

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE  
REDEVELOPMENT AGENCY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

713



**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
July 13, 2009

**SUBJECT:** 2009 Bond Anticipation Note

**RECOMMENDED MOTION:** That the Board of Directors adopt resolution 2009-031 approving and authorize the Chairman to execute the attached Bond Anticipation Note, Series 2009 in the amount of \$15,000,000.

**BACKGROUND:** The Agency is currently implementing several redevelopment capital improvement projects in the Romoland area. These projects have been in the planning stages for several years and several are ready for construction. It had been anticipated that the Agency would issue new tax allocation bonds to fund these projects based on substantial growth that has occurred in the area however, current bond market conditions are unfavorable with high rates due to the current economic environment.

Continued

*Robert Field*

Robert Field  
Executive Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 15,000,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	09/10

**COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA:** Yes

<b>SOURCE OF FUNDS:</b> Redevelopment Capital Improvement Program Funds for the Romoland Sub Area of the I-215 Corridor Project Area and the Homeland Sub Area of the Mid County Project Area	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY *Jennifer L. Sargent*  
Jennifer L. Sargent

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 7/10/09 DATE  
Departmental Concurrence

Consent  
 Policy  
 Consent  
 Policy  
 Dep't Recomm.:  
 Per Exec. Ofc.:

Prev. Agn. Ref.: District: 5 Agenda Number:

4.10

Romoland-Homeland Community Center, Childcare Center and Park.

Pursuant to the terms of the note, interest will accrue at a variable interest rate equal to the rate of interest payable with respect to the County of Riverside Treasures Pooled Investment Fund Monthly Report plus 0.50%. Accrued interest will be paid quarterly by the Agency and the principal would be paid at maturity of the Note which will be two years after the date of issuance.

Staff recommends approval of the issuance of the Note as proposed so the Agency can proceed with the projects as proposed in a timely fashion which will in turn help stimulate the economy through the creation of jobs and investment.

Board of Directors

RESOLUTION NO. RDA 2009-031

RESOLUTION OF THE REDEVELOPMENT AGENCY  
FOR THE COUNTY OF RIVERSIDE PROVIDING FOR  
THE ISSUANCE OF BOND ANTICIPATION NOTES IN  
AN AMOUNT OF NOT TO EXCEED \$15,000,000 UPON  
CERTAIN TERMS AND CONDITIONS

WHEREAS, in accordance with Article 5 of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code of the State of California, commencing with Section 33640, the Redevelopment Agency for the County of Riverside (the "Agency") is authorized to issue bonds and notes for any of its corporate purposes; and

WHEREAS, the Agency wishes to finance a certain redevelopment project, Eller Park, the Romoland Beautification Project and the Romoland/Homeland Community Center, Childcare Center and Park, (the "Projects") within and outside the Romoland Subarea of the I-215 Corridor Project Area as well as the Homeland Subarea of the Mid County Project Area of the Agency; and

WHEREAS, the Agency has entered into negotiations for the sale of its bond anticipation notes to the Treasurer and Tax Collector of the County as purchaser (the "Purchaser"); and

WHEREAS, the Agency wishes to provide for the terms and conditions of the issuance of the Notes and to confirm certain related matters; and

WHEREAS, the Agency proposes to issue its bonds at a future time in order to repay the Notes; and

WHEREAS, the Agency agrees, among other things, to use the proceeds of the Notes to pay the costs of the Projects and to cause the Projects to be designed, constructed, delivered and installed;

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 7/10/09  
DALE A. GARDNER DATE

and

WHEREAS, the Agency expects to pay and incur certain expenditures in connection with the Project to be financed from the proceeds of bonds of the Agency prior to the issuance and sale of bonds of the Agency, and the Agency intends to reimburse itself and to pay third parties for such prior expenditures from the proceeds of such bonds; and

WHEREAS, Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986 (the "Treasury Regulations") requires the Agency to declare its reasonable official intent to reimburse prior expenditures with the proceeds of a subsequent borrowing; and

WHEREAS, the Treasury Regulations require that any reimbursement allocation of proceeds of the such bonds be made with respect to expenditures incurred prior to the issuance of such bonds will occur not later than eighteen (18) months after the later of (i) the date on which the expenditure is paid or (ii) the date on which the project is placed in service or abandoned, but in no event later than three (3) years after the expenditure is paid;

NOW, THEREFORE, the Board of Directors of the Redevelopment Agency for the County of Riverside hereby resolves as follows:

Section 1. Issuance of Notes. The Agency hereby authorizes the issuance and sale of its bond anticipation notes designated "Redevelopment Agency for the County of Riverside Bond Anticipation Notes, Series 2009" (the "Notes") in an aggregate principal amount of not to exceed \$15,000,000. The Notes shall be numbered from 1 consecutively upward in order of issuance; may be issued in one or more series; shall be in any denomination or denominations requested by the Purchaser, including in the form of a single note, upon which advances may be made as set forth in the Irrevocable Letter of Commitment of the Purchaser in the form attached hereto as Exhibit A; shall be dated the date of delivery thereof; shall mature two years from the date of issuance thereof, and shall be issued in an initial principal amount of \$15,000,000 with interest to accrue thereon, including interest on unpaid

interest if unpaid on a quarterly basis as required herein, at a variable interest rate equal to the rate of interest payable with respect to the County of Riverside Treasurers Pooled Investment Fund Monthly Report plus 0.50%, with interest to be paid quarterly and principal to be paid at maturity. The principal and interest of the Notes shall be payable only upon surrender thereof in lawful money of the United States of America at the office of the Treasurer and Tax Collector of the County as Paying Agent, in Riverside, California.

Section 2. Covenant to Refinance Notes with Bonds. The Notes shall be secured and supported by the issuance and sale of bonds or other evidence of indebtedness (the "Bonds") which the Agency covenants and agrees to issue and sell or to cause to be issued and sold on or before the stated maturity date of the Notes in an amount sufficient to pay the outstanding principal of and interest on the Notes. The Agency shall immediately retire the Notes upon the issuance of the Bonds.

Section 3. Form of Notes. The Notes shall be fully negotiable except as set forth therein, in non-registerable bearer form and in substantially the form attached hereto as Exhibit B.

Section 4. Source of Repayment. The Agency covenants to pay the principal of and interest on the Notes, together with costs of issuance thereof: (i) from the proceeds of the Bonds, (ii) from unexpended proceeds of the Notes, (iii) from tax increment moneys received by the Agency pursuant to Section 33670 of the California Health and Safety Code from the Romoland Subarea of the I-215 Corridor Project Area and the Homeland Subarea of the Mid County Project Area (the "Tax Increment") and lawfully available for such payment, but on a subordinate basis to the pledge and use of such Tax Increment for the repayment of any now outstanding tax allocation bonds, notes or other evidences of indebtedness of the Agency or other contractual obligations of the Agency heretofore incurred and secured or otherwise repayable from Tax Increment, and (iv) any other available funds of the Agency.

Section 5. No Senior or Parity Debt. The Agency covenants not to incur any

additional debt or other obligation, including bonds, notes or other evidences of indebtedness of the Agency, payable from or secured by a lien on Tax Increment on a parity with or senior to the pledge of Tax Increment to the Notes or the Bonds without the prior written consent of the Purchaser.

Section 6. Use of Proceeds. The moneys representing proceeds of the sale of the Notes shall be deposited into the accounts of the Agency, to be withdrawn and expended for the financing of costs of the Project.

Section 7. Default and Remedies. Failure to pay interest or principal when due shall constitute an event of default under the Notes. Upon the occurrence and continuation of an event of default, the Purchaser shall be entitled to exercise any remedies at law or in equity to which the Purchaser may be entitled.

Section 8. Execution of Notes. The Chairman or Vice Chairman of this Board is hereby directed and authorized to execute the Notes by manual or facsimile signature and to cause the blank spaces of the Notes to be filled in prior to the date of initial delivery of the Notes, as may be appropriate.

Section 9. Purchaser's Letter of Commitment. The Chairman or Vice Chairman is hereby directed and authorized to execute the Purchaser's Letter of Commitment, which is hereby approved in substantially the form attached hereto, with such changes as the Chairman or Vice Chairman may approve, and to deliver the Notes, upon payment therefor, to the Purchaser pursuant to the terms of said Letter of Commitment.

Section 10. Construction of Project. The Agency hereby agrees to cause the Projects to be designed, constructed, delivered and installed with the proceeds of the Notes.

Section 11. Prior Actions. All actions heretofore taken by the officers and agents of the Board with respect to the Notes are hereby approved, confirmed and ratified, and the officers and agents

of the Board are hereby authorized and directed to do any and all things and to take any and all actions which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes consistent with the purposes of this Resolution.

Section 12. Paying Agent. The County Treasurer and Tax Collector is hereby designated as Paying Agent for the Agency to provide for payment of principal of and interest on the Notes and costs of issuance thereof as they become due.

Section 13. Reimbursement. The Agency hereby declares its official intent to reimburse expenditures of the Agency relating to the Project to be financed from the proceeds of bonds of the Agency that are incurred or paid prior to the issuance and sale of such bonds from the proceeds of such bonds.

PASSED AND ADOPTED by the Board of Directors of the Redevelopment Agency for the County of Riverside this \_\_\_\_ day of \_\_\_\_\_, 2009.

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Chairman of the Board of Directors of the Redevelopment Agency for the County of Riverside

**EXHIBIT A**  
**FORM OF IRREVOCABLE LETTER OF COMMITMENT TO PURCHASE**

JULY 21, 2009

\$15,000,000

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
BOND ANTICIPATION NOTES, SERIES 2009

IRREVOCABLE LETTER OF COMMITMENT TO PURCHASE

Redevelopment Agency for  
the County of Riverside  
Riverside, California

Ladies and Gentlemen:

The undersigned Treasurer and Tax Collector of the County of Riverside (the "Treasurer"), hereby offers to provide this irrevocable letter of commitment of the Treasurer to purchase up to \$15,000,000 of Bond Anticipation Notes of the Redevelopment Agency for the County of Riverside (the "Agency"), upon the terms and conditions hereinafter set forth. This offer is made subject to the Agency's written acceptance hereof on or before 5:00 p.m., Riverside time, on the date hereof, and if not so accepted, will be subject to withdrawal by the Treasurer upon notice delivered to the Agency at any time prior to the acceptance hereof by the Agency.

1. **Purchase and Sale of the Notes.** Upon the terms and conditions set forth herein, the Treasurer hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell and deliver to the Treasurer up to \$15,000,000 in aggregate principal amount of the Agency's Bond Anticipation Notes, Series 2009 (the "Notes"). The aggregate purchase price to be paid by the Treasurer for any or all of said Notes shall be the aggregate par value thereof.

2. **The Notes.** The Notes shall be as described in and shall be issued and secured pursuant to a resolution of the Agency entitled "Resolution of the Board of Directors of the Redevelopment Agency for the County of Riverside Providing for the Issuance of Bond Anticipation Notes in an Amount of Not to Exceed \$15,000,000 Upon Certain Terms and Conditions" (the "Note Resolution") adopted on July 21, 2009. The Notes will be payable as provided in the Note Resolution. The Notes will be issued in the aggregate principal amount of up to \$15,000,000 and will be issued in non-registrable bearer form, in such denominations as may be designated by the Treasurer. The Notes may be issued in one or more series. The Notes will be dated their date of original delivery, and will mature and bear interest as provided in the Note Resolution. The Notes may be prepaid at any time without penalty.

The Notes shall be issued as a single note upon which an advance ("Advance") may be made by the Treasurer upon his receipt from the Agency, of a disbursement request. The Notes shall be in the amount of the disbursement request and shall be made the next working day following receipt of the disbursement request if received by 2:00 p.m. and otherwise the next working day. Interest on the Note shall begin to accrue upon the date of the receipt of funds by the Agency.

Principal and interest will be payable in accordance with the Note Resolution at the office of the Treasurer as paying agent for the Agency in Riverside, California. The Agency shall immediately retire all the Notes upon the issuance of bonds or other Agency obligations to finance or refinance the Project (as defined in the Note Resolution).

3. **Opinion of Counsel.** At or prior to the purchase of the Notes, or any series thereof, an approving opinion of both bond counsel and County Counsel of the County of Riverside as to the due authorization and enforceability of and legality for investment by the Treasurer of the Notes shall be delivered to the Treasurer and the Agency.

4. **Term.** This irrevocable commitment to purchase, unless extended by the parties, shall expire at the close of business on July 21, 2009.

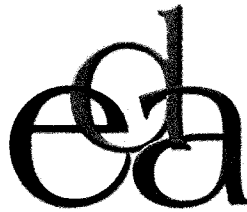
Very truly yours,

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DON KENT  
TREASURER AND TAX COLLECTOR  
OF THE COUNTY OF RIVERSIDE

ACCEPTED AND AGREED TO THIS 21st DAY OF JULY, 2009 BY THE  
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Jeff Stone, Chairman  
Board of Directors



**RIVERSIDE COUNTY**  
Economic Development Agency

[insert date]

Riverside County Treasurer-Tax Collector  
County Administrative Center  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92502-2205

Advance Request No. \_\_\_\_\_

RE: Redevelopment Agency for the County of Riverside  
2009 Bond Anticipation Note

Pursuant to Section 2 of the Irrevocable Letter of Commitment to Purchase, by and between the Redevelopment Agency for the County of Riverside and the County of Riverside, the Purchaser, we request an advance under the terms of the Note. You are hereby instructed to disburse the sum of \_\_\_\_\_ and to transfer funds to the following fund number:

Fund No. \_\_\_\_\_

Dated: \_\_\_\_\_

Redevelopment Agency for the County of Riverside

By: \_\_\_\_\_

Tina English  
Deputy Executive Director

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ECONOMIC DEVELOPMENT/MARKETING • REDEVELOPMENT • HOUSING • WORKFORCE DEVELOPMENT • HOUSING AUTHORITY • AVIATION • RIVERSIDE COUNTY FAIR & NATIONAL DATE FESTIVAL • EDWARD-DEAN MUSEUM & GARDENS • COMMUNITY SERVICES

**1325 SPRUCE STREET, SUITE 400 • RIVERSIDE CALIFORNIA 92507**  
**T 951.955.8916 • F 951.955.6686 • WWW.RIVCOEDA.ORG**

**EXHIBIT B**  
**FORM OF NOTE**

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**

**BOND ANTICIPATION NOTE, SERIES 2009**

\$15,000,000

July 21, 2009

FOR VALUE RECEIVED, the Redevelopment Agency for the County of Riverside (the "Agency") acknowledges itself indebted to and promises to pay the holder hereof, at the principal office of the County Treasurer and Tax Collector, as Paying Agent (the "Paying Agent"), in Riverside, California, on or before July 21, 2011 (being 2 years from the date hereof) the principal sum of Fifteen Million Dollars (\$15,000,000) or, if less, the aggregate principal amount of all the Advance, as that term is defined in the Irrevocable Letter of Commitment to Purchase dated July 21, 2009 from the County Treasurer and Tax Collector (the "Treasurer"), as Purchaser, to the Agency made by the Purchaser to the Agency in lawful money of the United States of America, together with interest thereon, including interest past due interest, at the rate determined in accordance with the terms of the "Resolution of the Board of Directors of the Redevelopment Agency for the County of Riverside Providing for the Issuance of Bond Anticipation Notes in an Amount of Not to Exceed \$15,000,000 Upon Certain Terms and Conditions" (the "Resolution"), adopted on July 21, 2009, which Resolution provides that interest shall accrue at a variable interest rate equal to the rate of interest payable with respect to the County of Riverside Treasurers Pooled Investment Fund Monthly Report plus 0.50%, Accrued interest shall be computed on the basis of a 360-day year for the actual number of days elapsed. The principal on this Bond Anticipation Note, Series 2009 (the "Note") shall be payable only upon surrender of this Note on the date of maturity or on any prior date without penalty, and in accordance with the terms of the Resolution.

The Treasurer shall endorse on the schedule attached hereto the date and amount of each Advance and the date and amount of each payment thereof. Such endorsements shall be presumptive as to the facts stated therein provided that the failure of the Treasurer to make any such endorsement shall not affect the right of the Purchaser to payment of principal or interest with respect to any Advance duly made. The mere fact of execution and delivery of this Note shall not imply that any indebtedness has been incurred nor that any amounts are outstanding hereunder.

It is hereby certified, recited and declared that this Note is made, executed and given pursuant to authority of the Resolution under and by authority of Article 5 of Chapter 6 of Part 1 of Division 24 of Title 1 of the California Health and Safety Code (commencing with Section 33640), and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in regular and due time, form and manner as required by law.

The principal of this Note shall be payable from the first proceeds received from the issuance and sale of bonds or other obligations of the Agency for the refinancing of the Project (as defined in the Resolution). The interest accrued on this Note shall be paid quarterly by Agency to the Paying Agent. The interest payments shall be due quarterly on 15th day of October, January, April, and July and shall cover interest accrued during the quarters ending September 30, December 31, March 31, and June 30, respectively. Notwithstanding the foregoing, this Note and the interest to accrue hereon may be repaid from Tax Increment (as defined in the Resolution), subject to the terms of the Resolution, or from any other available funds of the Agency lawfully available therefor, including the proceeds from the sale of this Note. Pursuant to the terms of the Resolution, the repayment of this Note from Tax Increment is subordinate to the pledge and use of such Tax Increment to repay any heretofore issued or incurred bonds, notes or other debt or contractual obligations of the Agency. Neither this Note nor

any interest therein may be transferred in any way without the consent of the Agency, which consent shall not be unreasonably withheld.

This Note has been issued by the Agency to aid in financing a redevelopment project. The Note is not a debt of the community, the State, or any of its political subdivisions and neither the community, the State, nor any of its political subdivisions is liable on the Note. In no event shall the Note be payable out of any funds or properties other than those of the Agency. The Note does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

IN WITNESS WHEREOF, the Redevelopment Agency for the County of Riverside has caused this Note to be executed by its Chairman or Vice Chairman on this 21st day of July, 2009.

REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE

---

Jeff Stone, Chairman  
Board of Directors

Attest:

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Kecia Parker Ihem  
Clerk to the Board of Directors

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**

**BOND ANTICIPATION NOTE, SERIES 2009**

\$15,000,000

July 21, 2009

FOR VALUE RECEIVED, the Redevelopment Agency for the County of Riverside (the "Agency") acknowledges itself indebted to and promises to pay the holder hereof, at the principal office of the County Treasurer and Tax Collector, as Paying Agent (the "Paying Agent"), in Riverside, California, on or before July 21, 2011 (being 2 years from the date hereof) the principal sum of Fifteen Million Dollars (\$15,000,000) or, if less, the aggregate principal amount of all the Advance, as that term is defined in the Irrevocable Letter of Commitment to Purchase dated July 21, 2009 from the County Treasurer and Tax Collector (the "Treasurer"), as Purchaser, to the Agency made by the Purchaser to the Agency in lawful money of the United States of America, together with interest thereon, including interest past due interest, at the rate determined in accordance with the terms of the "Resolution of the Board of Directors of the Redevelopment Agency for the County of Riverside Providing for the Issuance of Bond Anticipation Notes in an Amount of Not to Exceed \$15,000,000 Upon Certain Terms and Conditions" (the "Resolution"), adopted on July 21, 2009, which Resolution provides that interest shall accrue at a variable interest rate equal to the rate of interest payable with respect to the County of Riverside Treasurers Pooled Investment Fund Monthly Report plus 0.50%, Accrued interest shall be computed on the basis of a 360-day year for the actual number of days elapsed. The principal on this Bond Anticipation Note, Series 2009 (the "Note") shall be payable only upon surrender of this Note on the date of maturity or on any prior date without penalty, and in accordance with the terms of the Resolution.

The Treasurer shall endorse on the schedule attached hereto the date and amount of each Advance and the date and amount of each payment thereof. Such endorsements shall be presumptive as to the facts stated therein provided that the failure of the Treasurer to make any such endorsement shall not affect the right of the Purchaser to payment of principal or interest with respect to any Advance duly made. The mere fact of execution and delivery of this Note shall not imply that any indebtedness has been incurred nor that any amounts are outstanding hereunder.

It is hereby certified, recited and declared that this Note is made, executed and given pursuant to authority of the Resolution under and by authority of Article 5 of Chapter 6 of Part 1 of Division 24 of Title 1 of the California Health and Safety Code (commencing with Section 33640), and that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Note have existed, happened and been performed in regular and due time, form and manner as required by law.

The principal of this Note shall be payable from the first proceeds received from the issuance and sale of bonds or other obligations of the Agency for the refinancing of the Project (as defined in the Resolution). The interest accrued on this Note shall be paid quarterly by Agency to the Paying Agent. The interest payments shall be due quarterly on 15th day of October, January, April, and July and shall cover interest accrued during the quarters ending September 30, December 31, March 31, and June 30, respectively. Notwithstanding the foregoing, this Note and the interest to accrue hereon may be repaid from Tax Increment (as defined in the Resolution), subject to the terms of the Resolution, or from any other available funds of the Agency lawfully available therefor, including the proceeds from the sale of this Note. Pursuant to the terms of the Resolution, the repayment of this Note from Tax Increment is subordinate to the pledge and use of such Tax Increment to repay any heretofore issued or incurred bonds, notes or other debt or contractual obligations of the Agency. Neither this Note nor

any interest therein may be transferred in any way without the consent of the Agency, which consent shall not be unreasonably withheld.

This Note has been issued by the Agency to aid in financing a redevelopment project. The Note is not a debt of the community, the State, or any of its political subdivisions and neither the community, the State, nor any of its political subdivisions is liable on the Note. In no event shall the Note be payable out of any funds or properties other than those of the Agency. The Note does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

IN WITNESS WHEREOF, the Redevelopment Agency for the County of Riverside has caused this Note to be executed by its Chairman or Vice Chairman on this 21st day of July, 2009.

REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE

---

Jeff Stone, Chairman  
Board of Directors

Attest:

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Kecia Parker Ihem  
Clerk to the Board of Directors

JULY 21, 2009

\$15,000,000

REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
BOND ANTICIPATION NOTES, SERIES 2009

IRREVOCABLE LETTER OF COMMITMENT TO PURCHASE

Redevelopment Agency for  
the County of Riverside  
Riverside, California

Ladies and Gentlemen:

The undersigned Treasurer and Tax Collector of the County of Riverside (the "Treasurer"), hereby offers to provide this irrevocable letter of commitment of the Treasurer to purchase up to \$15,000,000 of Bond Anticipation Notes of the Redevelopment Agency for the County of Riverside (the "Agency"), upon the terms and conditions hereinafter set forth. This offer is made subject to the Agency's written acceptance hereof on or before 5:00 p.m., Riverside time, on the date hereof, and if not so accepted, will be subject to withdrawal by the Treasurer upon notice delivered to the Agency at any time prior to the acceptance hereof by the Agency.

1. **Purchase and Sale of the Notes.** Upon the terms and conditions set forth herein, the Treasurer hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell and deliver to the Treasurer up to \$15,000,000 in aggregate principal amount of the Agency's Bond Anticipation Notes, Series 2009 (the "Notes"). The aggregate purchase price to be paid by the Treasurer for any or all of said Notes shall be the aggregate par value thereof.

2. **The Notes.** The Notes shall be as described in and shall be issued and secured pursuant to a resolution of the Agency entitled "Resolution of the Board of Directors of the Redevelopment Agency for the County of Riverside Providing for the Issuance of Bond Anticipation Notes in an Amount of Not to Exceed \$15,000,000 Upon Certain Terms and Conditions" (the "Note Resolution") adopted on July 21, 2009. The Notes will be payable as provided in the Note Resolution. The Notes will be issued in the aggregate principal amount of up to \$15,000,000 and will be issued in non-registrable bearer form, in such denominations as may be designated by the Treasurer. The Notes may be issued in one or more series. The Notes will be dated their date of original delivery, and will mature and bear interest as provided in the Note Resolution. The Notes may be prepaid at any time without penalty.

The Notes shall be issued as a single note upon which an advance ("Advance") may be made by the Treasurer upon his receipt from the Agency, of a disbursement request. The Notes shall be in the amount of the disbursement request and shall be made the next working day following receipt of the disbursement request if received by 2:00 p.m. and otherwise the next working day. Interest on the Note shall begin to accrue upon the date of the receipt of funds by the Agency.

Principal and interest will be payable in accordance with the Note Resolution at the office of the Treasurer as paying agent for the Agency in Riverside, California. The Agency shall immediately retire all the Notes upon the issuance of bonds or other Agency obligations to finance or refinance the Project (as defined in the Note Resolution).

3. **Opinion of Counsel.** At or prior to the purchase of the Notes, or any series thereof, an approving opinion of both bond counsel and County Counsel of the County of Riverside as to the due authorization and enforceability of and legality for investment by the Treasurer of the Notes shall be delivered to the Treasurer and the Agency.

4. **Term.** This irrevocable commitment to purchase, unless extended by the parties, shall expire at the close of business on July 21, 2009.

Very truly yours,

---

DON KENT  
TREASURER AND TAX COLLECTOR  
OF THE COUNTY OF RIVERSIDE

ACCEPTED AND AGREED TO THIS 21<sup>st</sup> DAY OF JULY, 2009 BY THE  
REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Jeff Stone, Chairman  
Board of Directors

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 7/10/09  
DALE A. GARDNER DATE