percent of the 2011 Project Proceeds to cause a prepayment (by redemption) of a portion of the outstanding 2011 Bonds; and

WHEREAS, to effect the partial redemption of the 2011 Bonds, the Successor Agency proposes to execute and deliver instructions to the Trustee, substantially in the form attached hereto as Exhibit A (the “Redemption Instructions”); and

WHEREAS, in light of Successor Agency’s limited staffing, the City of Lemoore’s traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into a 2011 Bond Proceeds Funding Agreement, by and between the Successor Agency and the City, substantially in the form attached here as Exhibit B (the “Funding Agreement”), to provide for the Successor Agency’s transfer of the 2011 Project Proceeds remaining after the redemption and the City use of such 2011 Project Proceeds to perform or cause to be performed the work required for the Projects; and

WHEREAS, the Redemption Instructions and the Funding Agreement are in furtherance of the winding down of the Former Agency’s affairs, with respect to the expenditure of unspent bond proceeds as contemplated under HSC Section 34191.4;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the Successor Agency’s execution and delivery of the Redemption Instructions, substantially in the form attached hereto as Exhibit A. The Successor Agency is authorized to implement the redemption contemplated under this Resolution and the Redemption Instructions, without any amendment to ROPS 16-17 (being the Recognized Obligation Payment Schedule prepared for the period from July 1, 2016 through June 30, 2017).

Section 3. The Oversight Board hereby approves the Successor Agency’s execution and delivery of the Funding Agreement, substantially in the form attached hereto as Exhibit B.

Section 4. The members of this Oversight Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem

RESOLUTION NO. 2016-02
Oversight Board

necessary or proper to effectuate the purposes of this Resolution, the Redemption Instructions and the Funding Agreement.

PASSED, APPROVED AND ADOPTED by the Oversight Board for the Successor Agency to the Lemoore Redevelopment Agency at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Doug Verboon, Vice Chairperson

ATTEST:

Mary J. Venegas, Board Clerk

EXHIBIT A

Instructions to Trustee Regarding Partial Optional Redemption
(in substantial final form)

[see attached]

EXHIBIT B

2011 Bond Proceeds Funding Agreement

(in substantial final form)

[see attached]

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, **Mary J. Venegas**, Board Clerk of the Oversight Board for the Successor Agency to the Lemoore Redevelopment Agency, do hereby certify the foregoing Resolution of the Oversight Board for the Successor Agency to the Lemoore Redevelopment Agency was duly passed and adopted at a Regular Meeting of the Oversight Board held on June 23, 2016.

DATED: June 23, 2016

Mary J. Venegas, Board Clerk

INSTRUCTIONS TO TRUSTEE REGARDING PARTIAL OPTIONAL REDEMPTION

Relating to

Lemoore Redevelopment Agency Lemoore Redevelopment Project 2011 Tax Allocation Bonds

Dated: _____, 2016

These INSTRUCTIONS TO TRUSTEE REGARDING PARTIAL OPTIONAL REDEMPTION (these “Instructions”) are given by the SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY (the “Successor Agency”), as the successor entity to the Lemoore Redevelopment Agency (the “Former Agency”), to U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the “Trustee”), in connection with a partial redemption of the above-referenced bonds (the “2011 Bonds”).

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Indenture of Trust, dated as of February 1, 2011 (the “Indenture”), by and between the Former Agency and the Trustee.

RECITALS:

A. The Former Agency was a redevelopment agency formed pursuant to the Community Redevelopment Law, set forth in Part 1 of Division 24 of the Health and Safety Code of the State of California (“HSC”).

B. The Former Agency issued the 2011 Bonds pursuant to the Indenture.

C. Pursuant to the Indenture, a portion of the proceeds of the 2011 Bonds was deposited into a Redevelopment Fund (established under the Indenture) intended to be used on redevelopment projects. The moneys deposited and maintained in the Redevelopment Fund are referred to herein as the “2011 Project Proceeds.”

D. Pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the “Oversight Board”) was established.

E. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code (“HSC”). Such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the “Dissolution Act.”

F. Pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including the unspent 2011 Project Proceeds, transferred to the control of the Successor Agency by operation of law.

G. Pursuant to the Dissolution Act (as amended by SB 107 enacted in September 2015), after the Successor Agency's receipt of a finding of completion (the "Finding of Completion") issued by the DOF, the Successor Agency may spend the 2011 Project Proceeds in a manner permitted under HSC Section 34191.4.

H. The DOF issued a Finding of Completion to the Successor Agency on June 7, 2013, pursuant to HSC Section 34179.7

I. Pursuant to HSC Section 34191.4(c)(2)(A) and HSC Section 34191(c)(2)(C), the Successor Agency has determined to: (i) use 5 percent of the 2011 Project Proceeds for projects, and (ii) use the other 95 percent of the 2011 Project Proceeds to cause a redemption of a portion of the outstanding 2011 Bonds (the "Called Bonds").

J. Pursuant to Section 2.3 of the Indenture, 2011 Bonds maturing on or after August 1, 2017, are subject to redemption, in whole or in part, at the option of the Successor Agency on any date on or after August 1, 2016, at a redemption price equal to 100 percent of the principal of the 2011 Bonds to be redeemed, plus accrued interest thereon, upon notice sent by the Trustee to the Owners no less than 30 days (but not more than 60 days) before the redemption date.

K. The Successor Agency is delivering these Instructions in order to redeem the Called Bonds on _____, 2016 (the "Redemption Date") pursuant to Section 2.3(a) of the Indenture.

L. The Successor Agency's execution and delivery of these Instructions have been approved pursuant to Resolution No. OB _____, adopted by the Oversight Board on June 23, 2016 (the "OB Resolution").

M. The OB Resolution was [approved] [deemed approved] by the DOF pursuant to HSC Section 34179(h) on _____, 2016.

N. Pursuant to HSC Section 34177.5, the Successor Agency issued its Lemoore Redevelopment Project Series 2014 Tax Allocation Refunding Bonds (the "2014 Bonds") pursuant to an Indenture of Trust, dated as of June 1, 2014 (the "2014 Indenture"), by and between the Successor Agency and the Trustee.

O. The 2014 Bonds are "Parity Bonds" within the meaning of the Indenture.

P. In addition to the Reserve Account established under the Indenture, there has been established a debt service reserve account under the 2014 Indenture (the "2014 Reserve Account").

Q. Under the Indenture and the 2014 Indenture, the moneys in the Reserve Account held under the Indenture and the moneys in the 2014 Reserve Account, in sum, shall be maintained at an amount not less than the "Reserve Requirement," as defined in such indentures.

INSTRUCTIONS:

The Successor Agency hereby irrevocably instructs and directs the Trustee as follows:

SECTION 1. Called Bonds and Redemption Payment; Sinking Account Payment Adjustment After Redemption.

(a) The Called Bonds, the redemption price and the accrued interest to be paid to the Owners of the Called Bonds on the Redemption Date, are set forth below:

2011 Bonds Maturing on August 1,	Principal Amount to be redeemed	Unpaid Accrued Interest to Redemption Date	Total Payment on Redemption Date
2021	<i>[to be determined]</i>		
2024	<i>[to be determined]</i>		
2031	\$2,335,000		
2040	\$14,365,000		

(b) *[To be determined, if applicable:]* Pursuant to Section 2.3(b) of the Indenture, the sinking account payments on the 2011 Bonds maturing on August 1, 2024, after the redemption described herein, shall be as follows:

Year (August 1)	Sinking Account Payment
2022	
2023	
2024 (maturity)	

SECTION 2. Notice of Redemption. As soon as practicable (in no event later than 30 days before the Redemption Date), the Trustee shall send redemption notices, substantially in the form set forth in Exhibit A hereto, pursuant to Section 2.3(c) of the Indenture.

SECTION 3. Deposit into Redemption Account.

(a) On this date, the Successor Agency has caused to be transferred to the Trustee an amount of \$_____ from the 2011 Project Proceeds (which is approximately, but not less than, 95 percent of the total moneys on deposit in the Redevelopment Fund).

(b) Upon receipt, the Trustee shall deposit all of such 2011 Project Proceeds into the Redemption Account for application towards the redemption price payable to the Owners of the Called Bonds on the Redemption Date.

SECTION 4. Transfers from Reserve Account.

(a) The Successor Agency has determined that, upon the redemption of the Called Bonds, the Reserve Requirement will be \$_____. Based on the account statements from the Trustee, as [July 31, 2016], the balance in the Reserve Account held under the Indenture was \$_____ and the balance in the 2014 Reserve Account was \$_____.

(b) Based on the foregoing, the Trustee is hereby instructed to make the following transfers from the Reserve Account *on the Redemption Date*: (i) \$_____ to the Redemption Account for application towards the redemption price of the Called Bonds on Redemption Date, and (ii) \$_____ to the Interest Account for application towards the accrued interest to be paid to the Owners of the Called Bonds on the Redemption Date.

(c) Upon such transfers, the balance in the Reserve Account will be not less than \$_____, which together with the balance in the 2014 Reserve Account, will be sufficient to satisfy the Reserve Requirement after the redemption of the Called Bonds.

SECTION 5. Compensation to Trustee. The Successor Agency shall pay the Trustee full compensation for its services under these Instructions, including out-of-pocket costs such as publication costs, redemption expenses, legal fees and other costs and expenses relating hereto; provided, that under no circumstances shall amounts deposited in or credited to the Redemption Account be deemed to be available for said purposes, and the Trustee has no lien upon or right of set off against the cash deposited in the Redemption Account and the Interest Account pursuant to these Instructions.

SECTION 6. Execution in Counterparts. These Instructions may be executed by the Successor Agency and accepted by the Trustee in counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same document.

**SUCCESSOR AGENCY TO THE LEMOORE
REDEVELOPMENT AGENCY**

By: _____
Executive Director

ACCEPTED:

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

EXHIBIT A
FORM OF
NOTICE OF PARTIAL REDEMPTION

Lemoore Redevelopment Agency
Lemoore Redevelopment Project
2011 Tax Allocation Bonds

maturing on [August 1, 2021,]August 1, 2024, August 1, 2031 and August 1, 2040

This Notice is being given on behalf of the Successor Agency to the Lemoore Redevelopment Agency (the “Successor Agency”), as the successor to the former Lemoore Redevelopment Agency (the “Former Agency”), to the owners of the above-captioned bonds (the “Bonds”). Reference is made to the Indenture of Trust, dated as of February 1, 2011 (the “Indenture”), by and between the Former Agency and U.S. Bank National Association, as trustee (the “Trustee”).

The following Bonds have been called for redemption on _____, **2016** (the “**Redemption Date**”) pursuant to Section 2.3(a) of the Indenture:

Maturity Date (August 1)	Principal Amount	Interest Rate	CUSIP†
2021	\$ _____	6.000%	525720CW6
2024	_____*	6.625	525720CX4
2031	2,335,000	7.250	525720CY2
2040	14,365,000	7.375	525720CZ9

[* Consist of a portion of the Bond maturing on August 1, 2024 (the “2024 Term Bond”). After this optional redemption, the sinking account payment with respect to the 2024 Term Bond will be: \$ _____ on August 1, 2022, \$ _____ on August 1, 2023, and \$ _____ on August 1, 2024.]

† Neither the Successor Agency nor the Trustee shall be held responsible for the selection or use of the CUSIP number, nor is any representation made as to its correctness. It is included solely for convenience of the Owners of the Bonds.

Pursuant to the Indenture, the Bonds will be redeemed at the redemption price of **100%** of the principal amount thereof, plus accrued interest to the Redemption Date, **without redemption premium**. Interest on the Bonds shall cease to accrue from and after the Redemption Date.

Owners of the Bonds should surrender the Bonds on the Redemption Date at the following address:

U.S. Bank National Association
Global Corporate Trust Services
111 Fillmore Avenue E.
St. Paul, MN 55107

For Bonds surrendered by mail, the use of registered or certified mail is suggested.

***IMPORTANT NOTICE:** Federal law requires the Trustee, as the paying agent, to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit www.irs.gov for additional information on the tax forms and instructions.*

Dated: _____, 2016

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

2011 BOND PROCEEDS FUNDING AGREEMENT

This 2011 BOND PROCEEDS FUNDING AGREEMENT (this “Agreement”), dated as of _____, 2016, is entered into by and between the City of Lemoore (the “City”) and the Successor Agency to the Lemoore Redevelopment Agency (the “Successor Agency,” and together with the City, the “Parties”).

RECITALS:

A. The Lemoore Redevelopment Agency (the “Former Agency”) issued its Lemoore Redevelopment Project, 2011 Tax Allocation Bonds (the “2011 Bonds”), in the aggregate principal amount of \$19,150,000, pursuant to an Indenture of Trust, dated as of February 1, 2011 (the “Indenture”), by and between the Former Agency and U.S. Bank National Association, as trustee (the “Trustee”).

B. Pursuant to the Indenture, a portion of the proceeds of the 2011 Bonds was deposited into a Redevelopment Fund (established under the Indenture) intended to be used on redevelopment projects. The moneys deposited and maintained in the Redevelopment Fund are referred to herein as the “2011 Project Proceeds.”

C. Pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012, the Successor Agency was constituted as the successor entity to the Former Agency, and an oversight board of the Successor Agency (the “Oversight Board”) was established.

D. AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code (“HSC”). Such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, are referred to herein as the “Dissolution Act.”

E. Pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including the unspent 2011 Project Proceeds, transferred to the control of the Successor Agency by operation of law.

F. In light of the timing of the enactment of AB X1 26 and the subsequent dissolution of the Former Agency, none of the 2011 Project Proceeds deposited in the Redevelopment Fund have been spent.

G. Pursuant to the Dissolution Act (as amended by SB 107 enacted in September 2015), after the Successor Agency’s receipt of a finding of completion (the “Finding of Completion”) issued by the DOF, the Successor Agency may spend the 2011 Project Proceeds in a manner permitted under HSC Section 34191.4.

H. The DOF issued a Finding of Completion to the Successor Agency on June 7, 2013, pursuant to HSC Section 34179.7.

I. Pursuant to HSC Section 34191.4(c)(2)(A) and HSC Section 34191(c)(2)(C), the Successor Agency has determined to: (i) use 5 percent of the 2011 Project Proceeds for projects, and (ii) use the other 95 percent of the 2011 Project Proceeds to cause a prepayment (by redemption) of a portion of the outstanding 2011 Bonds.

J. On _____, 2016, the Successor Agency has caused the transfer of \$ _____ from the 2011 Project Proceeds (which is approximately, but not less than, 95 percent of the total moneys on deposit in the Redevelopment Fund on such date) to the Trustee for the redemption of a portion of the 2011 Bonds.

K. The Successor Agency is entering into this Agreement with respect to the use of the remaining 2011 Project Proceeds (after the above-described transfer to the Trustee for redemption) for projects listed in Exhibit A hereto (the “Projects”).

L. In light of Successor Agency’s limited staffing, the City’s traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into this Agreement with the City, for the City to perform or cause to be performed the work required for the Projects, with payment therefor to be made from the remaining 2011 Project Proceeds.

M. This Agreement is in furtherance of the winding down of the Former Agency’s affairs, with respect to the expenditure of unspent bond proceeds as permitted under HSC Section 34191.4.

N. Pursuant to HSC Section 34177(a)(3), the Successor Agency may only make payments listed on an ROPS approved by the Oversight Board and the State Department of Finance (“DOF”).

O. The Oversight Board adopted Resolution No. OB _____ on June 23, 2016 (the “OB Resolution”) approving the Successor Agency’s execution and delivery of this Agreement.

P. The OB Resolution was [approved] [deemed approved] by the DOF pursuant to HSC Section 34179(h) on _____, 2016.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. Subject to the provisions of this Agreement and with the funding provided pursuant to this Agreement, the City agrees to perform or cause to be performed the work required for the Projects, including but not limited to the preparation of designs, plans and specifications and all demolitions, construction and installations. The City shall perform such work in accordance with all applicable federal, state and local laws, rules and regulations. Subject to the covenants set forth herein, the City shall have the sole discretion with respect to the design, planning, specification and the timing with respect to all components of the Projects.

Section 2. (a) When preparing the next ROPS after the execution and delivery of this Agreement (being the ROPS for the period from July 1, 2017 through June 30, 2018 (the “ROPS 17-18 Period”)), the Successor Agency shall list the transfer of all of the remaining 2011 Project Proceeds to the City.

. (b) As soon as practicable after the commencement of the ROPS 16-17 Period, the Successor Agency shall transfer the remaining 2011 Project Proceeds, as approved on ROPS 17-18, to the City.

Section 3. The City shall use the 2011 Project Proceeds transferred to it pursuant to this Agreement for costs of the Projects (or reimbursement to the City for any funds advanced for costs of the Projects) in a manner consistent with the covenants in the Indenture.

Section 4. To the extent the City still holds any 2011 Project Proceeds transferred pursuant to this Agreement after the completion of the Projects (as determined by the City Council), the City shall return such unspent 2011 Project Proceeds to the Successor Agency within a reasonable time after such determination.

Section 5. Each Party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other Party at all reasonable times.

Section 6. The Parties agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 7. This Agreement may be amended from time to time by written instrument executed by both Parties.

Section 8. No official, agent, or employee of the Successor Agency or the City, or members of the City Council, or members of the Successor Agency Board of Directors or Oversight Board shall be individually or personally liable for any payment hereunder in the event of any default or breach by the Successor Agency or the City, or for any amount which may otherwise become due to the City or Successor Agency, or successor thereto, or on any obligations under the terms of this Agreement.

Section 9. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers.

**SUCCESSOR AGENCY TO THE LEMOORE
REDEVELOPMENT AGENCY**

By _____
Executive Director

ATTEST:

Secretary

CITY OF LEMOORE

By _____
Mayor

ATTEST:

City Clerk

EXHIBIT A

Description of Projects

1. the construction and installation of a new police dispatch center facility in the City
2. any other programs and projects and activities of benefit to the Former Agency's Redevelopment Project, so long as the program or project is determined by the City to be consistent with the bond covenants under the Indenture.

Successor Agency to the Lemoore Redevelopment Agency 2011 Tax Allocation Bonds

Sources and Uses of Funds (Partial Defeasance)

Sources of Funds

Contributed Project Fund (95%)	16,244,392.97
Excess Reserve Fund	1,284,586.11
Total Sources of Funds	17,528,979.08

Uses of Funds

Cost to Payoff Prior Issue	17,528,045.10
Beginning Escrow Cash Balance	-
Total Uses of Funds	17,528,045.10

Rounding Adjustment **933.97**

Notes

All Numbers Preliminary and Subject to Change

Run Date June 9, 2016
Run Time 11:30 AM

**Successor Agency to the Lemoore Redevelopment Agency
2011 Tax Allocation Bonds**

Gross Debt Service Schedule (Prior to Partial Defeasance)

Date	Principal	Rate	Interest	Periodic Debt Service	Annual Debt Service
8/1/2016					
2/1/2017			662,218.75	662,218.75	
8/1/2017	180,000	5.000	662,218.75	842,218.75	1,504,437.50
2/1/2018			657,718.75	657,718.75	
8/1/2018	180,000	5.125	657,718.75	837,718.75	1,495,437.50
2/1/2019			653,106.25	653,106.25	
8/1/2019	195,000	5.375	653,106.25	848,106.25	1,501,212.50
2/1/2020			647,865.63	647,865.63	
8/1/2020	195,000	5.625	647,865.63	842,865.63	1,490,731.25
2/1/2021			642,381.25	642,381.25	
8/1/2021	200,000	6.000	642,381.25	842,381.25	1,484,762.50
2/1/2022			636,381.25	636,381.25	
8/1/2022	215,000	6.625	636,381.25	851,381.25	1,487,762.50
2/1/2023			629,259.38	629,259.38	
8/1/2023	220,000	6.625	629,259.38	849,259.38	1,478,518.75
2/1/2024			621,971.88	621,971.88	
8/1/2024	230,000	6.625	621,971.88	851,971.88	1,473,943.75
2/1/2025			614,353.13	614,353.13	
8/1/2025	250,000	7.250	614,353.13	864,353.13	1,478,706.25
2/1/2026			605,290.63	605,290.63	
8/1/2026	300,000	7.250	605,290.63	905,290.63	1,510,581.25
2/1/2027			594,415.63	594,415.63	
8/1/2027	315,000	7.250	594,415.63	909,415.63	1,503,831.25
2/1/2028			582,996.88	582,996.88	
8/1/2028	335,000	7.250	582,996.88	917,996.88	1,500,993.75
2/1/2029			570,853.13	570,853.13	
8/1/2029	355,000	7.250	570,853.13	925,853.13	1,496,706.25
2/1/2030			557,984.38	557,984.38	
8/1/2030	380,000	7.250	557,984.38	937,984.38	1,495,968.75
2/1/2031			544,209.38	544,209.38	
8/1/2031	400,000	7.250	544,209.38	944,209.38	1,488,418.75
2/1/2032			529,709.38	529,709.38	
8/1/2032	425,000	7.375	529,709.38	954,709.38	1,484,418.75
2/1/2033			514,037.50	514,037.50	
8/1/2033	455,000	7.375	514,037.50	969,037.50	1,483,075.00
2/1/2034			497,259.38	497,259.38	
8/1/2034	1,730,000	7.375	497,259.38	2,227,259.38	2,724,518.75
2/1/2035			433,465.63	433,465.63	
8/1/2035	1,855,000	7.375	433,465.63	2,288,465.63	2,721,931.25
2/1/2036			365,062.50	365,062.50	
8/1/2036	1,990,000	7.375	365,062.50	2,355,062.50	2,720,125.00
2/1/2037			291,681.25	291,681.25	
8/1/2037	2,130,000	7.375	291,681.25	2,421,681.25	2,713,362.50
2/1/2038			213,137.50	213,137.50	
8/1/2038	1,790,000	7.375	213,137.50	2,003,137.50	2,216,275.00
2/1/2039			147,131.25	147,131.25	
8/1/2039	1,925,000	7.375	147,131.25	2,072,131.25	2,219,262.50
2/1/2040			76,146.88	76,146.88	
8/1/2040	2,065,000	7.375	76,146.88	2,141,146.88	2,217,293.75
Totals	18,315,000		24,577,275.00	42,892,275.00	42,892,275.00

Successor Agency to the Lemoore Redevelopment Agency
 2011 Tax Allocation Bonds
 Gross Debt Service Schedule and Savings Calculation (Post Partial Defeasance)

Date	Beginning Principal	Bonds Called	Remaining Principal	Rate	Interest	Periodic Debt Service	Annual Debt Service	Prior Issue Periodic Debt Service	Prior Issue Annual Debt Service	Periodic (Savings) / Cost	Annual (Savings) / Cost
8/1/2016											
2/1/2017					25,087.50	25,087.50		662,218.75		(637,131.25)	
8/1/2017	180,000	-	180,000	5.000	25,087.50	205,087.50	230,175.00	842,218.75	1,504,437.50	(637,131.25)	(1,274,262.50)
2/1/2018					20,587.50	20,587.50		657,718.75		(637,131.25)	
8/1/2018	180,000	-	180,000	5.125	20,587.50	200,587.50	221,175.00	837,718.75	1,495,437.50	(637,131.25)	(1,274,262.50)
2/1/2019					15,975.00	15,975.00		653,106.25		(637,131.25)	
8/1/2019	195,000	-	195,000	5.375	15,975.00	210,975.00	226,950.00	848,106.25	1,501,212.50	(637,131.25)	(1,274,262.50)
2/1/2020					10,734.38	10,734.38		647,865.63		(637,131.25)	
8/1/2020	195,000	-	195,000	5.625	10,734.38	205,734.38	216,468.75	842,865.63	1,490,731.25	(637,131.25)	(1,274,262.50)
2/1/2021					5,250.00	5,250.00		642,381.25		(637,131.25)	
8/1/2021	200,000	(25,000)	175,000	6.000	5,250.00	180,250.00	185,500.00	842,381.25	1,484,762.50	(662,131.25)	(1,299,262.50)
2/1/2022					-	-		636,381.25		(636,381.25)	
8/1/2022	215,000	(215,000)	-	-	-	-	-	851,381.25	1,487,762.50	(851,381.25)	(1,487,762.50)
2/1/2023					-	-		629,259.38		(629,259.38)	
8/1/2023	220,000	(220,000)	-	-	-	-	-	849,259.38	1,478,518.75	(849,259.38)	(1,478,518.75)
2/1/2024					-	-		621,971.88		(621,971.88)	
8/1/2024	230,000	(230,000)	-	-	-	-	-	851,971.88	1,473,943.75	(851,971.88)	(1,473,943.75)
2/1/2025					-	-		614,353.13		(614,353.13)	
8/1/2025	250,000	(250,000)	-	-	-	-	-	864,353.13	1,478,706.25	(864,353.13)	(1,478,706.25)
2/1/2026					-	-		605,290.63		(605,290.63)	
8/1/2026	300,000	(300,000)	-	-	-	-	-	905,290.63	1,510,581.25	(905,290.63)	(1,510,581.25)
2/1/2027					-	-		594,415.63		(594,415.63)	
8/1/2027	315,000	(315,000)	-	-	-	-	-	909,415.63	1,503,831.25	(909,415.63)	(1,503,831.25)
2/1/2028					-	-		582,996.88		(582,996.88)	
8/1/2028	335,000	(335,000)	-	-	-	-	-	917,996.88	1,500,993.75	(917,996.88)	(1,500,993.75)
2/1/2029					-	-		570,853.13		(570,853.13)	
8/1/2029	355,000	(355,000)	-	-	-	-	-	925,853.13	1,496,706.25	(925,853.13)	(1,496,706.25)
2/1/2030					-	-		557,984.38		(557,984.38)	
8/1/2030	380,000	(380,000)	-	-	-	-	-	937,984.38	1,495,968.75	(937,984.38)	(1,495,968.75)
2/1/2031					-	-		544,209.38		(544,209.38)	
8/1/2031	400,000	(400,000)	-	-	-	-	-	944,209.38	1,488,418.75	(944,209.38)	(1,488,418.75)
2/1/2032					-	-		529,709.38		(529,709.38)	
8/1/2032	425,000	(425,000)	-	-	-	-	-	954,709.38	1,484,418.75	(954,709.38)	(1,484,418.75)
2/1/2033					-	-		514,037.50		(514,037.50)	
8/1/2033	455,000	(455,000)	-	-	-	-	-	969,037.50	1,483,075.00	(969,037.50)	(1,483,075.00)
2/1/2034					-	-		497,259.38		(497,259.38)	
8/1/2034	1,730,000	(1,730,000)	-	-	-	-	-	2,227,259.38	2,724,518.75	(2,227,259.38)	(2,724,518.75)
2/1/2035					-	-		433,465.63		(433,465.63)	
8/1/2035	1,855,000	(1,855,000)	-	-	-	-	-	2,288,465.63	2,721,931.25	(2,288,465.63)	(2,721,931.25)
2/1/2036					-	-		365,062.50		(365,062.50)	
8/1/2036	1,990,000	(1,990,000)	-	-	-	-	-	2,355,062.50	2,720,125.00	(2,355,062.50)	(2,720,125.00)
2/1/2037					-	-		291,681.25		(291,681.25)	
8/1/2037	2,130,000	(2,130,000)	-	-	-	-	-	2,421,681.25	2,713,362.50	(2,421,681.25)	(2,713,362.50)
2/1/2038					-	-		213,137.50		(213,137.50)	
8/1/2038	1,790,000	(1,790,000)	-	-	-	-	-	2,003,137.50	2,216,275.00	(2,003,137.50)	(2,216,275.00)
2/1/2039					-	-		147,131.25		(147,131.25)	
8/1/2039	1,925,000	(1,925,000)	-	-	-	-	-	2,072,131.25	2,219,262.50	(2,072,131.25)	(2,219,262.50)
2/1/2040					-	-		76,146.88		(76,146.88)	
8/1/2040	2,065,000	(2,065,000)	-	-	-	-	-	2,141,146.88	2,217,293.75	(2,141,146.88)	(2,217,293.75)
Totals	18,315,000	(17,390,000)	925,000		155,268.75	1,080,268.75	1,080,268.75	42,892,275.00	42,892,275.00	(41,812,006.25)	(41,812,006.25)

Successor Agency to the Lemoore Redevelopment Agency
 2011 Tax Allocation Bonds

Gross Debt Service Schedule and Redemption Provisions (Called Bonds)

Date	Principal	Rate	Interest	Periodic Debt Service	Annual Debt Service	Call Date 9/10/2016	Premium 0.00%	Call Premium	Accrued Interest	Defeasance Debt Service
8/1/2016										
9/10/2016									138,045.10	17,528,045.10
2/1/2017			637,131.25	637,131.25						
8/1/2017	-	-	637,131.25	637,131.25	1,274,262.50	-	-			
2/1/2018			637,131.25	637,131.25						
8/1/2018	-	-	637,131.25	637,131.25	1,274,262.50	-	-			
2/1/2019			637,131.25	637,131.25						
8/1/2019	-	-	637,131.25	637,131.25	1,274,262.50	-	-			
2/1/2020			637,131.25	637,131.25						
8/1/2020	-	-	637,131.25	637,131.25	1,274,262.50	-	-			
2/1/2021			637,131.25	637,131.25						
8/1/2021	25,000	6.000	637,131.25	662,131.25	1,299,262.50	25,000	-			
2/1/2022			636,381.25	636,381.25						
8/1/2022	215,000	6.625	636,381.25	851,381.25	1,487,762.50	215,000	-			
2/1/2023			629,259.38	629,259.38						
8/1/2023	220,000	6.625	629,259.38	849,259.38	1,478,518.75	220,000	-			
2/1/2024			621,971.88	621,971.88						
8/1/2024	230,000	6.625	621,971.88	851,971.88	1,473,943.75	230,000	-			
2/1/2025			614,353.13	614,353.13						
8/1/2025	250,000	7.250	614,353.13	864,353.13	1,478,706.25	250,000	-			
2/1/2026			605,290.63	605,290.63						
8/1/2026	300,000	7.250	605,290.63	905,290.63	1,510,581.25	300,000	-			
2/1/2027			594,415.63	594,415.63						
8/1/2027	315,000	7.250	594,415.63	909,415.63	1,503,831.25	315,000	-			
2/1/2028			582,996.88	582,996.88						
8/1/2028	335,000	7.250	582,996.88	917,996.88	1,500,993.75	335,000	-			
2/1/2029			570,853.13	570,853.13						
8/1/2029	355,000	7.250	570,853.13	925,853.13	1,496,706.25	355,000	-			
2/1/2030			557,984.38	557,984.38						
8/1/2030	380,000	7.250	557,984.38	937,984.38	1,495,968.75	380,000	-			
2/1/2031			544,209.38	544,209.38						
8/1/2031	400,000	7.250	544,209.38	944,209.38	1,488,418.75	400,000	-			
2/1/2032			529,709.38	529,709.38						
8/1/2032	425,000	7.375	529,709.38	954,709.38	1,484,418.75	425,000	-			
2/1/2033			514,037.50	514,037.50						
8/1/2033	455,000	7.375	514,037.50	969,037.50	1,483,075.00	455,000	-			
2/1/2034			497,259.38	497,259.38						
8/1/2034	1,730,000	7.375	497,259.38	2,227,259.38	2,724,518.75	1,730,000	-			
2/1/2035			433,465.63	433,465.63						
8/1/2035	1,855,000	7.375	433,465.63	2,288,465.63	2,721,931.25	1,855,000	-			
2/1/2036			365,062.50	365,062.50						
8/1/2036	1,990,000	7.375	365,062.50	2,355,062.50	2,720,125.00	1,990,000	-			
2/1/2037			291,681.25	291,681.25						
8/1/2037	2,130,000	7.375	291,681.25	2,421,681.25	2,713,362.50	2,130,000	-			
2/1/2038			213,137.50	213,137.50						
8/1/2038	1,790,000	7.375	213,137.50	2,003,137.50	2,216,275.00	1,790,000	-			
2/1/2039			147,131.25	147,131.25						
8/1/2039	1,925,000	7.375	147,131.25	2,072,131.25	2,219,262.50	1,925,000	-			
2/1/2040			76,146.88	76,146.88						
8/1/2040	2,065,000	7.375	76,146.88	2,141,146.88	2,217,293.75	2,065,000	-			
Totals	17,390,000		24,422,006.25	41,812,006.25	41,812,006.25	17,390,000	-	138,045.10	17,528,045.10	

**Successor Agency to the Lemoore Redevelopment Agency
2014 Refunding Tax Allocation Bonds**

Gross Debt Service Schedule

Date	Principal	Rate	Interest	Periodic Debt Service	Annual Debt Service
8/1/2016					
2/1/2017			291,576.07	291,576.07	
8/1/2017	626,612	3.960	291,576.07	918,188.07	1,209,764.13
2/1/2018			279,169.15	279,169.15	
8/1/2018	653,805	3.960	279,169.15	932,974.15	1,212,143.30
2/1/2019			266,223.81	266,223.81	
8/1/2019	675,446	3.960	266,223.81	941,669.81	1,207,893.62
2/1/2020			252,849.98	252,849.98	
8/1/2020	706,474	3.960	252,849.98	959,323.98	1,212,173.96
2/1/2021			238,861.79	238,861.79	
8/1/2021	736,800	3.960	238,861.79	975,661.79	1,214,523.59
2/1/2022			224,273.15	224,273.15	
8/1/2022	761,297	3.960	224,273.15	985,570.15	1,209,843.31
2/1/2023			209,199.47	209,199.47	
8/1/2023	795,281	3.960	209,199.47	1,004,480.47	1,213,679.95
2/1/2024			193,452.91	193,452.91	
8/1/2024	828,686	3.960	193,452.91	1,022,138.91	1,215,591.82
2/1/2025			177,044.93	177,044.93	
8/1/2025	851,491	3.960	177,044.93	1,028,535.93	1,205,580.85
2/1/2026			160,185.41	160,185.41	
8/1/2026	880,336	3.960	160,185.41	1,040,521.41	1,200,706.81
2/1/2027			142,754.75	142,754.75	
8/1/2027	915,191	3.960	142,754.75	1,057,945.75	1,200,700.51
2/1/2028			124,633.97	124,633.97	
8/1/2028	949,576	3.960	124,633.97	1,074,209.97	1,198,843.94
2/1/2029			105,832.37	105,832.37	
8/1/2029	987,292	3.960	105,832.37	1,093,124.37	1,198,956.73
2/1/2030			86,283.98	86,283.98	
8/1/2030	1,024,364	3.960	86,283.98	1,110,647.98	1,196,931.97
2/1/2031			66,001.58	66,001.58	
8/1/2031	1,070,766	3.960	66,001.58	1,136,767.58	1,202,769.15
2/1/2032			44,800.41	44,800.41	
8/1/2032	1,111,393	3.960	44,800.41	1,156,193.41	1,200,993.82
2/1/2033			22,794.83	22,794.83	
8/1/2033	1,151,254	3.960	22,794.83	1,174,048.83	1,196,843.66
2/1/2034			-	-	
8/1/2034	-	-	-	-	-
2/1/2035			-	-	
8/1/2035	-	-	-	-	-
2/1/2036			-	-	
8/1/2036	-	-	-	-	-
2/1/2037			-	-	
8/1/2037	-	-	-	-	-
2/1/2038			-	-	
8/1/2038	-	-	-	-	-
2/1/2039			-	-	
8/1/2039	-	-	-	-	-
2/1/2040			-	-	
8/1/2040	-	-	-	-	-
Totals	14,726,064		5,771,877.13	20,497,941.13	20,497,941.13

Successor Agency to the Lemoore Redevelopment Agency
 2011 Tax Allocation Bonds
 Reserve Fund Calculation (Prior and Post Partial Defeasance)

Prior to Defeasance			Post Defeasance			Post Defeasance Reserve Fund Test			
Maximum Annual Debt Service	2,724,518.75		Maximum Annual Debt Service	1,439,939.13					
			1.25 Times Avg. Annual Debt Service	1,586,633.08					
Series 2011 Reserve Fund	1,507,428.74		Series 2011 Reserve Fund	1,507,428.74					
Series 2014 Reserve Fund	1,217,096.50		Series 2014 Reserve Fund	1,217,096.50					
Total Reserve Fund Dollars	2,724,525.24		Total Reserve Fund Dollars	2,724,525.24					
Excess Reserve Dollars	6.49		Reserve Dollars Released	1,284,586.11					
			Series 2011 Reserve Fund	222,842.63					
			Series 2014 Reserve Fund	1,217,096.50					
			Total Reserve Fund Dollars	1,439,939.13					
Bond Year	Debt Service Series 2011	Debt Service Series 2014	Total Debt Service	Post Defeasance Debt Service Series 2011	Debt Service Series 2014	Total Debt Service	MADS	1.25x Avg. Annual	RF Test
2017	1,504,437.50	1,209,764.13	2,714,201.63	230,175.00	1,209,764.13	1,439,939.13	1,434,843.62	1,573,302.40	MADS
2018	1,495,437.50	1,212,143.30	2,707,580.80	221,175.00	1,212,143.30	1,433,318.30	1,434,843.62	1,558,746.04	MADS
2019	1,501,212.50	1,207,893.62	2,709,106.12	226,950.00	1,207,893.62	1,434,843.62	1,428,642.71	1,541,974.00	MADS
2020	1,490,731.25	1,212,173.96	2,702,905.21	216,468.75	1,212,173.96	1,428,642.71	1,400,023.59	1,523,217.90	MADS
2021	1,484,762.50	1,214,523.59	2,699,286.09	185,500.00	1,214,523.59	1,400,023.59	1,215,591.82	1,504,316.93	MADS
2022	1,487,762.50	1,209,843.31	2,697,605.81	-	1,209,843.31	1,209,843.31	1,215,591.82	1,503,590.82	MADS
2023	1,478,518.75	1,213,679.95	2,692,198.70	-	1,213,679.95	1,213,679.95	1,215,591.82	1,502,239.91	MADS
2024	1,473,943.75	1,215,591.82	2,689,535.57	-	1,215,591.82	1,215,591.82	1,205,580.85	1,500,323.26	MADS
2025	1,478,706.25	1,205,580.85	2,684,287.10	-	1,205,580.85	1,205,580.85	1,202,769.15	1,499,491.66	MADS
2026	1,510,581.25	1,200,706.81	2,711,288.06	-	1,200,706.81	1,200,706.81	1,202,769.15	1,499,292.82	MADS
2027	1,503,831.25	1,200,700.51	2,704,531.76	-	1,200,700.51	1,200,700.51	1,202,769.15	1,499,029.02	MADS
2028	1,500,993.75	1,198,843.94	2,699,837.69	-	1,198,843.94	1,198,843.94	1,202,769.15	1,499,123.83	MADS
2029	1,496,706.25	1,198,956.73	2,695,662.98	-	1,198,956.73	1,198,956.73	1,202,769.15	1,499,230.81	MADS
2030	1,495,968.75	1,196,931.97	2,692,900.72	-	1,196,931.97	1,196,931.97	1,202,769.15	1,500,252.76	MADS
2031	1,488,418.75	1,202,769.15	2,691,187.90	-	1,202,769.15	1,202,769.15	1,200,993.82	1,498,648.42	MADS
2032	1,484,418.75	1,200,993.82	2,685,412.57	-	1,200,993.82	1,200,993.82	1,196,843.66	1,496,054.57	MADS
2033	1,483,075.00	1,196,843.66	2,679,918.66	-	1,196,843.66	1,196,843.66	-	-	
2034	2,724,518.75	-	2,724,518.75	-	-	-	-	-	
2035	2,721,931.25	-	2,721,931.25	-	-	-	-	-	
2036	2,720,125.00	-	2,720,125.00	-	-	-	-	-	
2037	2,713,362.50	-	2,713,362.50	-	-	-	-	-	
2038	2,216,275.00	-	2,216,275.00	-	-	-	-	-	
2039	2,219,262.50	-	2,219,262.50	-	-	-	-	-	
2040	2,217,293.75	-	2,217,293.75	-	-	-	-	-	
Totals	42,892,275.00	20,497,941.13	63,390,216.13	1,080,268.75	20,497,941.13	21,578,209.88			

RESOLUTION NO. 2016-03

A RESOLUTION OF THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF INSTRUCTIONS TO TRUSTEE REGARDING PARTIAL OPTIONAL REDEMPTION AND THE EXECUTION AND DELIVERY OF A 2011 BOND PROCEEDS FUNDING AGREEMENT RELATING TO PROCEEDS OF 2011 BONDS ISSUED BY THE FORMER REDEVELOPMENT AGENCY AND TAKING OTHER RELATED ACTIONS

WHEREAS, the Lemoore Redevelopment Agency (the “Former Agency”) issued its Lemoore Redevelopment Project, 2011 Tax Allocation Bonds (the “2011 Bonds”), in the aggregate principal amount of \$19,150,000, pursuant to an Indenture of Trust, dated as of February 1, 2011 (the “Indenture”), by and between the Former Agency and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, pursuant to the Indenture, a portion of the proceeds of the 2011 Bonds were deposited into a Redevelopment Fund (established under the Indenture) intended to be used on redevelopment projects (the moneys deposited and maintained in the Redevelopment Fund being referred to herein as the “2011 Project Proceeds”); and

WHEREAS, pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012, the successor agency to the Former Agency (the “Successor Agency”) was constituted, and an oversight board of the Successor Agency (the “Oversight Board”) was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code (“HSC”) (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the “Dissolution Act”); and

WHEREAS, pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including the unspent 2011 Project Proceeds, transferred to the control of the Successor Agency by operation of law; and

WHEREAS, in light of the timing of the enactment of AB X1 26 and the subsequent dissolution of the Former Agency, none of the 2011 Project Proceeds in the Redevelopment Fund have been spent; and

WHEREAS, pursuant to the Dissolution Act (as amended by SB 107 enacted in September 2015), after the Successor Agency’s receipt of a finding of completion (the “Finding of Completion”) issued by the California State Department of Finance (the “DOF”), the Successor Agency may spend the 2011 Project Proceeds in a manner permitted under HSC Section 34191.4; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on June 7, 2013, pursuant to HSC Section 34179.7; and

WHEREAS, pursuant to HSC Section 34191.4(c)(2)(A) and HSC Section 34191(c)(2)(C), the Successor Agency has determined to: (i) use 5 percent of the 2011 Project Proceeds for projects in a manner consistent with bond covenants (the “Projects”), and (ii) use the other 95 percent of the 2011 Project Proceeds to cause a prepayment (by redemption) of a portion of the outstanding 2011 Bonds; and

WHEREAS, to effect the partial redemption of the 2011 Bonds, the Successor Agency proposes to execute and deliver instructions to the Trustee, substantially in the form attached hereto as Exhibit A (the “Redemption Instructions”); and

WHEREAS, in light of Successor Agency’s limited staffing, the City of Lemoore’s traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency desires to enter into a 2011 Bond Proceeds Funding Agreement, by and between the Successor Agency and the City, substantially in the form attached here as Exhibit B (the “Funding Agreement”), to provide for the Successor Agency’s transfer of the 2011 Project Proceeds remaining after the redemption and the City use of such 2011 Project Proceeds to perform or cause to be performed the work required for the Projects; and

WHEREAS, the Redemption Instructions and the Funding Agreement are in furtherance of the winding down of the Former Agency’s affairs, with respect to the expenditure of unspent bond proceeds as contemplated under HSC Section 34191.4;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED BY THE GOVERNING BOARD OF THE LEMOORE SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Redemption Instructions, in the form attached hereto as Exhibit A, is hereby approved. Each of the Chair of this Governing Board (*ex-officio* the Mayor of the City), the Vice Chair of this Governing Board (*ex-officio* the Mayor Pro Tem of the City), and the Executive Director (*ex-officio* the City Manager of the City) (each an “Authorized Officer,” and collectively the “Authorized Officers”), acting individually, is authorized, for and in the name of the Successor Agency, to execute and deliver the Redemption Instructions, in substantially such form, with such changes therein as the Authorized Officer may approve (with such approval to be conclusively evidenced by the execution and delivery thereof).

Section 3. The Funding Agreement, in the form attached hereto as Exhibit B, is hereby approved. Each Authorized Officers, acting individually, is authorized, for and in the name of the Successor Agency, to execute and deliver the Redemption Instructions, in substantially such form, with such changes therein as the Authorized Officer may approve (with such approval to be conclusively evidenced by the execution and delivery thereof).

Section 4. The Oversight Board is hereby requested to approve the Successor Agency's execution and delivery the Redemption Instructions and the Funding Agreement. The Board Secretary is hereby directed to transmit this Resolution to the Oversight Board for consideration at the earliest possible date.

Section 5. The officers of the Successor Agency are hereby authorized, jointly and severally, to execute and deliver any and all necessary documents and instruments and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution, the Redemption Instructions and the Funding Agreement.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Successor Agency to the Lemoore Redevelopment Agency at a regular meeting this 21st day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

ATTEST:

APPROVED:

Mary J. Venegas
Board Secretary

Lois Wynne
Board Chair

EXHIBIT A

Instructions to Trustee Regarding Partial Optional Redemption
(in substantial final form)

[see attached]

EXHIBIT B

2011 Bond Proceeds Funding Agreement
(in substantial final form)

[see attached]

RESOLUTION 2016-19

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMOORE AUTHORIZING THE EXECUTION AND DELIVERY OF A 2011 BOND PROCEEDS FUNDING AGREEMENT BY AND BETWEEN THE CITY AND THE SUCCESSOR AGENCY TO THE LEMOORE REDEVELOPMENT AGENCY AND TAKING OTHER RELATED ACTIONS

WHEREAS, the Lemoore Redevelopment Agency (the “Former Agency”) issued its Lemoore Redevelopment Project, 2011 Tax Allocation Bonds (the “2011 Bonds”), in the aggregate principal amount of \$19,150,000, pursuant to an Indenture of Trust, dated as of February 1, 2011 (the “Indenture”), by and between the Former Agency and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, pursuant to the Indenture, a portion of the proceeds of the 2011 Bonds were deposited into a Redevelopment Fund (established under the Indenture) intended to be used on redevelopment projects (the moneys deposited and maintained in the Redevelopment Fund being referred to herein as the “2011 Project Proceeds”); and

WHEREAS, pursuant to AB X1 26 (which was enacted in June 2011) and the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012, the successor agency to the Former Agency (the “Successor Agency”) was constituted, and an oversight board of the Successor Agency (the “Oversight Board”) was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code (“HSC”) (such Parts 1.8 and 1.85, including amendments and supplements enacted after AB X1 26, being referred to herein as the “Dissolution Act”); and

WHEREAS, pursuant to the Dissolution Act, all assets, properties and contracts of the Former Agency, including the unspent 2011 Project Proceeds, transferred to the control of the Successor Agency by operation of law; and

WHEREAS, in light of the timing of the enactment of AB X1 26 and the subsequent dissolution of the Former Agency, none of the 2011 Project Proceeds in the Redevelopment Fund have been spent; and

WHEREAS, pursuant to the Dissolution Act (as amended by SB 107 enacted in September 2015), after the Successor Agency’s receipt of a finding of completion (the “Finding of Completion”) issued by the California State Department of Finance (the “DOF”), the Successor Agency may spend the 2011 Project Proceeds in a manner permitted under HSC Section 34191.4; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on June 7, 2013, pursuant to HSC Section 34179.7; and

WHEREAS, pursuant to HSC Section 34191.4(c)(2)(A) and HSC Section 34191(c)(2)(C), the Successor Agency has determined to: (i) use 5 percent of the 2011 Project Proceeds for projects in a manner consistent with bond covenants (the “Projects”, and (ii) use the other 95 percent of the 2011 Project Proceeds to cause a prepayment (by redemption) of a portion of the outstanding 2011 Bonds (the “Redemption”); and

WHEREAS, in light of Successor Agency’s limited staffing, the City of Lemoore’s traditional role and established procedures for the awarding of public works contracts, and the timing needs with respect to the Projects, the Successor Agency and the City desire to enter into a 2011 Bond Proceeds Funding Agreement, by and between the Successor Agency and the City, substantially in the form attached here as Exhibit A (the “Funding Agreement”), to provide for the Successor Agency’s transfer of the 2011 Project Proceeds remaining after the redemption and the City use of such 2011 Project Proceeds to perform or cause to be performed the work required for the Projects;

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED THE CITY COUNCIL OF THE CITY OF LEMOORE AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Funding Agreement, in the form attached hereto as Exhibit A, is hereby approved. The Mayor (or in the Mayor’s absence, the Mayor Pro Tem) is authorized, for and in the name of the City, to execute and deliver the Funding Agreement, in substantially such form, with such changes therein as the Mayor (or the Mayor Pro Temp, as the case may be) may approve (with such approval to be conclusively evidenced by the execution and delivery thereof).

Section 3. The Mayor, Mayor Pro Tem, the City Manager, the Finance Director and other officers of the City are hereby authorized, jointly and severally, to execute and deliver any and all necessary documents and instruments and to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Funding Agreement.

PASSED AND ADOPTED by the City Council of the City of Lemoore at a regular meeting held on the 21st day of June 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary J. Venegas
City Clerk

Lois Wynne
Mayor

EXHIBIT A

2011 Bond Proceeds Funding Agreement

(in substantial final form)

[see attached]