

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE  
RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

158



**FROM:** Executive Office

**SUBMITTAL DATE:**  
March 27, 2014

**SUBJECT:** Resolution No. PFA 2014-01 Authorizing the Issuance and Sale of the Public Finance Authority's 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) and 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (Vote on Separately)

**RECOMMENDED MOTION:** That the Board of Directors:

1. Approve and adopt Resolution No. PFA 2014-01 authorizing the issuance and sale of the Public Finance Authority's ("PFA") 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) and 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) in a combined principal amount not to exceed \$40,000,000 to purchase refunding bonds of the Successor Agency to Indian Wells Redevelopment Agency; and authorizing and approving related documents and actions.
2. Approve the professionals involved in the financing.

**BACKGROUND:**

**Summary**

On September 24, 2013 (Item 4-1) the Board of Supervisors approved, in principle, a County Redevelopment Bond Refunding Program to assist County Successor Agencies ("SA") refund (Continued on page 2)

*Alex Gann*

Alex Gann  
Deputy County Executive Officer

FORM APPROVED COUNTY COUNSEL  
BY: *Wade A. Gardner* DATE: 4/18/14  
WADE A. GARDNER

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

**SOURCE OF FUNDS:**

Budget Adjustment: No  
For Fiscal Year: 13-14

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

**APPROVE**

BY: *George A. Johnson*  
George A. Johnson

County Executive Office Signature

**MINUTES OF THE BOARD OF DIRECTORS OF THE PUBLIC FINANCING AUTHORITY**

On motion of Director Stone, seconded by Director Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None  
Date: April 22, 2014  
xc: Public Finance Authority

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: | District: ALL | Agenda Number:

5-1

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE COUNTY PUBLIC FINANCE AUTHORITY  
FORM 11: Resolution No. PFA 2014-01 Authorizing the Issuance and Sale of the PFA's 2014 Tax  
Allocation Bonds, Series A and 2014 Taxable Tax Allocation Bonds Series A-T**

**DATE: March 27, 2014**

**PAGE: 2 of 3**

**BACKGROUND:**

**Summary (continued)**

outstanding tax increment bonded indebtedness to save money on the SA's debt service payments and increase available property tax revenues to be distributed to the County, school districts, community college districts and other taxing entities under the Redevelopment Dissolution Law (ABx1 26 as amended by AB 1484). The ultimate goal of this program is to facilitate the refunding bonds for SAs in Riverside County. The program is managed exclusively by the County.

Resolution No. PFA 2014-01 authorizes the issuance and sale of the PFA's 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) and its 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) ("the Authority Bonds") in a combined principal amount of not to exceed \$40,000,000 to purchase two separate bond issues of the Indian Wells SA to refund all or a portion of certain bonds issued by the former Redevelopment Agency of the City of Indian Wells. As of March 17, 2014, the net present value savings from this refunding is estimated to be approximately 6.79% which exceeds the minimum savings required by County policy.

The Indian Wells SA and its Oversight Board approved the refunding on January 29, 2014. The State Department of Finance ("DOF") is expected to give final approval of the refunding on or about April 15, 2014. The refunding is conditioned on obtaining DOF approval.

The Authority Bonds will be special, limited obligations of the Authority, payable from and secured by certain revenues of the PFA consisting primarily of payments on the Indian Wells SA bonds which the PFA will purchase. Those Indian Wells SA bonds are payable from and secured by designated property tax (formerly tax increment revenues) which is deposited from time to time in the Redevelopment Property Tax Trust Fund on a subordinate basis to outstanding senior bonds. Payments under the purchased Indian Wells SA bonds are calculated to be sufficient to permit the PFA to pay the principal of, premium, if any, and interest on the Authority Bonds when due.

The Authority Bonds will not constitute a charge against the general credit of the PFA or any of its members. Under no circumstances will the PFA be obligated to pay principal of, redemption premium, if any, or interest on the Authority Bonds except from the payments that the PFA receives on the purchased Indian Wells SA bonds. Neither the County nor any public agency other than the PFA is obligated to pay the principal of or redemption premium, if any, or interest on the Authority Bonds and neither the faith and credit nor the taxing power of the County or any public agency is pledged to the payment of the Authority Bonds. The Authority Bonds do not constitute a debt or other obligation of the County and no funds of the County are pledged to the repayment of the Authority Bonds.

Resolution No. PFA 2014-01 also approves various documents associated with the issuance and sale of the Authority Bonds, including a Preliminary Official Statement.

The professionals working on the issuance and sale of the Authority Bonds include Jones Hall, a Professional Law Corporation, as Bond Counsel; Best Best & Krieger LLP as Disclosure Counsel; and C.M. De Crinis & Co. Inc., as financial advisor. The cost of professional services will be paid from the proceeds of the Authority Bonds. In addition, the Authority, on behalf of the County, will receive a semi-annual administrative fee to act as Program Manager.

Staff recommends that the Board adopt Resolution No. PFA 2014-01 and approve the professionals working on the financing.

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE COUNTY PUBLIC FINANCE AUTHORITY  
FORM 11: Resolution No. PFA 2014-01 Authorizing the Issuance and Sale of the PFA's 2014 Tax  
Allocation Bonds, Series A and 2014 Taxable Tax Allocation Bonds Series A-T**

**DATE: March 27, 2014**

**PAGE: 3 of 3**

**Impact on Citizens and Businesses**

Approval of this refunding will be beneficial to the citizens of Riverside County. County residents and businesses will ultimately benefit from the surplus property tax revenues that will be derived from the refunding which will be distributed to taxing entities, including the County's General Fund. NPV savings are estimated at \$2,191,000 and total cash flow savings are \$2,523,000, as shown in Exhibit A. Riverside County will receive approximately thirty-six percent (36%) of the savings from the refunding, which is approximately \$908,000 over the term or \$107,000 per year through 2024 – net of costs.

**Attachments:**

1. Resolution PFA No. 2014-01
2. Indenture
3. Local Obligation Purchase Contract
4. Purchase Agreement
5. Preliminary Official Statement
6. Continuing Disclosure Agreement

## EXHIBIT A

### SAVINGS

Indian Wells RDA  
Indian Wells - Consolidated Whitewater - Refunding  
2014 Tax Allocation Refunding Bonds  
\*\*\* Preliminary - Subject to Change \*\*\*  
Rates as of April 9, 2014

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 05/20/2014 @ 3.3738926%
09/01/2014	3,919,599.50	3,834,405.74	85,193.76	84,397.81
09/01/2015	4,827,570.00	4,520,737.00	306,833.00	299,070.45
09/01/2016	4,827,093.00	4,521,924.50	305,168.50	286,697.73
09/01/2017	4,822,495.00	4,516,899.50	305,595.50	276,705.32
09/01/2018	4,823,503.00	4,519,819.50	303,683.50	265,162.29
09/01/2019	4,824,298.00	4,522,217.50	302,080.50	254,446.48
09/01/2020	4,819,357.00	4,512,211.50	307,145.50	249,974.60
09/01/2021	4,823,407.00	4,518,066.00	305,341.00	240,124.78
09/01/2022	4,820,379.00	4,517,922.00	302,457.00	229,635.53
	42,507,701.50	39,984,203.24	2,523,498.26	2,186,215.00

#### Savings Summary

PV of savings from cash flow	2,186,215.00
Plus: Refunding funds on hand	5,302.62
Net PV Savings	2,191,517.62

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RESOLUTION NO. PFA 2014-01

RESOLUTION OF THE RIVERSIDE COUNTY PUBLIC FINANCING  
AUTHORITY AUTHORIZING THE ISSUANCE OF ITS 2014 TAX  
ALLOCATION REVENUE BONDS, SERIES A (INDIAN WELLS  
REFUNDING PROJECT) AND ITS 2014 TAXABLE TAX ALLOCATION  
REVENUE BONDS, SERIES A-T (INDIAN WELLS REFUNDING  
PROJECT), IN A COMBINED PRINCIPAL AMOUNT OF NOT TO  
EXCEED \$40,000,000, WITH RESPECT TO THE PURCHASE OF  
REFUNDING BONDS OF THE SUCCESSOR AGENCY TO THE INDIAN  
WELLS REDEVELOPMENT AGENCY, APPROVING AN INDENTURE OF  
TRUST, AUTHORIZING SALE OF BONDS, APPROVING OFFICIAL  
STATEMENT AND PROVIDING OTHER MATTERS PROPERLY  
RELATING THERETO

WHEREAS, the Authority is a joint powers authority duly  
organized and existing under and pursuant to that certain Joint  
Exercise of Powers Agreement dated March 20, 1990 by and between  
the Redevelopment Agency for the County of Riverside (the  
"Agency") and the County of Riverside (the "County"), and under  
the provisions of Articles 1 through 4 (commencing with Section  
6500) of Chapter 5 of Division 7 of Title 1 of the Government  
Code of the State of California (the "Act"), and is authorized  
pursuant to Article 4 of the Act (the "Bond Law") to borrow  
money for the purpose of financing the acquisition of bonds,  
notes and other obligations of, or for the purpose of making  
loans to, local agencies (as such term is defined in the Bond  
Law);

FORM APPROVED COUNTY COUNSEL  
BY: Dale A. Gardner 4/18/14

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3       **WHEREAS**, for the purpose of providing funds to purchase two  
4 separate bond issues (the "Successor Agency Bonds") of the  
5 Successor Agency to the Indian Wells Successor Agency (the  
6 "Successor Agency") issued by the Successor Agency to refund  
7 certain bonds issued by the former Redevelopment Agency of the  
8 City of Indian Wells, the Authority intends to issue its 2014  
9 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding  
10 Project") (the "2014 Series A Bonds") and its 2014 Taxable Tax  
11 Allocation Revenue Bonds, Series A-T (Indian Wells Refunding  
12 Project") (the "2014 Taxable Series A-T Bonds" and, together  
13 with the 2014 Series A Bonds, the "Authority Bonds");

14  
15       **WHEREAS**, the Authority will use the proceeds of the  
16 Authority Bonds to purchase the Successor Agency Bonds pursuant  
17 to the terms of the Local Obligation Purchase Contract (the  
18 "Local Obligation Purchase Contract") to be entered into by the  
19 Authority and the Successor Agency;

20  
21       **WHEREAS**, the Underwriters (as defined herein) have agreed  
22 to purchase the Authority Bonds in accordance with the bond  
23 purchase agreement in form on file with the Secretary (the  
24 "Purchase Agreement"), and, in connection with the offering of  
25 the Authority Bonds, Best Best & Krieger LLP, as disclosure  
26 counsel to the Authority, has caused to be prepared a draft of  
27 the Official Statement for the Bonds (the "Official Statement"),  
28 the preliminary form of which is on file with the Secretary, and

1 a form of Continuing Disclosure Agreement (the "Continuing  
2 Disclosure Agreement"), the form of which is on file with the  
3 Secretary; and  
4

5  
6 **WHEREAS**, the Board has duly considered the transactions  
7 described above and wishes at this time to approve such  
8 transactions in the public interests of the Authority and the  
9 Successor Agency;

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11 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by  
12 the Board of Directors of the Riverside County Public Financing  
13 Authority, as follows:

14  
15 **Section 1. Recitals True and Correct.** The Authority hereby  
16 finds and declares that the above recitals are true and correct.

17  
18 **Section 2. Issuance of Bonds.** Under and pursuant to the  
19 Act and the Indenture of Trust between the Authority and Union  
20 Bank, N.A. pursuant to which the Authority Bonds will be issued,  
21 and for the purposes above described, the Board hereby  
22 authorizes the issuance of its 2014 Series A Bonds and its 2014  
23 Taxable Series A-T Bonds in the combined aggregate principal  
24 amount of not to exceed \$40,000,000. The Board hereby approves  
25 the Indenture in the form on file with the Secretary together  
26 with any additions thereto or changes therein requested by the  
27 provider of a municipal bond insurance policy for either the  
28 Authority Bonds or the Successor Agency Bonds or a surety bond

1 for the Agency Bonds or deemed necessary or advisable by the  
2 Chairman, the Executive Director, or the Deputy Executive  
3 Director of the Authority (each, a "Designated Officer"), whose  
4 execution thereof shall be conclusive evidence of approval of  
5 any such additions and changes. The Designated Officers are  
6 hereby separately authorized and directed to execute the final  
7 form of the Indenture for and in the name and on behalf of the  
8 Authority. Such changes and additions shall include, without  
9 limitation, the insertion in the Indenture of the applicable  
10 final annual maturities and final aggregate principal amount of  
11 the 2014 Series A Bonds and the 2014 Taxable Series A-T Bonds  
12 and the final annual interest rates payable with respect to the  
13 2014 Series A Bonds and the 2014 Taxable Series A-T Bonds, as  
14 provided in the executed Purchase Agreement. The Board hereby  
15 authorizes the delivery and performance of the Indenture.

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17 The Authority hereby determines, pursuant to Section 5903  
18 of the California Government Code, that interest on the 2014  
19 Taxable Series A-T Bonds will be subject to all applicable  
20 federal income taxation.

21  
22 **Section 3. Purchase of Agency Bonds.** The Authority hereby  
23 authorizes and approves the purchase from the Successor Agency  
24 of two series of Successor Agency Bonds in a combined aggregate  
25 principal amount of not to exceed \$40,000,000 pursuant to the  
26 Local Obligation Purchase Contract, as follows:

27  
28 (i) Successor Agency to the Indian Wells Redevelopment



1 Agency Consolidated Whitewater Redevelopment Project  
2 Area Subordinated Tax Allocation Refunding Bonds,  
3 Series 2014A; and  
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6 (ii) Successor Agency to the Indian Wells Redevelopment  
7 Agency Consolidated Whitewater Redevelopment Project  
8 Area Subordinated Taxable Tax Allocation Refunding  
9 Bonds, Series 2014A-T.

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11 The Authority hereby approves the purchase of the  
12 Successor Agency Bonds on the terms and conditions set forth  
13 in the Indenture and the Successor Agency Bonds Indenture (as  
14 such term is defined in the Indenture), and pursuant to and in  
15 accordance with the Local Obligation Purchase Contract (the  
16 "Purchase Contract"), between the Authority and the Successor  
17 Agency, in the form on file with the Secretary together with  
18 any changes therein or additions thereto approved by the  
19 Designated Officers, whose execution thereof shall be  
20 conclusive evidence of approval of any such additions and  
21 changes. The Purchase Contract shall be executed in the name  
22 and on behalf of the Authority by a Designated Officer, each  
23 of whom, acting alone, is hereby authorized and directed to  
24 execute and deliver the Purchase Contract on behalf of the  
25 Authority.

26  
27 **Section 4. Sale of Authority Bonds.** The Board hereby  
28 approves the selection of Citigroup Global Markets and RBC

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2 Capital Markets as underwriters for the Authority Bonds  
3 (collectively, the "Underwriters"), and approves the sale of the  
4 Authority Bonds by negotiation with the Underwriters pursuant to  
5 the Purchase Agreement by and among the Authority, the Successor  
6 Agency and the Underwriters, in the form on file with the  
7 Secretary together with any changes therein or additions thereto  
8 approved by the Designated Officers, whose execution thereof  
9 shall be conclusive evidence of approval of any such additions  
10 and changes. The Purchase Agreement shall be executed in the  
11 name and on behalf of the Authority by a Designated Officer,  
12 each of whom, acting alone, is hereby authorized and directed to  
13 execute and deliver the Purchase Agreement on behalf of the  
14 Authority; *provided, however,* that the purchase price and the  
15 interest rates with respect to both the 2014 Series A Bonds and  
16 the 2014 Taxable Series A-T Bonds shall be such that the  
17 Successor Agency Bonds both comply with the savings requirement  
18 set forth in Section 34177.5(a)(1) of the California health and  
19 Safety Code, and provided, further, that the Underwriters'  
20 discount (exclusive of original issue discount, shall not exceed  
21 one percent (1.00%) of the 2014 Series A Bonds and the 2014  
22 Taxable Series A-T Bonds, respectively.

23  
24 **Section 5. Official Statement.** The Board hereby approves  
25 the Preliminary Official Statement describing the Authority  
26 Bonds, in substantially the form on file with the Secretary,  
27 together with any changes therein or additions thereto necessary  
28 or convenient to cause the Preliminary Official Statement to

1 describe accurately matters pertaining to the Authority Bonds  
2 and the Designated Officers are each separately authorized and  
3 directed on behalf of the Authority to review the final form of  
4 the preliminary Official Statement and to deem the Preliminary  
5 Official Statements "near final" pursuant to Rule 15c2-12 under  
6 the Securities Exchange Act of 1934, prior to distribution by  
7 the Underwriter. Distribution of the "near final" preliminary  
8 Official Statement by the Underwriter is hereby approved. The  
9 Board hereby authorizes the distribution of the final Official  
10 Statement by the Underwriter. The Designated Officers are each  
11 separately hereby authorized and directed to approve any changes  
12 in or additions to the final form of the Official Statement,  
13 whose execution thereof shall be conclusive evidence of approval  
14 of any such changes and additions. The final Official Statement  
15 shall be executed in the name and on behalf of the Authority by  
16 a Designated Officer, each of whom is hereby authorized and  
17 directed to execute and deliver the final Official Statement on  
18 behalf of the Authority.  
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21 **Section 6. Municipal Bond Insurance and Surety Bonds.** The  
22 Designated Officers, each acting alone, are hereby authorized  
23 and directed to obtain a municipal bond insurance policy for the  
24 Authority Bonds and reserve account surety bonds for the  
25 Successor Agency Bonds from a municipal bond insurance company  
26 if it is determined, upon consultation with the Underwriters and  
27 C.M. de Crinis & Co. Inc., the Financial Advisor, to the  
28 Authority and the Successor Agency, that such municipal bond

1 insurance policy and/or surety bonds will reduce the true  
2 interest costs with respect to the Authority Bonds and the  
3 Successor Agency Bonds.  
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6 **Section 7. Continuing Disclosure Agreement.** The Board  
7 hereby approves the Continuing Disclosure Agreement in  
8 substantially the form on file with the Secretary together with  
9 any additions thereto or changes therein deemed necessary or  
10 advisable by the Designated Officers, each acting alone, whose  
11 execution thereof shall be conclusive evidence of approval of  
12 any such additions and changes. The Designated Officers are  
13 hereby separately authorized and directed to execute the final  
14 form of the Continuing Disclosure Agreement for and in the name  
15 and on behalf of the Authority.

16  
17 **Section 8. Official Action.** The Chairman, the Executive  
18 Director, the Deputy Executive Director, the Secretary, and any  
19 and all other officers of the Authority are hereby authorized  
20 and directed, for and in the name and on behalf of the  
21 Authority, to do any and all things and take any and all  
22 actions, including execution and delivery of any and all  
23 assignments, certificates, requisitions (including requisitions  
24 for the payment of costs of issuance of the Authority Bonds),  
25 agreements, notices, consents, instruments of conveyance,  
26 warrants and other documents, which they, or any of them, may  
27 deem necessary or advisable in order to consummate the lawful  
28 issuance, sale and delivery of the Authority Bonds and the

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purchase of the Successor Agency Bonds. Each of the foregoing named officers of the Authority are authorized to act on behalf of any other officer of the Authority who is authorized and directed herein to act on behalf of the Authority.

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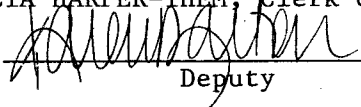
**Section 9. Effective Date.** This Resolution shall take effect from and after the date of its passage and adoption.

The foregoing resolution was passed and adopted by the Board of Directors of the Riverside County Public Financing Authority at a regular meeting held on the 1st day of April, 2014, by the following vote:

ROLL CALL:

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA HARPER-IHEM, Clerk of said Board  
By  Deputy

**LOCAL OBLIGATION PURCHASE CONTRACT**

relating to

**Successor Agency to the Indian Wells Redevelopment Agency  
Consolidated Whitewater Redevelopment Project Area  
Subordinated Tax Allocation Refunding Bonds, Series 2014A**

and

**Successor Agency to the Indian Wells Redevelopment Agency  
Consolidated Whitewater Redevelopment Project Area  
Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T**

April \_\_, 2014

Successor Agency to the Indian Wells Redevelopment Agency  
44-950 El Dorado Drive  
Indian Wells, CA 92210

Ladies and Gentlemen:

The undersigned, the Riverside County Public Financing Authority (the "Authority"), offers to enter into this Local Obligation Purchase Contract (the "Local Obligation Purchase Contract") with you, the Successor Agency to the Indian Wells Redevelopment Agency (the "Agency"), which, upon acceptance, will be binding upon the Agency and the Authority.

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

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

(1) \$\_\_\_\_\_ aggregate principal amount of Successor Agency to the City of Indian Wells Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A (the "Series 2014A Refunding Bonds") to be issued under the provisions of the Indenture of Trust, dated as of April 1, 2014 (the "Agency Indenture"), between the Agency and Union Bank, N.A., as trustee (the "Agency Bonds Trustee"); and

(2) \$\_\_\_\_\_ aggregate principal amount of Successor Agency to the City of Indian Wells Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (the "Taxable Series 2014A-T Refunding Bonds" and, together with the Series 2014A Refunding Bonds, the "Local Obligations") to be issued under the provisions of the Agency Indenture.

The Agency Indenture was approved by Resolution No. \_\_\_ adopted by the Agency on January 16, 2014 (the "Agency Resolution") related to the issuance and sale of the Local Obligations. Except as otherwise provided herein, capitalized terms used herein shall have the meanings attributed to them in the Agency Indenture.

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

The Series 2014A Refunding Bonds will be purchased with proceeds of the Authority's 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) (the "2014 Series A Authority Bonds") and the Taxable Series 2014A-T Refunding Bonds will be purchased with proceeds of the Authority's 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (the "2014 Taxable Series A-T Authority Bonds" and, together with the 2014 Series A Authority Bonds, the "Authority Bonds"). The Authority Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the Indenture of Trust, dated as of April 1, 2014 (the "Authority Indenture"), between the Authority and Union Bank, N.A., as trustee (the "Authority Trustee"). The issuance of the Authority Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on \_\_\_\_\_, 2014.

The aggregate purchase price for the Local Obligations shall be:

Principal Amount	\$ _____
Net Original Issue Discount	( _____ )
Less: Underwriters' Discount	( _____ )
Purchase price	\$ _____

The purchase price for the Series 2014A Refunding Bonds shall be:

Principal Amount	\$ _____
Net Original Issue Discount	( _____ )
Less: Underwriters' Discount	( _____ )
Purchase price	\$ _____

The purchase price for the Taxable Series 2014A-T Refunding Bonds shall be:

Principal Amount	\$ _____
Net Original Issue Discount	( _____ )
Less: Underwriters' Discount	( _____ )
Purchase price	\$ _____

The above purchase price shall be payable from amounts held by the Authority Trustee under the Authority Indenture subject to the terms and conditions thereof. As described above, said purchase price includes the funding of underwriters' discount and costs of issuance of the Local Obligations and the Authority Bonds, which amounts shall be transferred to the Authority and paid on the Agency's behalf by the Authority for such purposes.



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

Citigroup Global Markets Inc. and RBC Capital Markets (collectively, the "Underwriters"), have submitted to the Agency a proposed form of an agreement to purchase the Authority Bonds (the "Bond Purchase Agreement") by and between the Underwriters and the Authority, which includes a Letter of Representations (the "Letter of Representations") to be executed by the Agency, each to be executed and delivered concurrently with this Local Obligation Purchase Contract.

Pursuant to the authorization of the Agency and the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated \_\_\_\_\_, 2014, pertaining to the Authority Bonds and describing the Local Obligations, the Agency and its Consolidated Whitewater Redevelopment Project Area (the "Project Area") and certain other information deemed material to an informed investment decision respecting the Authority Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "Preliminary Official Statement." By its acceptance of this Local Obligation Purchase Contract, the Agency hereby acknowledges the use by the Underwriters of the Preliminary Official Statement including the form of "Appendix \_\_\_" with respect to each of the Agency's project areas (each an "Agency Appendix") and each Agency Appendix is hereby approved. The Agency hereby approves the distribution of a final official statement (the "Official Statement") which will substantially consist of the Preliminary Official Statement and the Agency Appendix with such changes as may be made thereto, with the approval of Best Best & Krieger LLP, the Authority's Disclosure Counsel, and Jones Hall, the Authority's Bonds Counsel (herein called "Bond Counsel"), and the Underwriters.

(b) At 8:00 a.m., California time, on April \_\_, 2014, or at such earlier or later time or date as shall be agreed by the Agency and the Authority (such time and date being herein referred to as the "Closing Date"), the Agency will deliver to the Authority at the offices of Bond Counsel in San Francisco, California (or such other location as may be designated by the Authority and approved by the Agency), the Local Obligations in definitive forms, duly executed by the Agency and authenticated by the Agency Trustee, and will deliver to the Authority at said location, the other documents herein mentioned; and the Authority will accept such delivery and pay the purchase price of the Local Obligations as set forth in paragraph (a) of this Section by wire transfer payable as provided in the Agency Indenture (such delivery and payment being herein referred to as the "Closing"). The Local Obligations shall be made available to the Authority not later than one business day before the Closing Date for purposes of inspection.

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

(a) The Agency is duly existing as a successor agency under California Assembly Bill 1484 (Stats 2012 c. 26) ("AB 1484"), with full right, power and authority to adopt the Agency Resolution, to issue the Local Obligations and to execute, deliver and perform its obligations under the Agency Indenture, the Local Obligations, the Letter of Representations, the tax certificate or certificates to be executed in connection with the issuance of the Authority Bonds

and the Agency Bonds (the "Tax Certificate"), the Series 2003A Refunding Instructions and the Taxable Series 2003A-T Refunding Instructions (as such terms are defined in the Agency Indenture and, collectively, the "Refunding Instructions") and the Local Obligation Purchase Contract (collectively, the "Agency Documents") and to carry out and consummate the transactions contemplated by the Agency Documents and Appendix \_\_\_ to the Official Statement, and the Agency Documents are and will be at the Closing Date valid and binding obligations of the Agency and Enforceable Obligations under AB 1484; and

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

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

(d) The Agency has complied with all material requirements of the Community Redevelopment Law of the State of California (being Part 1 of Division 24 of the California Health and Safety Code, as amended) (the "Law") and the California Environmental Quality Act with respect to undertaking a variety of capital improvements in the Project Area pursuant to the redevelopment plan for the Project Area (the "Redevelopment Plan") duly adopted by the City Council of the City of Indian Wells; and

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

(f) Except as otherwise disclosed in Appendix \_\_\_ to the Preliminary Official Statement, the Agency is not in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any Authority Indenture, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and, as of such times, except as disclosed in Appendix \_\_\_ to the Preliminary Official Statement, the authorization, execution and delivery of the Agency Documents, and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or

administrative rule or regulation of the State or the United States or any applicable judgment, decree, license, permit, Authority Indenture, loan agreement, bond, note, resolution, ordinance agreement or other to which the Agency (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Agency Documents; and

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

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

(i) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State income tax purposes of the interest on the 2014 Series A Authority Bonds; and

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

The execution and delivery of this Local Obligation Purchase Contract by the Agency shall constitute a representation by the Agency to the Authority that the representations, warranties and agreements contained in this Section 2 are true as of the date hereof; provided

that no member of the Governing Board of the Agency shall be individually liable for the breach of any representation, warranty or agreement contained herein.

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

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

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

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

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

(1) A certified copy of the Agency Resolution;

(2) An executed copy of each of the Agency Documents;

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

(4) Copies of the Redevelopment Plan for the Project Area, together with all amendments thereto;

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

(6) A defeasance opinion of Bond Counsel addressed to the Authority, the Underwriters and the applicable Agency to the effect that each of the Prior Bonds (as defined in the Agency Indenture) have been legally defeased in accordance with each of the agreements pursuant to which such obligations were issued, and the owners of such obligations have ceased to be entitled to the pledge of Pledged Tax Revenues;

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

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

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

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

4. Expenses. All expenses and costs of the Agency and the Authority incident to the authorization, issuance and sale of the Local Obligations and the costs incident to the authorization and issuance of the Local Obligations and the authorization, issuance and sale of the Authority Bonds including, in each case, fees and expenses of trustees, auditors, financial advisors and fiscal consultant fees and continuing disclosure and rating agency costs, Bond Counsel, Disclosure Counsel and counsel for the Agency, shall be paid by the Agency from proceeds of the Refunding Bonds or otherwise in accordance with the Dissolution Act.

5. Indemnification. The Agency, to the fullest extent permitted by law, shall indemnify, defend and hold harmless the Authority and the County and their respective officers, directors, agents and employees and the Underwriters (each an "Indemnified Party"), from and

against any and all Indemnifiable Losses arising out of, resulting from, or in any way connected with:

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

(b) the issuance, sale or remarketing of the Authority Bonds, as they relate to the Agency, the Project Area, the Pledged Tax Revenues (as defined in the Agency Indenture), the Redevelopment Plan, the Agency Indenture or the Local Obligations and the carrying out of any of the transactions or undertakings contemplated by the Agency Indenture, the Local Obligations, the Authority Indenture or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing;

(c) any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of any material fact concerning the Agency, the Project Area, the Pledged Tax Revenues or the Redevelopment Plan in any official statement, offering statement, offering circular or continuing disclosure document for the Authority Bonds or any statement made in connection with the purchase or sale of the Authority Bonds (other than any such statement in the Official Statement provided by the County, the Authority or other successor agency mentioned in the Official Statement, expressly for use in the Official Statement or any other official statement, offering statement, offering circular or continuing disclosure document for the Authority Bonds), or any omission or alleged omission to state a material fact concerning the Agency, the Project Area, Pledged Tax Revenues or the Redevelopment Plan necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(d) any declaration of taxability of interest paid or payable on the 2014 Series A Authority Bonds attributable to the Agency, the Project Area, the Pledged Tax Revenues, the Redevelopment Plan, the Agency Indenture or the Local Obligations, or allegations (or regulatory inquiry) that interest paid or payable on the 2014 Series A Authority Bonds attributable to the Agency, the Project Area, the Pledged Tax Revenues, the Redevelopment Plan, the Agency Indenture or the Local Obligations is taxable, for federal income tax purposes;

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

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

(g) any breach by the Agency of any covenant or undertaking set forth in this Local Obligation Purchase Contract, the Agency Indenture, the Letter of Representations, the Local

Obligations, or any document delivered by the Agency pursuant to, or in connection with, any of the foregoing or the Local Obligations;

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

The Authority agrees to notify the Agency promptly, but in no event later than 45 business days, after written notice to the County or the Authority that any third party has brought any action, suit or proceeding against an Indemnified Party that may result in an Indemnifiable Loss (a "Third Party Action"). Upon such notice or other notice from an Indemnified Party of a Third Party Action, the Agency shall assume the investigation and defense thereof, including the employment of counsel selected by the Indemnified Party and reasonably acceptable to the Agency, and shall assume the payment of all Litigation Expenses (as defined in this Section) related thereto, with full power to litigate, compromise or settle the same in its discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove (in its sole and absolute discretion) any such compromise or settlement and the Indemnified Party has no liability with respect to any compromise or settlement of any Third Party Claim effected without its written approval. If the Indemnified Party fails to provide such notice to the Agency, the Agency is still obligated to indemnify the Indemnified Party for Indemnifiable Losses.

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

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

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

For purposes of this Section, the term "Hazardous Substances" shall mean (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to facilities in the Project Area or to Persons on or about facilities in the [Project Area] or (ii) cause facilities in the Project Area to be in violation of any Environmental Regulation; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of "waste," "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," or "toxic substances" or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; the California Environmental Quality Act ("CEQA"), California Public Resources Code § 21000 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health and Safety §§ 25100 et seq.; the Hazardous Substance Account

Act ("HSAA"), California Health and Safety Code §§ 25300 et seq.; the Underground Storage of Hazardous Substances Act, California Health and Safety §§ 25280 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code §§ 13000 et seq., the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); and Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of facilities in the Project Area or the owners and/or occupants of property adjacent to or surrounding facilities in the Project Area, or any other Person coming upon the facilities in the [Project Area] or adjacent property; or (e) any other chemical, materials or substance which may or could pose a hazard to the environment.

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

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

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

The Agency shall place all costs expected to be incurred and actually incurred in connection with its indemnification obligations, including any amounts in connection with a valid indemnification claim received from the County or the Authority, on the next ROPS and shall make best efforts at ensuring that such expenditures are approved by the Oversight Board and the DOF. Any unpaid amounts shall constitute a debt and an enforceable obligation of the Agency and shall continue to be carried forward and placed on subsequent ROPS until paid in full. If payable to the County or the Authority, the term "paid in full" in the preceding sentence includes payment of interest in addition to the unpaid amount and the interest rate on the unpaid amount shall increase over time as follows: (a) the rate of return earned by the Riverside County Treasury Pool for the relevant time period ("County Pool Rate") for the first year that payments are overdue to the County or the Authority; (b) the County Pool Rate plus 3 percent for the second year that payments are overdue to the County or the Authority; (c) the County Pool Rate plus 6 percent for the third year the payments are overdue and (d) the County Pool Rate plus 9 percent for the fourth year and any additional years the payments are overdue; provided, however, that in no event shall the interest rate exceed 10 percent in any year. The payment of any Indemnifiable Losses that are reimbursable under this Local Obligation Purchase Contract shall be subordinate to the payment of debt service on the Local Obligations.

6. Notices. Any notice or other communication to be given to the Agency under this Local Obligation Purchase Contract may be given by delivering the same in writing at the Agency's address set forth above, Attention: Executive Director, and any such notice or other communications required to be given to the Authority may be given by delivering the same in



writing to the Authority at Riverside County Public Financing Authority, 4080 Lemon St. Riverside, California 92501, Attention: \_\_\_\_\_. The approval of the Authority when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing signed by the Authority and delivered to the Agency.

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

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

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

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

RIVERSIDE COUNTY PUBLIC FINANCING  
AUTHORITY

By \_\_\_\_\_  
\_\_\_\_\_

ACCEPTED AND AGREED TO:  
SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY OF INDIAN WELLS

By \_\_\_\_\_  
[Executive Director]

**Exhibit A**  
**Maturity Schedules Attached**

**Exhibit B**

**[Form of Agency Counsel Opinion]**

\_\_\_\_\_, 2014

Riverside County Public Financing Authority  
Riverside, California

Citigroup  
Los Angeles, California

Successor Agency to the Redevelopment Agency  
Of the City of Indian Wells  
Indian Wells, California

RBC Capital Markets  
San Francisco, California

RE: Successor Agency to the Indian Wells Redevelopment Agency Consolidated  
Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding  
Bonds, Series 2014A

and

Successor Agency to the Indian Wells Redevelopment Agency Consolidated  
Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation  
Refunding Bonds, Series 2014A-T

Ladies and Gentlemen:

The undersigned is the duly qualified and acting counsel of the Successor Agency to the Indian Wells Redevelopment Agency (the "Agency"), and in connection with the issuance and delivery of \$\_\_\_\_\_ principal amount of the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A, and \$\_\_\_\_\_ principal amount of the Successor Agency to the Indian Wells Redevelopment Agency Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T (collectively, the "Local Obligations"), I have examined originals (or copies certified or otherwise identified to my satisfaction) of such documents, records and other instruments as I deem necessary or appropriate for the purposes of rendering this opinion, including, without limitation, Resolution No. \_\_\_\_\_ adopted by the Governing Board of the Agency on December \_\_, 2013 (the "Agency Resolution") and the Indenture of Trust, dated as of April 1, 2014 (the "Agency Indenture"), between the Agency and Union Bank, N.A., as trustee (the "Agency Trustee") Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Local Obligation Purchase Contract, dated April \_\_, 2014, by and between the Riverside County Public Financing Authority (the "Authority") and the Agency.

Based upon the foregoing, it is my opinion that:

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

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

(C) The Agency Documents have been duly authorized, executed and delivered by the Agency and constitute valid and binding legal obligations of the Agency enforceable in accordance with their respective terms, provided, that no opinion is expressed with respect to the laws of the State of California relating to indemnification and debt limitations and debt restrictions applicable to public entities, and except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California;

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

(E) Without expressing an opinion with respect to acts of the Department of Finance or the Oversight Board, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Agency, nor any person, board or body, public or private, is required as of the date hereof for the issue and sale of the Local Obligations or the consummation by the Agency of the other transactions described in the Agency Documents; and

(F) Except as otherwise disclosed in Appendix \_\_\_ to the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of Pledged Tax Revenues from the Project Area.

This opinion is limited to the laws of the State of California, and I assume no responsibility as to the applicability or the effect of the laws (including securities, blue sky and insolvency laws) of any other jurisdiction or of federal or state income tax laws. This opinion is limited to the matters stated herein, and no opinion is implied beyond the matters expressly stated. This opinion is given for your use and benefit only in connection with transactions

described herein, and it may not be relied upon in any other transaction or by any other person, nor may copies be delivered to any person other than your counsel without my prior written consent.

Very truly yours,

**RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY**

\$ \_\_\_\_\_  
**2014 Tax Allocation Revenue Bonds,  
Series A  
(Indian Wells Refunding Project)**

\$ \_\_\_\_\_  
**2014 Taxable Tax Allocation Revenue Bonds,  
Series A-T  
(Indian Wells Refunding Project)**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2014

Riverside County of Public Financing Authority  
c/o County of Riverside  
Riverside, California

Ladies and Gentlemen:

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

1. Purchase, Sale and Delivery of the Bonds.

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

(i) \$ \_\_\_\_\_ aggregate principal amount of the Riverside County Public Financing Authority 2014 Tax Allocation Revenue Bonds, Series A (Indian Wells Refunding Project) (the "Series A Bonds"); and

(ii) \$\_\_\_\_\_ aggregate principal amount of the Riverside County Public Financing Authority 2014 Taxable Tax Allocation Revenue Bonds, Series A-T (Indian Wells Refunding Project) (the "Series A-T Bonds" and together with the Series A Bonds, the "Bonds" or individually, a "Series of Bonds")

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

The Underwriters agree to make a bona fide public offering of all of the Bonds initially at the public offering prices (or yields) set forth in Exhibit A attached hereto and incorporated herein by reference, provided, however, that the Underwriters may offer a portion of the Bonds for sale to selected dealers who are members of the Financial Industry Regulatory Authority and who agree to resell the Bonds to the public on terms consistent with this Purchase Agreement, and the Underwriters reserve the right to change such offering prices or yields as the Underwriters shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices or at yields higher than the initial yields set forth on Exhibit A attached hereto. The Underwriters also reserve the right to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. None of such activities shall affect the principal amounts, maturity dates, interest rates, redemption or other provision of the Bonds or the amount to be paid by the Underwriters to the Authority for the Bonds.

The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from the Revenues as provided in the Indenture of Trust dated as of March 1, 2014, (the "Indenture") by and between the Authority and Union Bank, N.A., as Trustee (the "Trustee"), the Preliminary Official Statement (as hereinafter defined), Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California and Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (the "Bond Law"). The issuance of the Bonds has been duly authorized by the Authority pursuant to a resolution (the "Authority Resolution") adopted by the Board of Directors of the Authority on \_\_\_\_\_, 2014.

The net proceeds of the Series A Bonds will be used to purchase the following obligation:

(i) \$\_\_\_\_\_ aggregate principal amount of the Agency's Consolidated Whitewater Redevelopment Project Area Subordinated Tax Allocation Refunding Bonds, Series 2014A.

The net proceeds of the Series A-T Bonds will be used to purchase the following obligation:

(i) \$\_\_\_\_\_ aggregate principal amount of the Agency's Consolidated Whitewater Redevelopment Project Area Subordinated Taxable Tax Allocation Refunding Bonds, Series 2014A-T.

The foregoing obligations are referred to collectively herein as the "Local Obligations" or individually as a "Local Obligation."

The Local Obligations shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable from tax increment revenues pledged thereto as

provided in the Indenture of Trust dated as of March 1, 2014, by and between the Agency and Union Bank, N.A., as trustee (the "Local Obligations Indenture").

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

Each of the Local Obligations is being issued to (i) fund a debt service reserve fund (or to acquire a debt secure reserve fund surety policy (a "Surety Policy")), (ii) to pay costs of issuance allocable to such Local Obligation, (iii) to purchase a municipal bond insurance policy (the "Policy") from \_\_\_\_\_, (the "Insurer), and (iv) to refund and defease the bonds or obligations issued by the predecessor in interest to the Agency as set forth in Appendix D hereto. Such bonds or obligations are referred to collectively or individually herein as the "Refunded Bonds."

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

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

C. Pursuant to the authorization of the Authority, the Underwriters have distributed copies of the Preliminary Official Statement dated \_\_\_\_\_, 2014, relating to the Bonds, which, together with the cover page, inside cover page and appendices thereto is herein called the "Preliminary Official Statement." By its acceptance of this Purchase Agreement, the Authority hereby ratifies the use by the Underwriters of the Preliminary Official Statement and the Authority agrees to execute a final official statement relating to the Bonds (the "Official Statement") which will consist of the Preliminary Official Statement with such changes as may be made thereto, with the approval of Jones Hall, A Professional Law Corporation, the Authority's Bond Counsel (herein called "Bond Counsel"), and the Underwriters, and to provide copies thereof to the Underwriters as set forth in Section 2(N) hereof. The Authority hereby authorizes and requires the Underwriters to use and promptly distribute, in connection with the offer and sale of the Bonds, the Preliminary



Official Statement, the Official Statement and any supplement or amendment thereto. The Authority further authorizes the Underwriters to use and distribute, in connection with the offer and sale of the Bonds, the Indenture, the Local Obligations Indenture, this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by or on behalf of the Authority or the Agency to the Representative in connection with the transactions contemplated by this Purchase Agreement.

D. To assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"), the Agency will undertake pursuant to a Continuing Disclosure Agreement, dated as of March 1, 2014 (the "Continuing Disclosure Agreement"), by and among the Agency and the Authority, as dissemination agent (the "Dissemination Agent"), and the Trustee, to provide annual reports and notices of certain enumerated events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

E. Except as the Representative and the Authority may otherwise agree, the Authority will deliver to the Underwriters, at the offices of Bond Counsel in San Francisco, California, or at such other location as may be mutually agreed upon by the Representative and the Authority, the documents hereinafter mentioned; and the Authority will deliver to the Underwriters through the facilities of The Depository Trust Company ("DTC") in New York, New York, the Bonds, in definitive form (all Bonds bearing CUSIP numbers), duly executed by the Authority and authenticated by the Trustee in the manner provided for in the Indenture and the Bond Law at 8:00 a.m. California time, on \_\_\_\_\_, 2014 (the "Closing Date"), and the Underwriters will accept such delivery and pay the purchase price of the Bonds as set forth in paragraph (A) of this Section by wire transfer, payable in federal or other immediately available funds (such delivery and payment being herein referred to as the "Closing"). The Bonds shall be in fully registered book-entry form (which may be typewritten) and shall be registered in the name of Cede & Co., as nominee of DTC.

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

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

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

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

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

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

E. At the time of acceptance, the Authority is not, and as of the Closing Date, except as otherwise disclosed in the Official Statement, will not be, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority is a party or is otherwise subject; and, to the Authority's knowledge, no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have an adverse effect on the Authority's ability to perform its obligations under the Authority Documents; and, as of such times, except as disclosed in the Official Statement, the authorization,

execution and delivery of the Authority Documents and compliance by the Authority with the provisions of each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Authority (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound; nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

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

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

H. The Authority Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement. The Authority represents that the Bonds, when issued, executed and delivered in accordance with the Indenture and sold to the Underwriters as provided herein, will be validly issued and outstanding obligations of the Authority, entitled to the benefits of the Indenture pursuant to which such Bonds were issued. The Indenture creates a valid pledge of the

moneys in certain funds and accounts established pursuant to such Indenture, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

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

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

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

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

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

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

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

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

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

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

A. At the Closing Date, the Authority Resolution, the Agency Resolution, the Authority Documents, the Local Obligation Indenture, the Continuing Disclosure Agreement and the Irrevocable Refunding Instructions relating to the respective Refunded Bonds, each dated as of March \_\_, 2014 (collectively, the "Irrevocable Refunding Instructions"), shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Representative, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the Local Obligations, and with the transactions contemplated thereby, and by this Purchase Agreement, all such actions as, in the opinion of Bond Counsel, shall be necessary and appropriate.

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

C. At the Closing Date, except as described in the Preliminary Official Statement, the Agency shall not be, in any respect material to the transactions referred to herein or contemplated hereby, in breach of or in default under, any law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of either thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, contract, agreement or other instrument to which any Agency is a party or is otherwise subject or bound, and the performance by the Agency of

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

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

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

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

2. Legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds or the Local Obligations, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Indenture or the Local Obligation Indenture are not exempt from qualification under or other

requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds or the Local Obligations, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws as amended and then in effect;

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

4. The introduction, proposal or enactment of any amendment to the United States or California Constitution or any action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the Authority or the Agencies, their property, income, securities (or interest thereon), the validity or enforceability of Local Obligations, or the ability of the Authority to purchase any Local Obligations as contemplated by the Local Obligation Indenture, the Local Obligation Purchase Contract and the Official Statement;

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

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

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

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

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

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

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

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

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

2. The Indenture, duly executed and delivered by the Authority and the Trustee, and the Local Obligation Indenture, duly executed and delivered by the Agency and the applicable trustee or fiscal agent;

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

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

5. The Local Obligation Purchase Contract executed by the Authority and the Agency and the Continuing Disclosure Agreement executed and delivered by the Agency, the Authority and the Trustee;

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

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

(i) this Purchase Agreement has been duly authorized, executed and delivered by the Authority and, assuming due authorization, execution and delivery by the Representative, constitutes the legal, valid and binding agreement of the Authority and is enforceable in accordance with its terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity or



otherwise in appropriate cases and by limitations on legal remedies against public agencies in the State of California;

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

(iii) the information contained in the Official Statement on the cover and under the captions ["INTRODUCTION," "REFUNDING OF AGENCY OBLIGATIONS," "THE SERIES 2014 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE 2013 BONDS" and "TAX MATTERS" and in Appendix \_\_\_] to the Official Statement and the information under the captions "\_\_\_\_\_—Tax Increment Revenues," "—Security for the Refunding Bonds," "THE REFUNDING BONDS" and "SECURITY FOR THE REFUNDING BONDS" in Appendix [\_\_\_] to the Official Statement, are accurate insofar as such statements purport to summarize certain provisions of the Bonds, the Local Obligations, the Indenture, the Local Obligation Indenture, Bond Counsel's and final approving opinion;

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

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

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

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

11. A letter, dated the Closing Date and addressed to the Underwriters, of Best, Best & Krieger, LLP, Disclosure Counsel, to the effect that Disclosure Counsel is not passing upon and has not undertaken to determine independently or to verify the accuracy or completeness of the statements contained in the Official Statement, and is, therefore, unable to make any

representation to the Underwriters in that regard, but on the basis of its participation in conferences with representatives of the Authority, the Agencies, the Financial Advisor, representatives of the Underwriters and others, during which conferences the content of the Official Statement and related matters were discussed, and its examination of certain documents, and, in reliance thereon and based on the information made available to it in its role as Disclosure Counsel and its understanding of applicable law, Disclosure Counsel advises the Underwriters as a matter of fact, but not opinion, that no information has come to the attention of the attorneys in the firm working on such matter which has led them to believe that the Official Statement (excluding therefrom the financial and statistical data, forecasts, charts, numbers, estimates, projections, assumptions and expressions of opinion included in the Official Statement, information regarding DTC and its book entry system, as to all of which no opinion is expressed) as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and advising the Underwriters that, other than reviewing the various certificates and opinions required by this Purchase Agreement regarding the Official Statement, Disclosure Counsel has not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement;

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

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

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

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

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

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

(iv) The Authority Documents have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding obligations of the Authority enforceable against the Authority in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, to the application of equitable principles where equitable remedies are sought and to the exercise of judicial discretion in appropriate cases;

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

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

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

15. A certificate of Urban Analytics, dated the date of the Closing, addressed to the Authority and the Underwriters, in form and substance acceptable to the Underwriters, (i) certifying as to the accuracy of the information contained in [APPENDIX F — "FISCAL CONSULTANT'S REPORT" and the information in the Official Statement under the captions "—SECURITY FOR THE REFUNDING BONDS—Pass-Through Agreements," "Statutory Tax Sharing Payments," and "Other ROP's Obligations," "THE REDEVELOPMENT PLAN" and "THE PROJECT AREA" in each of Appendices \_\_\_ and \_\_\_], (ii) consenting to the inclusion of

such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report;

16. Certified copies of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution of the Indenture and the authentication of the Bonds;

17. A Certificate of the Trustee addressed to the Underwriters and the Authority dated the Closing Date, to the effect that: (i) the Trustee is authorized to carry out corporate trust powers, and has full power and authority to perform its duties under the Indenture and the Continuing Disclosure Agreement; (ii) the Trustee is duly authorized to execute and deliver the Indenture and the Continuing Disclosure Agreement, to accept the obligations created by the Indenture and to authenticate the Bonds pursuant to the terms of the Indenture; (iii) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture and the Continuing Disclosure Agreement; and (iv) to the best of its knowledge, compliance with the terms of the Indenture will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties;

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

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

20. A Certificate of the trustee for the Local Obligations in form and substance acceptable to the Authority, Bond Counsel and the Underwriters;

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

22. An opinion of Counsel to the fiscal agent for each of the Refunded Bonds, date the Closing Date, and addressed to the Agency, the Authority and the Underwriters in form and substance acceptable to the Underwriters;

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

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

25. Certificates and/or opinions required to issue the Local Obligations on parity with existing bond indebtedness of the Agency;

26. Copies of proposed and final CDIAC Notices;

27. [The Policy];

28. [Certificates/Opinions of the Insurer and Surety Bond Provider];

29. [The Surety Bond]; and

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

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

4. Conditions to the Obligations of the Authority.

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

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

5. Expenses. The Authority will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Authority Documents and the Agency Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor, Fiscal Consultant and any other experts or other consultants retained by the Authority or the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds and the Local Obligations; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; and (h) expenses (included in the expense component of the spread) incurred on behalf of the Authority's, the County's or the Agency's employees which are incidental to implementing this Purchase Agreement. The Underwriters will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, including CDIAAC fees and the fee and disbursements of Underwriters' Counsel.

The Underwriters shall pay, and the Authority shall be under no obligation to pay, all expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds.

6. Notices. Any notice or other communication to be given to the Authority under this Purchase Agreement may be given by delivering the same in writing to the Riverside County Public Financing Authority c/o County of Riverside, P.O. Box 1180, Riverside, California 92502, Attention: Executive Director; any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to Citigroup Global Markets Inc., 444 S. Flower Street, 27<sup>th</sup> Floor, Los Angeles, California 90071, Attention: Victor Andrade.

7. Parties In Interest. This Purchase Agreement is made solely for the benefit of the Authority and the Underwriters (including any successors or assignees of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof.

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

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

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

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

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

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

Very truly yours,

CITIGROUP GLOBAL MARKETS, INC., as  
Representative of the Underwriters

By: \_\_\_\_\_  
Its: Authorized Officer

RIVERSIDE COUNTY PUBLIC  
FINANCING AUTHORITY

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

**EXHIBIT A**

**Schedule of Bond Maturities, Principal Amounts and Interest Rates**

\$ \_\_\_\_\_  
**RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY**  
**2014 TAX ALLOCATION REVENUE BONDS, SERIES A**

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

The Purchase Price for the Series A Bonds shall be \$ \_\_\_\_\_ (being the aggregate principal amount of the Series A Bonds [plus/less] an original issues [premium/discount] of \$ \_\_\_\_\_ and less an Underwriters' discount of \$ \_\_\_\_\_). [In connection with the issuance of the Series A Bonds, and the Underwriters shall wire \$ \_\_\_\_\_ directly to the Insurer for the costs of the premium on the Surety Bond.]



\$ \_\_\_\_\_  
**RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY**  
**2014 TAXABLE TAX ALLOCATION REVENUE BONDS, SERIES A-T**

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

The Purchase Price for the Series A-T Bonds shall be \$ \_\_\_\_\_ (being the aggregate principal amount of the Series A-T Bonds [plus/less] an original issues [premium/discount] of \$ \_\_\_\_\_ and less an Underwriters' discount of \$ \_\_\_\_\_). [In connection with the issuance of the Series A-T Bonds, the Underwriters shall wire \$ \_\_\_\_\_ directly to the Insurer for the costs of the premium on the Surety Bond.]

## EXHIBIT B

### Form of Agency Letter of Representations

Citigroup Global Markets Inc.  
Los Angeles, California

RBC Capital Markets  
Los Angeles, California

Riverside County Public Financing Authority  
Riverside, California

The Successor Agency to the Indian Wells Redevelopment Agency (the "Agency") hereby represents and warrants as follows:

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

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

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

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

5. Until the date which is twenty-five (25) days after the "End of the Underwriting Period" (as hereinafter defined), if any event shall occur of which the Agency is aware, as a result of

which it may be necessary to supplement Appendix [ ] to the Official Statement in order to make the statements in Appendix [ ] to the Official Statement, in light of the circumstances existing at such time, not misleading, the Agency shall forthwith notify the Authority and the Underwriters of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriters' opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time. Unless the Underwriters give notice to the contrary, the End of the Underwriting Period shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the Agency at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the "End of the Underwriting Period."

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

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

8. The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal or State of California income tax purposes of the interest on the Local Obligations which are designated as "tax-exempt."

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

10. The Oversight Board has duly approved the issuance of the Local Obligation and no further Oversight Board approval or consent is required for the issuing of the applicable Local Obligations.

11. No further Department of Finance approval or consent is required for the issuance of the applicable Local Obligation or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in Appendix [ ] to the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

All terms not otherwise defined herein shall have the meaning ascribed to them in the Bond Purchase Agreement, dated \_\_\_\_\_, 2014 (the "Purchase Agreement"), by and between the Riverside County Public Financing Authority (the "Authority") and Citigroup Global Markets Inc. (the "Representative"), on behalf of itself and RBC Capital Markets.

SUCCESSOR AGENCY TO THE INDIAN WELLS  
REDEVELOPMENT AGENCY

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

## EXHIBIT C

### Form of Agency Counsel Opinion

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

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

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

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

(F) Except as otherwise disclosed in the Official Statement, there are no outstanding bonds, notes or other obligations of the Agency which are payable out of tax increment of any of the redevelopment project areas.