

**MOORPARK SUCCESSOR AGENCY
AGENDA REPORT**

TO: Honorable Successor Agency

FROM: Ron Ahlers, Finance Director 

DATE: September 22, 2014 (Successor Agency Meeting of 10/1/14)

SUBJECT: Consider Resolution Confirming the Issuance of 2014 Tax Allocation Refunding Bonds and Approving Preliminary and Final Official Statements and a Bond Purchase Agreement Relating Thereto

BACKGROUND

The Moorpark Redevelopment Agency (the "Prior Agency") issued its \$9,860,000 Tax Allocation Refunding Bonds in 1999 (the "1999 Bonds"), of which \$2,735,000 is currently outstanding, and issued its \$11,625,000 Tax Allocation Bonds in 2001 (the "2001 Bonds"), of which \$11,435,000 is currently outstanding.

At its meeting on July 2, 2014, the Successor Agency ("Agency") approved the issuance of 2014 Tax Allocation Refunding Bonds (the "2014 Bonds") to refund the 1999 and 2001 Bonds, and also approved the execution and delivery of a Third Supplemental Indenture of Trust and Escrow Agreement. The Preliminary Official Statement (including the Continuing Disclosure Certificate), and Bond Purchase Agreement were anticipated to be presented to the Successor Agency for consideration at a future meeting, subsequent to the Agency receiving approval from the State Department of Finance ("DOF") for issuance of the 2014 Bonds.

DISCUSSION

The Agency received approval for issuance of the 2014 Bonds from DOF on September 15, 2014, and the Preliminary Official Statement and Bond Purchase Agreement are now being presented to the Successor Agency for consideration of approval, pursuant to the attached Resolution No. SA-2014- _____.

Since the meeting of July 2, 2014, interest rates have remained at historic low levels.

Based on current market interest rates, the issuance of the 2014 Bonds would produce a debt service savings of approximately \$2.7 million over the remaining life of the bonds, without extending the current maturity date of the bonds being refunded. The estimated annual savings is approximately \$160,000. The 2014 Bonds will be issued in an aggregate principal of approximately \$12.6 million, and will have a final maturity date of October 1, 2031.

SUMMARY OF DOCUMENTS

Preliminary Official Statement (POS)

This is the offering document that will be presented to potential investors in the 2014 Bonds, and includes information about the Agency, the Redevelopment Project Area ("Project Area") and its tax revenues, as well as a summary of the terms and payment obligations of the Agency for the 2014 Bonds. Once the 2014 Bonds have been priced, the final interest rates and terms will be inserted into the Final Official Statement.

Continuing Disclosure Certificate (CDC)

The CDC is included in the POS. The CDC defines the Agency's obligation to provide annual updates of information related to the Project Area and the tax increment revenues, for the benefit of the Bondholders and other interested parties, pursuant to federal regulations.

Bond Purchase Agreement

This document provides the terms and conditions by which the Underwriter, Jefferies LLC, will purchase the 2014 Bonds.

As stated in the attached resolution, the above documents are subject to Agency Counsel review and approval.

The forms of these documents are attached to this report.

FISCAL IMPACT

The 2014 Bonds will generate an estimated total debt service savings of approximately \$2.7 million net of all costs of issuance, and the term of the 2014 Bonds will not exceed the term of the 1999 and 2001 Bonds being refunded. The Successor Agency may retain the savings amount to the extent it has enforceable obligations in a corresponding amount; otherwise the savings will be split among affected taxing entities (including the City of Moorpark). The source of repayment of the 2014 Bonds would be limited to the Redevelopment Property Tax Trust Fund (RPTTF) monies. The RPTTF money used to be tax increment revenues generated in the Project Area. The 2014 Bonds will not be a debt of the City of Moorpark.

STAFF RECOMMENDATION (ROLL CALL VOTE)

Adopt Resolution No. SA-2014-_____

Attachments

1. Resolution No. SA-2014- _____
2. State DOF Approval Letter
3. Preliminary Official Statement
4. Bond Purchase Agreement

RESOLUTION NO. SA-2014-_____

RESOLUTION OF BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK, CALIFORNIA CONFIRMING THE ISSUANCE OF 2014 TAX ALLOCATION REFUNDING BONDS AND APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND A BOND PURCHASE AGREEMENT RELATING THERETO

WHEREAS, the Redevelopment Agency of the City of Moorpark (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Redevelopment Law"); and

WHEREAS, redevelopment plans for the redevelopment project area designated "Moorpark Redevelopment Project" in the City of Moorpark, California, were adopted in compliance with all requirements of the Redevelopment Law; and

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the City of Moorpark has become the successor entity to the Former Agency (the "Successor Agency"); and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued its (i) \$9,860,000 initial principal amount of Redevelopment Agency of the City of Moorpark, Moorpark Redevelopment Project 1999 Tax Allocation Refunding Bonds (the "1999 Bonds") for the purpose of refunding in full, the Former Agency's Moorpark Redevelopment Project 1993 Tax Allocation Bonds; (ii) \$11,625,000 initial principal amount of Redevelopment Agency of the City of Moorpark, Moorpark Redevelopment Project 2001 Tax Allocation Bonds (the "2001 Bonds" and together with the 1999 Bonds, the "Prior Bonds") secured by the Former Agency's tax increment revenues as funding for the debt service obligations, pursuant to an Indenture of Trust, dated as of May 1, 1999 (the "Original Indenture") and a First Supplemental Indenture of Trust, dated as of December 1, 2001 (the "First Supplement" and together with the Original Indenture, the "Indenture"); and

WHEREAS, Section 34177.5(a)(1) authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency in order to achieve debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"), and to issue bonds for such purpose pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law"); and

WHEREAS, the Successor Agency determined that it will achieve debt service savings on the Prior Bonds in compliance with the Savings Parameters as evidenced by the analysis prepared by its Financial Advisor, Urban Futures, Inc., describing potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of the Prior Bonds (the "Debt Service Savings Analysis"); and

WHEREAS, pursuant to Section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency and pursuant to Section 34177.5(f), the Oversight Board by Resolution No. OB-2014-61, adopted July 15, 2014, directed the Successor Agency to undertake such refunding proceedings and approved the issuance, sale and delivery of refunding bonds by the Successor Agency for the purpose of refunding the Prior Bonds; and

WHEREAS, the Successor Agency has determined that the potential debt service savings evidenced by the Debt Service Savings Analysis can be achieved by refunding the Prior Bonds through the issuance, as authorized by Section 34177.5(f), by the Successor Agency of its "Moorpark Redevelopment Project Tax Allocation Refunding Bonds, Series 2014" (the "Refunding Bonds") pursuant to the Redevelopment Law, the Refunding Law and the form of a Third Supplemental Indenture approved by the Successor Agency pursuant to the Resolution No. SA-2014-07, adopted July 2, 2014 (the "Resolution of Issuance"), which supplements the Original Indenture; and

WHEREAS, Resolution No. OB-2014-61 of the Oversight Board was submitted to the California Department of Finance for its approval of such approval by the Oversight Board and the Department of Finance in a letter dated September 15, 2014 approved Resolution No. OB-2014-61 in accordance with Section 34177.5(f); and

WHEREAS, the Agency has determined to sell the Refunding Bonds to Jeffries Group LLC (the "Underwriter") pursuant to a Bond Purchase Agreement between the Successor Agency and the Underwriter (the "Bond Purchase Agreement"), the form of which is on file with the Secretary; and

WHEREAS, the Successor Agency has caused to be prepared a form of Official Statement describing the Refunding Bonds and containing material information relating to the Refunding Bonds, the preliminary form of which is on file with the Secretary; and

WHEREAS, the Successor Agency, with the aid of its staff, has reviewed the Bond Purchase Agreement and the Official Statement and wishes at this time to approve the foregoing as in the public interests of the Successor Agency and applicable taxing entities; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Confirmation of Approval of Issuance of the Bonds. The Successor Agency hereby confirms its actions in the Resolution of Issuance authorizing and approving the issuance of the Refunding Bonds pursuant to the Indenture and under the Redevelopment Law and the Refunding Law.

SECTION 2. Approval of Official Statement. The Successor Agency hereby approves the Preliminary Official Statement describing the Refunding Bonds, in substantially the form on file with the Secretary. Each of the Mayor, as the presiding officer of the Successor Agency, or the City Manager of the City of Moorpark, as the chief administrative officer of the Successor Agency, or a designee of such authorized individual (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver the final Official Statement for and on behalf of the Successor Agency, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter a Continuing Disclosure Certificate substantially in the form appended to the final Official Statement. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved, and, prior to the distribution of the Preliminary Official Statement, either Authorized Officer is authorized and directed, on behalf of the Successor Agency, to deem the Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The executed final Official Statement, which shall include such changes and additions thereto deemed advisable by an Authorized Officer, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds.

SECTION 3. Bond Purchase Agreement. The Successor Agency hereby approves the Bond Purchase Agreement prescribing the provisions for purchase and sale of the Refunding Bonds. Each Authorized Officer is hereby authorized and directed to execute and deliver, and the City Clerk, as the secretary of the Successor Agency, is hereby authorized and directed to attest to, the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the City Clerk, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Successor Agency hereby authorizes the delivery and performance of the Bond Purchase Agreement, and any additional escrow agreements determined to be necessary by an Authorized Officer in order to issue the Refunding Bonds.

SECTION 4. Official Actions. All actions heretofore taken by the officers and agents of the Successor Agency with respect to the issuance of the Refunding Bonds are hereby approved, confirmed and ratified. The Authorized Officers, the Finance Director of the City of Moorpark as the treasurer of the Successor Agency, the City Attorney as general counsel of the Successor Agency, the Secretary and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates,

requisitions, including requisitions for the payment of costs of issuance of the Refunding Bonds, agreements, including agreements in customary form providing for the investment of the proceeds of the Refunding Bonds, notices, consents, and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the sale, issuance and delivery of the Refunding Bonds to the Underwriter.

SECTION 5. Effective Date. This Resolution shall take effect from and after its passage and adoption.

SECTION 6. The Agency Secretary shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 1st day of October, 2014.

Janice S. Parvin, Chair

ATTEST:

Maureen Benson, Agency Secretary



September 15, 2014

Mr. David C Moe II, Redevelopment Manager
City of Moorpark
799 Moorpark Avenue
Moorpark, CA 93021

Dear Mr. Moe:

Subject: Approval of Oversight Board Action

The City of Moorpark Successor Agency (Agency) notified the California Department of Finance (Finance) of its July 15, 2014 Oversight Board (OB) resolution on July 16, 2014. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

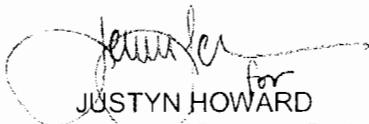
Based on our review and application of the law, OB Resolution No. OB-2014-61, approving the issuance of 2014 Tax Allocation Refunding Bonds for the purpose of refunding the former redevelopment agency's 1999 and 2001 Tax Allocation Bonds, is approved.

It is our understanding that no refunding bonds will be issued unless such bonds meet the requirements outlined in HSC section 34177.5 (a). Following the issuance, the payments for the refunding bonds should be placed on future Recognized Obligation Payment Schedule (ROPS) for Finance's review.

In addition, this resolution states that the Agency is authorized to recover its costs related to the issuance of the refunding bonds from the proceeds. While Finance does not object to these actions, any associated costs must be placed on a subsequent ROPS for Finance's review and approval before they can be considered enforceable.

Please direct inquiries to Beliz Chappuie, Supervisor, or Susana Jackson, Lead Analyst at (916) 445-1546.

Sincerely,



for
JUSTYN HOWARD

Assistant Program Budget Manager

cc: Mr. Ron Ahlers, Finance Director, City of Moorpark
Ms. Sandra Bickford, Chief Deputy, Ventura County
California State Controller's Office

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2014

NEW ISSUE
FULL BOOK ENTRY

Rating: Standard & Poor's: "___"
See "RATING" herein

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although for the purpose of computing the alternative minimum tax imposed on certain corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS."

\$ _____ *

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds**

Dated: Date of Delivery

Due: October 1, as shown inside front cover

Purpose of the Bonds. The above-captioned bonds (the "Bonds" or the "2014 Bonds") are being issued by the Successor Agency to the Redevelopment Agency of the City of Moorpark (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City of Moorpark (the "Original Agency"), to refund the outstanding amount of the Original Agency's Moorpark Redevelopment Project 1999 Tax Allocation Refunding Bonds and Moorpark Redevelopment Project 2001 Tax Allocation Bonds (collectively, the "Prior Bonds").

Book-Entry. The Bonds will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), and will be available to ultimate purchasers ("Beneficial Owners") in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the Bonds. Principal of, premium if any, and semiannual interest on the Bonds due April 1 and October 1 of each year, commencing April 1, 2015, will be payable by Bank of New York Mellon Trust Company, N.A., as Trustee, to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Bonds (see "THE BONDS—Book-Entry System"). See "THE BONDS."

Redemption. The Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

Security for the Bonds. The Bonds are payable from and secured by the Tax Revenues (as defined in this Official Statement), on a parity basis with bonds issued in 2006 (the "2006 Bonds" described herein), to be derived from taxes deposited into the Successor Agency's Redevelopment Obligation Retirement Fund established pursuant to Health and Safety Code section 34170.5(a) (described herein), and moneys in certain funds and accounts established under an Indenture of Trust, dated as of May 1, 1999, by and between the Original Agency and the Trustee, as supplemented by a First Supplemental Indenture of Trust dated December 1, 2001, a Second Supplemental Indenture of Trust dated December 1, 2006 and a Third Supplemental Indenture of Trust dated _____, 2014 (collectively, the "Indenture"), as further described in this Official Statement. See "SECURITY FOR THE BONDS."

[The Successor Agency will increase the amount in a parity debt service reserve fund for the Bonds and the 2006 Bonds upon issuance of the Bonds.] The Successor Agency agrees in the Indenture to maintain the Reserve Account in an amount equal to the "Reserve Requirement," as defined in the Indenture and described herein.

Parity Bonds. The Bonds are secured by and payable from Tax Revenues on a parity basis with the 2006 Bonds, currently outstanding in the aggregate principal amount of \$_____. See "SECURITY FOR THE BONDS - Additional Debt."

Limited Obligations. The Bonds are special obligations of the Successor Agency and are secured by an irrevocable pledge of, and are payable as to principal, interest and premium, if any, from Tax Revenues and other funds described in this Official Statement. The Bonds, interest and premium, if any, thereon are not a debt of the City of Moorpark (the "City"), the County of Ventura (the "County"), the State of California (the "State") or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions except the Successor Agency is liable thereon. The Bonds, interest thereon and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. Neither the members of the Successor Agency, the Oversight Board, the County Board of Supervisors nor any persons executing the Bonds are liable personally on the Bonds.

[[Municipal Bond Insurance. The scheduled payment of principal of and interest on the Refunding Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by _____ .]]

[insurer logo, if applicable]

MATURITY SCHEDULE
(see inside cover)

This cover page contains information for quick reference only. It is not intended to be a summary of all factors relating to an investment in the Bonds. Investors should review the entire Official Statement before making any investment decision with respect to the Bonds.

The Bonds are offered when, as and if issued, subject to the approval as to their legality by Jones Hall, a Professional Law Corporation, San Francisco, California, Bond Counsel, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel. Certain matters will also be passed upon for the Successor Agency by Richards, Watson and Gershon, as Successor Agency Special Counsel. Certain matters will also be passed upon for the Underwriter by Norton Rose Fulbright, as Underwriter's Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about _____, 2014.

JEFFRIES GROUP LLC

Dated: _____, 2014

* Preliminary, subject to change.

MATURITY SCHEDULE

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds**

(Base CUSIP[†]: _____)

\$ _____

<u>Maturity</u> (October 1)	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> [†] (_____)
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\$ _____ % Term Bonds due October 1, _____; Yield: _____%; CUSIP[†]: _____

† Copyright 2014, American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., and are provided for convenience of reference only. Neither the Successor Agency nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency or the Project Area since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document References and Summaries. All references to and summaries of the Indenture or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Stabilization of and Changes to Offering Prices. The Underwriter may over allot or take other steps that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Bonds to certain dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Estimates and Projections. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE SUCCESSOR AGENCY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Website. The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
(Ventura County, California)**

BOARD OF DIRECTORS

Janis S. Parvin, Chair
Roseann Mikos, Ph.D., Vice Chair
Mark Van Dam, Member
David Pollock, Member
Keith Millhouse, Member

SUCCESSOR AGENCY OFFICIALS

Steve Kueny, Executive Director

PROFESSIONAL SERVICES

Trustee

The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

Bond Counsel

Jones Hall, a Professional Law Corporation
San Francisco, California

Financial Advisor and Fiscal Consultant

Urban Futures Incorporated
Orange, California

Disclosure Counsel

Jones Hall, a Professional Law Corporation
San Francisco, California

OFFICIAL STATEMENT

§ _____

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK Moorpark Redevelopment Project 2014 Tax Allocation Refunding Bonds

*This Official Statement, including the cover page and appendices hereto, is provided to furnish information in connection with the sale by the Successor Agency to the Redevelopment Agency of the City of Moorpark (the "**Successor Agency**"), as successor in interest to the Moorpark Redevelopment Agency (the "**Original Agency**"), of its Moorpark Redevelopment Project, 2014 Tax Allocation Refunding Bonds (the "**Bonds**").*

INTRODUCTION

This Introduction contains a brief summary of certain information contained in this Official Statement; such summaries do not purport to be comprehensive or definitive and are not intended to be complete and are qualified by the more detailed information contained elsewhere in this Official Statement. References to the Bonds are qualified in their entirety by reference to the form of the Bonds included in the Indenture. Copies of the Indenture and other documents described in this Official Statement may be obtained from the Successor Agency as described under the subheading "Other Information" below. Definitions of certain terms used in this Official Statement are set forth in "APPENDIX D – Summary of Certain Provisions of the Indenture."

General

The Bonds are issued according to the terms set forth in the Indenture of Trust, dated as of May 1, 1999, as supplemented by a First Supplemental Indenture of Trust dated December 1, 2001, by and between the Successor Agency and the Trustee, a Second Supplemental Indenture of Trust dated December 1, 2006, by and between the Successor Agency and the Trustee, and a Third Supplemental Indenture of Trust dated _____, 2014, by and between the Successor Agency and the Trustee (collectively, the "**Indenture**"), and in accordance with Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "**Refunding Law**"), Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code enacted by Assembly Bill X1 26 ("**AB X1 26**"), as amended on June 27, 2012 by Assembly Bill No. 1484 ("**AB 1484**"), enacted as Chapter 26, Statutes of 2012 (AB X1 26 and AB 1484 are collectively referred to herein as the "**Dissolution Act**"), and the Constitution and other applicable laws of the State of California (the "**State**"). The issuance of the Bonds was approved by Resolution No. SA-2014-07 adopted by the Successor Agency on July 2, 2014 (the "**Resolution**"), and by

Preliminary, subject to change.

Resolution No. 2014-61 adopted by the Oversight Board for the Issuer on July 15, 2014 (the "**Oversight Board Resolution**"). See "THE BONDS – Authority for Issuance."

Proceeds from the sale of the Bonds will be used to refund the outstanding amount of the Original Agency's Moorpark Redevelopment Project 1999 Tax Allocation Refunding Bonds (the "**1999 Bonds**") and its Moorpark Redevelopment Project 2001 Tax Allocation Bonds (the "**2001 Bonds**" and, together with the 2001 Bonds, the "**Prior Bonds**") originally issued to finance redevelopment projects.

The City and the Successor Agency

The City. The City of Moorpark (the "**City**"), located approximately 50 miles northwest of Los Angeles in a valley created by the Arroyo Simi Valley, is in Ventura County (the "**County**"). The City was incorporated in 1909, and now contains approximately 43 square miles in total area. The City population was estimated to be 35,172 as of January 1, 2014. For certain information with respect to the City, see Appendix C "GENERAL INFORMATION ABOUT THE CITY AND VENTURE COUNTY."

The Original Agency. The Redevelopment Agency of the City of Moorpark (the "**Original Agency**") was a redevelopment agency with all of the powers vested in such organizations under provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "**Redevelopment Law**"). The City Council of the City was the governing board of the Original Agency.

Dissolution Act. On June 29, 2011, AB X1 26 was enacted together with a companion bill, Assembly Bill No. X1 27 ("**AB X1 27**") as part of the 2011 State Budget Act. The provisions of AB X1 26 provided for the dissolution of all redevelopment agencies. The provisions of AB X1 27 permitted redevelopment agencies to avoid such dissolution by the payment of certain amounts. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, challenging the constitutionality of AB X1 26 and AB X1 27. The California Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the California Supreme Court in the California Redevelopment Association case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Original Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB X1 26 relating to the dissolution and wind down of former redevelopment agency affairs are Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by AB 1484, enacted as Chapter 26, Statutes of 2012 (AB X1 26 and AB 1484 are herein referred to as the "**Dissolution Act**").

As a consequence of the dissolution of redevelopment agencies, all property tax revenues that would have been allocated to redevelopment agencies are now allocated to the applicable redevelopment property tax trust fund created by the county auditor-controller for the "successor agency." Such funds are to be used for payments on indebtedness and other "enforceable obligations" (as defined in the Dissolution Act), and to pay certain administrative costs and any amounts in excess of that amount are to be considered property taxes that will be distributed to taxing agencies. In addition, under the Dissolution Act tax increment is no longer

deemed to flow directly to the successor agency. Further, the Dissolution Act is interpreted to no longer require successor agencies to deposit a portion of the tax increment into a low and moderate income housing fund. Rather, all funds are considered property taxes.

Successor Agency. Pursuant to Section 34173 of the Dissolution Act, on January 4, 2012 the City Council of the City of Moorpark elected for the City to serve as the successor agency to the Original Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public entity and legal entity from the City, that the two entities shall not merge, and that the liabilities of the Original Agency will not be transferred to the City nor will the assets of the Original Agency become assets of the City. The Dissolution Act also requires an oversight board for each successor agency to be established, and pursuant thereto the Successor Agency duly established the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Moorpark (the "**Oversight Board**") pursuant to California Health and Safety Code Section 34179(a). Under the Dissolution Act, many actions of the Successor Agency, including issuance of the Bonds, are subject to approval by the Oversight Board, and many actions of the Oversight Board are subject to review or approval by the State of California Department of Finance (the "**Department of Finance**").

The Project Area

The City Council of the City adopted a redevelopment plan (the "**Redevelopment Plan**") for the Project Area pursuant to Ordinance No. 110, adopted on July 5, 1989. The Redevelopment Plan was amended pursuant to Ordinance No. 111, adopted by the City Council of the City on July 5, 1989 and pursuant to Ordinance No. 202, adopted by the City Council of the City on December 14, 1994. The Project Area consists of approximately 1,217 acres and is comprised of primarily residential uses, with some commercial and industrial uses. The current (fiscal year 2014-15) total assessed value of the Project Area is \$976,727,609, of which tax increment revenue is generated from the incremental assessed value of \$711,928,622 in excess of the base year value of \$264,798,987. See "THE PROJECT AREA" herein. Assessed valuations in the Project Area are subject to numerous risks which could result in decreases from those reported for fiscal year 2014-15. See "RISK FACTORS" herein.

The Bonds

The Bonds will be issued in denominations of \$5,000 each or integral multiples thereof. Interest on the Bonds will be payable semi-annually on each April 1 and October 1, commencing April 1, 2015. Principal of and interest on the Bonds are payable by the Trustee to DTC which will be responsible for remitting such principal and interest to the Participants which will in turn be responsible for remitting such principal and interest to the beneficial owners of the Bonds. No physical distribution of the Bonds will be made to the public initially. See "THE BONDS - Book-Entry System" herein.

The Bonds are subject to optional and mandatory redemption prior to maturity as described herein. See "THE BONDS - Redemption" herein.

Tax Allocation Financing

Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming the taxable valuation never drops below the base year level, the taxing agencies receiving property taxes thereafter received only that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion of property taxes produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of redevelopment agency obligations.

Under the Dissolution Act tax increment is no longer deemed to flow directly to the successor agency. Further, the Dissolution Act is interpreted to no longer require successor agencies to deposit a portion of the tax increment into a low and moderate income housing fund. Rather, all funds are considered property taxes. Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described under the Redevelopment Law and Dissolution Act. See "RISK FACTORS."

The Dissolution Act authorizes the issuance of refunding bonds, including the Bonds, to be secured by a pledge of, and lien on, Tax Revenues created by the Indenture, but subject to the provisions of the Dissolution Act which modify the composition and flow of Tax Revenues as described in the Indenture. The Bonds are further secured by a pledge and lien created by Section 34177.5(g) of the Dissolution Act on monies deposited from time to time in a Redevelopment Property Tax Trust Fund (described herein) held by the Ventura County Auditor-Controller with respect to the Successor Agency, which are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the Original Agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT REVENUES NOW REFER TO THOSE MONEYS DEPOSITED BY THE COUNTY AUDITOR INTO THE REDEVELOPMENT PROPERTY TAX TRUST FUND.** See "SECURITY FOR THE BONDS."

Security for the Bonds

Pursuant to the Dissolution Act, the Bonds shall have the same lien priority as the pledge of the Tax Revenues for payment of the Prior Bonds and shall be valid, binding and enforceable in accordance with their terms. Additionally, the pledge and lien securing the Bonds is a parity pledge with the Original Agency's 2006 Bonds, described herein.

Section 33177.5(g) of the Dissolution Act provides that bonds authorized thereunder to be issued by a successor agency are secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund (the "RPTTF"), and that property tax revenues pledged to any bonds authorized under the Dissolution Act are taxes allocated to the agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law. Moneys deposited into the Redevelopment Property Tax Trust Fund include funds formerly required to be deposited into a former redevelopment agency's Low and Moderate Income Housing Fund; prior to the Dissolution Act such moneys were not available for payment of the 2006 Bonds.

The Dissolution Act requires the Ventura County Auditor-Controller (the "**County Auditor-Controller**") to determine the amount of property taxes that would have been allocated to the Original Agency from the Project Area had the Original Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for semi-annual transfer to the Successor Agency of an amount sufficient to pay the Successor Agency's enforceable obligations shown on a semi-annually prepared Recognized Obligation Payment Schedule submitted by the Successor Agency to the Oversight Board and the Department of Finance for approval. Upon approval and transfer, such transfer to the Successor Agency is required to be deposited in a Redevelopment Obligation Retirement Fund (the "**Redevelopment Obligation Retirement Fund**") established and held by the Successor Agency pursuant to Section 34170.5(a) of the Dissolution Act, from which moneys for the payment of the Successor Agency's enforceable obligations are derived. See "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules."

The Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency will be considered indebtedness incurred by the dissolved Original Agency, with the same lien priority and legal effect as if the bonds had been issued prior to effective date of AB X1 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and are to be included on the Successor Agency's Recognized Obligation Payment Schedules.

In 2006, the Original Agency issued its \$11,695,000 aggregate principal amount of Redevelopment Agency of the City of Moorpark, Moorpark Redevelopment Project 2006 Tax Allocation Bonds, currently outstanding in the aggregate principal amount of \$11,500,000, (the "**2006 Bonds**"). The Bonds are secured by and payable from Tax Revenues described herein, on a parity basis with the 2006 Bonds. See "SECURITY FOR THE BONDS - Pledge of Tax Revenues."

The Indenture allows for the issuance of other loans, advances, or indebtedness payable from Tax Revenues on parity with the Bonds and 2006 Bonds; however the Successor Agency has no enforceable obligations outstanding which require the issuance of bonds and due to limitations imposed by the Dissolution Act it is unlikely any new obligations other than refunding obligations would be approved by the Oversight Board and Department of Finance.

Tax Revenues are defined in the Indenture using pre-Dissolution Act terminology, but remain moneys to be derived from the Project Area as described herein, all of the moneys in the Special Fund (established under the Indenture) and now held as a subaccount of the Redevelopment Obligation Retirement Fund, and all of the moneys in the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account therein) established and held by the Trustee under the Indenture, all as more fully set forth in the Indenture. Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent they constitute Tax Revenues, as described herein and now subject to the Dissolution Act, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Successor Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year to the extent required for payments listed in the Successor Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act.

Limited Obligation

The Bonds are special obligations of the Successor Agency and are secured by an irrevocable pledge of, and are payable as to principal, interest and premium, if any, on a parity basis with the 2006 Bonds from Tax Revenues and other funds, as described herein. The Bonds, interest and premium, if any, thereon are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions except the Successor Agency are liable thereon. The Bonds, interest thereon and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. No member of the Successor Agency, the Oversight Board, the County Board of Supervisors or any person executing the Bonds is liable personally on the Bonds by reason of their issuance.

Reserve Account

The Successor Agency will increase the amount in a parity Reserve Account established for the Prior Bonds and the 2006 Bonds to an amount equal to the "Reserve Requirement," as defined in the Indenture for the combined Bonds and 2006 Bonds, and the Reserve Account will be available for the benefit of the Bonds and the 2006 Bonds on a parity basis. The Reserve Account is comprised entirely of a Qualified Reserve Account Credit Instrument (as defined in the Indenture) issued in 2006 by Ambac Assurance (as to the 2006 Bonds) [[and a Qualified Reserve Account Credit Instrument issued by _____ (as to the Bonds) simultaneously with the issuance of the Bonds.]] See "SECURITY FOR THE BONDS - Reserve Account."

Bondowners' Risks

Prospective investors should review this Official Statement and the Appendices hereto in their entirety and should consider certain risk factors associated with the purchase of the Bonds, some of which have been summarized in the section herein entitled "BONDOWNERS' RISKS" herein.

Continuing Disclosure

The Successor Agency will covenant, pursuant to a Continuing Disclosure Certificate to be executed on the date of delivery of the Bonds, for the benefit of owners and beneficial owners of the Bonds, to provide certain financial information and operating data related to the Successor Agency by not later than nine months following the end of the Successor Agency's Fiscal Year (the "**Annual Report**"), and to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the Successor Agency with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report and any notices of significant events is summarized below under the caption "CONTINUING DISCLOSURE" herein. A copy of the Continuing Disclosure Certificate is set forth in APPENDIX F — "FORM OF CONTINUING DISCLOSURE CERTIFICATE." The covenants of the Successor Agency in the Continuing Disclosure Certificate have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Tax Matters

Interest on Bonds is excluded from gross income for federal income tax purposes. In the opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes. See "TAX MATTERS."

Professionals Involved in the Offering

The proceedings of the Successor Agency in connection with the issuance of the Bonds are subject to the approval as to their legality of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel. Jones Hall is also serving as Disclosure Counsel to the Successor Agency for the Bonds. The Bank of New York Mellon Trust Company, N.A., San Francisco, California, will act as the Trustee under the Indenture. Urban Futures Incorporated, Orange, California is serving as Financial Advisor and Fiscal Consultant (the "**Fiscal Consultant**") in connection with the issuance of the Bonds. The fees of Bond Counsel, Disclosure Counsel and the Trustee are contingent upon the sale and delivery of the Bonds.

Summaries of Documents

Brief descriptions of the Redevelopment Law, the Bond Law, the Dissolution Act, the Bonds, the Indenture, the Successor Agency, the Original Agency, the County and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Redevelopment Law, the Bond Law, the Dissolution Act, the Bonds, the Indenture, the Constitution and the laws of the State as well as the proceedings of the Original Agency, the Successor Agency, the County and the City are qualified in their entirety by reference to such documents and laws. References herein to the Bonds are qualified in their entirety by the form included in the Indenture and by the provisions of the Indenture.

The Fiscal Consultant's Report is contained in Appendix B. Selected information regarding the City and the County is included in Appendix C. A summary of certain provisions of the Indenture is contained in Appendix D. The proposed form of Bond Counsel's legal opinion for the Bonds is set forth in Appendix E. The proposed form of Continuing Disclosure Certificate is included in Appendix F.

All capitalized terms used in this Official Statement and not normally capitalized have the meanings assigned to them in the Indenture, unless otherwise stated in this Official Statement. Definitions of certain terms used in this Official Statement are set forth in APPENDIX D – "Summary of Certain Provisions of the Indenture."

Other Information

This Official Statement speaks only as of its date and the information contained herein is subject to change without notice. Copies of documents referred to herein are available from the Successor Agency upon written request to the Successor Agency to the Redevelopment Agency of the City of Moorpark, 799 Moorpark Avenue, Moorpark, CA 93021, Attention: Executive Director. The Successor Agency may impose a charge for copying, mailing and handling expenses related to any request for documents.

REFUNDING PLAN

The Refunding

The Original Agency is obligated to pay the \$9,860,000 original amount of Moorpark Redevelopment Project 1999 Tax Allocation Bonds, outstanding in the principal amount of \$2,735,000 (the "**1999 Bonds**"), issued pursuant to an Indenture of Trust dated as of November 1, 2002, by and between the Original Agency and the Trustee for the purpose of financing programs, projects and activities relating to the Original Agency's Project Area and the \$11,625,000 original amount of Moorpark Redevelopment Project 2001 Tax Allocation Bonds, outstanding in the principal amount of \$11,435,000 (the "**2001 Bonds**" and, together with the 1999 Bonds, the "**Prior Bonds**"), issued pursuant to a First Supplemental Indenture of Trust dated December 1, 2001.

Pursuant to one or more Escrow Agreements (the "**Escrow Agreement**"), by and between the Successor Agency and The Bank of New York Mellon Trust Company, N. A., as trustee of the 1999 Bonds and 2001 Bonds (in such capacity, the "**Escrow Bank**"), the Successor Agency will deliver a portion of the proceeds of the Bonds, along with other available amounts, to the Escrow Bank for deposit in one or more escrow accounts established under the Escrow Agreement (in such capacity, the "**Escrow Account**"). The Escrow Bank will hold such amounts in the Escrow Account uninvested and within 90 days of the issuance of the Bonds, the Escrow Bank will redeem the Prior Bonds, at a price equal to the principal amount of the Prior Bonds to be redeemed plus interest accrued to the redemption date, whereupon the obligations of the Successor Agency for defeasance of the Prior Bonds will be met.

The amounts held by the Escrow Bank in the Escrow Account are pledged solely to the amounts due and payable by the Successor Agency under the Indenture. Neither the funds deposited in the Escrow Account nor any interest on the invested funds, if any, will be available for the payment of debt service with respect to the Bonds.

Following the payment and redemption described above and payment of any amounts then owed to the Trustee, the Trustee shall withdraw any amounts remaining on deposit in the Redemption Account and transfer such amounts to the Debt Service Fund established under the Indenture to be used for the purpose of paying interest on the Bonds. Until such time, amounts on deposit in the Redemption Account are not available to pay debt service on the Bonds.

Estimated Sources and Uses

The anticipated sources and uses of funds from the sale of the Bonds and other available moneys are estimated to be applied as follows:

TABLE 1
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds

Sources of Funds

Par Amount of Bonds
 Less: Net Discount
 Available From Prior Bonds
 Total Sources

Uses of Funds

Deposit to Redemption Fund
 Deposit to Costs of Issuance Fund ⁽¹⁾
 Total Uses

(1) Includes fees of bond counsel, disclosure counsel, financial adviser, fiscal consultant, bond insurance premium, trustee and rating agencies, printing costs and other closing costs.

Debt Service Schedules

The following tables set forth (i) the scheduled annual debt service for the Bonds and (ii) the scheduled annual debt service for the Bonds and the 2006 Bonds.

TABLE 2
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds

Debt Service Schedule

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			

TABLE 3
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF MOORPARK
Moorpark Redevelopment Project
Parity Bonds Debt Service Schedule

Fiscal Year Ending June 30	2006 Bonds Debt Service	2014 Bonds Debt Service	Total Debt Service
2015	\$541,819		
2016	545,278		
2017	543,647		
2018	541,931		
2019	545,031		
2020	543,031		
2021	545,931		
2022	543,731		
2023	541,463		
2024	548,913		
2025	546,150		
2026	543,388		
2027	545,519		
2028	542,500		
2029	544,328		
2030	541,047		
2031	547,547		
2032	548,719		
2033	1,733,203		
2034	1,734,797		
2035	1,733,766		
2036	1,730,109		

THE BONDS

Authority for Issuance

The Bonds were authorized for issuance pursuant to the Indenture, the Redevelopment Law, the Bond Law, and the Dissolution Act. The issuance of the Bonds and the Indenture were authorized by the Successor Agency pursuant to a Resolution adopted on July 2, 2014 (the “**Resolution**”), and by the Oversight Board for the Successor Agency pursuant to a Resolution adopted on July 15, 2014 (the “**Oversight Board Resolution**”).

Pursuant to the Dissolution Act, written notice of the Oversight Board Resolution was provided to the Department of Finance, which requested a review of the Oversight Board Resolution. The Department of Finance provided a letter dated September 15, 2014 to the Successor Agency stating that based on the Department of Finance’s review and application of the law, the Oversight Board Resolution approving the Bonds was approved by the Department of Finance. See “APPENDIX H –Department of Finance Approval Letter.”

Description

The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee for DTC. Purchasers will not receive physical certificates representing their interest in the Bonds. The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated as of their date of delivery (the “**Closing Date**”) and mature on October 1 in the years and in the respective principal amounts and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the respective rates per annum, as set forth on the inside front cover.

Interest on the Bonds accrues from the Closing Date and is payable semiannually on October 1 and April 1 of each year (each, an “Interest Payment Date”) commencing April 1, 2015.

Interest on the Bonds is payable from the Interest Payment Date next preceding the date of authentication thereof unless: (i) a Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date; (ii) a Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the Closing Date, or (iii) interest on any Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date.

Principal, premium, if any, and interest on the Bonds are payable by the Trustee to DTC, which is obligated in turn to remit such amounts to DTC Participants for subsequent disbursement to Beneficial Owners of the Bonds. See APPENDIX G - “DTC and the Book-Entry System”.

Redemption

Optional Redemption. The Bonds maturing on or before October 1, 20__ are not subject to redemption before their stated maturity. The Bonds maturing on or after October 1, 20__ are subject to redemption prior to maturity, at the option of the Successor Agency, in whole or in part among maturities on such basis as designated by the Successor Agency and by lot within a maturity, from any available source of funds, on October 1, 20__, and on any date thereafter, at a redemption price equal to the principal amount to be redeemed, without premium, plus accrued interest thereon to the date of redemption.

Mandatory Sinking Fund Redemption. Term Bonds maturing on October 1, 20__, and October 1, 20__, shall also be subject to mandatory sinking fund redemption prior to their respective stated maturities, in part, by lot, from mandatory sinking fund payments set aside in the Principal Account, in the following amounts and on the following dates, at the principal amount thereof, without premium:

Term Bonds Maturing October 1, _____

Mandatory Redemption Date (October 1)	Principal Amount To Be Redeemed
---	------------------------------------

Term Bonds Maturing October 1, _____

Sinking Account Redemption Date (October 1)	Principal Amount To Be Redeemed
---	------------------------------------

Notwithstanding the above, if some but not all of the Term Bonds have been redeemed pursuant to optional redemption the total amount of all future sinking account payments shall be reduced by the aggregate principal amount of Bonds so redeemed, to be allocated among such sinking account payment pro rata in integral multiples of \$5,000 as determined by the Successor Agency.

General Redemption Provisions

Purchase in Lieu of Redemption. In lieu of redemption of any Term Bond, amounts on deposit in the Debt Service Fund or in the Sinking Account of the Debt Service Fund may also be used and withdrawn by the Trustee at any time, upon the written request of the Successor Agency pursuant to the terms of the Indenture, for the purchase of such Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding interest, which is payable from the Interest Fund) as the Successor Agency may in its discretion determine, but not in excess of the principal amount thereof plus accrued interest to the purchase date.

Notice of Redemption. The Trustee will mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and to the Securities Depositories and to one or more Information Services, at least 30 but not more than 60 days prior to the date fixed for redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon.

Such notice will include the date of the notice, the redemption date, the redemption place and the redemption price and must designate the CUSIP numbers, the Bond numbers (if less than all Bonds of a maturity are to be redeemed) and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and must require that such Bonds be then surrendered at the Office of the Trustee identified in such notice for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Successor Agency has the right to rescind any notice of the optional redemption of Bonds by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default.

Selection of Bonds for Redemption. When less than all the Outstanding Bonds of a series maturing on any one date are called for redemption at any one time, the Successor Agency will select the Bonds to be redeemed by lot in any manner which the Successor Agency in its sole discretion deems appropriate. For purposes of such selection, all Bonds will be deemed to be comprised of separate \$5,000 denominations and such separate denominations will be treated as separate Bonds which may be separately redeemed.

Partial Redemption. If only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new bond or bonds of the same series and maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

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

Transfer and Exchange. *So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of Bonds will be made in accordance with DTC procedures. See "Appendix G" below.* Any Bond may, in accordance with its terms, be transferred, upon the registration books of the Trustee, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denomination. The Trustee may refuse to transfer, either (a) any Bonds during the period fifteen (15) days prior to the date established by the

Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Discontinuance of Book-Entry System

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Successor Agency or the Trustee and discharging its responsibilities with respect thereto under applicable law or the Successor Agency may terminate participation in the system of book-entry transfers through DTC or any other securities depository at any time. In the event that the book-entry system is discontinued, the Successor Agency will execute, and the Trustee will authenticate and make available for delivery, replacement Bonds in the form of registered bonds. In addition, the following provisions would apply: the principal of and redemption premium, if any, on the Bonds will be payable at the corporate trust office of the Trustee in Los Angeles, California (or such other office as the Trustee may designate), and interest on the Bonds will be payable by check mailed to the registered owner as of the close of business on the Record Date.

SECURITY FOR THE BONDS

On June 29, 2011, Assembly Bill No. X1 26 (“**AB X1 26**”) was enacted together with a companion bill, Assembly Bill No. X1 27 (“**AB X1 27**”). The provisions of AB X1 26 provided for the dissolution of all redevelopment agencies. The provisions of AB X1 27 permitted redevelopment agencies to avoid such dissolution by the payment of certain amounts. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, challenging the constitutionality of AB X1 26 and AB X1 27. The California Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the California Supreme Court in the California Redevelopment Association case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Original Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB X1 26 relating to the dissolution and wind down of former redevelopment agency affairs are Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012 ((AB X1 26 and AB 1484 are herein referred to as the “**Dissolution Act**”).

Tax Allocation Financing

Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming the taxable valuation never drops below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations, as was done with respect to the 2006 Bonds pursuant to the Indenture.

The Dissolution Act authorizes refunding bonds, including the Bonds, to be secured by a pledge of moneys, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the county auditor-controller and less tax sharing obligations (to the extent applicable), which would have been tax increment prior to the Dissolution Act, to be deposited from time to time in a Redevelopment Property Tax Trust Fund held by a county auditor-controller for each successor agency (the “**Redevelopment Property Tax Trust Fund**”) (the “**RPTTF**”), to be used for the payment of approved enforceable obligations of such former redevelopment agency. Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described below.

DISCUSSIONS HEREIN REGARDING TAX INCREMENT REVENUES NOW REFER TO THOSE MONEYS DEPOSITED BY THE VENTURA COUNTY AUDITOR INTO THE REDEVELOPMENT PROPERTY TAX TRUST FUND HELD BY THE COUNTY FOR THE SUCCESSOR AGENCY.

Allocation of Taxes

Segregation of Tax Increment Under the Dissolution Act. Prior to the Dissolution Act, pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution and as provided in the Redevelopment Plan, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively called “**taxing agencies**”) after the effective date of the ordinance approving the Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the Redevelopment Plan that added territory to the Project Area, as applicable, were to be divided as follows:

(a) To Taxing Agencies: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the Redevelopment Plan that added territory to the Project Area, as applicable (each, a “**base year valuation**”), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) To the Redevelopment Agency: Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 (however Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date) for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within the Plan Limit, when collected, to be paid into a special fund of the redevelopment agency. Section 34172 of the Dissolution Act now provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund shall be deemed to be a special fund of the dissolved redevelopment agency to pay the debt service on indebtedness incurred by the Original Agency or the Successor Agency to finance or refinance the redevelopment projects of the Original Agency.

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Original Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Original Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act. The Dissolution Act further provides that any bonds authorized thereunder to be issued by the Successor Agency will be considered indebtedness incurred by the Successor Agency, with the same lien priority and legal effect as if the bonds had been issued by the Original Agency prior to the effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date, and are to be

included on each of the Successor Agency's Recognized Obligation Payment Schedule (see "Recognized Obligation Payment Schedules" below).

Section 33177.5(g) of the Dissolution Act provides that bonds authorized thereunder to be issued by a successor agency are secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund of the Successor Agency held by the County Auditor-Controller, and that property tax revenues pledged to any bonds authorized to be issued by the Successor Agency under the Dissolution Act, including the Bonds, are taxes allocated to the Successor Agency pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution. See "Pledge of Tax Revenues" below.

Order of Priority of Distributions from Redevelopment Property Tax Trust Fund. As described above, the County Auditor-Controller will deposit property tax increment revenues into the Redevelopment Property Tax Trust Fund pursuant to the requirements of the Health and Safety Code, including Health and Safety Code Sections 34182, 34183 and 34170.5(b). The Bonds and the 2006 Bonds are payable from the Tax Revenues to be derived from the Project Area consisting of the property tax revenues deposited in the Redevelopment Property Tax Trust Fund and subsequently transferred to the Successor Agency to pay approved enforceable obligations. Moneys representing Tax Revenues transferred by the County Auditor-Controller to the Successor Agency for deposit into the Successor Agency's Redevelopment Obligation Retirement Fund in amounts necessary to pay debt service payments will first be deposited by the Successor Agency in the Special Fund created under the Indenture and will then be transferred by the Successor Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture for payment of the Bonds and the 2006 Bonds.

Under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, a county auditor-controller is to distribute funds for each six-month period in the following order specified in Section 34183(a) of the Dissolution Act. The Successor Agency prepares a forward looking ROPS to cover the subsequent six month period. Once approved by the Oversight Board and DOF, the County auditor-controller releases the RPTTF revenues to pay for the obligations on the ROPS:

(i) first, on each January 2 and June 1, allocate property tax administrative fees and other costs needed to implement the Dissolution Act, to the County

(ii) second, subject to certain adjustments for subordinations to the extent permitted under the Dissolution Act and no later than each January 2 and June 1, to each local agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including negotiated pass-through agreements and statutory pass-through obligations;

(iii) third, on each January 2 and June 1, to the successor agency for payments listed on its approved Recognized Obligation Payment Schedule, with debt service payments scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule;

(iv) fourth, on each January 2 and June 1, to the successor agency for the administrative cost allowance, as defined in the Dissolution Act; and

(v) fifth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii) pursuant to Section 34188, in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in that fiscal year.

See "SECURITY FOR THE BONDS – Pledge of Tax Revenues - Statutory Tax Sharing" for information on the impact of tax sharing on the allocation of property tax revenues generated in the Project Area.

Pledge of Tax Revenues

The pledge and lien securing the Bonds is a parity pledge with the Original Agency's 2006 Bonds, described herein, provided however, payments to taxing entities under Tax Sharing Statutes have been subordinated to the obligation to pay the 2006 Bonds but have not been subordinated with respect to the Bonds.

Tax Revenues are defined in the Indenture using pre-Dissolution Act terminology, but remain moneys to be derived from the Project Area as described herein, all of the moneys in the Special Fund (established under the Indenture) and now held as a subaccount of the Redevelopment Obligation Retirement Fund, and all of the moneys in the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account therein) established and held by the Trustee under the Indenture, all as more particularly described below and more fully set forth in the Indenture. The RPTTF, or tax increment revenues, continue to be calculated by first subtracting the base year value of a project area from the current year taxable value in order to determine the incremental taxable value of the project area. The one percent tax rate is then applied to the incremental taxable value in order to determine tax increment revenues. Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent they constitute Tax Revenues, as described herein and now subject to the Dissolution Act, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Successor Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year to the extent required for payments listed on the Successor Agency's approved Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act. See "Recognized Obligation Payment Schedules" below.

Section 34177.5(g) of the Dissolution Act provides that bonds, such as the Bonds and the 2006 Bonds:

"...shall be considered indebtedness incurred by the dissolved redevelopment agency, with the same legal effect as if the bonds had been issued, incurred, or entered into prior to June 29, 2011, in full conformity with the applicable provisions of the [Redevelopment Law] that existed prior to that date...and shall be secured by a pledge of and lien on, and shall be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund..."

On a parity basis with the 2006 Bonds, the Bonds are payable from and secured by the pledge described above, as well as by an irrevocable first pledge and lien, on a parity basis with the 2006 Bonds, on all of the moneys in the Debt Service Fund (including the Interest Account, the Principal Account, the Reserve Account, and the Redemption Account therein) established and held by the Trustee in trust for the Bondowners under the Indenture.

The Bonds, interest thereon and premium, if any, are not a debt of the City, the State of California or any political subdivision thereof (other than the Successor Agency), and neither the City, the State nor any political subdivision thereof (other than the Successor Agency) is liable thereon.

Under the Indenture, the term "Tax Revenues" was defined using pre-Dissolution Act terminology, as follows:

"... all taxes pledged and annually allocated within the Plan Limit, following the Closing Date, and paid to the Agency with respect to the Project Area pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and as provided in the Redevelopment Plan, and all payments, subventions and reimbursements, if any, to the Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations, and including that portion of such taxes otherwise required by Section 33334.3 of the Law to be deposited in the Low and Moderate Income Housing Fund, but only to the extent necessary to repay that portion of the Bonds and that portion of any Parity Debt (including applicable reserves and financing costs) issued to finance or refinance amounts deposited in the Low and Moderate Income Housing Fund for use pursuant to Section 33334.2 of the Law to increase or improve the supply of low and moderate income housing within or of benefit to the Project Area; but excluding all other amounts of such taxes (if any) (i) beginning in Fiscal Year 1998-99 which are required to be deposited into the Low and Moderate Income Housing Fund of the Agency as a repayment of amounts transferred therefrom pursuant to section 33681 and 33681.5 of the Law for deposit in the Educations Revenue Augmentation Fund created pursuant to Section 97.03 of the California Revenue and Taxation Code, (ii) required to be deposited into the Low and Moderate Income Housing Fund of the Agency pursuant to section 3334.3 of the Law for increasing and improving the supply of low and moderate income housing, (iii) amounts payable by the State to the Agency under and pursuant to Chapter 1.5 of Part 1 of Division 4 of Title 2 (commencing with section 16110) of the California Government Code, and (iv) payable by the Agency under the Pass-Through Agreements except and to the extent that any amounts so payable are payable on a basis subordinate to the payment of the Bonds or to the payment of Parity Debt, as applicable."

Payments to taxing entities under Tax Sharing Statutes have been not been subordinated to the obligation to pay the 2006 Bonds or the Bonds. See "Statutory Tax Sharing" below.

Housing Set-Aside. Moneys deposited into each successor agency's Redevelopment Property Tax Trust Fund include funds formerly required to be deposited into a set-aside fund established by each former redevelopment agency for low and moderate income housing. However, Section 33177.5(g) of the Dissolution Act provides that the Bonds shall "be secured by-a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the

Redevelopment Property Tax Trust Fund," which deposited moneys now include money which would have been the housing set-aside prior to the Dissolution Act. The Dissolution Act is interpreted to no longer require such a deposit, but the definition of Tax Revenues pledged for payment of the Bonds and the 2006 Bonds contained in the Indenture includes the housing set-aside to the extent a portion of the proceeds of the Bonds were deposited into the Original Agency's Low and Moderate Income Housing Fund. None of the proceeds of the Prior Bonds or the 2006 Bonds were used for low and moderate income housing purposes.

Statutory Tax Sharing. The Redevelopment Law authorized redevelopment agencies to make payments to school districts and other taxing agencies to alleviate any financial burden or detriments to such taxing agencies caused by a redevelopment project.

Additionally, Sections 33607.5 and 33607.7 of the Redevelopment Law required mandatory tax sharing applicable to redevelopment projects adopted after January 1, 1994, or amended thereafter in certain manners specified in such statutes (the "**Statutory Tax-Sharing Payments**").

The Dissolution Act requires the county auditor-controller to distribute from the redevelopment property tax trust fund amounts required to be distributed and for statutory pass-through amounts to the taxing entities for each six-month period before amounts are distributed by the County Auditor-Controller from the redevelopment property tax trust fund to the Redevelopment Obligation Retirement Fund of the successor agency on each January 2 and June 1, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the former agency, as succeeded by the successor agency, (ii) the successor agency has reported, no later than the March 1 and May 1 preceding the January 2 or June 1 distribution date, that the total amount available to the successor agency from the redevelopment property tax trust fund allocation to the redevelopment obligation retirement fund of the successor agency, from other funds transferred from the former redevelopment agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the enforceable obligations, pass-through payments of the successor agency, and the administrative cost allowance of the successor agency for the applicable six-month period, and (iii) the State Controller has concurred with the successor agency that there are insufficient funds for such purposes for the applicable six-month period.

Beginning in fiscal year 2010-11, the Agency was required to make statutory payments to those affected taxing entities that do not have a negotiated tax sharing agreement. These payments are required because the time limitation for the incurrence of debt was deleted pursuant to Ordinance No. 369 of the City. Payments are only to be due from increases in assessed value above levels in fiscal year 2009-10 (the "AB 1290 AV Base"), when the debt incurrence limit would have been reached for the Project Area. Tax sharing payments will be owed only to those taxing entities that do not have a pass through agreement for the Project Area. The payments are based on a three tier formula. For further information, see "APPENDIX B - FISCAL CONSULTANT'S REPORT."

The Dissolution Act provides for a procedure by which the successor agency may make Statutory Tax-Sharing Payments subordinate to the Bonds, however, the Successor Agency has determined not to undertake such procedure, and therefore, the Statutory Tax-Sharing Payments, if and when they become payable, are not subordinate to the Bonds or the 2006 Bonds. See "THE PROJECT AREA - Statutory Tax Sharing." See also APPENDIX B - FISCAL CONSULTANT'S REPORT."

Reserve Account

Under the Indenture, a Reserve Account is established and held by the Trustee and pledged to payment of all Parity Debt. On the date of issuance, the amount in the Reserve Account will be adjusted to equal the Reserve Requirement for the Bonds and the 2006 Bonds. The **“Reserve Requirement”** is, as of the date of calculation by the Successor Agency, the amount of Maximum Annual Debt Service on the Bonds and 2006 Bonds. **“Maximum Annual Debt Service”** means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year on the Bonds and 2006 Bonds. **“Annual Debt Service”** means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds and 2006 Bonds in such Bond Year, assuming that the Outstanding Bonds and 2006 Bonds are retired as scheduled, and (b) the principal amount of the Outstanding Bonds and 2006 Bonds payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding portion of any Bonds and 2006 Bonds payable from mandatory Sinking Account payments and scheduled to be paid or redeemed from mandatory Sinking Account payments in such Bond Year.

A Reserve Account may be satisfied with the acquisition of a financial instrument meeting the requirements of a “Qualified Reserve Account Credit Instrument”. **“Qualified Reserve Account Credit Instrument”** is defined to mean an irrevocable standby or direct-pay letter of credit or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met: (a) the long-term credit rating or claims paying ability of such bank or claims paying ability of such bank or insurance company is in one of the two highest rating categories by S&P and Moody’s; (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released pursuant to the Indenture; and (d) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account, the Principal Account or the Sinking Account for the purpose of making payments required pursuant to the Indenture.

The Reserve Requirement for the 2006 Bonds was met with a reserve fund surety bond (the **“Surety Bond”**) provided by Ambac Assurance and the Reserve Requirement for the Bonds will be initially met with a separate reserve fund surety bond to be provided by _____. The amount of the Surety Bonds is sufficient to meet the Reserve Requirement for the combined amount of Bonds and 2006 Bonds. At the time of issuance of the Bonds, the Reserve Requirement allocable to the 2006 Bonds is \$_____ and the Reserve Requirement allocable to the Bonds is \$_____.

In the event that the amount on deposit in a Reserve Account at any time becomes less than the related Reserve Requirement, the Trustee is required to notify the Successor Agency of such fact and the Agency is required to transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement.

All money in the respective Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the respective Bonds and 2006 Bonds then Outstanding, except that so long as the Successor Agency is not in default, any amount in the Reserve Account in excess of the Reserve Requirement can be withdrawn from the Reserve Account semiannually on or before the fifth Business Day preceding each April 1 and October 1 by the Trustee and deposited in the Interest Account.

Additional Debt

Existing Parity Debt. In 2006, the Original Agency issued its \$11,695,000 aggregate principal amount of Redevelopment Agency of the City of Moorpark, Moorpark Redevelopment Project 2006 Tax Allocation Bonds, currently outstanding in the aggregate principal amount of \$11,500,000 (the “**2006 Bonds**”). The Bonds are secured by and payable from Tax Revenues described herein, on a parity basis with the 2006 Bonds. The Original Agency did not establish any other project areas.

Future Parity Debt. The Indenture allows for the issuance of other loans, advances, or indebtedness payable from Tax Revenues on parity with the Bonds and 2006 Bonds; however the Successor Agency has no enforceable obligations outstanding which require the issuance of bonds and due to limitations imposed by the Dissolution Act it is unlikely any new obligations other than refunding obligations would be approved by the Oversight Board and Department of Finance.

Refunding Obligations. The Successor Agency may issue or incur other loans, advances, or indebtedness payable from Tax Revenues to refund other Original Agency obligations, provided that (a) the Successor Agency complies with the requirements of Health and Safety Code section 34177.5 and (b) the Successor Agency complies with the provisions of the Indenture regarding the issuance of Parity Debt (as defined in the Indenture).

Limited Obligation

The Bonds are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State or any of their political subdivisions except the Successor Agency are liable therefor. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. No member of the Successor Agency, the Moorpark City Council, the Oversight Board or the Board of Supervisors of the County shall be individually or personally liable for the payment of the principal of or interest or redemption premium (if any) on the Bonds; but nothing contained in the Indenture relieves any such member, officer, agent or employee from the performance of any official duty provided by law.

Recognized Obligation Payment Schedules

Submission of Recognized Obligation Payment Schedule. Not less than 90 days prior to each to each January 2 and June 1, the Dissolution Act requires successor agencies to prepare, and submit to the successor agency's oversight board and the Department of Finance for approval, a Recognized Obligation Payment Schedule (the "**Recognized Obligation Payment Schedule**") pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation.

Payment of Amounts Listed on the Recognized Obligation Payment Schedule. As defined in the Dissolution Act, "**enforceable obligation**" includes bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency, payments required by the federal government, obligations imposed by State law, or any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and, under certain circumstances, amounts borrowed from the former redevelopment agency's low and moderate income housing fund.

Sources of Payments for Enforceable Obligations. Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) the low and moderate income housing fund, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance (successor agencies are entitled to receive not less than \$250,000, unless that amount is reduced by the oversight board), (v) the Redevelopment Property Tax Trust Fund (but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or otherwise required under the Dissolution Act), or (vi) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues of the former redevelopment agency, as approved by the oversight board).

The Dissolution Act provides that only those payments listed in the Recognized Obligation Payment Schedule may be made by a successor agency and only from the funds specified in the Recognized Obligation Payment Schedule.

Failure to Submit a Recognized Obligation Payment Schedule. The Recognized Obligation Payment Schedule must be approved by the oversight board and must be submitted by a successor agency to the county auditor-controller and the Department of Finance by 90 days before the date of the next January 2 or June 1 property tax distribution. If the successor agency does not submit a Recognized Obligation Payment Schedule by the applicable deadline, the Successor Agency may not receive the property tax revenues that it otherwise would have received and the city that established the former redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the Department of Finance. Additionally, the successor agency's administrative cost allowance is reduced by 25% if the successor agency did not submit a Recognized Obligation Payment Schedule by the 80th day before the date of the next January 2 or June 1 property tax distribution, as applicable, with respect to the Recognized Obligation Payment Schedule for the subsequent six-month period. For additional information regarding procedures under the Dissolution Act relating to late Recognized Obligation Payment Schedules and implications thereof on the Bonds, see "RISK FACTORS – Recognized Obligation Payment Schedule."

Final and Conclusive Determination by Department of Finance. Health and Safety Code Section 34177.5(i) permits a successor agency to petition the Department of Finance to provide written confirmation that its determination of the enforceable obligations of the successor agency that provide for an irrevocable commitment of property tax revenue over time as approved in a Recognized Obligation Payment Schedule is final and conclusive, and reflects the approval by the Department of Finance of subsequent payments made pursuant to the enforceable obligations. If the confirmation is granted, then the review by the Department of Finance of such payments in future Recognized Obligation Payment Schedules is limited to confirming that they are required by the prior enforceable obligations. The Successor Agency may pursue obtaining such confirmation.

Relevant Covenant by the Successor Agency. The Successor Agency covenants in the Second Supplemental Indenture that it will comply with all requirements of the Redevelopment Law and the Dissolution Act to insure the allocation and payment to it of the Tax Revenues for payment of enforceable obligations, including without limitation the timely filing of its Recognized Obligation Payment Schedule with appropriate officials of the County, the Oversight Board, and the State.

The Successor Agency further covenants and agrees that it will duly and punctually pay or cause to be paid the principal of and interest on each of the Bonds and the 2006 Bonds, on the date, at the place and in the manner provided in the Indenture, and that it will take all actions required under the Dissolution Act to include scheduled debt service on the Bonds, all amounts required to be deposited in the Special Fund pursuant to and in accordance with the Indenture, as well as any amount required under the Indenture to replenish the Reserve Account, in Recognized Obligation Payment Schedules to be filed for each six-month period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund on each January 2 and June 1 all amounts required for the Successor Agency to pay principal of, and interest on, the Bonds and the 2006 Bonds, and all amounts required to be deposited in the Special Fund (pursuant to and in accordance with the Indenture), which amounts will be used to pay debt service on the Bonds and the 2006 Bonds. Specifically, the Successor Agency covenants that it will place on the periodic Recognized Obligation Payment Schedules to be filed for approval by the Oversight Board and State Department of Finance, all the amounts required by the Indenture to be deposited and held by the Successor Agency in the Special Fund, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act.

The Original Agency covenanted in the Indenture that it will not enter into any agreement with any other governmental unit, or amend any such agreement, if such agreement or amendment would have the effect of causing the amount of Tax Revenues available for payment of the Bonds to be insufficient to meet debt service on the Bonds and the 2006 Bonds, unless in the written opinion of an Independent Redevelopment Consultant is filed with the Trustee to the effect that such agreement or amendment will not adversely affect the security granted to the Bond Owners.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Tax Revenues available in any six-month period to pay the principal of and interest on the Bonds (see "RISK FACTORS").

Statement of Indebtedness. Prior to adoption of the Dissolution Act, Section 33675 of the Redevelopment Law required the Original Agency to file not later than the first day of October of each year with the County Auditor-Controller a statement of indebtedness certified

by the chief fiscal officer of the Original Agency for each redevelopment plan which provides for the allocation of taxes (i.e., the Redevelopment Plan). The statement of indebtedness was required to contain the date on which the bonds were delivered, the principal amount, term, purposes and interest rate of the bonds and the outstanding balance and amount due on the bonds. Similar information was required to be given for each loan, advance or indebtedness that the Original Agency had incurred or entered into which is payable from tax increment. Section 33675 also provided that payments of tax increment revenues from the County Auditor-Controller to the Original Agency could not exceed the amounts shown on the Original Agency's statement of indebtedness. The Dissolution Act eliminates this requirement and provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, the Recognized Obligation Payment Schedule supersedes the statement of indebtedness previously required under the Redevelopment Law, and commencing from such date, the statement of indebtedness will no longer be prepared nor have any effect under the Redevelopment Law.

BOND INSURANCE

[to come]

THE SUCCESSOR AGENCY

The Dissolution Act dissolved the Original Agency as of February 2012. Pursuant to Section 34173 of the Dissolution Act, the City Council elected for the City to serve as the Successor Agency to the Original Agency upon the dissolution of the Original Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public entity from the City, that the two entities shall not merge, and that the liabilities of the Original Agency will not be transferred to the City nor will the assets of the Original Agency become assets of the City.

Under AB X1 26 the Successor Agency is obligated to perform certain powers and duties, including but not limited to, making payments and performing obligations required by enforceable obligations and expeditiously winding down the affairs of the Original Agency.

AB X1 26 also requires that there shall be an oversight board ("**Oversight Board**") established for each of the former California redevelopment agency's successor agencies. The Oversight Board supervises the activities of the Successor Agency and the wind down of the dissolved redevelopment agency's affairs pursuant to AB X1 26. It approves certain actions of the Successor Agency and provides direction to the Successor Agency. It has a fiduciary responsibility to holders of enforceable obligations and taxing entities that benefit from the distributions of property tax and other revenues of the Successor Agency. Under the Dissolution Act, substantially all Successor Agency actions are subject to approval by the Oversight Board, as well as review by the Department of Finance. California has strict laws regarding public meetings (known as the Ralph M. Brown Act), which generally make all Successor Agency and Oversight Board meetings open to the public in similar manner as City Council meetings.

THE PROJECT AREA

Fiscal Consultant

In connection with the issuance of the Bonds, the Successor Agency has engaged [] (the "Fiscal Consultant") to prepare a Fiscal Consultant Report dated _____ 2014. See "APPENDIX B – FISCAL CONSULTANT'S REPORT".

Map of the Project Area

The following map shows the boundaries of the Project Area.

[INSERT PROJECT AREA MAP]

The Redevelopment Plan

The City Council adopted the Moorpark Redevelopment Project Plan by Ordinance No. 110, adopted on July 5, 1989 (the "**Redevelopment Plan**"). The Redevelopment Plan was amended by Ordinance No. 111 adopted by the City Council on July 5, 1989, and by Ordinance No. 202, adopted by the City Council on December 14, 1994. The overall objective of the Redevelopment Plan is to eliminate blighted conditions in the Project Area by undertaking all appropriate projects pursuant to the Law.

The time limit on establishing indebtedness under the Redevelopment Plan, as amended by Ordinance No. 202 adopted by the City Council on December 14, 1994 (other than debt to be paid from the Agency's Low and Moderate Income Housing Fund) is July 5, 2009, the Redevelopment Plan terminates (other than the Agency's obligation to repay outstanding obligations) on July 5, 2029, and, under the Redevelopment Law, the Agency shall not pay indebtedness or receive Tax Revenues after July 5, 2039. The Redevelopment Plan provides that the maximum bonded indebtedness that may be outstanding at any given time shall not exceed \$60,000,000, and the total tax increment revenues allocable to the Agency shall not exceed \$180,000,000. To date, the Agency has been allocated an aggregate of approximately \$44,015,171 of tax increment revenues under the Redevelopment Plan. The Moorpark Redevelopment Plan adoption date, term limits and other data are summarized as follows:

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK Redevelopment Project Data

Plan Adoption

Date of Adoption	July 5, 1989
Ordinance Number	110
Effectiveness of Plan	40 years (now 2030, per Ord. No. 369)
Project Area Size	1,217 acres

Time Limits

For Commencement of Eminent Domain	(expired)
Base Year (1)	1988-1989
For Establishment of Indebtedness (2)	eliminated
For Effectiveness of Plan ³	July 4, 2030
For Repayment of Indebtedness (3)	July 4, 2040

- (1) Refers to the base year for the purpose of allocating taxes in the Project Area.
 (2) Per Ordinance 369 adopted on July 2, 2008 in response to SB 211.
 (3) Per Ordinance 369 adopted on July 2, 2008 in response to SB 1045.

The Dissolution Act is interpreted that the tax increment Plan Limitations described in the Indenture is no longer in existence. If it is assumed that all tax increment continues to be subject to the limit, then the Agency has received approximately \$44,015,171 in tax increment under the cumulative tax increment limit through fiscal year 2013-14. If only the amount the Successor Agency receives is subject to the limit, then the total cumulative tax increment received through fiscal year 2013-14 is approximately \$7,825,000. If the cumulative limit is based on total tax increment, then based on the Fiscal Consultant's projection (based on a 2% trend in real property values), the cumulative tax increment limit will not be reached before the Agency reaches the final date to receive tax increment. For more information on Redevelopment Plan limitations, see "APPENDIX B – FISCAL CONSULTANT'S REPORT."

The Project Area

The Project Area consists of one large contiguous area consisting of approximately 1,217 acres. The Project Area is subdivided into Areas "A", "B" and "C" and is comprised of a mixture of residential, commercial, industrial and institutional land uses along with parcels that are undeveloped and/or underutilized, parking areas, and public rights-of-way.

The central portion of Area "A" contains the City Hall, Community Center, Public Library and the former Moorpark Union High School site, and the City's Central Business District (CBD) that exists along High Street. The eastern portion of Area "A" is dominated by industrial land uses, undeveloped parcels and single family housing along Los Angeles Avenue (State Highway 118). The Project Area's only park/recreation area is located in Area "A" and is included as a part of the City Hall/Community Center complex. Area "B" consists of a large residential area at its mid-section, which includes single family and multifamily units, as well as a large retail shopping center and two public schools. The residential area is immediately flanked by new business/industrial development to the east and west. Area "C" is, to a large degree, composed of undeveloped parcels and a substantial number of multifamily dwelling units in the area east of Moorpark Avenue and south of Los Angeles Avenue. The area is also marked with various industrial, commercial and residential uses along Los Angeles Avenue.

Recent development in the Project Area includes the completion of the Ruben Castro Human Services Center. The 25,000 sq. ft. facility includes a Ventura County Health Care Agency-affiliated center called the Moorpark Family Medical Clinic, and space for the county's Human Services Agency. The center also houses Catholic Charities, Interface Children Family Services, and First 5 Neighborhoods for Learning.

TABLE 4
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Land Use Category Summary
(Fiscal Year 2013-14)

Land Use	Number of Parcels	Secured Assessed Valuation	Percent of Secured A.V.⁽¹⁾
Single Family Residential	1,213	\$ 241,086,026	27.31%
Industrial	113	227,461,266	25.77%
Multi Family Residential	48	189,956,888	21.52%
Commercial	71	151,834,789	17.20%
Professional	15	40,468,899	4.58%
Vacant Land	68	30,602,470	3.47%
Agricultural	2	786,455	0.09%
Miscellaneous	34	595,544	0.07%
Governmental/Institutional	125	0	0.00%
Total All Secured	1,689	\$882,792,337	100.00%

⁽¹⁾ Based on Fiscal Year 2013-14 secured assessed valuation of \$882,792,337

Source: *Urban Futures, Inc.* with information from the *Ventura County 2013-14 Secured Property Tax Roll.*

Property Tax Allocation Procedures

Secured taxes are due in two equal installments. Installments of taxes levied upon secured property become delinquent on December 10 and April 10. Taxes on unsecured property are due March 1 and become delinquent August 31.

The County Auditor-Controller is responsible for the aggregation of the taxable values assigned by the Assessor as of the January 1st lien date for property within the boundaries of the Project Area. This results in the reported total current year Project Area taxable value and becomes the basis of determining tax increment revenues due to the Agency. Although adjustments to taxable values for property within the Project Area may occur throughout the fiscal year to reflect escaped assessments, roll corrections, etc., such adjustments are not assumed in the tax increment projection. The County disburses secured and utility tax increment revenue to all redevelopment agencies in three installments during the fiscal year (January, May and July). Supplemental tax roll revenue and homeowner's exemption revenue is distributed with the secured and utility tax increment revenue.

The Board of Supervisors of Ventura County adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Taxes and assessment installments under the 1915 Act are collected by the County and distributed under the Teeter Plan. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. Unsecured taxes are not normally covered under the Teeter Plan. Redevelopment agencies in the County can expect to receive the full increment of the current year's secured assessed valuation, less the base year's secured assessed valuation, with no adjustments for delinquencies, refunds or adjustments. Therefore, the Agency's secured property Tax Revenues reflect total levies, rather than the actual amount collected.

Assessed Valuation

Assembly Bill 8 (“**AB8**”) provided procedures for an equitable allocation of 1% property taxes that would change in proportion with the increase or decrease of assessed values. The basic premise of AB8 is to allocate to each taxing jurisdiction the amount it received in the prior year, plus a share of the change that has occurred in the current year within its boundaries. Tax increment generated from the tax roll is allocated based on the Project Area's AB8 apportionment factor applied to the actual collections of county-wide property tax revenues. Given this, the Successor Agency's receipt of tax increment revenues can be reduced by delinquent property taxes. The Project Area receives a share of prior year delinquent property taxes when they are paid, along with penalties and interest revenue that are due on delinquent taxes. The County also adjusts tax increment payments for roll corrections, such as refunds of property taxes due to successfully appealed assessments, based on the Project Area's AB8 factor.

Project Area Value Trends

The following table shows the historical taxable values of the Project Area over the past five years. Taxable values declined in fiscal year 2011-12 from the prior year and have increased since then. The total percentage change was ____% over the five year period.

TABLE 5
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Historic Assessed Value and Incremental Value

	2010-11	2011-12	2012-13	2013-14	2014-15
Local Secured	\$813,947,565	\$829,750,375	\$867,853,781	\$882,792,337	\$901,903,245
Unsecured	110,905,079	76,258,253	70,454,127	70,500,448	74,824,364
Total Assessed Value	\$924,852,644	\$906,008,628	\$938,307,908	\$953,292,785	\$976,727,609
Base Year Assessed Value	264,798,987	264,798,987	264,798,987	264,798,987	264,798,987
Incremental Assessed Value	\$660,053,657	\$641,209,641	\$673,508,921	\$688,493,798	\$711,928,622
Gross Tax Increment (1)	\$6,600,537	\$6,412,096	\$6,735,089	\$6,884,938	\$7,119,286
Less: Pass Throughs (2)	3,444,160	3,417,085	3,611,926	3,734,978	3,858,653
Less: County Admin (2)	95,702	93,067	98,834	100,410	103,942
Tax Revenues (2)	\$3,060,675	\$2,901,944	\$3,024,329	\$3,049,550	\$3,156,691

(1) Based on 1.00% tax rate.

(2) Estimated amounts for FY 2014-15.

Source: Urban Futures, Inc. with information from the Ventura County Auditor- Controller.

For additional information regarding assessed valuation in the Project Area, see the Fiscal Consultant Report in Appendix B.

Distribution of Taxes

As discussed in the subsection "LIMITATIONS ON TAX REVENUES AND POSSIBLE SPENDING LIMITATIONS - Property Tax Rate Limitations - Article XIII A," the property tax rate applicable within the Project Area is limited by the State Constitution to \$1 per \$100 of taxable property value plus the rate necessary to service certain indebtedness approved by the voters. Secured taxes are due in two equal installments. Installments of taxes levied upon secured property become delinquent on March 10 and April 10. Taxes on unsecured property are due March 1 and become delinquent August 31.

The County Auditor-Controller is responsible for the aggregation of the taxable values assigned by the Assessor as of the January 1st lien date for property within the boundaries of the Project Area. This results in the reported total current year Project Area taxable value and becomes the basis of determining tax increment revenues due to the Successor Agency. Although adjustments to taxable values for property within the Project Area may occur throughout the fiscal year to reflect escaped assessments, roll corrections, etc., such adjustments are not assumed in the tax increment projection shown herein.

Tax increment generated from the tax roll is allocated based on the Project Area's apportionment factor applied to the actual collections of County-wide property tax revenues. The apportionment factor represents the Project Area's tax increment revenue in relation to total Countywide property taxes. Therefore, the Successor Agency's receipt of tax increment revenues can be reduced by delinquent property taxes. The Project Area receives a share of prior year delinquent property taxes when they are paid, along with penalties and interest revenue that are due on delinquent taxes. The County also adjusts tax increment payments for roll corrections, such as refunds of property taxes due to successfully appealed assessments, based on the Project Area's apportionment factor.

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Original Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Original Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act. For information on the allocation of taxes collected to the Successor Agency, see "SECURITY FOR THE BONDS - Allocation of Taxes" above.

Historical Tax Increment Revenues

The following table shows the tax levy and receipts in the Project Area during fiscal years 2009-10 through 2013-14. The initial County levy is first compared to the actual receipt of tax increment exclusive of supplemental revenues to determine collection trends. Actual receipts of tax increment for the period fiscal year 2009-10 through 2013-14 have averaged ___% of the levy.

[Supplemental property tax receipts are also shown in the following table. Supplemental taxes are a function of new construction or changes of ownership since the last property tax lien date. When supplemental revenues are included the average receipts to levy ratio equals ___ percent. For additional information, see the Fiscal Consultant Report in Appendix B.]

TABLE 6
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Historical Tax Increment Revenue
Fiscal Years 2009-10 to 2013-14

	2013-14	2012-13	2011-12	2010-11	2009-10
Total Taxable Value					
Less: Base Year Value					
Incremental Taxable Value					
Tax Increment					
Less: Section 33676 Allocations					
Less: Property Tax Admin. Fees					
Net Tax Increment Levy (1)					
Adjustments to Levy (2)					
Penalties & Interest					
Less: Refunds / Roll Corrections					
Other Adjustments					
Total Tax Increment Receipts					
Receipts to Levy %					
Supplemental Property Taxes					
Total Tax Increment Receipts					
Receipts to Levy %					
Liens on Tax Increment (3)					
Housing Set-Aside					
Taxing Entity Share					
Total Liens					
Tax Increment Revenues					

- (1) Reflects initial levy calculation by the County, reduced by Section 33676 and property tax administrative payments, which are deducted prior to payment of tax increment to the Successor Agency.
- (2) Amounts shown are adjustments to the initial levy reported by the County.
- (3) Reflects reductions for prior liens on tax increment, in order to determine the amount available to pay bond debt service. Starting in fiscal year 2011-12, under AB 26, the housing set-aside was no longer required.

Source: _____

Major Property Owners

The following table lists the ten largest payers of secured property taxes in the Project Area for fiscal year 2013-14. The aggregate taxable value of the top ten property taxpayers represents ___% of the total value of the Project Area and ___% of the incremental value for 2013-14. Three of the top ten have either received reductions due to resolved assessment appeals or have outstanding appeals.

TABLE 7
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Ten Largest Taxpayers by Assessed Valuation
(Fiscal Year 2013-14)

	Taxable Secured Assessed Valuation	Primary Land Use	Percent of Secured AV⁽¹⁾
1. NF Moorpark Multifamily Assocs	\$72,970,339	Multi Family Residential	8.27%
2. Waterstone Prop Moorpark LLC	69,522,139	Multi Family Residential	7.88%
3. Birkenshaw James Lessor	20,739,384	Commercial	2.35%
4. Vintage Crest Senior Apts	20,022,481	Multi Family Residential	2.27%
5. Simi Village Partners LLC	18,785,201	Professional	2.13%
6. G & Y Moorpark LLC	17,700,000	Industrial	2.01%
7. Sunbelt Enterprises LLC	16,859,881	Industrial	1.91%
8. Mission Bell West LP	14,867,745	Commercial	1.68%
9. Tuscany Square Partners LLC	13,775,000	Commercial	1.56%
10. Mission Bell East LP, Lessor	12,692,880	Commercial	1.44%
Total	\$277,935,050		31.48%

(1) Based on fiscal year 2013-14 secured assessed valuation of \$882,792,337.

Source: Urban Futures, Inc. with information from the Ventura County 2013-14 Secured Property Tax Roll.

Appeals of Assessed Values

Proposition 8 Appeals. Most of the appeals that might be filed in the Project Area would be based on Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property shall be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Pursuant to California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. These market-driven appeals are known as Proposition 8 appeals.

A number of counties in California have processed temporary assessed value reductions for certain properties (Proposition 8 reductions) where the assessed values exceeded the current market value of the properties as of the January 1 line date, without prompting from individual taxpayers. Typically, the properties to be reviewed by the various counties for these “automatic” reductions were single family homes and condominiums which transferred ownership between 2003 and December 31, 2010. These Proposition 8 reductions were triggered because residential property values have decreased in many areas of the state.

Any reduction in the assessment ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. These reductions are often temporary and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See also “RISK FACTORS – Litigation Regarding 2% Limitation.”

Base Year Appeals. A second type of assessment appeal is called a Base Year appeal, where the property owners challenge the original (basis) value of their property. Appeals for reduction in the “base year” value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Current Appeals. According to the Fiscal Consultant Report and based on information provided by the County Assessment Appeals Office, there are no significant appeals in the Project Area. For more information, see “APPENDIX B - FISCAL CONSULTANT’S REPORT.”

Low and Moderate Income Housing

Before the Dissolution Act, it was clear that the Redevelopment Law required the Original Agency to set aside not less than 20% of all tax increment generated in the Project Area into a low and moderate income housing fund to be used for the purpose of increasing, improving and/or preserving the supply of low and moderate income housing. These tax increment revenues were commonly referred to as “**Housing Set-Aside.**”

The Dissolution Act is interpreted to eliminate the characterization of certain tax increment revenues as Housing Set-Aside. See "SECURITY FOR THE BONDS - Pledge of Tax Revenues."

For more information on the effect of the former Housing Set-Aside, see "SECURITY FOR THE BONDS - Pledge of Tax Revenues" above.

Senate Bill 1045

Senate Bill 1045 adopted by the Legislature in connection with the State's budget for fiscal year 2003-04 provided that the termination date of redevelopment plans may be extended by one year by reason of its Education Revenue Augmentation Fund (the "ERAF") payment that redevelopment agencies were obligated to make under provisions of the 2003-04 budget legislation. The City Council has amended the Redevelopment Plan, in accordance with the Law as amended by Senate Bill 1045, to extend by one year the termination date of the Redevelopment Plan and by extension the last date to repay indebtedness.

Senate Bill 1096

Legislation adopted by Senate Bill 1096 in connection with the State's 2004-05 budget provided that the termination dates and last dates to repay indebtedness of redevelopment plans with less than 20 years remaining may be extended by one year for each of the two ERAF payments that redevelopment agencies were obligated to make under other provisions of the 2004-05 budget legislation. The Project Area is not eligible for such extension due to the 20-year limitation.

Statutory Tax Sharing

Under former Redevelopment Law, some redevelopment agencies were allowed to enter into so called "pass-through agreements" with overlapping public agencies whereby the agency agreed to pay an affected taxing agency a portion of the tax increment the agency received in order to alleviate any financial burden or detriment caused by the redevelopment plan

In 1993, the California Legislature enacted Assembly Bill 1290 ("AB 1290") which contained several significant changes in the Redevelopment Law. Among the changes made by AB 1290 was a provision which limits the period of time for incurring and repaying of loans, advances and indebtedness which are payable from tax increment revenues. In general, a redevelopment plan may terminate not more than 40 years following the date of original adoption, and loans, advances and indebtedness may be repaid during a period extending not more than 10 years following the date of termination of the redevelopment plan. The Agency's Plan was amended to comply with AB 1290. AB 1342 was passed in 1998 and became effective January 1, 1999. This bill permitted agencies having limits shorter than those permitted by AB 1290 to amend their plans to incorporate the maximum permitted limits without complying with the statutory plan amendment process. However, the limits contained in the Redevelopment Plan are currently at the maximum permitted by AB 1290.

Subsequently the California Legislature enacted Senate Bill 211 ("SB211") which provided, among other things, that, at anytime after its January 2002 effective date, the limitation on incurring indebtedness contained in a redevelopment plan adopted prior to January 1, 1994, may be deleted by ordinance of the legislative body. However, such deletion would trigger statutory tax sharing with those taxing entities that do not have tax sharing agreements. Such tax sharing is calculated based on the increase in assessed valuation after the year in

which the limitation would otherwise have become effective. Beginning in fiscal year 2010-11, the Original Agency was required to make statutory payments to those affected taxing entities that do not have a negotiated tax sharing agreement. These payments are required because the time limitation for the incurrence of debt was deleted pursuant to Ordinance No. 369 of the City. Payments are only to be due from increases in assessed value above levels in fiscal year 2009-10 (the "AB 1290 AV Base"), when the debt incurrence limit would have been reached for the Project Area. Tax sharing payments will be owed only to those taxing entities that do not have a pass through agreement for the Project Area. The payments are based on a three tier formula. For further information, see "APPENDIX B - FISCAL CONSULTANT'S REPORT."

Pass-Through Agreements

Pursuant to former Section 33401 of the Redevelopment Law, a redevelopment agency was authorized to enter into an agreement to pay tax increment revenues to any taxing agency that has territory located within a redevelopment project in an amount which in the agency's determination is appropriate to alleviate any financial burden or detriment caused by the redevelopment project. These agreements normally provide for a pass-through of tax increment revenue directly to the affected taxing agency, and, therefore, are commonly referred to as "pass-through" or "fiscal" agreements.

The Original Agency entered into five agreements for allocation and distribution of tax increment revenues.

First Agreement. The first pass-through agreement that the Agency has entered into is with the County of Ventura, the Ventura County Library District, the Ventura County Fire Protection District and the Ventura County Flood Control District (collectively, the "**County Taxing Entities**") which provides for the Agency to retain 100% of the County Taxing Entities share (55.82%) of annual tax increment revenues up to \$1,750,000. For annual tax increment revenue in excess of \$1,750,000, the Agency shall distribute 55.82% of such revenues to the County on behalf of the County Taxing Entities. The County Taxing Entities have agreed to defer payments in the initial years of the Redevelopment Plan, and consequently, the parties agree that the County Taxing Entities may receive payments in any single fiscal year in excess of the amount of tax revenues the County Taxing Entities would otherwise be entitled to, but for the adoption of the Redevelopment Plan. Additionally, the agreement calls for the Agency to receive a \$1,000,000 payment from the tax increment disbursed to the County pursuant to the agreement, by December 31, 2008, if and only if the Agency's annual debt statements which are filed with the County Auditor-Controller from fiscal year 1993-94 to fiscal year 2008-09 list debts in an amount equal to or in excess of the maximum tax increment available to the Agency in each of such fiscal years.

Second Agreement. The second pass-through agreement is with the Moorpark Mosquito Abatement District (the "**Mosquito Abatement District**"), and states that the Mosquito Abatement District shall receive 87.5% of its share (1.53%) of annual tax increment revenue, following a deduction from total increment revenues for amounts required to be used for housing purposes (currently twenty percent of total tax increment revenues).

Third Agreement. The third pass-through agreement is with the Moorpark Unified School District (the "**School District**"), and states that the School District shall receive the School District's share (33.406%) of tax increment revenues generated by an annual 2% increase in assessed valuation, and, beginning in fiscal year 1995-96, after the Agency has satisfied debt service payments to bond or note holders or to the holder of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair

the Agency's obligation under the agreement), 14% of the School District's share of annual tax increment revenue. Additionally, the agreement calls for the Agency to make a \$750,000 payment to the School District as , a contribution to a new School District maintenance facility, which payment was made in August of 1999.

Fourth Agreement. The fourth pass-through agreement is with the Ventura County Community College District (the "**Community College District**"), and states that the Community College District will receive the Community College District's share (5.81%) of tax increment revenues generated by an annual 2% increase in assessed valuation, and, beginning in fiscal year 1993-94, after the Agency has satisfied debt service payments to bond or note holders or to the holders of any other instruments of Agency indebtedness (provided such indebtedness is not reasonably foreseeable to impair the Agency's obligation under the agreement), 14% of the Community College District's share of annual tax increment revenue.

Fifth Agreement. The fifth pass-through agreement is with the Ventura County Superintendent of Schools Office (the "**Superintendent**"), and states that the Superintendent shall receive its share (2.49348%) of tax increment revenues generated by an annual 2% increase in assessed valuation.

The Agency Redevelopment Consultant, Urban Futures, Inc., has taken actions necessary to subordinate payments of annual shares of tax increment revenues (other than under the Fourth Agreement, revenues attributable to the annual 2% increase in assessed valuation) under the Third and Fourth Agreements, to the payment of debt service on the Bonds. Accordingly, Tax Revenues for purposes of the Indenture do not include amounts required to be remitted by the Agency under the First, Second and Fifth Agreements. Tax Revenues do include amounts otherwise required to be remitted by the Agency under the Third and Fourth Agreements (except those attributable to the 2% annual increases in the assessed valuation under the Fourth Agreement).

Bonded Indebtedness

Other than the 2006 Bonds, upon refunding of the Prior Bonds the Successor Agency currently has no outstanding bonded indebtedness. The Indenture provides that the Successor Agency may incur loans, bonds, notes, advances or indebtedness secured by and payable from the Tax Revenues on parity with the Bonds, the 2006 Bonds and the other Parity Debt, but only for the purpose of refunding the Bonds or the 2006 Bonds or any future Parity Debt. Under the Dissolution Act, issuance of indebtedness for new money purposes is not allowed.

See "DEBT SERVICE SCHEDULE" herein for the future debt service requirements on the 2006 Bonds.

PROJECTED TAX REVENUES AND DEBT SERVICE COVERAGE

The Fiscal Consultant prepared a projection of available net tax increment for the Project Area based on 2% annual growth. The 2% factor is the maximum inflation factor that county assessors can use to increase real property values. Net tax increment is the amount of tax increment available to be allocated from the Redevelopment Property Tax Trust Fund to the Successor Agency to pay debt service on the 2014 Bonds. Table 6 shows available net tax increment for the Project Area. Table 10 below shows the Fiscal Consultant's net tax increment from the Project Area, assuming 2% annual real property assessed value growth. See "APPENDIX B - Fiscal Consultant's Report."

TABLE 10
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Projected Tax Revenues - Based on 2% Annual Growth

Fiscal Year	Assessed Valuation ¹	Incremental Value ²	Gross Tax Revenues ³	County Admin. Fees	Pass Through Payments	Net Tax Revenues
14-15	\$976,727,609	\$711,928,622	\$7,119,286	\$103,943	\$3,858,652	\$3,156,691
15-16	996,262,161	731,463,174	7,314,632	106,794	3,969,932	3,237,906
16-17	1,016,187,404	751,388,417	7,513,884	109,703	4,083,436	3,320,746
17-18	1,036,511,152	771,712,165	7,717,122	112,670	4,199,210	3,405,242
18-19	1,057,241,376	792,442,389	7,924,424	115,697	4,317,299	3,491,428
19-20	1,078,386,203	813,587,216	8,135,872	118,784	4,437,750	3,579,338
20-21	1,099,953,927	835,154,940	8,351,549	121,933	4,560,611	3,669,006
21-22	1,121,953,006	857,154,019	8,571,540	125,144	4,685,928	3,760,468
22-23	1,144,392,066	879,593,079	8,795,931	128,421	4,813,752	3,853,758
23-24	1,167,279,907	902,480,920	9,024,809	131,762	4,944,132	3,948,915
24-25	1,190,625,505	925,826,518	9,258,265	135,171	5,077,120	4,045,974
25-26	1,214,438,015	949,639,028	9,496,390	138,647	5,212,768	4,144,975
26-27	1,238,726,776	973,927,789	9,739,278	142,193	5,351,128	4,245,956
27-28	1,263,501,311	998,702,324	9,987,023	145,811	5,492,256	4,348,957
28-29	1,288,771,337	1,023,972,350	10,239,724	149,500	5,636,207	4,454,017
29-30	1,314,546,764	1,049,747,777	10,497,478	153,263	5,783,036	4,561,179
30-31	1,340,837,699	1,076,038,712	10,760,387	157,102	5,932,802	4,670,484
31-32	1,367,654,453	1,102,855,466	11,028,555	161,017	6,085,563	4,781,975
32-33	1,395,007,542	1,130,208,555	11,302,086	165,010	6,241,380	4,895,695
33-34	1,422,907,693	1,158,108,706	11,581,087	169,084	6,400,313	5,011,691
34-35	1,451,365,847	1,186,566,860	11,865,669	173,239	6,562,424	5,130,006
35-36	1,480,393,164	1,215,594,177	12,155,942	177,477	6,727,778	5,250,687
36-37	1,510,001,027	1,245,202,040	12,452,020	181,799	6,896,439	5,373,782
37-38	1,540,201,048	1,275,402,061	12,754,021	186,209	7,068,473	5,499,339

(1) Actual assessed valuation for Fiscal Year 2014-15, with 2% annual growth thereafter.

(2) Incremental Valuation is assessed value minus the base year assessed value of \$264,798,987.

(3) Tax increment revenue is based on a tax rate of 1.00%.

Source: Urban Futures, Inc.

The table below shows the projected debt service coverage on the 2014 Bonds and the 2006 Bonds, based on an assessed value growth assumption of 2% per year.

TABLE 11
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
Projected Tax Revenues Coverage for Parity Debt
Based on 2% Annual Growth

Fiscal Year	Net Tax Revenues(1)	2006 Debt Service	2014 Debt Service(2)	Debt Service Coverage
2014-15	\$3,156,691	\$541,819	\$1,203,905	1.81
2015-16	3,237,906	545,278	1,254,011	1.80
2016-17	3,320,746	543,647	1,209,860	1.89
2017-18	3,405,242	541,931	1,213,279	1.94
2018-19	3,491,428	545,031	1,209,201	1.99
2019-20	3,579,338	543,031	1,058,453	2.24
2020-21	3,669,006	545,931	1,055,864	2.29
2021-22	3,760,468	543,731	1,055,729	2.35
2022-23	3,853,758	541,463	1,053,142	2.42
2023-24	3,948,915	548,913	1,048,140	2.47
2024-25	4,045,974	546,150	1,046,213	2.54
2025-26	4,144,975	543,388	1,047,099	2.61
2026-27	4,245,956	545,519	1,045,906	2.67
2027-28	4,348,957	542,500	1,047,050	2.74
2028-29	4,454,017	544,328	1,040,458	2.81
2029-30	4,561,179	541,047	1,047,024	2.87
2030-31	4,670,484	547,547	1,041,416	2.94
2031-32	4,781,975	548,719	1,039,023	3.01
2032-33	4,895,695	1,733,203	-	2.82
2033-34	5,011,691	1,734,797	-	2.89
2034-35	5,130,006	1,733,766	-	2.96
2035-36	5,250,687	1,730,109	-	3.03
2036-37	5,373,782	1,728,719	-	3.11
2037-38	5,499,339	1,729,375	-	3.18
2038-39	5,590,828	1,726,969	-	3.24

(1) Actual assessed valuation for Fiscal Year 2014-15, with 2% annual growth thereafter. Tax increment revenue is based on a tax rate of 1.00% less County Admin Fees and Pass Through Payments.

(2) FY 2014-15 debt service includes principal and interest of the 2006 bonds.

Source: Jefferies LLC and Urban Futures, Inc.

RISK FACTORS

The following information should be considered by prospective investors in evaluating whether to invest in the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds and the order in which the following information is presented is not intended to reflect the relative importance of any such risks.

The various legal opinions to be delivered concurrently with the issuance of the 2014 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights, including equitable principles.

Recognized Obligation Payment Schedule

The Dissolution Act provides that only those payments listed in a Recognized Obligation Payment Schedule may be made by a successor agency from the funds specified in the Recognized Obligation Payment Schedule. Before each six-month period, the Dissolution Act requires each successor agency to prepare and approve, and submit to the successor agency's oversight board and the Department of Finance for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Consequently, Tax Revenues will not be withdrawn from the Redevelopment Property Tax Trust Fund by the county auditor-controller and remitted to the Successor Agency without a duly approved and effective Recognized Obligation Payment Schedule. See "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedule" and "PROPERTY TAXATION IN CALIFORNIA – Property Tax Collection Procedures – Recognized Obligation Payment Schedule." In the event the Successor Agency were to fail to file a Recognized Obligation Payment Schedule with respect to a six-month period, the availability of Tax Revenues to the Successor Agency could be adversely affected for such period.

Under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, a county auditor-controller is to distribute funds for each six-month period in the following order specified in Section 34183(a) of the Dissolution Act:

(i) first, subject to certain adjustments for subordinations to the extent permitted under the Dissolution Act (if any, as described above under "SECURITY FOR THE BONDS-Statutory Pass-Through Amounts") and no later than each January 2 and June 1, to each local agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including negotiated pass-through agreements and statutory pass-through obligations;

(ii) second, on each January 2 and June 1, to the successor agency for payments listed in its Recognized Obligation Payment Schedule, with debt service payments scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule;

(iii) third, on each January 2 and June 1, to the successor agency for the administrative cost allowance, as defined in the Dissolution Act; and

(iv) fourth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii) in accordance with Section 34188, in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in that fiscal year.

If a successor agency does not submit a Recognized Obligation Payment Schedule within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations and the Department of Finance does not provide a notice to the county auditor-controller to withhold funds from distribution to taxing entities, amounts in the Redevelopment Property Tax Trust Fund for such six-month period would be distributed to taxing entities pursuant to clause (iv) above.

With respect to the Bonds, the Successor Agency has covenanted to take all actions required under the Dissolution Act to insure the allocation and payment to it of the Tax Revenues for the payment of approved enforceable obligations, including without limitation the timely filing of its Recognized Obligation Payment Schedules with appropriate officials of the County, the Oversight Board, and the State. See "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules."

AB 1484 also adds new provisions to the Dissolution Act implementing certain penalties in the event a successor agency does not timely submit a Recognized Obligation Payment Schedule for a six-month period. Specifically, a Recognized Obligation Payment Schedule must be submitted by the successor agency to the oversight board, to the county auditor-controller and the Department of Finance no later than 90 days before the date of the next January 2 or June 1 property tax distribution with respect to each subsequent six-month period. If a successor agency does not submit a Recognized Obligation Payment Schedule by such deadlines, the city or county that established the redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the Department of Finance. Additionally, a successor agency's administrative cost allowance is reduced by 25% if the successor agency does not submit an oversight board-approved Recognized Obligation Payment Schedule by the 80th day before the date of the next January 2 or June 1 property tax distribution, as applicable, with respect to the Recognized Obligation Payment Schedule for subsequent six-month periods.

Challenges to Dissolution Act

Several successor agencies, cities and other entities have filed judicial actions challenging the legality of various provisions of the Dissolution Act. One such challenge is an action filed on August 1, 2012, by Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "Syncora") against the State, the State Controller, the State Director of Finance, and the Auditor-Controller of San Bernardino County on his own behalf and as the representative of all other County Auditors in the State (Superior Court of the State of California, County of Sacramento, Case No. 34-2012-80001215). Syncora are monoline financial guaranty insurers domiciled in the State of New York, and as such, provide credit enhancement on bonds issued by state and local governments and do not sell other kinds of insurance such as life, health, or property insurance. Syncora provided bond insurance and other related insurance policies for bonds issued by former California redevelopment agencies.

The complaint alleged that the Dissolution Act, and specifically the "Redistribution Provisions" thereof (i.e., California Health and Safety Code Sections 34172(d), 34174, 34177(d), 34183(a)(4), and 34188) violate the "contract clauses" of the United States and California Constitutions (U.S. Const. art. 1, §10, cl.1; Cal. Const. art. 1, §9) because they unconstitutionally impair the contracts among the former redevelopment agencies, bondholders and Syncora. The complaint also alleged that the Redistribution Provisions violate the "Takings Clauses" of the United States and California Constitutions (U.S. Const. amend. V; Cal Const. art. 1 § 19) because they unconstitutionally take and appropriate bondholders' and Syncora's contractual right to critical security mechanisms without just compensation.

After hearing by the Sacramento County Superior Court on May 3, 2013, the Superior Court ruled that Syncora's constitutional claims based on contractual impairment were premature. The Superior Court also held that Syncora's takings claims, to the extent based on the same arguments, were also premature. Pursuant to a Judgment stipulated to by the parties, the Superior Court on October 3, 2013, entered its order dismissing the action. The Judgment, however, provides that Syncora preserves its rights to reassert its challenges to the Dissolution Act in the future. The Successor Agency does not guarantee that any reassertion of challenges by Syncora or that the final results of any of the judicial actions brought by others challenging the Dissolution Act will not result in an outcome that may have a material adverse effect on the Successor Agency's ability to timely pay debt service on the Bonds.

Reduction in Taxable Value

Tax Revenues received by the Successor Agency are determined by the amount of incremental taxable value in the Redevelopment Project allocable to the Redevelopment Project and the current rate or rates at which property in the Redevelopment Project is taxed. The reduction of taxable values of property caused by economic factors beyond the Successor Agency's control, such as a relocation out of the Redevelopment Project by one or more major property owners, or the transfer, pursuant to California Revenue and Taxation Code Section 68, of a lower assessed valuation to property within the Redevelopment Project by a person displaced by eminent domain or similar proceedings, or the discovery of hazardous substances on a property within the Redevelopment Project (see "Hazardous Substances," below) or the complete or partial destruction of such property caused by, among other eventualities, an earthquake (see "Natural Disasters," below), flood, fire or other natural disaster, could cause a reduction in the Tax Revenues securing the Bonds. Property owners may also appeal to the County Assessor for a reduction of their assessed valuations or the County Assessor could order a blanket reduction in assessed valuations based on then current economic conditions. See "THE PROJECT AREA - Appeals of Assessed Values."

Reduction in Inflationary Rate

As described in greater detail below (see "LIMITATIONS ON TAX REVENUES"), Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. Since Article XIII A was approved, the annual adjustment for inflation has fallen below the 2% limitation several times:

Fiscal Year	Inflation Rate
1983-84	1.000%
1995-96	1.190
1996-97	1.11%
1999-00	1.850
2004-05	1.867
2010-11	(0.237)
2011-12	0.753

The Successor Agency is unable to predict if any further adjustments to the full cash value base of real property within the Project Area, whether an increase or a reduction, will be realized in the future.

Estimates of Tax Revenues

The ability of the Successor Agency to pay principal of and interest on the Bonds depends on the timely receipt of Tax Revenues. Projections of Tax Revenues are based on the underlying assumptions relating to tax increment revenues of the Project Area. Tax Revenues allocated to the Successor Agency (which constitute the ultimate source of payment of principal of and interest on the Bonds, as discussed herein) are determined by the amount of incremental valuation of taxable property in the Project Area, the current rate or rates at which property in the Project Area is taxed and the percentage of taxes collected in the Project Area, adjusted to reflect prior claims on the tax increment revenues. In estimating that Tax Revenues will be sufficient to pay debt service on the Bonds, the Successor Agency has made certain assumptions with regard to present and future assessed valuation in the Project Area, future tax rates and percentage of taxes collected. The Successor Agency believes these assumptions to be reasonable, but there is no assurance these assumptions will be realized and to the extent that the assessed valuation and the tax rates are less than expected, the Tax Revenues available to pay debt service on the Bonds will be less than those projected and such reduced Tax Revenues may be insufficient to provide for the payment of principal of, premium (if any) and interest on the Bonds.

Risks to Real Estate Market

The Successor Agency's ability to make payments on the Bonds will be dependent upon the economic strength of the Project Area. The general economy of the Project Area will be subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development. In addition, if there is a decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Tax Revenues by the Successor Agency from the Project Area.

Levy and Collection

The Successor Agency has no independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Tax Revenues and, accordingly, could have an adverse impact on the ability of the Successor Agency to make debt service payments on the Bonds. Likewise, delinquencies in the payment of property taxes could have an adverse effect on the Successor Agency's ability to make timely debt service payments on the Bonds. The County currently allocates Tax Revenues collected with respect to unsecured property to the Redevelopment Property Tax Trust Fund, and subsequently to the Successor Agency, based upon the tax increment actually collected.

State Budget Issues

AB X1 26 and AB 1484 were enacted by the State Legislature and signed by the Governor as trailer bills necessary to implement provisions of the State's budget acts for its fiscal years 2011-12 and 2012-13, respectively. The 2011-12 State budget included projected State savings estimated to aggregate \$1.7 billion in 2011-12 associated with AB X1 27, which would have allowed redevelopment agencies to continue in operation provided their establishing cities or counties agreed to make an aggregate \$1.7 billion in payments to K-12 schools. However, AB X1 27 was found in December 2011 by the California Supreme Court to violate the State Constitution, which altered this budgetary plan of the State. According to the State's Summary of the 2012-13 State budget, AB 1484 implements a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (projected savings of \$1.5 billion). There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or former tax increment revenue, such as the Tax Revenues. The full text of each State Assembly bill cited above may be obtained from the "Official California Legislative Information" website maintained by the Legislative Counsel of the State of California pursuant to State law, at the following web link: <http://www.leginfo.ca.gov/bilinfo.html>.

Information about the State budget and State spending is available at various State maintained websites. Text of the 2012-13 Budget Summary, the current State budget and other documents related to the State budget may be found at the website of the Department of Finance, www.dof.ca.gov. A nonpartisan analysis of the budget is posted by the Legislative Analyst's Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, www.treasurer.ca.gov.

None of the websites or webpages referenced above is in any way incorporated into this Official Statement. They are cited for informational purposes only. The Successor Agency makes no representation whatsoever as to the accuracy or completeness of any of the information on such websites.

Natural Disasters

A reduction of taxable values of property in the Project Area caused by economic factors beyond the Successor Agency's control, such as the discovery of hazardous substances on one or more properties within the Project Area or the complete or partial destruction of such property caused by, among other eventualities, an earthquake, flood, fire or other natural disaster, could cause a reduction in the Tax Revenues securing the Bonds. Such reduction of Tax Revenues could have an adverse effect on the Successor Agency's ability to make timely payments of principal of and interest on the Bonds. The Successor Agency is not aware of any specific conditions which could have material impact on the collection of Tax Revenues.

Pursuant to California law, the County Assessor may determine that the then current market values require a general reduction in taxable value or a property owner may apply for a reduction of the property taxable values of such owner's property by filing with the County Assessor, a written application in the form prescribed by the State Board of Equalization with the appropriate county assessment appeals board. A reduction in property taxable values within the Project Area and the refund of taxes which may arise out of successful appeals by property owners would reduce the amount of Tax Revenues available for payment of the Bonds.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the Project Area. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Area be affected by a hazardous substance, could be to reduce the marketability and value of the property by the costs of remedying the condition.

Bankruptcy Risks

The enforceability of the rights and remedies of the owners of the Bonds and the obligations of the Successor Agency may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equitable principles which may limit the specific enforcement under state law of certain remedies: the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances. Such prices could be substantially different from the original purchase price.

Tax Exemption

As discussed under the caption "TAX MATTERS herein, interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future legislative action or by future acts or omissions of the Successor Agency in violation of its covenants in the Indenture. Should such an event of taxability occur, the Bonds are not subject to a special redemption and will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the Bonds might be affected as a result of such an audit of the Bonds (or by an audit of similar bonds).

No Acceleration on Default

The principal due on the Bonds is subject to acceleration upon the occurrence of an Event of Default. As a practical matter in the event of a payment default by the Successor Agency, it is unlikely the Successor Agency would have the financial resources to meet accelerated obligations. No real or personal property in the Project Area is pledged to secure the Bonds, and it is not anticipated that the Successor Agency will have available moneys sufficient to redeem all of the Bonds in the event of a default.

LIMITATIONS ON TAX REVENUES

Property Tax Limitations—Article XIII A

California voters, on June 6, 1978, approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the California Constitution. This amendment, which added Article XIII A to the California Constitution, among other things, affects the valuation of real property for the purpose of taxation in that it defines the full cash value of property to mean “the county assessor’s valuation of real property as shown on the fiscal year 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” The full cash value may be adjusted annually to reflect inflation at a rate not to exceed two percent per year, or any reduction in the consumer price index or comparable local data, or any reduction in the event of declining property value caused by damage, destruction or other factors. The amendment further limits the amount of any *ad valorem* tax on real property to one percent of the full cash value except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978. In addition, an amendment to Article XIII was adopted in October 1986 by initiative which exempts any bonded indebtedness approved by two-thirds (55% in certain instances) of the votes cast by the voters for the acquisition or improvement of real property from the one percent limitation.

On September 22, 1978, the California Supreme Court upheld Proposition 13 over challenges on several state and federal constitutional grounds (*Amador Valley Joint Union School District v. State Board of Equalization*). The Court reserved certain constitutional issues and the validity of legislation implementing the amendment for future determination in proper cases.

In the general elections of 1986, 1988 and 1990, the voters of the State approved various measures which further amended Article XIII A. One such amendment generally provides that the purchase or transfer of (i) real property between spouses or (ii) the principal residence and the first \$1,000,000 of the full cash value of other real property between parents and children, do not constitute a “purchase” or “change of ownership” triggering reassessment under Article XIII A. This amendment has reduced local property tax revenues. Other amendments permitted the Legislature to allow persons over 55 who sell their residence on or after November 5, 1986, to buy or build another of equal or lesser value within two years in the same county, to transfer the old residence’s assessed value to the new residence, and permitted the Legislature to authorize each county under certain circumstances to adopt an ordinance making such transfers of assessed value applicable to situations in which the replacement dwelling purchased or constructed after November 8, 1988, is located within the county and the original property is located in another county within California.

In the October 1990 election, the voters approved additional amendments to Article XIII A permitting the State Legislature to extend the replacement dwelling provisions applicable to persons over 55 to severely disabled homeowners for replacement dwellings purchased or newly constructed on or after June 5, 1990, and to exclude from the definition of “new construction,” triggering reassessment, improvements to certain dwellings for the purpose of making the dwelling more accessible to severely disabled persons. In the November 1990 election, the voters approved the amendment of Article XIII A to permit the State Legislature to exclude from the definition of “new construction” seismic retrofitting improvements or improvements utilizing earthquake hazard mitigation technologies constructed or installed in existing buildings after November 6, 1990.

Challenges to Article XIII A

The U.S. Supreme Court struck down as a violation of equal protection certain property tax assessment practices in West Virginia, which had resulted in vastly different assessments of similar properties. Since Proposition 13 provides that property may only be reassessed up to two percent per year, except upon change of ownership or new construction, recent purchasers may pay substantially higher property taxes than long-time owners of comparable property in a community. The Supreme Court in the West Virginia case expressly declined to comment in any way on the constitutionality of Proposition 13.

Based on the decision in the West Virginia case, property owners in California brought three suits challenging the acquisition value assessment provisions of Article XIII A. Two cases involved residential property, and one case involved commercial property. In all three cases, State trial and appellate courts have upheld the constitutionality of Article XIII A's assessment rules and concluded that the West Virginia case did not apply to California's laws. On June 3, 1991, the U.S. Supreme Court agreed to hear the appeal in the challenge relating to commercial property, but the plaintiff subsequently withdrew its case. On June 18, 1992, the U.S. Supreme Court upheld the decision in *Nordlinger v. Hahn*, one of the challenges relating to residential property.

Implementing Legislation

Legislation enacted by the California Legislature to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) provides that, notwithstanding any other law, local agencies may not levy any property tax, except to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and that each county will levy the maximum tax permitted by Article XIII A.

The apportionment of property taxes in fiscal years after 1978-79 has been revised pursuant to Statutes of 1979, Chapter 282 which provides relief funds from State moneys beginning in fiscal year 1978-79 and is designed to provide a permanent system for sharing State taxes and budget surplus funds with local agencies. Under Chapter 282, cities and counties receive about one-third more of the remaining property tax revenues collected under Proposition 13 instead of direct State aid. School districts receive a correspondingly reduced amount of property taxes, but receive compensation directly from the State and are given additional relief.

Future assessed valuation growth allowed under Article XIII A (new construction, change of ownership, 2% annual value growth) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs except for certain utility property assessed by the State Board of Equalization which is allocated by a different method discussed herein.

Unitary Property

Assembly Bill 454 Statutes of 1987, Chapter 921 ("AB 454"), provided that revenues derived from Unitary Property (consisting mostly of operations property owned by utility companies), commencing with fiscal year 1988-89, will be allocated as follows: (1) for revenues generated from the one percent tax rate, (a) each jurisdiction, including redevelopment project areas, will receive a percentage up to 102% of its prior year State-assessed unitary revenue; and (b) if county-wide revenues generated from Unitary Property are greater than 102% of the previous year's revenues, each jurisdiction will receive a percentage share of the excess unitary

revenues by a specified formula, and (2) for revenue generated from the application of the debt service tax rate to county-wide unitary taxable value, each jurisdiction's annual debt service requirements and the percentage of property taxes received by each jurisdiction from unitary property taxes. This provision applies to all Unitary Property except railroads whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of assessment of any State-assessed properties nor a revision of the method of assessing utilities by the State Board of Equalization. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions within a county.

On February 1, 1991, the Superior Court for the County of Sacramento issued a Statement of Decision in *AT&T Communications of California, et al. v. State Board of Equalization* which reduced the valuation of certain unitary property owned by AT&T for property tax purposes. Under the decision, the valuation method used by the State Board of Equalization to assess unitary public utility property was declared illegal and a new method of valuation, resulting in significantly lower values and therefore significantly lower potential property tax revenues, was imposed. The effect on AT&T's statewide assessed value was to reduce it from approximately \$1,750,000,000 to approximately \$1,100,000,000. As a result of this case, on May 1, 1992, 57 of California's 58 counties, the State Board of Equalization and a number of other utility companies whose unitary property valuations could be affected by the principles announced in the Superior Court decision entered into a settlement agreement. On July 14, 1993, the Superior Court for the County of Sacramento entered a judgment validating the settlement agreement.

Although the settlement agreement is complex and extensive, its substance is represented by the signatory public utilities' agreement (except AT&T) to abandon their right to refunds since 1983 in return for lowered assessed valuations for the next eight fiscal years pursuant to an agreed formula.

To administer the allocation of unitary tax revenues to redevelopment agencies, the County no longer includes the taxable value of utilities as part of the reported taxable values of project areas, therefore, the base year values of project areas have been reduced by the amount of utility value that existed originally in the base year.

Property Tax Collection Procedures

Classifications. In California, property which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." Secured and unsecured property are entered on separate parts of the assessment roll maintained by the county assessor. The secured classification includes property on which any property tax levied by the County becomes a lien on that property sufficient, in the opinion of the county assessor, to secure payment of the taxes. Every tax which becomes a lien on secured property has priority over all other liens on the secured property, regardless of the time of the creation of other liens. A tax levied on unsecured property does not become a lien against unsecured property, but may become a lien on certain other property owned by the taxpayer.

Collections. The method of collecting delinquent taxes is substantially different for the two classifications of property. The taxing authority has four ways of collecting unsecured property taxes in the absence of timely payment by the taxpayer: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency

for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of the personal property, improvements or possessory interests belonging or assessed to the assessee.

The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of property securing the taxes for the amount of taxes which are delinquent.

Penalties. A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption and a \$15 Redemption Fee. If taxes are unpaid for a period of five years or more, the property is recorded in a "Power to Sell" status and is subject to sale by the county tax collector. A 10% penalty also applies to the delinquent taxes on property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date.

Delinquencies. The valuation of property is determined as of January 1 each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1. Unsecured taxes enrolled by July 31, if unpaid, are delinquent August 31 at 5:00 p.m. and are subject to penalty; unsecured taxes added to the roll after July 31, if unpaid, are delinquent on the last day of the month succeeding the month of enrollment.

Supplemental Assessments. Legislation enacted in 1983 (Chapter 498, Statutes of 1983) provides for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction.

Chapter 498 provided increased revenue to redevelopment agencies to the extent that supplemental assessments of new construction or changes of ownership occur within the boundaries of redevelopment projects subsequent to the January 1 lien date. To the extent such State supplemental assessments occur within the Project Area, the Tax Revenues for the Project Area may increase.

Tax Collection Fees. In 1990, the State Legislature enacted Senate Bill 2557 (Chapter 466, Statutes of 1990) ("SB 2557") which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions on a prorated basis. Two recent decisions have interpreted the provisions of SB 2557 and have upheld the inclusion of redevelopment agencies as a local government agency which must share the cost of property tax administration. The 1992 enactment of Senate Bill 1559 (Chapter 697) and the decision of the California Court of Appeal in *Arcadia Redevelopment agency v. Ikemoto* have clarified that redevelopment agencies, such as the Original Agency, are to share in the cost of property tax administration charged by most California counties, including the County.

Appropriations Limitations—Article XIII B

On November 6, 1979, California voters approved Proposition 4, the so-called Gann Initiative, which added Article XIII B to the California Constitution. The principal effect of Article XIII B is to limit the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living, population and services rendered by the government entity.

Effective November 30, 1980, the California Legislature added Section 33678 to the Redevelopment Law which provided that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness will not be deemed the receipt by such redevelopment agency of proceeds of taxes levied by or on behalf of the redevelopment agency within the meaning of Article XIII B, nor will such portion of taxes be deemed receipt of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Redevelopment Law.

Exclusion of Tax Revenues for General Obligation Bonds Debt Service

An initiative to amend the California Constitution entitled "Property Tax Revenues Redevelopment Agencies" was approved by California voters at the November 8, 1988 general election. Under prior law, a redevelopment agency using tax increment revenue received additional property tax revenue whenever a local government increased its property tax rate to pay off its general obligation bonds. This initiative amended the California Constitution to allow the California Legislature to prohibit redevelopment agencies from receiving any of the property tax revenues raised by increased property tax rates imposed by local governments to make payments on their bonded indebtedness.

The initiative only applies to tax rates levied to finance general obligation bonds approved by the voters on or after January 1, 1989. Any revenue reduction to redevelopment agencies would depend on the number and value of the general obligation bonds approved by voters in prior years, which tax rate will reduce due to increased valuation subject to the tax or the retirement of the indebtedness.

Proposition 218

On November 5, 1996, California voters approved Proposition 218-Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges-Initiative Constitutional Amendment. Proposition 218 added Articles XIIC and XIID to the California Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. Tax Revenues securing the Bonds are derived from property taxes which are outside the scope of taxes, assessments and property-related fees and charges which were limited by Proposition 218.

AB 1290

In 1993, the California Legislature enacted Assembly Bill 1290 ("**AB 1290**") which contained several significant changes in the Redevelopment Law. Among the changes made by AB 1290 was a provision that limits the period of time for incurring and repaying loans, advances and indebtedness payable from tax increment revenues. In general, a redevelopment plan may terminate not more than 40 years following the date of original adoption, and loans, advances and indebtedness may be repaid during a period extending not more than 10 years following the date of termination of the redevelopment plan. See "THE PROJECT AREA—Redevelopment Plan Limitations."

The Redevelopment Plan is fully in compliance with AB 1290.

Future Initiatives and Legislation

Article XIII A, Article XIII B and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California's initiative process. From time to time other initiative measures and legislation could be adopted, further affecting Successor Agency revenues or the Successor Agency's ability to expend revenues.

Low and Moderate Income Housing

Chapter 1337, Statutes of 1976, added Sections 33334.2 and 33334.3 to the Redevelopment Law requiring redevelopment agencies to set aside not less than 20% of all tax increment revenues allocated to redevelopment agencies from redevelopment project areas adopted after December 31, 1976, in a low- and moderate-income housing fund to be expended for authorized low- and moderate-income housing purposes. Amounts on deposit in the low- and moderate-income housing fund could be applied to pay debt service on bonds, loans or advances of redevelopment agencies to provide financing for such low- and moderate-income housing purposes.

Under the Dissolution Act, moneys deposited into each successor agency's Redevelopment Property Tax Trust Fund include funds formerly required to be deposited into a set-aside fund established by each former redevelopment agency for low and moderate income housing. Although not entirely clear, the Dissolution Act is interpreted to no longer require such a deposit, but uncertainly exists as to the current availability of the former housing moneys to pay principal or interest on the Bonds under the Dissolution Act. See "SECURITY FOR THE BONDS - Pledge of Tax Revenues" above.

Statement of Indebtedness

Prior to adoption of the Dissolution Act, Section 33675 of the Redevelopment Law required the Original Agency to file not later than the first day of October of each year with the County Auditor-Controller a statement of indebtedness certified by the chief fiscal officer of the Original Agency for each redevelopment plan which provides for the allocation of taxes (i.e., the Improvement Plan). The statement of indebtedness was required to contain the date on which the bonds were delivered, the principal amount, term, purposes and interest rate of the bonds and the outstanding balance and amount due on the bonds. Similar information was required to be given for each loan, advance or indebtedness that the Original Agency had incurred or entered into which is payable from tax increment. Section 33675 also provided that payments of tax increment revenues from the County Auditor-Controller to the Original Agency could not exceed the amounts shown on the Original Agency's statement of indebtedness.

The Dissolution Act eliminates this requirement and provides that, commencing on the date the first Recognized Obligation Payment Schedule is valid thereunder, the Recognized Obligation Payment Schedule supersedes the statement of indebtedness previously required under the Redevelopment Law, and commencing from such date, the statement of indebtedness will no longer be prepared nor have any effect under the Redevelopment Law.

CERTAIN LEGAL MATTERS

Legal Opinions

The legal opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, as Bond Counsel, approving the validity of the Bonds, will be made available to purchasers at the time of original delivery of the Bonds and the proposed form thereof appears in Appendix E hereto. Bond Counsel's employment as bond counsel is limited to a review of the legal proceedings required for the authorization of the Bonds and to rendering the opinion set forth in Appendix E hereto. Copies of such approving opinion will be available at the time of delivery of the Bonds. Jones Hall, A Professional Law Corporation is also serving as Disclosure Counsel. Certain legal matters will be passed upon for the Successor Agency by Richards, Watson and Gershon, Los Angeles, California, as special counsel to the Successor Agency.

Payment of the fees and expenses of Bond Counsel and Disclosure Counsel is contingent upon the sale and delivery of the Bonds.

Enforceability of Remedies

The remedies available to the Trustee and to the registered owners of the Bonds upon an event of default under the Indenture and any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of the legal documents with respect to the Bonds are subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

RATING

The Bonds have received the rating of “_____” by Standard & Poor's Investors Services (“**S&P**”). Such rating reflects only the views of S&P's, and an explanation of the significance of such rating may be obtained from S&P's. [[Insurance?]]

There is no assurance that such rating will be retained for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of any rating obtained may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The Successor Agency has covenanted for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than seven months following the end of the Successor Agency's Fiscal Year (which reporting date would be January 31), commencing with the report for the 2013-14 Fiscal Year (the "**Annual Report**"), and to provide notices of the occurrence of certain enumerated events. The Annual Report notices of significant events will be filed by the Successor Agency with the Municipal Securities Rulemaking Board. The specific nature of the information to be contained in the Annual Report or the notices of significant events is set forth in the Form of Continuing Disclosure Certificate in Appendix F hereto. These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5). See APPENDIX F — "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

[[TO COME: Continuing Disclosure Compliance status....]]

ABSENCE OF LITIGATION

At the time of delivery of and payment for the Bonds, the Successor Agency will certify that, except as disclosed in this Official Statement, to its best knowledge there is no litigation, action, suit, proceeding or investigation, at law or in equity, before or by any court, governmental agency or body, pending against or threatened against the Successor Agency in any way affecting the existence of the Successor Agency or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Indenture, or the collection or application of Tax Revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Indenture, or any action of the Successor Agency contemplated by any of said documents, or in any way contesting the completeness or accuracy of this Official Statement or the powers of the Successor Agency or its authority with respect to the Indenture or any action of the Successor Agency contemplated by said document, or which would adversely affect the exclusion of interest paid on the Bonds from gross income for Federal income tax purposes or the exemption of interest paid on the Bonds from California personal income taxation, nor, to the knowledge of the Successor Agency, is there any basis therefor. See however, the litigation information presented under the captions "THE PROJECT AREA - Low and Moderate Income Housing" and "BONDOWNERS' RISKS - Challenges to Dissolution Act."

TAX MATTERS

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

The opinions set forth in the preceding paragraph are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended (the "**Tax Code**") that must be satisfied subsequent to the issuance of the Bonds. The Successor Agency has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium is disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual and corporate alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Bonds other than as expressly described above.

UNDERWRITING

The Bonds will be purchased by Jeffries Group LLC. (the "Underwriter") at the purchase price of \$_____ (which is the aggregate principal amount of the Bonds, less an underwriting discount of \$_____, less original issue discount of \$_____). The Underwriter will purchase all of the Bonds if any are purchased.

The initial public offering prices stated on the cover of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Bonds to certain dealers, banks acting as agents and others at prices lower than said public offering prices.

MISCELLANEOUS

The purpose of this Official Statement is to supply information to prospective buyers of the Bonds. Quotations from, and summaries and explanations of, the Indenture and other documents and statutes contained herein do not purport to be complete, and reference is made to such documents, Indenture and statutes for full and complete statements of their provisions.

Unless otherwise noted, all information contained in this Official Statement pertaining to the Successor Agency and the Project Area has been furnished by the Successor Agency. Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Successor Agency and the purchasers or registered owners of any of the Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Successor Agency.

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

By _____
Executive Director

APPENDIX A
AUDITED FINANCIAL STATEMENTS OF THE
SUCCESSOR AGENCY FOR THE
FISCAL YEAR ENDING JUNE 30, 2013

APPENDIX B
FISCAL CONSULTANT'S REPORT

APPENDIX C

CITY OF MOORPARK AND COUNTY OF VENTURA GENERAL INFORMATION

The following information concerning the City and the County of Ventura is included only for the purpose of supplying general information regarding the area of the District. The Bonds are not a debt of the City, the County, the State or any of its political subdivisions, and neither the City, the County, the State nor any of its political subdivisions is liable therefor.

Population

The table below shows population estimates for the City, County of Ventura and the State of California for the last five years.

**CITY OF MOORPARK, COUNTY OF VENTURA
AND STATE OF CALIFORNIA
Population Estimates**

Calendar Year	City of Moorpark	County of Ventura	State of California
2010	34,410	822,108	37,223,900
2011	34,629	827,874	37,427,946
2012	34,660	829,075	37,668,804
2013	34,934	836,153	37,984,138
2014	35,172	842,967	38,340,074

Source: State Department of Finance estimates.

Employment and Industry

The unemployment rate in the Ventura County was 5.9 percent in May 2014, down from a revised 6.2 percent in April 2014, and below the year-ago estimate of 7.2 percent. This compares with an unadjusted unemployment rate of 7.1 percent for California and 6.1 percent for the nation during the same period.

The following table shows civilian labor force and wage and salary employment data for the Oxnard-Thousand Oaks-Ventura Metropolitan Statistical Area, which is coterminous with Ventura County and, therefore, includes the City of Ventura, for the past five calendar years. These figures are area-wide statistics and may not necessarily accurately reflect employment trends in the City.

OXNARD-THOUSAND OAKS-VENTURA METROPOLITAN STATISTICAL AREA Civilian Labor Force, Employment and Unemployment (Annual Averages)

	2009	2010	2011	2012	2013
Civilian Labor Force ⁽¹⁾	430,500	432,600	434,500	437,900	434,900
Employment	388,100	385,600	390,200	398,200	401,100
Unemployment	42,400	47,000	44,300	39,700	33,800
Unemployment Rate	9.9%	10.9%	10.2%	9.1%	7.8%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	24,000	24,400	25,200	27,100	27,700
Mining and Logging	1,200	1,200	1,300	1,300	1,200
Construction	13,200	11,300	11,300	11,800	12,400
Manufacturing	32,600	31,500	30,600	29,900	29,800
Wholesale Trade	12,000	12,300	12,400	12,600	12,800
Retail Trade	35,100	35,500	36,300	37,300	38,500
Trans., Warehousing and Utilities	5,400	5,300	5,500	5,700	5,800
Information	5,300	5,100	4,900	5,100	5,100
Finance and Insurance	16,100	16,000	16,200	15,400	14,500
Real Estate and Rental and Leasing	4,400	4,300	4,200	4,200	4,300
Professional and Business Services	35,100	33,600	33,200	34,800	36,200
Educational and Health Services	34,300	34,700	35,500	37,500	39,000
Leisure and Hospitality	29,800	30,300	31,400	32,700	33,700
Other Services	9,300	9,200	9,200	9,400	9,600
Federal Government	7,300	7,800	7,400	7,200	7,000
State Government	2,600	2,600	2,700	2,700	2,700
Local Government	33,000	33,900	34,300	33,700	33,900
Total, All Industries ⁽³⁾	300,700	299,100	301,600	308,400	314,300

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Largest Employers

The following table lists the largest employers within the County as of 2014, listed alphabetically.

COUNTY OF VENTURA Major Employers As of 2014

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
Air National Guard	Port Hueneme	State Government-National Security
Amgen Inc	Thousand Oaks	Biological Specimens-Manufacturers
Baxter Healthcare	Westlake Village	Physicians & Surgeons Equip & Supls-Mfrs
Boskovich Farms Inc	Oxnard	Fruits & Vegetables-Growers & Shippers
California State University	Ventura	Schools-Universities & Colleges Academic
Coleman Welding	Ventura	Steel-Structural (Mfrs)
Community Memorial Hospital	Ventura	Hospitals
Farmers Insurance	Simi Valley	Insurance
Haas Automation Inc	Oxnard	Machinery-Manufacturers
Harbor Freight Tools USA Inc	Camarillo	Tools-New & Used
Hossein Tarani	Oak Park	Oils-Fuel (Whls)
Iyogi Computer Support	Oak Park	Computers-Service & Repair
Los Robles Hospital & Med Ctr	Thousand Oaks	Hospitals
Moorpark College	Moorpark	Schools-Universities & Colleges Academic
Nancy Reagan Breast Ctr	Simi Valley	Diagnostic Imaging Centers
Naval Air Warfare Ctr Weapons	Point Mugu Nawc	Federal Government-National Security
Naval Base Ventura County	Point Mugu Nawc	Military Bases
Naval Construction Battalion	Point Mugu Nawc	Federal Government-National Security
Oxnard College	Oxnard	Schools-Universities & Colleges Academic
Penny Mac Mortgage Investment	Moorpark	Real Estate Investment Trusts
Sheriff's Department-Jails	Ventura	Sheriff
Simi Valley Hospital	Simi Valley	Hospitals
St John's Regional Medical Ctr	Oxnard	Hospitals
Technicolor Inc	Camarillo	Motion Picture Producers & Studios
Ventura County Superintendent	Camarillo	Schools

Source: California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2014 2nd Edition.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2009 through 2013. Annual figures are not yet available for 2014.

CITY OF MOORPARK; VENTURA COUNTY
Effective Buying Income
As of January 1, 2009 through 2013

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2009	City of Moorpark	\$ 945,568	\$75,767
	Ventura County	20,448,570	62,193
	California	844,823,319	49,736
	United States	6,571,536,768	43,252
2010	City of Moorpark	\$ 913,825	\$71,102
	Ventura County	19,427,353	58,583
	California	801,393,028	47,177
	United States	6,365,020,076	41,368
2011	City of Moorpark	\$ 891,345	\$69,822
	Ventura County	19,920,950	58,300
	California	814,578,458	47,062
	United States	6,438,704,664	41,253
2012	City of Moorpark	1,008,960	\$74,817
	Ventura County	21,829,752	59,284
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	City of Moorpark	\$ 1,008,558	\$76,370
	Ventura County	21,077,443	60,285
	California	864,088,828	47,307
	United States	6,737,867,730	41,358

Source: The Neilson Company (US), Inc.

Commercial Activity

In 2009, the State Board of Equalization converted the business codes of sales and use tax permit holders to North American Industry Classification System codes. As a result of the coding change, data for 2009 is not comparable to that of prior years. A summary of historic taxable sales within the City and County during the past five years in which data is available is shown in the following tables.

Total taxable sales during the first quarter of calendar year 2013 in the City were reported to be \$ 77.406 million, a 0.442% increase from the total taxable sales of \$ 77.065 million reported during the first quarter of calendar year 2012. Annual figures are not yet available for 2013.

CITY OF MOORPARK
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2008	274	221,838	789	290,250
2009 ⁽¹⁾	450	220,853	776	276,104
2010 ⁽¹⁾	447	231,085	778	298,439
2011 ⁽¹⁾	430	248,615	752	320,072
2012 ⁽¹⁾	448	261,495	764	334,979

(1) Not comparable to prior years. "Retail" category now includes "Food Services."
Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

Total taxable sales during the first quarter of calendar year 2013 in the County were reported to be \$2.986 billion, an 11.58% increase from the total taxable sales of \$2.676 billion reported during the first quarter of calendar year 2012. Annual figures are not yet available for 2013.

VENTURA COUNTY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2008	8,902	\$8,075,751	23,940	\$11,322,410
2009 ⁽¹⁾	14,331	7,213,606	22,564	9,883,853
2010 ⁽¹⁾	14,134	7,546,960	22,422	10,225,488
2011 ⁽¹⁾	13,788	8,156,404	22,032	11,020,181
2012 ⁽¹⁾	13,992	8,700,010	22,206	11,958,260

(1) Not comparable to prior years. "Retail" category now includes "Food Services."
Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

Construction Activity

The following table shows a five-year summary of the valuation of building permits issued in the City.

**CITY OF MOORPARK
Building Permit Valuation
(Valuation In Thousands Of Dollars)**

	2008	2009	2010	2011	2013
<u>Permit Valuation</u>					
New Single-family	\$18,923.2	\$18,859.7	\$13,087.2	\$7,026.2	\$38,334.5
New Multi-family	2,839.1	6,169.3	5,036.6	0.0	0.0
Res. Alterations/Additions	<u>2,366.5</u>	<u>1,740.0</u>	<u>2,014.3</u>	<u>3,196.6</u>	<u>596.0</u>
Total Residential	24,128.8	26,769.0	20,138.1	10,222.8	\$38,930.6
New Commercial	9,873.1	0.0	0.0	0.0	\$1,807.9
New Industrial	0.0	0.0	0.0	0.0	\$0.0
New Other	1,320.0	914.0	1,126.6	0.0	\$92.5
Com. Alterations/Additions	<u>4,805.6</u>	<u>1,999.5</u>	<u>3,056.7</u>	<u>5,104.0</u>	<u>\$4,064.0</u>
Total Nonresidential	15,998.7	2,913.5	4,183.2	5,104.0	\$5,964.4
New Dwelling Units					
Single Family	64	48	40	14	89
Multiple Family	<u>21</u>	<u>30</u>	<u>20</u>	<u>0</u>	<u>0</u>
TOTAL	85	78	60	14	89

Source: Construction Industry Research Board, Building Permit Summary.

The following table shows a five-year summary of the valuation of building permits issued in the County.

**VENTURA COUNTY
Building Permit Valuation
(Valuation in Thousands of Dollars)**

	2009	2010	2011	2012	2013
<u>Permit Valuation</u>					
New Single-family	\$81,959.7	\$68,191.5	\$65,286.8	\$62,359.0	\$139,009.7
New Multi-family	32,433.1	52,395.9	67,765.1	23,303.3	121,304.6
Res. Alterations/Additions	<u>60,450.2</u>	<u>61,349.0</u>	<u>83,791.4</u>	<u>13,075.2</u>	<u>53,255.4</u>
Total Residential	174,843.0	181,936.4	216,843.3	98,737.5	313,569.8
New Commercial	30,640.9	41,329.1	33,617.1	36,557.8	64,645.0
New Industrial	16,561.1	0.0	6,955.4	9,636.2	336.6
New Other	31,878.8	39,078.1	5,326.7	3,147.1	9,813.5
Com. Alterations/Additions	<u>74,224.4</u>	<u>80,035.6</u>	<u>80,890.5</u>	<u>69,241.1</u>	<u>79,728.1</u>
Total Nonresidential	153,305.2	160,442.7	126,789.7	118,582.2	154,523.2
New Dwelling Units					
Single Family	231	192	167	175	360
Multiple Family	<u>173</u>	<u>398</u>	<u>539</u>	<u>147</u>	<u>668</u>
TOTAL	404	590	706	322	1,028

Source: Construction Industry Research Board, Building Permit Summary.

ATTACHMENT 3

APPENDIX D
SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

APPENDIX E
FORM OF BOND COUNSEL OPINION

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate") is executed and delivered by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK (the "Successor Agency") in connection with the issuance of \$_____ Moorpark Redevelopment Project, 2014 Tax Allocation Refunding Bonds (the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of May 1, 1999, by and between the Successor Agency to the Redevelopment Agency of the City of Moorpark and The Bank of New York Mellon Trust Company, N.A, as trustee (the "Trustee"), as supplemented by a First Supplemental Indenture of Trust dated as of December 1, 2001, a Second Supplemental Indenture of Trust dated as of December 1, 2006, and a Third Supplemental Indenture of Trust as of _____, 2014 (collectively, the "Indenture"), by and between the Successor Agency and the Trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined, the following capitalized terms shall have the following meanings:

"*Annual Report*" shall mean any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Dissemination Agent*" shall mean NBS Government Finance Group, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency a written acceptance of such designation.

"*EMMA System*" shall mean the Electronic Municipal Market Access system of the MSRB or such other electronic system designated by the MSRB or the Securities and Exchange Commission for compliance with S.E.C Rule 15c2-12(b).

"*Listed Events*" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"*Participating Underwriter*" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Successor Agency's fiscal year (which date currently would be March 31, based upon the June 30 end of the Successor Agency's fiscal year), commencing with the report for the 2013-14 fiscal year, provide to the MSRB through the EMMA System an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) Business Days prior to said date, the Successor Agency shall provide the Annual Report to the Dissemination Agent (if other than the Successor Agency). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Successor Agency may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if not available by that date. If the Successor Agency's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) If the Successor Agency is unable to provide to the MSRB through the EMMA System an Annual Report by the date required in subsection (a), the Successor Agency shall provide to the MSRB, in electronic format as prescribed by the MSRB through the EMMA System, a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a report with the Successor Agency certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB through the EMMA System pursuant to this Disclosure Certificate.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited Financial Statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Successor Agency's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the audited financial statements of the Successor Agency may be submitted separately from the balance of the Annual Report, when available and later than the date required.

(i) Taxable assessed values in the Project Area for the most recent fiscal year;

(ii) Tax Revenues for the most recent fiscal year;

- (iii) An update of the ten largest assesses in the Project Area;
- (iv) Issuance by the Agency of any Parity Debt (including date of issue, amount, term, rating, and any applicable bond insurance), since the date of the last annual report;
- (v) Tax levy, percentage of current year levy collected, percentage of current levy delinquent, total collections and total collections as a percentage of the most recent year's tax levy;
- (vi) Amount of all Agency debt outstanding secured by a pledge of the Tax Revenues and cumulative amount of Tax Revenues received by the Agency to date; and
- (vii) Current year annual debt service and debt service coverage ratio for the Bonds and all Parity Debt of the Agency.

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

Section 5. Reporting of Significant Events.

(a) The Successor Agency shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.

- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the Successor Agency or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the Successor Agency or an obligated person, or the sale of all or substantially all of the assets of the Successor Agency or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Successor Agency shall, or shall cause the Dissemination Agent (if not the Successor Agency) to, file a notice of such occurrence with the MSRB through the EMMA System, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The Successor Agency acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 5 contain the qualifier "if material." The Successor Agency shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the Successor Agency determines the event's occurrence is material for purposes of U.S. federal securities law.

Section 6. Termination of Reporting Obligation. The Successor Agency's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon the delivery to the Dissemination Agent of an opinion of nationally recognized bond counsel retained by the Successor Agency to the effect that continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 7. Dissemination Agent.

(a) The Successor Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Successor Agency pursuant to this Disclosure Certificate, unless the Successor Agency is the Dissemination Agent, as provided herein. The initial

Dissemination Agent shall be Wells Fargo Bank National Association. If at any time there is no designated Dissemination Agent appointed by the Successor Agency, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of Dissemination Agent hereunder, the Successor Agency shall be the Dissemination Agent and undertake or assume its obligations hereunder.

Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act. The Dissemination Agent may resign its duties hereunder at any time upon written notice to the Successor Agency.

(b) The Dissemination Agent shall be paid compensation by the Successor Agency for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the Successor Agency from time to time and for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent (unless the Successor Agency is the Dissemination Agent) shall have no duty or obligation to review any information provided to it by the Successor Agency hereunder and shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, holders or beneficial owners or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied (provided no amendment or waiver shall be made that affects the duties or rights of the Dissemination Agent without its written consent):

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

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

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel retained by the Successor Agency, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB through the EMMA System in the same manner as for a Listed Event under Section 5(c).

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

Section 10. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. All of the immunities, indemnities, and exceptions from liability in Article VI of the Indenture insofar as they relate to the Trustee shall apply to the Trustee and the Dissemination Agent in this Disclosure Certificate. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person, other than the Successor Agency, shall have any right to commence any action against the Trustee or Dissemination Agent seeking any remedy other than to compel specific performance of this Disclosure Certificate.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF
MOORPARK

By _____

Name _____

Title _____

EXHIBIT A

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING
BOARD OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Successor Agency to the Redevelopment Agency of the City of Moorpark

Name of Bond Issue: Moorpark Redevelopment Project, 2014 Tax Allocation Refunding Bonds

Date of Issuance: _____, 2014

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City of Moorpark (the "Issuer") has not provided an Annual Report with respect to the above-named Bonds as required by the Indenture of Trust, dated as of May 1, 1999, by and between the Redevelopment Agency of the City of Moorpark and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF
MOORPARK

By _____

Name _____

Title _____

cc: Trustee

APPENDIX G**DTC AND THE BOOK-ENTRY SYSTEM**

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the Successor Agency, the Underwriters nor the Trustee take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI

Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to the Trustee. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to the Trustee's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX H
DEPARTMENT OF FINANCE APPROVAL LETTER

§ _____
**SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds**

PURCHASE CONTRACT

_____, 2014

Successor Agency of the Redevelopment Agency of the City of Moorpark
799 Moorpark Avenue
Moorpark, CA 93021
Attn: Executive Director

Ladies and Gentlemen:

The undersigned, Jeffries Group LLC (the "**Underwriter**"), offers to enter into the following agreement with the Successor Agency to the Redevelopment Agency of the City of Moorpark (the "**Agency**"), which, upon execution of this agreement by the Agency will be binding upon the Agency and the Underwriter. This offer is made subject to the Agency's written acceptance and the Agency's written approval hereof on or before 5:00 P.M., California time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice (by facsimile or otherwise) delivered to the Agency at any time prior to the acceptance hereof by the Agency. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Agency, and the Agency hereby agrees to sell and deliver to the Underwriter the \$_____ aggregate principal amount of the Successor Agency of the Redevelopment Agency of the City of Moorpark, Moorpark Redevelopment Project, 2014 Tax Allocation Refunding Bonds (the "Bonds") at the purchase price of \$_____ (representing \$_____ aggregate principal amount of the Bonds, less \$_____ of Underwriter's discount and [plus \$_____ of net original issue discount]).

The Bonds shall be dated the date of delivery of the Bonds and shall have the maturities and bear interest at the rates per annum shown on Exhibit A hereto. Such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the "**Closing.**"

The Agency acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Agency and the Underwriter, and that the Underwriter has financial and other interests that differ from those of the Agency, (ii) in connection with such transaction, the Underwriter is not acting

as a municipal advisor, financial advisor or fiduciary to the Agency or any other person or entity and has not assumed a fiduciary responsibility in favor of the Agency with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter has advised or is currently advising the Agency on other matters), (iii) the only obligations the Underwriter has to the Agency with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract, and (iv) the Agency has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

2. The Bonds and Related Documents. The Bonds are issued according to the terms set forth in the Indenture of Trust dated as of May 1, 1999, by and between the Original Agency and The Bank of New York Mellon Trust Company, N.A. (formerly The Bank of New York Trust Company, N.A.) (the "**Trustee**"), as supplemented by a First Supplemental Indenture of Trust dated December 1, 2001, a Second Supplemental Indenture of Trust dated December 1, 2006 and a Third Supplemental Indenture of Trust dated _____, 2014 (collectively, the "**Indenture**"), and in accordance with Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "**Refunding Law**"), the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "**Redevelopment Law**"), Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code enacted by Assembly Bill No. X1 26 ("**AB 26**"), as amended on June 27, 2012 by Assembly Bill No. 1484 ("**AB 1484**") enacted as Chapter 26, Statutes of 2012 (AB 26 and AB 1484 are collectively, the "**Dissolution Act**"), and the Constitution and other applicable laws of the State of California (the "**State**"). The issuance of the Bonds was approved by Resolution No. SA-2014-07 adopted by the Agency on July 2, 2014 (the "**Agency Resolution**"), and by Resolution No. 2014-61 adopted by the Oversight Board to the Issuer on July 15, 2014 (the "**Oversight Board Resolution**"). The California Department of Finance issued a letter on September 15, 2014 approving the Oversight Board Resolution.

The Bonds (described herein) are secured on parity with the Redevelopment Agency of the City of Moorpark (the "**Original Agency**") \$11,695,000 original principal amount of Moorpark Redevelopment Project 2006 Tax Allocation Bonds (the "**2006 Bonds**") from Tax Revenues (defined in the Indenture described herein).

The Bonds shall mature and shall be subject to redemption on the dates and in the amounts and shall bear interest at the rates set forth in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is hereinafter called the "**Official Statement**").

The net proceeds of the Bonds will be used to refund the (i) Moorpark Redevelopment Project 1999 Tax Allocation Bonds initially issued in the principal amount of \$9,860,000 to finance redevelopment projects (the "**1999 Bonds**") and (ii) Moorpark Redevelopment Project 2001 Tax Allocation Bonds initially issued in the principal amount of \$11,625,000 to finance redevelopment projects (the "**2001 Bonds**"). The Bonds shall be secured by a pledge of and lien on all of the Tax Revenues (as defined in the Indenture) allocated to the Agency with respect to the Project Area, on parity with the 2006 Bonds.

The Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the "**Disclosure Certificate**"), and executed by the Agency, to provide certain annual information and notices of the occurrence of certain

events, if material. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

The Indenture, the Disclosure Certificate, the Irrevocable Refunding Instructions given by the Agency to the Trustee acting as trustee for the 1999 Bonds and 2001 Bonds (the "Refunding Instructions") and this Purchase Contract are sometimes collectively referred to herein as the "**Agency Legal Documents.**"

3. Offering. The Underwriter agrees to make a bona fide public offering of all the Bonds initially at the public offering prices (or yields) set forth on Appendix A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as it deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Appendix A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The Underwriter reserves the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

The Agency hereby acknowledges receipt from the Underwriter of disclosures required by the Municipal Securities Rulemaking Board Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Underwriter's role in the transaction, disclosures concerning the Underwriter's compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

4. Use and Preparation of Documents. The Agency has caused to be prepared and delivered to the Underwriter prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2014, relating to the Bonds (the "**Preliminary Official Statement**"). The Agency ratifies, confirms and approves the use by the Underwriter prior to the date hereof of the Preliminary Official Statement. The Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("**Rule 15c2-12**"), except for information permitted to be omitted therefrom by Rule 15c2-12, in the form of Exhibit B.

The Agency hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Agency and the Underwriter (the "**Official Statement**") to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on the End of the Underwriting Period (defined below). The Agency hereby approves of the use and distribution (including the electronic distribution) by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Underwriter agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement.

5. Representations, Warranties and Agreements of the Agency. The Agency hereby represents, warrants and agrees as follows:

(a) The Agency is a public entity, duly organized and existing, and authorized to transact business under and pursuant to the Constitution and the laws of the State, including the Dissolution Act;

(b) The Agency has full legal right, power and authority to enter into the Agency Legal Documents and carry out and consummate the transactions contemplated by the Agency Legal Documents;

(c) By all necessary official action of the Agency prior to or concurrently with the acceptance hereof, the Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Agency Legal Documents, and the performance by the Agency of all transactions contemplated by the Agency Legal Documents; and, assuming due authorization, execution and delivery by, and validity against, the other parties thereto, the Agency Legal Documents will constitute legal, 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 limiting creditors' rights generally;

(d) As of the time of acceptance hereof and as of the time of Closing, except as otherwise described in the Official Statement, the Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject, which breach or default has or may have an adverse effect on the ability of the Agency to perform its obligations under the Agency Loan Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Agency Legal Documents, and compliance with the provisions on the Agency's part contained therein, will not conflict in a material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption 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 the property or assets of the Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture;

(e) Except as described in or contemplated by the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Legal Documents have been duly obtained;

(f) Except as disclosed in the Preliminary Official Statement, as of the date hereof, 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, known to the Agency to be pending or threatened against the Agency affecting the existence of the Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and

delivery of the Indenture or the collection of the Tax Revenues or contesting or affecting, as to the Agency, the validity or enforceability of the Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Agency or which might materially adversely affect the Tax Revenues of the Agency; nor, to the best knowledge of the Agency, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Agency of the Agency Legal Documents;

(g) As of the time of acceptance hereof and as of the date of the Closing, the Agency does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Tax Revenues of the Agency superior to or on a parity with the lien provided for in the Indenture on the Tax Revenues, other than as disclosed in the Official Statement. As of the time of acceptance hereof and as of the date of the Closing, the Agency does not and will not have outstanding any indebtedness which indebtedness is payable prior to the Bonds from Tax Revenues, other than as disclosed in the Official Statement;

(h) As of the time of acceptance hereof and as of the date of the Closing, to the best of its knowledge the Agency has complied with, and will at the Closing be in compliance, in all material respects with, the Redevelopment Law, the Dissolution Act, and any other applicable laws of the State;

(i) As of the date thereof, the Preliminary Official Statement did not, except as revised by the Official Statement, 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 in any material respect;

(j) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is defined above) for the Bonds, the Official Statement did not and will 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;

(k) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs of which the Agency has knowledge which would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information herein, in the light of the circumstances under which it was presented, not misleading, the Agency will notify the Underwriter, and, if in the opinion of the Underwriter or the Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriter, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days of the End of the Underwriting Period for the Bonds, the Agency will

furnish such information with respect to itself as the Underwriter may from time to time reasonably request;

(l) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact required to be stated therein or necessary to make such information therein in the light of the circumstances under which it was presented, not misleading;

(m) After the Closing, the Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by counsel for the Underwriter;

(n) Any certificate signed by any officer of the Agency and delivered to the Underwriter shall be deemed a representation by the Agency to the Underwriter as to the statements made therein;

(o) The Agency will undertake, pursuant to the Disclosure Certificate, to provide or cause to be provided annual financial reports and notices of certain events; a description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth as an appendix to the Official Statement. Based on a review of its prior undertakings, neither the Original Agency nor the Agency has not failed to comply in all material respects with any undertaking by the Agency under Rule 15(c)2-12 during the past five years, other than as described in the Official Statement; and

(p) The Agency has received a "finding of completion" issued by the California Department of Finance pursuant to Health and Safety Code Section 34179.7.

(r) The California Department of Finance has approved the Oversight Board Resolution approving the issuance of the Bonds.

6. Closing. At 8:00 A.M., California time, on _____, 2014, or on such other date as may be mutually agreed upon by the Agency and the Underwriter, the Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriter, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California ("**Bond Counsel**"), or such other place as shall have been mutually agreed upon by the Agency and the Underwriter, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriter through the facilities of The Depository Trust Company ("**DTC**"). Unless the DTC Fast Automated Securities Transfer ("**FAST**") is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

7. Closing Conditions. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such reasonable quantity as the Underwriter shall have requested;

(b) The representations and warranties of the Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Agency, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Agency relating to the Official Statement and the Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(1) Bond Counsel Opinion. The approving opinion of Bond Counsel to the Agency, dated the date of the Closing and substantially in the form included as Appendix E to the Official Statement and a reliance letter addressed to the Underwriter with respect to such opinion.

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing, stating that the Underwriter may rely on the opinion of Bond Counsel described in paragraph (1) above as if such opinion were addressed to the Underwriter and to the following effect:

(i) the Purchase Contract has been duly executed and delivered by the Agency and (assuming due authorization, execution and delivery by and validity against the Underwriter) constitutes the valid and binding agreement of the Agency, 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;

(ii) the statements contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE REFUNDING PLAN," "THE BONDS," "SECURITY FOR THE BONDS," "TAX MATTERS" and in Appendices D and E insofar as such statements expressly summarize certain provisions of the Indenture or the opinion of Bond Counsel, are accurate in all material respects;

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

(iv) the 1999 Bonds and 2001 Bonds have been defeased in accordance with the requirement of the Indenture; and

(v) the Bonds will not cause the Agency to violate any limitations, to the extent applicable under California law, contained or incorporated in the Redevelopment Plan on (a) the aggregate principal amount of indebtedness payable from tax increment revenues which may be outstanding at any time, (b) the aggregate amount of taxes which may be divided and allocated to the Agency under the Redevelopment Plan, (c) the period of time for establishing or incurring indebtedness payable from tax increment revenues, and (d) the period of time for collection of tax increment revenues and repayment of Agency indebtedness from tax increment revenues.

(3) Agency Counsel Opinion. An opinion of Counsel to the Agency, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter to the following effect:

(i) the Agency is a public entity existing under the laws of the State of California;

(ii) the Agency Resolution approving and authorizing the execution and delivery of Agency Legal Documents, and approving the Official Statement, has been duly adopted and is in full force and effect and has not been modified, amended or rescinded since its respective adoption date; and

(iii) except as otherwise disclosed in the Official Statement and to our best knowledge after due inquiry, there is no litigation, proceeding at law or in equity before or by any court, government agency or body, pending and notice of which has been served on or received by the Agency, or threatened against the Agency, (a) challenging the creation,

organization or existence of the Agency, or the validity of the Agency Legal Documents, or (b) seeking to restrain or enjoin the repayment of the Bonds, or (c) in any way contesting or affecting the validity of the Agency Legal Documents, or (d) contesting the authority of the Agency to enter into or perform its obligations under any of the Agency Legal Documents, or (e) which, in any manner, questions the right of the Agency to use the Tax Revenues received by the Agency for repayment of the Bonds, or (f) affects in any manner the right or ability of the Agency to collect or pledge the Tax Revenues as discussed in the Official Statement.

(4) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture and the Refunding Instructions.

(ii) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes the legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

(iii) Except as may be required under Blue Sky or other securities laws of any state, 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 execution and delivery of the Indenture, or the consummation of the transactions contemplated by the Indenture.

(5) Agency Certificate. A certificate of the Agency, dated the date of the Closing, signed on behalf of the Agency by a duly authorized officer of the Agency, to the effect that:

(i) the representations and warranties of the Agency contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing;

(ii) no event affecting the Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(iii) no further consent is required to be obtained for the inclusion of the Agency's audited financial statements, including the

accompanying accountant's letter, for Fiscal Year 2012-13 in the Official Statement.

(6) Trustee's Certificate. A Certificate, dated the date of Closing, to the effect that:

(i) the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America;

(ii) the Trustee has full power, authority and legal right to comply with the terms of the Indenture and the Refunding Instructions and to perform its obligations stated therein; and

(iii) the Indenture has been duly authorized, executed and delivered by the Trustee and (assuming due authorization, execution and delivery by the other parties thereto) constitutes a legal, valid and binding obligations of the Trustee in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(7) Disclosure Counsel Letter. A letter of Jones Hall, A Professional Law Corporation, as disclosure counsel, addressed to the Agency and the Underwriter stating that, without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to them in the course of their participation in the preparation of the Official Statement, nothing has come to such counsel's attention which would lead them to believe that the Official Statement, including the cover page and all appendices thereto (but excluding therefrom financial statements and statistical data, and information regarding The Depository Trust Company and its book entry system, as to which no opinion need be expressed) contains an 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;

(8) Legal Documents. Executed copies of the Agency Legal Documents.

(8) Resolutions. (i) A certified copy of the Successor Agency Board Resolutions approving the issuance of the Bonds and approval of the Official Statement and a certificate of the Clerk of the Successor Agency Board to the effect that the Successor Agency Board Resolutions are in full force and effect and have not been modified, amended, rescinded or repealed since the date of adoption; and (ii) a certified copy of the Oversight Board Resolution approving the issuance of the Bonds and a certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution is in full force and effect and has not been modified, amended, rescinded or repealed since the date of its adoption.

[[(9) Bond Insurance Policy. A policy of municipal bond insurance issued by _____ with respect to the Bonds.]]

(10) Rating Letter. Letter from Standard & Poor's Ratings Services ("**S&P**") to the effect that the Bonds have been assigned a rating of "____", which rating shall be in effect as of the Closing Date.

(11) Fiscal Consultant Certificate. An executed certificate of the Fiscal Consultant in the form attached hereto as Exhibit C.

(12) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Agency or the Underwriter may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter.

If the Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Agency shall be under any further obligation hereunder.

8. Termination. The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Agency of its election to do so if, after the execution hereof and prior to the Closing: (i) the marketability of the Bonds or the market prices thereof, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, in the opinion of the Underwriter, have been materially affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State of California, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, by the staff of either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or applicable state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal authority or State of California authority affecting the federal or State tax status of the Agency, its property or income, or the interest on its bonds or its notes (including the Bonds); (ii) the United States has become engaged in hostilities (or an escalation of hostilities) , or there has occurred a national or international calamity or crisis, financial or otherwise, which event has materially affected the marketability of the Bonds or the market prices thereof, or the ability of the Underwriter to

enforce contracts for the sale of the Bonds; (iii) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or California; (iv) there shall be in force a general suspension of trading on the New York Stock Exchange; (v) an order, decree or injunction of any court of competent jurisdiction, or order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the execution, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect; (vi) the withdrawal or downgrading of any rating of the Bonds or the Bond Insurer or other obligations of the Agency or the Original Agency by a national rating agency; (vii) the commencement of any action, suit, investigation or proceeding which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds; or (viii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of 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.

9. Expenses. (a) The Underwriter shall be under no obligation to pay, and the Agency shall pay, any expenses incident to the performance of the Agency's obligations hereunder including, but not limited to: (i) the cost of preparation, printing and distribution of the Indenture and word processing, reproduction, printing and distribution costs relating to the Preliminary Official Statement, the Official Statement and any supplements or amendments thereto; (ii) the cost of preparation of the Bonds; (iii) the fees and disbursements of Bond Counsel and the fees and expenses of counsel to the Agency and the City of Moorpark (the "City"); (iv) the fees and disbursements of the Fiscal Consultant and any other experts, consultants or advisors retained by the Agency or the City; (v) the fees of the rating agencies; (vi) and any out-of-pocket disbursements of the Agency and of the Underwriter incurred in connection with the public offering and distribution of the Bonds, including any advertising expenses and expenses (included in the expense component of the spread) incurred on behalf of the Agency's employees which are incidental to implementing this Purchase Contract including, but not limited to, meals, transportation, lodging and entertainment of those employees as agreed upon by the Agency.

(b) The Underwriter shall pay: (i) fees, if any, payable to the California Debt and Investment Advisory Commission in connection with the issuance of the Bonds; and (ii) all other expenses incurred by the Underwriter, including fees of its counsel, in connection with the public offering of the Bonds.

10. Notices. Any notice or other communication to be given to the Agency under this Purchase Contract may be given by delivering the same in writing at the Agency's address set forth above, and to the Underwriter under this Purchase Contract may be given by delivering the same in writing to Dennis McGuire, Managing Director, Piper Jaffray & Co., 345 California Street, Suite 2400, San Francisco, California 94104.

11. Parties in Interest. This Purchase Contract is made solely for the benefit of the Agency and the Underwriter and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Agency contained

in this Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

12. Effectiveness and Counterpart Signatures. This Purchase Contract shall become effective upon the execution of the acceptance by an authorized officer of the Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Contract may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Contract shall be construed in accordance with the laws of the State of California.

15. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Very truly yours,

JEFFRIES GROUP LLC, as Underwriter

By: _____
Authorized Officer

Accepted:

SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE
CITY OF MOORPARK

By: _____
Executive Director

Time of Execution: _____

Agreed:

EXHIBIT A

MATURITY SCHEDULE

<u>Maturity Date (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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APPENDIX B

\$ _____ *

**SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds**

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Jeffries Global LLC (the "Underwriter") that he is a duly appointed and acting officer of the Successor Agency of the Redevelopment Agency of the City of Moorpark (the "Agency"), and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Agency to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above-referenced bonds (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated _____, 2014, setting forth information concerning the Bonds and the Agency, as issuer of the Bonds (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency shall promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, we have hereunto set our hands as of _____, 2014.

SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY
OF MOORPARK

By _____
Authorized Officer

* Preliminary, subject to change.

APPENDIX C

\$ _____*
SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY OF MOORPARK
Moorpark Redevelopment Project
2014 Tax Allocation Refunding Bonds

CERTIFICATE OF FISCAL CONSULTANT

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting representative of _____, California, the fiscal consultant (the "Fiscal Consultant") to the Successor Agency of the Redevelopment Agency of the City of Moorpark (the "Agency") in connection with the issuance by the Agency of the above-referenced bonds (the "Bonds"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same on behalf of the Fiscal Consultant; and

(ii) that nothing has come to the attention of the Fiscal Consultant since the date of the Fiscal Consultant's Report set forth as Appendix B to the Official Statement relating to the Bonds (the "Report") which would cause the Fiscal Consultant to believe that the Report was materially incorrect in any respect; and

(iii) that the Report sets forth the best estimates of the Fiscal Consultant with respect to the projections contained therein; and

(iv) the statements contained in the Official Statement insofar as such statements purport to summarize the Report, are true and correct in all material respects, and did not and do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(v) the Fiscal Consultant hereby consents to the reproduction of the Report as Appendix B to the Official Statement

Dated: _____, 2014

_____, as Fiscal Consultant

By: _____
Its: _____