

RESOLUTION NO. 2014-7

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SOUTH
TAHOE REDEVELOPMENT SUCCESSOR AGENCY
APPROVING THE SUCCESSOR AGENCY'S ISSUANCE OF
TAX ALLOCATION NOTES AND TRANSIENT OCCUPANCY
TAX NOTES TO REFUND OUTSTANDING INDEBTEDNESS
OF THE SUCCESSOR AGENCY AND TAKING CERTAIN
RELATED ACTIONS**

WHEREAS, the South Tahoe Redevelopment Agency (the "Former Agency") was a duly constituted redevelopment agency pursuant to provisions of the Community Redevelopment Law (the "Redevelopment Law") set forth in Section 33000 et seq. of the Health and Safety Code ("HSC") of the State of California (the "State"); and

WHEREAS, the Former Agency undertook a program to redevelop a project area known as the South Tahoe Redevelopment Project No. 1 (the "Project Area"); and

WHEREAS, the City of South Lake Tahoe (the "City") and the Former Agency executed and delivered a joint exercise of powers agreement, dated January 3, 1989 (the "Joint Powers Agreement"), by and between the City and the Former Agency, which Joint Powers Agreement created and established the South Tahoe Joint Powers Financing Authority (the "Authority"); and

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Local Bond Pooling Act") and the Joint Powers Agreement, the Authority is authorized to issue bonds from time to time for the financing and refinancing costs of certain public capital improvements; and

WHEREAS, to assist the Former RDA to finance and refinance redevelopment projects benefiting the Project Area, the Authority has previously issued bonds, including the following (the "Authority Bonds"):

(i) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 1999 Series A (the "Authority 1999A Bonds"),

(ii) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2003 Series A (the "Authority 2003A Bonds"),

(iii) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2004 Series A (the "Authority 2004A Bonds"),

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(iv) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2005 Series A, and

(v) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2007 Series A; and

WHEREAS, the Authority Bonds were issued pursuant to the Trust Agreement, dated as of November 1, 1995 (the "Master Trust Agreement"), as supplemented and amended by the five supplemental trust agreements, each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") (the Master Trust Agreement, as supplemented and amended, being referred to herein as the "Trust Agreement"); and

WHEREAS, in order to secure the repayment of the Authority Bonds, the Former Agency did the following:

(i) incurred loans (the "TA Loans") and pledged tax increment revenues derived from the Project Area pursuant to the Master Tax Allocation Loan Agreement, dated as of November 1, 1995 (the "Master TA Loan Agreement"), as supplemented and amended by five supplemental loan agreements, each by and between the Former Agency and the Trustee (the Master TA Loan Agreement, as supplemented and amended, being referred to herein as the "TA Loan Agreement"), and

(ii) incurred loans (the "TOT Loans") and pledged certain transient occupancy tax revenues levied within the Project Area pursuant to the Master Transient Occupancy Tax Loan Agreement (the "Master TOT Loan Agreement"), dated as of November 1, 1995, as supplemented and amended by five supplemental loan agreements, each by and between the Former Agency and the Trustee (the Master TOT Loan Agreement, as supplemented and amended, being referred to herein as the "TOT Loan Agreement"; and collectively, the TA Loan Agreement and the TOT Loan Agreement, being referred to herein as the "Loan Agreements"); and

WHEREAS, the TA Loans are evidenced by tax allocation notes (the "TA Notes") issued by the Former Agency pursuant to the TA Loan Agreement; and

WHEREAS, the TOT Loans are evidenced by transient occupancy tax notes (the "TOT Notes") issued by the Former Agency pursuant to the TOT Loan Agreement; and

WHEREAS, pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012; the Successor Agency to the South Tahoe Redevelopment Agency (the "Successor Agency"), as the successor to the Former Agency, was

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WHEREAS, the Refunding TOT Notes will be issued pursuant to, and will be secured by a pledge of transient occupancy tax revenues as provided in, the TOT Loan Agreement, as supplemented and amended by the Supplemental TOT Loan Agreement; and

WHEREAS, the Refunding TA Notes and the Refunding TOT Notes will be issued under the authority of HSC Section 34177.5 and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Bond Law"); and

WHEREAS, the Board of Directors of the Successor Agency, has adopted its Resolution No. 2014-7 on August 5, 2014 (the "Successor Agency Resolution"), and thereby: (i) approved the Successor Agency's issuance of the Refunding TA Notes and Refunding TOT Notes, each in an aggregate principal amount not exceeding \$35,000,000; and (ii) authorized the Successor Agency's execution and delivery of the Supplemental TA Loan Agreement, the Supplemental TOT Loan Agreement and the Amendment No. 2 to Transient Occupancy Tax Administration Agreement (the "Amendment to TOT Administration Agreement"), each substantially in the form attached to the Successor Agency Resolution; and

WHEREAS, the Oversight Board has received a copy of the Successor Agency Resolution; and

WHEREAS, there has been presented to the Oversight Board an analysis of the potential debt service savings that will accrue as a result of issuance of the Refunding; and

WHEREAS, pursuant to HSC Sections 34177.5(f) and 34180, the issuance of the Refunding TA Notes and the issuance of the Refunding TOT Notes are subject to the Oversight Board's prior approval; and

WHEREAS, the Oversight Board desires to adopt this Resolution to approve the issuance of the Refunding TA Notes and the Refunding TOT Notes;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

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

Section 2. The Oversight Board hereby approves the Successor Agency Resolution, and the issuance of the Refunding TA Notes and the Refunding TOT Notes, each in the aggregate principal amount not exceeding \$35,000,000, pursuant to the provisions of HSC Section 34177.5. The Oversight Board hereby approves the

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constituted; and an Oversight Board to the Successor Agency (the "Oversight Board") was established; and

WHEREAS, pursuant to HSC Section 34177.5(a), the Successor Agency is authorized to incur debt (the "Refunding Debt") to refund outstanding debt (the "Refunded Debt"), to provide savings to the Successor Agency, provided that:

(i) the total interest cost to maturity on the Refunding Debt plus the principal amount of the Refunding Debt shall not exceed the total remaining interest cost to maturity on the Refunded Debt, plus the remaining principal of the Refunded Debt to be refunded, and

(ii) the principal amount of the Refunding Debt shall not exceed the amount required to defease the Refunded Debt, to establish customary debt service reserves and pay related costs of issuance; and

WHEREAS, the Successor Agency desires to refund a portion of the outstanding TA Notes and TOT Notes (such refunding transaction being referred to herein as the "Refunding"); and

WHEREAS, in conjunction with the Refunding, the Authority will issue refunding bonds (the "Authority Refunding Bonds") under the Trust Agreement, as supplemented and amended by a supplement to the Trust Agreement (the "Supplemental Trust Agreement"); and

WHEREAS, proceeds from the sale of the Authority Refunding Bonds will be used to: (i) provide funds for the defeasance of all or a portion of the remaining outstanding Authority 1999A Bonds, Authority 2003A Bonds and Authority 2004A Bonds, and the concurrent defeasance of the corresponding TA Notes and TOT Notes, and (ii) pay related costs of issuance; and

WHEREAS, as part of the Refunding, the Successor Agency will issue: (i) one or more additional notes (the "Refunding TA Notes") under the TA Loan Agreement, as supplemented and amended by a supplement to the TA Loan Agreement (the "Supplemental TA Loan Agreement"), and (ii) one or more additional notes (the "Refunding TOT Notes") under the TOT Loan Agreement, as supplemented and amended by a supplement to the TOT Loan Agreement (the "Supplemental TOT Loan Agreement"); and

WHEREAS, the Refunding TA Notes will be issued pursuant to, and will be secured by a pledge of property tax revenues as provided in, the TA Loan Agreement, as supplemented and amended by the Supplemental TA Loan Agreement; and

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pledge of the property tax revenues to secure the Refunding TA Notes pursuant to the terms of the TA Loan Agreement, as supplemented by the Supplemental TA Loan Agreement. The Oversight Board hereby approves the pledge of the transient occupancy tax revenues to secure the Refunding TOT Notes pursuant to the terms of the TOT Loan Agreement, as supplemented by the Supplemental TOT Loan Agreement.

Section 3. The Oversight Board approves the Successor Agency's execution and delivery of the Supplemental TA Loan Agreement, the Supplemental TOT Loan Agreement and Amendment to TOT Administration Agreement, in connection with the Refunding.

Section 4. The members of this Oversight Board and the officers and other staff members of the Successor Agency are hereby authorized, jointly and severally, to do all things, including but not limited to the execution and delivery of any escrow agreement, or other ancillary agreements or instruments in furtherance of the Refunding, which they may deem necessary or proper to effectuate the purposes of this Resolution.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the South Tahoe Redevelopment Agency at a duly noticed meeting held on August 8, 2014, by the following vote:

AYES: Board members COLE, BAUGH, KERRY, MURILLO & VOGELGESANG

NOES: Board members _____

ABSTAIN: Board members MIKULACO

ABSENT: Board members MEYERS

ATTEST:

Ellen Palazzo
Ellen Palazzo, Secretary

Hal Cole
Hal Cole, Chair

EXHIBIT A

Supplemental TA Loan Agreement

(in substantial final form)

See

Attachment #4

EXHIBIT B

Supplemental TOT Loan Agreement

(in substantial final form)

see
attachment #7

EXHIBIT C

Amendment to TOT Administration Agreement

(in substantial final form)

see
attachment
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**STAFF REPORT
OF
Oversight Board of the
South Tahoe Redevelopment Successor Agency
August 8, 2014**

To: South Tahoe Board of Directors of the South Tahoe Redevelopment Successor Agency Governing Board Members

From: Thomas Watson, Attorney for South Tahoe Redevelopment Successor Agency
Mark Carlson, Administrative Services Director, for STRSA

Re: Resolution of the Oversight Board of the South Tahoe Redevelopment Successor Agency Approving the Successor Agency's Issuance of Tax Allocation Notes and Transient Occupancy Tax Notes to Refund Outstanding Indebtedness of the Successor Agency and Taking Certain Related Actions

RECOMMENDATION:

Adopt Resolution (Attachment 1)

BACKGROUND:

In the early 1980s, the City of South Lake Tahoe began efforts to substantially improve blighted and deteriorated areas in the Stateline/Tourist Core area of the community. In 1989, Redevelopment Project Area No. 1 was adopted. The area primarily includes Highway 50 from Stateline Avenue to Ski Run Blvd (see map, Attachment 2).

Two large "anchor resort" projects were planned near each end of the Project Area. In the Stateline area, the Former Redevelopment Agency (Agency) acquired and demolished 526 dilapidated and underutilized motel rooms. The new hotel (Former Embassy Suites, now Lake Tahoe Resort Hotel) opened in 1991 with 400 high quality rooms. The Agency assisted that project with approximately \$28 million in Tax Allocation Notes. At the other end of the Project Area, the Ski Run Marina Village area, between 1997 and 2008, the Agency provided approximately \$9 million in assistance for Ski Run Marina improvements, development of a 184 time share vacation resort (Lake Tahoe Vacation Resort/Diamond Resort), public and environmental improvements.

Between 2000 and 2005, the Agency provided approximately \$50 million in assistance (through Tax Allocation Bonds) for the development of Heavenly Village, a 17-acre project site. The Agency acquired the entire site, demolished the improvements, sold the land to the developer. The construction included 199 Marriot Grand Residence Club and 261 Marriot Timber Lodge time share lodging units, a multi-screen cinema, retail and commercial space, an outdoor public space utilized for winter ice skating and summer miniature golf and an inter-modal transit center.

Total Indebtedness

As shown on the table below, the total *principal* indebtedness for all of the bonds issuances in the Project Area (1999 Series, 2003 Series, 2004 Series, 2005 Series, and 2007 Series) is \$79M. The total indebtedness including principal and interest is \$138M.

BOND PRINCIPAL OUTSTANDING BY PROJECT

	Heavenly	Ski Run/ Embassy	Total
1999 Bonds	0	7,830,000	7,830,000
2003 Bonds	10,520,000	0	10,520,000
2004 Bonds	10,855,000	0	10,855,000
2005 Bonds	7,811,250	23,433,750	31,245,000
2007 Bonds	15,310,000	3,905,000	19,215,000
Total	44,496,250	35,168,750	79,665,000

TOTAL DEBT OUTSTANDING BY PROJECT

	Heavenly	Ski Run/ Embassy	Total
1999 Bonds		13,882,902	13,882,902
2003 Bonds	20,978,875		20,978,875
2004 Bonds	18,062,118		18,062,118
2005 Bonds	12,105,281	36,315,844	48,421,125
2007 Bonds	29,634,512	7,408,628	37,043,139
Total	80,780,786	57,607,374	138,388,160

Structure of Debt Repayment

The annual debt service for the entire series of bonds is approximately \$5.7M. Repayment of the debt is secured by property taxes (Property Tax Increment (TI) collected in the project area in accordance with the Former Redevelopment Agency's Loan Agreements (described below). The debt service is further secured by Transient Occupancy Taxes (TOT) collected in the project area. If TI is insufficient, and there are no other revenues available, TOT revenues are provided as a secured and pledged revenue to ensure the debt service payments are made.

As shown below, in 1999, Tax Increment was nearly sufficient to cover the entire debt service payment. However, due to the impact of the Great Recession on reduced property values, along with delayed construction in the Project Area, the Amount needed in 2013-2014 from other revenues (selling of assets, TOT, etc) is estimated at \$1,881,853.

	1999-2000	2013-14
Tax Increment	5,662,706	3,910,927
Bond Debt Service	5,751,813	5,792,780
Shortfall	(89,107)	(1,881,853)

Value of Redevelopment Properties

Prior to the 2008 Great Recession, the value of the three projects described above (Former Embassy Suites, Ski Run Village and Heavenly Village) totaled approximately \$539M demonstrating a favorable return on the Agency's investment of approximately \$90M. In addition to the increase in property values, the Transient Occupancy Taxes (TOT) from the Project Area generate approximately \$4M in revenue for the City, which is available as a secured pledge of revenue to the bonds when Property Tax Increment in the Project Area and other available revenues are insufficient to cover debt service.

However, during the recession, property values in the Project Area declined by approximately \$140M (from \$539M to \$401M) although property values are expected to improve with the economic recovery and new construction in the Project Area.

ISSUE AND DISCUSSION:

This item is before the Oversight Board of the South Tahoe Redevelopment Successor Agency to adopt the attached resolution (Attachment 1) approving the legal documents necessary to move forward with a refunding of callable 1999A, 2003A and 2004A Series Bonds. Adoption of the resolution **does not authorize the financing terms, which will be decided by this board at a later date.** In order to initiate the approval process, this resolution is presented to the Oversight Board following presentation to the Successor Agency on August 5, 2014.

If the attached resolution is adopted by this Board, the request will be forwarded to the Department of Finance. If approved by all agencies, staff will return to the South Tahoe Redevelopment Successor Agency for approval of the refinancing terms. These terms will include the maximum bond size, maximum interest rate, and underwriter's discount.

Financing Team

Prior to moving forward with refunding of the bonds, the City issued a Request for Proposals through Public Finance Management (PFM) in an effort to select a Qualified Firm for the refunding. Responses were received from five firms: Jefferies, Piper Jefferies, Raymond James, Southwest Securities and Stifel (Attachment 3). Based on the criteria of understanding the complexities of refunding bonds in the post-redevelopment era, along with rates, fees and expertise, Stifel, Nicolaus & Company was selected. In addition, Eileen Gallaher, the broker/agent representing Stifel in this transaction has previous experience in financing of the South Lake Tahoe Redevelopment Projects. *"Stifel is a full-service brokerage and investment banking firm, established in 1890 and based in St. Louis, Missouri. The Company provides securities brokerage, investment banking, trading, investment advisory, and related financial services through its wholly owned subsidiaries to individual investors, professional money managers, businesses, and municipalities" www.stifel.com.*

The remainder of the financing team includes Robert Gamble of Public Finance Management, (Project Manager); David Fama of Jones Hall, Teresa Ho-Urano of Richards, Watson, Gershon (Legal Advisors) and Don Fraser of Fraser & Associates (Financial Advisor). Mr. Gamble, Mr. Fama, Ms. Ho-Urano and Mr. Fraser are all experienced with the City of South Lake Tahoe and Former Redevelopment Agency as either members of the original financing team, previous refunding transactions or providing on-going financial expertise (Mr. Fraser provides the Continuing Disclosure Statements for the Bond Holders as principal of Fraser and Associates (1998). These are sole-sourced members of the Finance Team due to their unique knowledge of the local bonds as well as post-redevelopment era financial and legal transaction requirements.

REFUNDING DOCUMENTS:

Attached to this Staff Report are various documents necessary for the refunding transaction. Those documents are briefly described below.

6th Supplemental Trust Agreement (Attachment 4)

The original Trust Agreement was entered into in 1995. The Trust Agreement provides South Tahoe Joint Powers Financing Authority ("Authority") the necessary legal authority to issue bonds and from time to time to refund bonds previously issued. The Original Trust Agreement was later supplemented and amended by the First Supplemental Trust Agreement dated March 1, 1999, the Second Supplemental Trust Agreement, dated as of April 1, 2003, the Third Supplemental Trust Agreement, dated as of September 1, 2004, and the Fourth Supplemental Trust Agreement, dated as of July 1, 2005, and the Fifth Supplemental Loan Agreement, dated as of August 1, 2007, (collectively, and as the same is supplemented and amended hereby and may be supplemented and amended from time to time, the "Trust Agreement"), each by the Authority and the Trustee (as successor trustee).

6th Supplemental Master Tax Allocation Loan Agreement (Attachment 5)

The original Master Tax Allocation Agreement was entered into in 1995 ("Original"). The Original Agreement authorized the Former Redevelopment Agency (South Tahoe Redevelopment Agency, "Agency") to incur the indebtedness as a Loan against the Agency. The Original Agreement was amended and supplemented by the First Supplemental Loan Agreement, dated as of March 1, 1999, the Second Supplemental Loan Agreement, dated as of April 1, 2003, the Third Supplemental Loan Agreement, dated as of September 1, 2004, and the Fourth Supplemental Loan Agreement, dated as of July 1, 2005, and the Fifth Supplemental Loan Agreement, dated as of August 1, 2007, each by and between the Former Agency and the Trustee, as successor trustee.

Amendment No. 2 to the Transient Occupancy Tax Administration Agreement (Attachment 6)

As described earlier in this report and in the Transient Occupancy Tax (TOT) Administration Agreement (Attachment 6), the City of South Lake Tahoe ("City") committed to utilize Transient Occupancy Tax from the Project Area to supplement the bond indebtedness, if Property Tax Increment (TI) and any other revenues are insufficient to cover debt service payments. The City and the Former Redevelopment Agency entered into the Original Agreement ("Original") The Original Agreement was amended and supplemented by the Amendment No. 1, dated as of April 1, 2006. The attached Amendment No. 2 reaffirms the commitment of TOT revenues when property tax increment and other revenues are insufficient for debt service.

6th Supplemental Master Transient Occupancy Tax Loan Agreement (Attachment 7)

The original Master Transient Occupancy Tax Loan Agreement was entered into in 1995 ("Original"). The Original Agreement secures the bonds through a pledge and lien against Transient Occupancy Tax collected by the City of South Lake Tahoe in the redevelopment Project Area, if and when Property Tax Increment revenues or other revenues are insufficient to for debt service. The TOT Loan Agreement is supplemental to the Master Tax Allocation Loan Agreement, dated as of November 1, 1995 (the "Master Loan Agreement"), as amended and supplemented by the First Supplemental Loan Agreement, dated as of March 1, 1999, the Second Supplemental Loan Agreement, dated as of April 1, 2003, the Third Supplemental Loan Agreement, dated as of September 1, 2004, and the Fourth Supplemental Loan Agreement, dated as of July 1, 2005, and the Fifth Supplemental Loan Agreement, dated as of August 1, 2007, each by and between the Former Agency and the Trustee, as successor trustee.

FINANCIAL AND/OR POLICY IMPLICATIONS:

The purpose of refunding the callable bonds is to take advantage of lower interest rates in the current bond market. With over \$135M in outstanding obligations (principal and interest), a lower interest rate will reduce the debt service payment. As noted previously, with a reduction in property values, a lower debt service payment will benefit the taxpayers and the local taxing entities. When Property Tax Increment revenues exceed the amount needed for Enforceable Obligations, the excess is distributed to taxing entities. Given the low current level of interest rates, and the expectation of increasing rates, this appears to be the appropriate time to capture the benefit of this refunding.

As shown below, the gross cash flow savings is estimated at \$3.2M (see Attachment 8, Debt Savings Report).

Estimated Savings Summary

Refunded Series	2009A	2009A	2009A	Total
Refunded Par Amount	\$ 7,690,000	\$ 10,470,000	\$ 10,635,000	\$ 28,795,000
Net PV Savings	670,929	849,429	464,632	1,984,990
% of Refunded Bonds	8.72%	8.11%	4.37%	6.89%
Gross Cash Flow Savings	1,024,437	1,443,272	758,327	3,226,035
Average Annual Savings				
2015-2029	\$ 41,853	\$ 44,933	\$ 29,557	\$ 116,342
2030-2031	198,320	46,741	28,550	273,611
2032-2034	-	225,267	31,650	256,917
2035	-	-	162,925	162,925

SIGNATURES:

By:

And:



 Thomas Watson,
 Attorney for STRSA



 Mark Carlson
 Administrative Services Director for STRSA

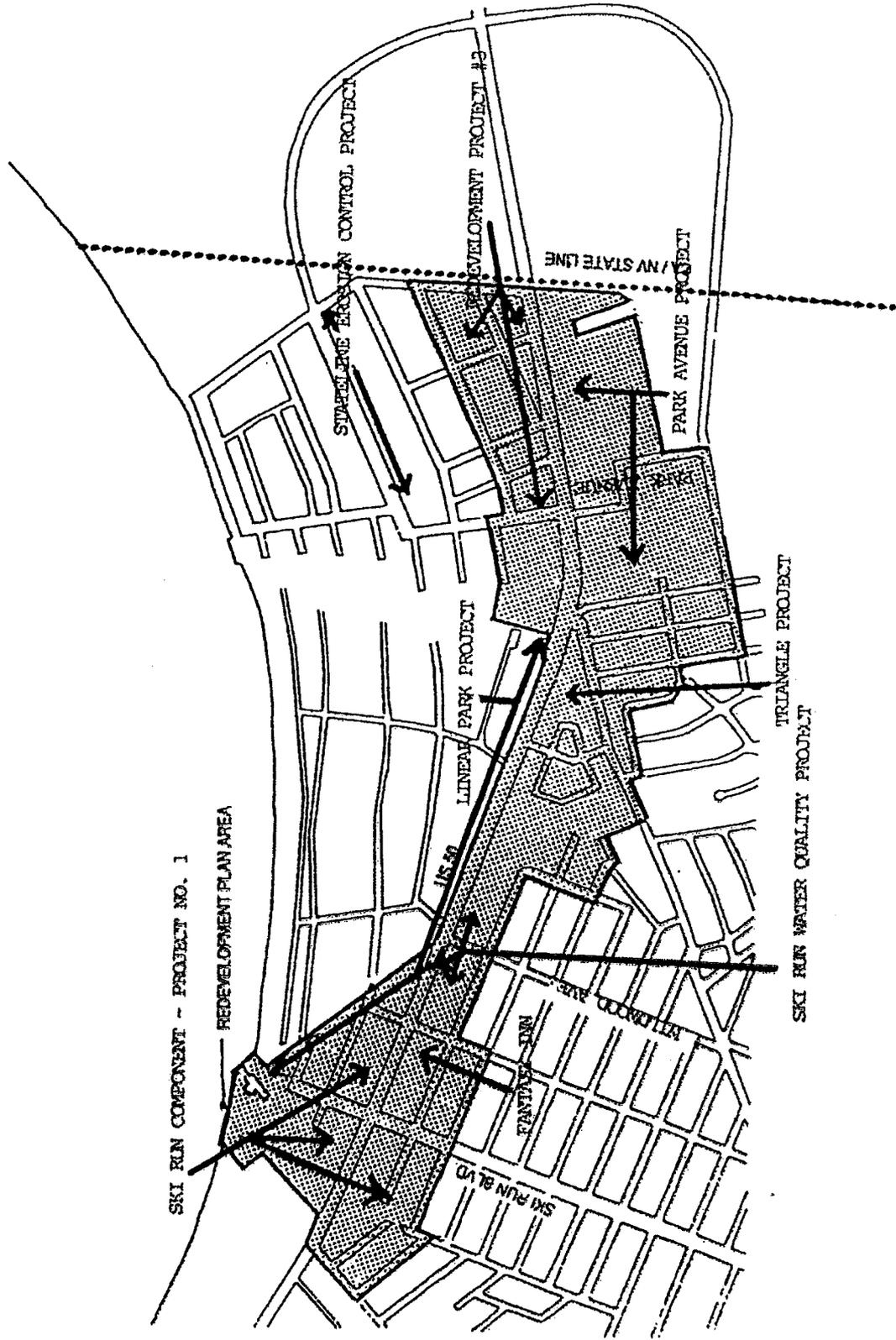
Attachments:

1. Resolution for Adoption
2. Map of Project Area No. 1
3. Analysis of the Request for Proposals
4. 6th Supplemental Trust Agreement
5. 6th Supplemental Master Tax Allocation Loan Agreement
6. Amendment No. 2 to the Transient Occupancy Tax Administration Agreement
7. 6th Supplemental Master Transient Occupancy Tax Loan Agreement
8. Estimated Debt Savings Report, as of July 30, 2014

Attachment 2

Map of Project Area No. 1

REDEVELOPMENT PLAN AREA



SKI RUN CONCEPT - PROJECT NO. 1

REDEVELOPMENT PLAN AREA

US 50

LINEAR PARK PROJECT

VT/NV STATE LINE

PARK AVENUE PROJECT

TRIANGLE PROJECT

SKI RUN WATER QUALITY PROJECT



Attachment 3

Analysis of the Request for Proposals

UNDERWRITER

1. CONTACTS

Team	Contact Name, Title	Contact Information	Contact Name, Title	Contact Information
Team	Lead Banker, Title	Richard Kass, Managing Director (415) 229-1413; rkass@eferies.com	Dennis J. McGuire, Managing Director (916) 361-6570; dennis.mcguire@plc.com	
	Backlog Banker, Title	Mark Curran, Managing Director (415) 470-1720; mcurran@eferies.com	Katherine A. Koster, Managing Director (949) 494-6110; katherine.a.koster@plc.com	
	Support Title	Mat Challis, Senior VP (415) 229-1488; mchallis@eferies.com	Denise J. Rappmund, Vice President (949) 494-6115; denise.rappmund@plc.com	

2. REFERENCES

Three Client References	Contact Title	Contact Information	Contact Title	Contact Information
Three Client References	1 Agency	Nanette Brill, Chief of Debt Management City of Los Angeles (213) 473-7326; nanette.brill@lacity.org	Jeremy Craig, Assistant City Manager Successor Agency to the Redevelopment Agency of the City of Vacaville (707) 449-5104; jrcraig@cityofvacaville.com	
	2 Agency	Santa Jerome-Robinson, Assistant City Manager City of Menlo Park (650) 330-6610; sjerome@robison@menlopark.org	Dan Holter, Former City Manager City of Grass Valley (760) 934-8989; dholter@townofgrassvalley.com	
	3 Agency	Tracy Robinson, Administrative Services Director City of Lafayette (925) 299-3227; trobinson@louisvilleky.gov	Gregory Wade, Assistant City Manager Imperial Beach Redevelopment Agency Successor Agency (619) 429-9770; gwade@imperialbeach.gov	

3. Firm Experience - Successor Agency	Number of Issues	1	25
Financings Since 1/1/2011	Par (in Millions)	\$13.88	\$329.27

4. Firm Experience - Pension Funding Bonds	Number of Issues	0	8
Financings Since 1/1/2009	Par (in Millions)	\$0.0	\$1,768.00

5. Personal Experience	Lead Banker	Richard Kass, Managing Director Unavailable: Team Combined, \$300	Dennis J. McGuire, Managing Director 68: \$25,556
Financings Since 1/1/2011	Types of Financings	GO, TAB, CPD, COPs, General Fund Leases	COPs, GO, Revenue/Lease Revenue, Special Tax/Assessment, TABs, POBs
	Backlog Banker(s)	Mark Curran, Managing Director	Katherine A. Koster, Managing Director
	Number of Issues, Par (in Millions)	Unavailable: Team Combined, \$500	45: \$1,020.2
	Types of Financings	Tax Increment, Multi-Level Secured TABs, Real Estate Mutual Financings	COPs, GO, Revenue/Lease Revenue, Special Tax/Assessment, TABs

SECTION THREE

Successor Agency Refunding Considerations	1. Bonds Refunded	2. Private Placement (PP) v. Public Offering (PO)	3. Private Placement (PP) Viability	4. Debt Service Reserve Fund
1. Bonds Refunded	Series: 1999A, 2003A, 2004A; Total Par: \$28,800M; PV Savings: \$2,990M	Insured public offering favorable for all series	Would need to structure 1999A with reserve fund, on parity with other issues, or as a subordinate obligation	Replace entire party reserve with a surety policy for large cash release
2. Private Placement (PP) v. Public Offering (PO)	Series: 1999A, 2003A, 2004, 2005; Total Par: \$49,210M; PV Savings: \$3,120M	Conduct a formal bid process for potential PP banks	Viability, but may face limited bank audience and unfavorable financing due to rate lock	Provide surety if insurance is also purchased; evaluate pricing effects

5. Bond Insurance	Likely beneficial; will discuss with AGM and BAM throughout	Given AGM's proposed pricing, not recommended if a cash fund reserve is used		
6. Refunding Details (Scales on Sheet Below)	Total Par: \$29,120M; Spreads: 60-140bps; Final Maturity: 10/1/2034	Total Par: \$47,460M; Spreads: 55-140bps; Final Maturity: 10/1/2035		

SECTION FOUR

Pension Funding Bonds Considerations	1. UAAI Refunded	2. Private Placement (PP) v. Public Offering (PO)	3. Private Placement (PP) Viability	4. New CalPERS Assumptions	5. Future CalPERS Assumptions	6. Bond Insurance	7. Refunding Details (Scales on Sheet Below)
1. UAAI Refunded	Total UAAI: \$16,920M; Cashflow Savings: \$1,060M; PV Savings: \$1,120M (9.4%)	PP would result in higher NPV savings of \$1.31M (10.9%)	Not viable; banks may require lease on essential property as security	Longer lifespans and periods of retirement could decrease the City's general fund	A more conservative required rate of return could either decrease the City's general fund burden, or conversely, minimize the benefit of issuing POBs	No clear material benefit	Total Refunding Debt Service: \$15,620M; Spread: 23bps; Final Maturity: 10/1/2024
2. Private Placement (PP) v. Public Offering (PO)	Total UAAI: \$11,352M; PV Savings: 2,020M (17.75%)	Given the most competitive rate obtained, a PP does not offer more savings	Most banks are more interested in a lease structure than a POB	The increase in retirement costs will put stress on budgets and likely result in deficits	May change demographic assumptions as well as the assumed discount rate; will likely increase the interest rates on POB issues	BAM and AGM only interested in lease structure; detailed pricing provided	Spreads: 90-220bps; Final Maturity: 2024

SECTION FIVE

1. Proposed Underwriter's Discount for Successor Agency Refunding Bonds (See Sheet Below)	
1. Proposed Underwriter's Discount for Pension Fund Bonds (See Sheet Below)	

SECTION SIX

SECTION FIVE

1. Contacts

Team	Lead Banker Title	Contact Information	Backup Banker Title	Contact Information	Support Title	Contact Information
	Rob Larkins, Managing Director	(415) 616-8025; rob.larkins@svmonline.com	John Meyer, Vice President	(415) 616-8026; john.meyer@svmonline.com	Parker Colvin, Managing Director - Underwriting	(415) 616-8020; parker.colvin@raymondjames.com
	Mike Gavanagh, Senior Vice President	(760) 632-6824; mgavanagh@wft.com	Robin Thomas, Senior Vice President	(760) 632-1152; robin.thomas@sws.com	Todd Smith, Senior Vice President	(760) 632-1347; tsmith@sws.com

2. References

Agency	Contact Title	Contact Information	Agency	Contact Title	Contact Information
1	City of San Leandro	(510) 577-3389; lmarshall@sanleandro.org	1	Jason Silwell, City Administrator	(831) 620-2000; jsilwell@ci.carmel.ca.us
2	City of Carmel-by-the-Sea	(831) 620-2000; jsilwell@ci.carmel.ca.us	2	Janine Windhausen, Treasurer Tax Collector	(310) 889-4148; jwindst@placer.ca.gov
3	Placer County	(310) 889-4148; jwindst@placer.ca.gov	3	Frank Spevack, City Manager	(760) 777-7000; spevack@placounty.org
	Paul Blumberg, Debt Manager	(916) 617-4572; paul@cityofwestsacramento.org		Mark Alvarado, Administrative Services Director and Deputy City Manager	(626) 932-5550; marvarado@cityofmontevia.ca.us

3. Firm Experience - Successor Agency

Financings Since	Number of Issues	Par (in Millions)	Financings Since	Number of Issues	Par (in Millions)
1/1/2011	27	\$687.37	1/1/2011	10	\$290.16

4. Firm Experience - Prudential Funding Bonds

Financings Since	Number of Issues	Par (in Millions)	Financings Since	Number of Issues	Par (in Millions)
1/1/2009	6	\$121.82	1/1/2009	0	\$0.00

5. Personnel Experience

Lead Banker	Number of Issues	Par (in Millions)	Lead Banker	Number of Issues	Par (in Millions)
Parker Colvin, Managing Director - Underwriting	Senior Managed: 464; \$111.68 Co-Managed: 79; \$23.51B		Mike Gavanagh, Senior Vice President	48; \$84.47	
Rob Larkins, Managing Director	TABs, CFBs, GO, Water/Sewer Revenues, COPS, LRBs, TRAVs		Robin Thomas, Senior Vice President	28; \$467.54	
Senior Managed: 28; \$3.14B Co-Managed: 48; \$33.67B					
POBs, GO, Water/Sewer Revenues, COPS, LRBs, TRAVs					

Successor Agency Relationship Considerations

1. Bonds Refunded	Series	1999A, 2003A, 2004A, 2005A, Total Par: \$42.373M, PV Savings: \$4.143M	Series	1999A, 2003A, 2004, 2005, Total Par: \$34.41M, PV Savings: \$2.343M
2. Private Placement (PP) v. Public Offering (PO)	Credit will get better execution in PO	Bank active in PPs of lower investment grades are getting full transaction likely too large/long	Hybrid: refund matures out to 2030 via PP; refund 2031-2034 via PO	BB VA has given preliminary consent and a rate indication for a PP
3. Private Placement (PP) Viability	Fully fund reserve, sized at standard "lesser of three tests", surety in a Supplemental Indenture	Surety could provide up to \$155k/year in additional cashflow savings		

SECTION FOUR

5. Bond Insurance	AGM quoted 175-200bps premium (3.5-4.5% for surety); currently uneconomic	Private AG and BAVM; up to 20bps of interest rate savings and potential reserve replacement
6. Refunding Details (Scales on Sheet Below)	Total Par: \$40.53M; Spreads: 40-140bps; Final Maturity: 10/1/2037	Total Par: \$33.58M; Spreads: 55-135bps; Final Maturity: 10/1/2035

SECTION THREE

1. UAAL Refunded	Total UAAL: \$18.47M; Cashflow Savings: \$3.38M; PV Savings: \$2.57M (22.12%)	Will consult Unique Bank and Bond of Nevada no recent PO POBs in market
2. Private Placement (PP) v. Public Offering (PO)	Credit will get better execution in public offering	Unavailable
3. Private Placement (PP) Viability	Variable option, but a PO will generate the greatest savings	Unavailable
4. New CALPERS Assumptions	Will impact future Normal Cost contribution rates, but will not impact Side Fund UAAL	Unavailable; need to consult with actuary
5. Future CALPERS Assumptions	Proposing change from percentage of payroll to dollar-based amortization table; City should request a dollar-based status quo amortization schedule	Unavailable; City should engage a third party consultant to review
6. Bond Insurance	Neither BAVM nor AGM will insure POBs unless structured as taxable LRBs	PO will not be received well in the market; do not recommend insurance
7. Refunding Details (Scales on Sheet Below)	Total Refunding Debt Service: \$15.09M; Spreads: 60-185bps; Final Maturity: 9/1/2026	Unavailable

SECTION TWO

1. Proposed Underwriter's Discount for Successor Agency Refunding Bonds (See Sheet Below)	1. Proposed Underwriter's Discount for Pension Fund Bonds (See Sheet Below)

SECTION TWO

1. Contacts

Lead Banker, Title	Eileen Gallagher, Managing Director
Contact Information	(415) 364-6829; egallagher@stifel.com
Backup Banker, Title	Dane Kopinski, Assistant Vice President
Contact Information	(415) 364-5967; dkopinski@stifel.com
Support, Title	Betsy Klein, Lead Underwriter
Contact Information	(415) 364-2791; bklein@stifel.com

2. References

Contact, Title	Julia Cooper, Finance Director
Agency	City of San Jose
Contact Information	(408) 535-7011; julia.cooper@sanjoseca.gov
Contact, Title	Kristen Lacey, Community Development Debt Manager
Agency	Contra Costa County
Contact Information	(925) 674-7888; kristen.lacey@cdcl.coconomy.us
Contact, Title	Chris Marx, County Debt Manager
Agency	Sacramento County
Contact Information	(916) 874-5239; marxcr@sacounty.net

3. Firm Experience - Successor Agency

Financings Since	Number of Issues	66
1/1/2011	Par (In Millions)	\$1,461.42

4. Firm Experience - Pension Funding Bonds

Financings Since	Number of Issues	11
1/1/2009	Par (In Millions)	\$230.63

5. Personal Experience

Lead Banker	Eileen Gallagher, Managing Director
Number of Financings	27; \$1,027
Types of Financings	Enterprise Revenue, TABs, Lease Revenue, Special Tax, Tax and Revenue Anticipation Notes
Backup Banker(s)	Betsy Klein, Lead Underwriter
Number of Issues; Par (In Millions)	200/year; \$3,500/year
Types of Financings	Unavailable

SECTION THREE

Successor Agency Refunding Considerations

1. Bonds Refunded
2. Private Placement (PP) v. Public Offering (PO)
3. Private Placement (PP) Viability
4. Debt Service Reserve Fund

BAM underwritten due to hybrid pledge. AG quoted 175-200bps premium; surety more beneficial.
 Total Par: \$28,54M; Spreads: 50-135bps; Final Maturity: 10/1/2034

SECTION FOUR

Pension Funding Bonds Considerations

1. UAAI Refunded
2. Private Placement (PP) v. Public Offering (PO)
3. Private Placement (PP) Viability
4. New CALPERS Assumptions
5. Future CALPERS Assumptions
6. Bond Insurance
7. Refunding Details (Scales on Sheet Below)

Total UAAI: \$18,96M; Cashflow Savings: \$2,63M; PV Savings: \$1,95M (17.27%)
 Banks not in position to bid on POBS; unsecured nature of POBS is a main concern
 Need to gauge interest; option to structure as taxable lease instead of taxable POB
 If changes result in higher employer contributions, budget adjustments will be required
 May lower actuarial investment return assumptions, which would lower savings for POBS; changes in payroll growth assumptions would have opposite effect
 Neither BAM nor AGM will insure POBS unless structured as taxable LRBS
 Total Par: \$11,53M; Treasury Spreads: 45-220bps; Final Maturity: 9/1/2026

SECTION FIVE

1. Proposed Underwriter's Discount for Successor Agency Refunding Bonds (See Sheet Below)

SECTION SIX

1. Proposed Underwriter's Discount for Pension Fund Bonds (See Sheet Below)

City of South Lake Tahoe, California
 Summary of Underwriter Responses to Request for Proposals
SECTION THREE.6. Tax Allocation Bonds Tax-Exempt Scale

Maturity	AAA AA1 AA2 BBB+	Estimates		Paper Entry		Raymond James		Southwest Securities		S&P		Spread						
		Yield	Spread	Yield	Spread	Yield	Spread	Yield	Spread	Yield	Spread	Minimum	Maximum					
2015	0.15%	0.750%	0.600%	3.000%	0.700%	0.550%	2.000%	0.550%	0.400%	3.000%	0.700%	0.550%	2.000%	0.650%	0.500%	0.400%	0.520%	0.600%
2016	0.35%	1.000%	0.650%	4.000%	1.000%	0.650%	4.000%	0.950%	0.600%	3.000%	1.000%	0.650%	3.000%	0.950%	0.600%	0.600%	0.630%	0.650%
2017	0.62%	1.120%	0.500%	4.000%	1.470%	0.850%	4.000%	1.420%	0.800%	4.000%	1.470%	0.850%	4.000%	1.320%	0.700%	0.500%	0.740%	0.850%
2018	0.90%	1.800%	0.900%	5.000%	1.900%	1.000%	5.000%	1.800%	0.900%	4.000%	1.850%	0.950%	5.000%	1.700%	0.800%	0.800%	0.910%	1.000%
2019	1.15%	2.050%	0.900%	5.000%	2.250%	1.100%	5.000%	2.150%	1.000%	4.000%	2.200%	1.050%	5.000%	2.050%	0.900%	0.900%	0.990%	1.100%
2020	1.47%	2.620%	1.150%	5.000%	2.620%	1.150%	5.000%	2.570%	1.100%	5.000%	2.620%	1.150%	5.000%	2.470%	1.000%	1.000%	1.110%	1.150%
2021	1.74%	2.940%	1.200%	5.000%	2.940%	1.200%	5.000%	2.890%	1.150%	5.000%	2.940%	1.200%	5.000%	2.790%	1.050%	1.050%	1.160%	1.200%
2022	1.95%	3.200%	1.250%	5.000%	3.200%	1.250%	5.000%	3.150%	1.200%	5.000%	3.200%	1.250%	5.000%	3.050%	1.100%	1.100%	1.210%	1.250%
2023	2.13%	3.480%	1.350%	5.000%	3.430%	1.300%	5.000%	3.380%	1.250%	5.000%	3.430%	1.300%	5.000%	3.280%	1.150%	1.150%	1.270%	1.300%
2024	2.27%	3.670%	1.400%	5.000%	3.620%	1.350%	5.000%	3.570%	1.300%	5.000%	3.570%	1.300%	5.000%	3.470%	1.200%	1.200%	1.310%	1.400%
2025	2.40%	3.800%	1.400%	5.000%	3.800%	1.400%	5.000%	3.750%	1.350%	5.000%	3.700%	1.300%	5.000%	3.650%	1.250%	1.250%	1.340%	1.400%
2026	2.52%	3.920%	1.400%	5.000%	3.920%	1.400%	5.000%	3.920%	1.400%	5.000%	3.870%	1.350%	5.000%	3.820%	1.300%	1.300%	1.370%	1.400%
2027	2.64%	4.040%	1.400%	5.000%	4.040%	1.400%	5.000%	4.040%	1.400%	5.000%	3.990%	1.350%	5.000%	3.990%	1.350%	1.350%	1.380%	1.400%
2028	2.75%	4.050%	1.300%	5.000%	4.150%	1.400%	5.000%	4.150%	1.400%	5.000%	4.100%	1.350%	5.000%	4.100%	1.350%	1.300%	1.360%	1.400%
2029	2.84%	4.140%	1.300%	5.000%	4.290%	1.450%	5.000%	4.240%	1.400%	5.000%	4.190%	1.350%	5.000%	4.190%	1.350%	1.300%	1.370%	1.450%
2030	2.92%			5.000%	4.320%	1.400%	5.000%	4.320%	1.400%	5.000%	4.270%	1.350%	5.000%	4.270%	1.350%	1.350%	1.375%	1.400%
2031	3.00%			5.000%	4.400%	1.400%	5.000%	4.400%	1.400%	5.000%	4.350%	1.350%				1.350%	1.383%	1.400%
2032	3.09%	4.350%	1.260%	5.000%	4.490%	1.400%	5.000%	4.490%	1.400%	5.000%	4.440%	1.350%				1.260%	1.353%	1.400%
2033	3.16%			5.000%	4.560%	1.400%	5.000%	4.560%	1.400%	5.000%	4.510%	1.350%				1.350%	1.383%	1.400%
2034	3.22%	4.500%	1.280%	5.000%	4.620%	1.400%	5.000%	4.620%	1.400%	5.000%	4.570%	1.350%	4.250%	4.570%	1.350%	1.280%	1.356%	1.400%
2035	3.27%			5.000%	4.670%	1.400%				5.000%	4.620%	1.350%				1.350%	1.375%	1.400%
2036	3.32%																	
2037	3.37%						5.000%	4.770%	1.400%									
2038	3.41%																	
2039	3.44%																	
2040	3.46%																	
2041	3.48%																	
2042	3.50%																	
2043	3.51%																	
2044	3.52%																	

Notes
 Include a cash funded reserve fund

City of South Lake Tahoe, California
 Summary of Underwriter Responses to Request for Proposals
 SECTION FOUR.7. Pension Obligation Bonds Taxable Scale

Maturity	Jefferies			PiperJaffray			Raymond James			Southwest Securities			Stifel			Spread		
	US TSY Rate	Coupon /Yield	Spread	US TSY Rate	Coupon /Yield	Spread	US TSY Rate	Coupon /Yield	Spread	US TSY Rate	Coupon /Yield	Spread	US TSY Rate	Coupon /Yield	Spread	Minimum	Average	Maximum
2015				0.200%	1.100%	0.900%	0.160%	0.760%	0.600%				0.390%	0.840%	0.450%	0.450%	0.650%	0.900%
2016				0.399%	1.649%	1.250%	0.390%	0.990%	0.600%				0.390%	1.190%	0.800%	0.600%	0.883%	1.250%
2017				0.910%	2.160%	1.250%	0.900%	1.550%	0.650%				0.900%	1.800%	0.900%	0.650%	0.933%	1.250%
2018				1.734%	2.734%	1.000%	1.310%	2.010%	0.700%				1.720%	2.420%	0.700%	0.700%	0.800%	1.000%
2019				1.734%	3.084%	1.350%	1.720%	2.670%	0.950%				1.720%	2.990%	1.270%	0.950%	1.190%	1.350%
2020				2.304%	3.654%	1.350%	2.300%	3.000%	0.700%				2.290%	3.460%	1.170%	0.700%	1.073%	1.350%
2021				2.304%	4.004%	1.700%	2.300%	3.300%	1.000%				2.290%	3.840%	1.550%	1.000%	1.417%	1.700%
2022				2.722%	4.522%	1.800%	2.720%	3.670%	0.950%				2.720%	4.120%	1.400%	0.950%	1.383%	1.800%
2023				2.722%	4.722%	2.000%	2.720%	3.970%	1.250%				2.720%	4.320%	1.600%	1.250%	1.617%	2.000%
2024	2.730%	5.230%	2.500%	2.722%	4.922%	2.200%	2.720%	4.370%	1.650%				2.720%	4.520%	1.800%	1.650%	2.038%	2.500%
2025							2.720%	4.470%	1.750%				2.720%	4.720%	2.000%	1.750%	1.875%	2.000%
2026							2.720%	4.570%	1.850%				2.720%	4.920%	2.200%	1.850%	2.025%	2.200%
2027																		
2028																		
2029																		
2030																		
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2043																		
2044																		

Notes

Include a cash funded reserve fund

Does not recommend a public offering

City of Southlake Tahoe, California
 Summary of Underwriter Responses to Request for Proposals

Station Five
 Successor Agency Refunding Bonds: Underwriter's Discount and Placement Agent Fee Assuming a \$30 Million Per Amount

Item	Underwriter's Discount		Placement Agent Fee		Underwriter's Discount		Placement Agent Fee	
	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount
Management Fee	\$2,100	\$62,863.00	\$0.000	\$0.00	\$0.000	\$0.00	\$0.000	\$0.00
Average Takedown	\$0,520	\$15,716.00	\$5,390	\$161,616.00	\$3,721	\$111,627.50	\$4,48	\$134,400
Expenses (excluding counsel)	\$0,130	\$3,921.00	\$0,300	\$8,889.00	\$0,241	\$7,233.00	\$0,30	\$9,000
Estimated Underwriter's Counsel Fee	\$0,250	\$7,500.00	\$0,250	\$7,500.00	\$0,333	\$10,000.00	\$0,83	\$25,000
Total	\$3,000	\$90,000.00	\$5,940	\$178,005.00	\$4,295	\$128,860.50	\$5,610	\$168,400.00
Difference from Average Fee		(\$1,83)	\$1.09	\$32,473.60	(\$0.56)	(\$16,670.90)	\$0.76	\$22,868.60
								\$0.56
								\$16,860.10

Item	Advices		Type of Maturity		Estimated Dates		Number of Takedowns		Notes		
	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount	Spec Bond	Total \$ Amount			
Placement Agent Fee	-	-	\$1,500	\$45,000.00	-	-	\$2,000	\$60,000.00	- Proposed takedowns by maturity are provided		
Estimated Counsel Fee	-	-	\$0,180	\$5,500.00	-	-	\$0,000	\$0	- Proposed takedowns by maturity are provided		
Total	-	-	\$1,680	\$50,500.00	-	-	\$2,000	\$60,000.00	\$2,500	\$75,000.00	
Difference from Average Fee				(\$0.39)		(\$1,333.33)		(\$0.06)		\$0.44	\$13,166.67
									- Do not propose to provide private placement agent services		
									- Do not propose to provide private placement agent services		

Assumes Raymond James as sole manager
 Assumes the City hires a separate Disclosure Counsel
 Proposed takedowns by maturity are provided
 On the proposed hybrid structure, the average takedown is \$5,000/Bond
 Assumes Stifel as sole manager
 Proposed takedowns by maturity are provided

City of South Lake Tahoe, California
 Summary of Underwriter Responses to Request for Proposals

Section 616
 Pension Fund Bonds: Underwriter's Discount and Placement Agent Fee Assuming a \$11.9 Million Par Amount

Items	Underwriter's Discount		Placement Agent Fee		Revenue		Net	
	\$ per bond	Total's Amount	\$ per bond	Total's Amount	\$ per bond	Total's Amount	\$ per bond	Total's Amount
Management Fee	\$1,040	\$12,417.00	\$0.000	\$0.00	\$0.000	\$0.00	\$0.000	\$0.00
Average Takedown	\$4,180	\$49,670.00	\$4,040	\$48,111.25	\$2,195	\$26,123.75	\$3,672	\$43,700.00
Expenses (excluding counsel)	\$0.150	\$1,813.00	\$0.490	\$5,843.28	\$0.506	\$6,018.00	\$0.471	\$5,608.21
Estimated Underwriter's Counsel Fee	\$0.630	\$7,500.00	\$0.420	\$5,000.00	\$0.840	\$10,000.00	\$0.630	\$7,500.00
Total	\$6,000	\$71,400.00	\$4,950	\$58,954.53	\$3,541	\$42,141.75	\$4,773	\$56,808.21
Difference from Average Fee	\$1,184	\$14,073.88	\$0,134	\$1,628.41	(\$1,275)	(\$15,184.37)	(\$0,043)	(\$517.91)

Items	Notes
	- Assumes Raymond James as sole manager - Assumes the City hires a separate Disclosure Counsel
	- Assumes Strife as sole manager - Proposed takedowns by maturity are provided

Items	Hires		Price Difference		Revenue		Net	
	\$ per bond	Total's Amount	\$ per bond	Total's Amount	\$ per bond	Total's Amount	\$ per bond	Total's Amount
Placement Agent Fee	\$2,900	\$35,000.00	\$2,940	\$35,000.00	\$2,000	\$23,800.00	\$2,101	\$25,000.00
Estimated Counsel Fee	\$0.170	\$2,000.00	\$0.290	\$3,500.00	\$0.000	\$0.00	\$0.000	\$0.00
Total	\$3,070	\$37,000.00	\$3,230	\$38,500.00	\$2,000	\$23,800.00	\$2,101	\$25,000.00
Difference from Average Fee	\$0,470	\$5,925.00	\$0,630	\$7,425.00	(\$0,600)	(\$7,275.00)	(\$0,499)	(\$6,075.00)

Items	Notes
	- Do not propose to provide private placement agent services

Attachment 4

6th Supplemental Trust Agreement

Sixth Supplemental Trust Agreement

by and between

South Tahoe Joint Powers Financing Authority

and

**The Bank of New York Mellon Trust Company, N.A.,
as Trustee**

Dated as of _____ 1, 2014

relating to

\$ _____

South Tahoe Joint Powers Financing Authority
Refunding Revenue Bonds
(South Tahoe Redevelopment Project Area No. 1)
2014 Series A

(Supplemental to the Trust Agreement, dated as of November 1, 1995)

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EXHIBIT A	- FORM OF 2014 SERIES A BOND

SIXTH SUPPLEMENTAL TRUST AGREEMENT

This Sixth Supplemental Trust Agreement, dated as of _____ 1, 2014 (this "Sixth Supplemental Trust Agreement"), is entered into by and between the South Tahoe Joint Powers Financing Authority (the "Authority, a public body, corporate and politic, organized and existing by virtue of the laws of the State of California (the "Authority") and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the United States of America, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, this Sixth Supplemental Trust Agreement is supplemental to the Trust Agreement, dated as of November 1, 1995, as supplemented and amended by the First Supplemental Trust Agreement, dated as of March 1, 1999, the Second Supplemental Trust Agreement, dated as of April 1, 2003, the Third Supplemental Trust Agreement, dated as of September 1, 2004, the Fourth Supplemental Trust Agreement, dated as of July 1, 2005, and the Fifth Supplemental Trust Agreement, dated August 1, 2007 (collectively, and as the same is supplemented and amended hereby and may be supplemented and amended from time to time, the "Trust Agreement"), each by the Authority and the Trustee (as successor trustee); and

WHEREAS, pursuant to the Trust Agreement and the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, and all laws amendatory thereof and supplemental thereto) (the "Act"), the Authority previously issued bonds including the following: (i) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 1999 Series A (the "1999 Series A Bonds"), (ii) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2003 Series A (the "2003 Series A Bonds"), (iii) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2004 Series A (the "2004 Series A Bonds"), (iv) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2005 Series A (the "2005 Series A Bonds"), and (v) Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2007 Series A (the "2007 Series A Bonds"); and

WHEREAS, the Trust Agreement provides that the Authority may issue additional bonds from time to time pursuant to refund bonds previously issued under the Trust Agreement; and

WHEREAS, in accordance with the Act and the Trust Agreement, the Authority has determined to issue its Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A (the "2014 Series A Bonds"), in the aggregate principal amount of \$_____, in order to refund [all of the remaining outstanding 1999A Series A Bonds, 2003 Series A Bonds and 2004 Series A Bonds][a portion of the remaining outstanding 1999A Series A Bonds, 2003 Series A Bonds and 2004 Series A Bonds as follows: _____]; and

WHEREAS, all conditions for the issuance of the 2014 Series A Bonds under the Trust Agreement (including, without limitation, all requirements contained in Article III of the Trust Agreement) have been satisfied; and

WHEREAS, the Authority has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with

the execution and the entering into of this Sixth Supplemental Trust Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Sixth Supplemental Trust Agreement;

NOW, THEREFORE, the parties hereto agree, as follows:

**ARTICLE XXIX
DEFINITIONS; TERMS OF 2014 SERIES A BONDS**

SECTION 29.01 Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of the Trust Agreement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. The terms "Agency," "Information Services," and "Trustee" is hereby amended for all purposes of the Trust Agreement as set forth below. Other capitalized terms used herein and not defined herein shall have the meanings ascribed to such terms in Section 1.01 of the Trust Agreement.

Agency means: (i) with respect to actions taken prior to February 1, 2012, the South Tahoe Redevelopment Agency, and (ii) for all purposes on or after February 1, 2012, the Successor Agency to the South Tahoe Redevelopment Agency, as the successor to the South Tahoe Redevelopment Agency pursuant to the Dissolution Act.

Closing Date means, with respect to the 2014 Bonds, _____, 2014.

Dissolution Act means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as heretofore amended and as the same may be further amended from time to time.

Information Services means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board, at www.emma.msrb.org; provided, however, in accordance with then current guidelines of the Securities and Exchange Commission, Information Services shall mean such other facilities or organizations providing information with respect to called bonds as may be designated by the Authority to the Trustee in writing.

2014 Bond Insurance Policy means the financial guaranty insurance policy issued by the 2014 Bond Insurer insuring the payment when due of principal of and interest on the 2014 Series A Bonds as provided therein.

2014 Bond Insurance Trustee means _____, as insurance trustee for the 2014 Bond Insurer or any successor insurance trustee as designated by the 2014 Bond Insurer.

2014 Bond Insurer means _____, and any successor thereto or assignee thereof.

2014 Escrow Agreement means that certain Escrow Agreement, dated as of _____ 1, 2014, by and among the Authority, the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as escrow agent, providing for the refunding of the 1999A Series A Bonds, 2003 Series A Bonds and 2004 Series A Bonds.

2014 Escrow Fund means that the fund designated the “Escrow Fund” established pursuant to the 2014 Escrow Agreement.

2014 Series A Bonds means the South Tahoe Joint Powers Financing Authority Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A, issued in accordance with the provisions hereof.

2014 Series A Continuing Disclosure Agreement means that certain Continuing Disclosure Agreement, dated as of _____ 1, 2014, by and between the Agency and The Bank of New York Mellon Trust Company, in its capacities as Trustee and as the Dissemination Agent (as defined therein), as originally executed and as it may be amended from time to time in accordance with the terms thereof.

2014 Series A 20__ Term Bonds means the 2014 Series A Term Bonds maturing on October 1, 20__.

2014 Series A 20__ Term Bonds means the 2014 Series A Term Bonds maturing on October 1, 20__.

SECTION 29.02 Authorization and Terms of 2014 Series A Bonds.

(a) The Authority hereby authorizes the issuance of a series of Bonds in the principal amount of _____ Dollars (\$_____) in accordance with the Act and pursuant to the Trust Agreement for the purpose of financing and refinancing a portion of the costs of the Project. Said Series of Bonds shall be known as the Authority’s Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A.

(b) The 2014 Series A Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC, and shall be evidenced by one 2014 Series A Bond, maturing on each of the maturity dates as set forth below in this subsection, in a denomination corresponding to the total principal amount of the 2014 Series A Bonds to mature on such date. The Trustee shall assign a letter or number or a combination thereof to each 2014 Series A Bond to distinguish it from other 2014 Series A Bonds. Registered ownership of the 2014 Series A Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 29.07.

The 2014 Series A Bonds shall be dated the Closing Date, shall bear interest from their dated date at the following rates per annum and shall mature on October 1 in the following years and in the following amounts:

<u>Maturity Date (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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The 2014 Series A Bonds shall bear interest from the interest payment date next preceding the date of authentication thereof, unless such date of authentication is a day during the period from the sixteenth day of the month next preceding any interest payment date to such interest payment date, inclusive, in which event they shall bear interest from such interest payment date, or unless such date of authentication is on or before March 15, 2015 in which event they shall bear interest from the Closing Date; provided, however, that if at the time of authentication of any 2014 Series A Bond interest is then in default on the Outstanding 2014 Series A Bonds, such 2014 Series A Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the Outstanding 2014 Series A Bonds. Payment of interest on the 2014 Series A Bonds due on or before the maturity or prior redemption thereof shall be made to the person whose name appears in the 2014 Series A Bonds registration books kept by the Trustee pursuant to Section 2.08 as the registered owner thereof as of the close of business on the fifteenth day of the month immediately preceding an interest payment date, whether or not such day is a Business Day.

Interest on the 2014 Series A Bonds shall be payable on April 1, 2015 and semiannually thereafter on October 1 and April 1 of each year, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Subject to Section 29.07, interest, premium, if any, on and principal of the 2014 Series A Bonds shall be payable as follows: (i) interest on the 2014 Series A Bonds shall be paid to Holders thereof by check mailed on the applicable Interest Payment Date by first class mail, or upon the written request of any Holder of \$1,000,000 or more in aggregate principal amount of 2014 Series A Bonds as of the close of business on the fifteenth day of the calendar month immediately preceding such interest payment date who has provided the Trustee with wire transfer instructions, by wire transfer to an account within the United States on each payment date; and (ii) principal and premium, if any, on the 2014 Series A Bonds shall be payable when due upon presentation and surrender thereof at the Corporate Trust Office of the Trustee in lawful money of the United States of America.

The provisions of Sections 2.05, 2.06, 2.07, 2.08, 2.09 and 2.10 are hereby incorporated and made a part hereof, except substituting all instances of "1995 Series B Bonds" with "2014 Series A Bonds"; provided, however, that the application of such sections shall be subject to Section 29.07.

SECTION 29.03 Form of 2014 Series A Bonds. The 2014 Series A Bonds and the certificate of authentication and registration to be executed thereon shall be in substantially the form set forth as Exhibit A to this Sixth Supplemental Trust Agreement. The 2014 Series A Bond numbers, maturity dates and interest rates shall be inserted therein in conformity with Section 25.02.

SECTION 29.04 Issuance of 2014 Series A Bonds. On the Closing Date for the 2014 Series A Bonds, the Authority shall execute, and the Trustee shall authenticate and deliver the 2014 Series A Bonds, in an aggregate principal amount of \$_____ to the initial purchaser thereof.

SECTION 29.05 Application of Proceeds of 2014 Series A Bonds. The proceeds of the sale of the 2014 Series A Bonds in the amount of \$_____ (representing the par amount of the 2014 Series A Bonds, [plus/minus] a net original issue [premium/discount] of \$_____, less an underwriter's discount of \$_____ and less the insurance premium of \$_____ wired by the underwriter of the 2014 Series A Bonds to the 2014 Bond Insurer at the Authority's request) shall be deposited with the Trustee and shall be held in trust and set aside by the Trustee as follows:

(a) The Trustee shall deposit \$_____ in the Reserve Account (created by Section 4.03(c) of the Trust Agreement, as amended by Section 13.01 of the First Supplemental Trust Agreement), representing the amount necessary to increase the balance in the Reserve Account to the Reserve Account Requirement upon the issuance of the 2014 Series A Bonds (which is \$_____).

(b) The Trustee shall deposit in the 2014 Series A Costs of Issuance Fund, which is established pursuant to Section 29.06, \$_____ to pay for costs of issuing the 2014 Series A Bonds.

(c) The Trustee shall deposit in the 2014 Escrow Fund (established pursuant to the 2014 Escrow Agreement) \$_____ for the defeasance and redemption of the remaining outstanding 1999A Series A Bonds, 2003 Series A Bonds and 2004 Series A Bonds.

The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such transfers.

SECTION 29.06 Establishment of 2014 Series A Costs of Issuance Fund. There is hereby established and maintained with the Trustee a fund designated as the "2014 Series A Costs of Issuance Fund." Amounts in the 2014 Series A Costs of Issuance Fund shall be disbursed by the Trustee to pay for Costs of Issuance in connection with issuance of the 2014 Series A Bonds upon a Written Request of the Authority. Each such Written Request of the Authority shall be numbered sequentially and shall state the name of each payee and the purpose for each payment and shall further state that such costs have not previously been paid. Each Written Request of the Authority submitted by the Authority to the Trustee shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. Any amounts remaining in the 2014 Series A Costs of Issuance Fund

after 180 days after the date of issuance of the 2014 Series A Bonds shall be transferred to the Revenue Fund.

SECTION 29.07 Use of Depository. Notwithstanding any provision of the Trust Agreement, including this Sixth Supplemental Trust Agreement, to the contrary:

(a) The 2014 Series A Bonds shall be initially issued as provided in Section 22.02. Payment of the interest on any 2014 Series A Bond registered in the name of Cede & Co. shall be made on each interest payment date to the account, in the manner and at the address indicated in or pursuant to the Representation Letter.

(b) Upon initial issuance of the 2014 Series A Bonds, the ownership of all such 2014 Series A Bonds shall be registered in the registration records maintained by the Trustee pursuant to Section 2.08 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC shall request pursuant to the Representation Letter. The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the 2014 Series A Bonds registered in its name for the purposes of payment of the principal of and interest on such 2014 Series A Bonds, giving any notice permitted or required to be given to Holders of 2014 Series A Bonds under the Trust Agreement, registering the transfer of Bonds, obtaining any consent or other action to be taken by Holders of the 2014 Series A Bonds and for all other purposes whatsoever; and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly or indirectly own DTC), any person claiming a beneficial ownership interest in the 2014 Series A Bonds under or through DTC or any Participant, or any other person which is not shown on the registration records as being a Holder of 2014 Series A Bonds, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal of or interest on the 2014 Series A Bonds, (iii) any notice which is permitted or required to be given to Holders of 2014 Series A Bonds under the Trust Agreement, or (iv) any consent given or other action taken by DTC as a Holder of 2014 Series A Bonds. The Trustee shall pay all principal of and interest on the 2014 Series A Bonds only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to the principal of and interest on the 2014 Series A Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the 2014 Series A Bonds will be transferable to such new nominee in accordance with subsection (f) of this Section.

(c) In the event that the Authority determines that it is in the best interests of the beneficial owners of the 2014 Series A Bonds that all beneficial owners be able to obtain bond certificates, the Trustee shall, upon the written instruction of the Authority, so notify DTC of the availability of bond certificates. In such event, the 2014 Series A Bonds will be transferable in accordance with subsection (f) of this Section. DTC may determine to discontinue providing its services with respect to the 2014 Series A Bonds at any time by giving written notice of such discontinuance to the Authority and the Trustee and discharging its

responsibilities with respect thereto under applicable law. In such event, the 2014 Series A Bonds will be transferable in accordance with subsection (f) of this Section. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all certificates evidencing the 2014 Series A Bonds then Outstanding. In such event, the 2014 Series A Bonds will be transferable to such securities depository in accordance with subsection (f) of this Section, and thereafter, all references in the Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of the Trust Agreement to the contrary, so long as all 2014 Series A Bonds Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal of and interest on each such 2014 Series A Bond and all notices with respect to each such 2014 Series A Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Trustee is hereby authorized and requested to follow the procedures of DTC and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under the Trust Agreement.

(f) In the event that any transfer or exchange of 2014 Series A Bonds is authorized under subsection (b) or (c) of this Section, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the 2014 Series A Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the provisions of Sections 2.06 and 2.07 of the Trust Agreement. In the event bond certificates are issued to Holders other than Cede & Co., its successor as nominee for DTC as holder of all the 2014 Series A Bonds, another securities depository as holder of all the 2014 Series A Bonds, or the nominee of such successor securities depository, the provisions of Section 2.06 and Section 2.07 of the Trust Agreement shall also apply to, among other things, the registration, exchange and transfer of the 2014 Series A Bonds and the method of payment of principal of and interest on the 2014 Series A Bonds.

SECTION 29.08 Establishment of 2014 Series A Rebate Fund. The Authority shall establish and maintain a fund to be held by the Trustee separate from any other fund established and maintained hereunder designated the 2014 Series A Rebate Fund. Subject to a tax certificate dated the date of and prepared in connection with the issuance of the 2014 Series A Bonds, as such tax certificate may be amended and supplemented from time to time (the "2014 Series A Tax Certificate"), moneys held in the 2014 Series A Rebate Fund are hereby pledged to secure payments to the United States of America required by the 2014 Series A Tax Certificate, and the Authority or the Holders shall have no rights in or claim to such moneys. The Authority specifically covenants that the Authority will comply with such 2014 Series A Tax Certificate and will pay or cause to be paid to the United States of America the Rebate Amount as such term is used in such 2014 Series A Tax Certificate at the times and in the amounts determined therein. All amounts deposited into or on deposit in the 2014 Series A Rebate Fund shall be governed by the provisions of this Section and the 2014 Series A Tax Certificate (which is incorporated herein by reference). The Trustee shall be deemed conclusively to have complied with such

provisions if it follows the written directions of the Authority including supplying all necessary information in the manner provided in the 2014 Series A Tax Certificate and shall not be required to take any action thereunder in the absence of written directions by the Authority. The covenants of the Authority contained in Section 5.03 of the Trust Agreement are hereby made applicable to the 2014 Series A Bonds.

SECTION 29.09 Investments of Funds and Accounts. The Trustee shall invest moneys on deposit in the funds and accounts created hereunder from time to time in accordance with Section 4.04 of the Trust Agreement and a Written Request of the Authority. Investment earnings on such investments shall be deposited into the Revenue Fund.

ARTICLE XXX REDEMPTION OF 2014 SERIES A BONDS

SECTION 30.01 Optional Redemption of 2014 Series A Bonds. The 2014 Series A Bonds maturing on or before October 1, [2024] are not subject to optional redemption prior to their maturity. The 2014 Series A Bonds maturing on or after October 1, [2025] are subject to redemption prior to their maturity dates, upon notice as hereinafter provided, at the option of the Authority (acting independently or at the direction of the Successor Agency following the Agency's notice furnished to the Trustee at least 45 days (or such other shorter period of time as acceptable to the Trustee), or before the proposed redemption date pursuant to the Loan Agreements) as a whole, or in part, on any date on or after October 1, [2024] (in such order as shall be specified by the Authority to the Trustee, or if not so specified, proportionately among maturities), from any lawfully available funds of the Authority, a redemption price equal to [100] percent of the principal amount of the 2014 Series A Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium.

SECTION 30.02 Mandatory Sinking Account Redemption.

(a) The 2014 Series A Bonds maturing on October 1, 20__ and October 1, 20__, shall also be subject to redemption prior to their stated maturity, in part, by lot, from mandatory sinking account payments required by and as specified in subsections (b) and (c) of this Section 26.02, on any October 1 on and after October 1, 20__ and October 1, 20__, respectively, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

(b) A subaccount is hereby established within the Principal Account created by Section 4.03(b) of the Trust Agreement to be designated the "2014 Series A 20__ Sinking Account." In accordance with Section 4.03 of the Trust Agreement, the Trustee shall transfer the designated amount of the following payments from the Principal Account to the 2014 Series A 2032 Sinking Account; provided, however, if a portion of the 2014 Series A 20__ Term Bonds have been optionally redeemed pursuant to Section 30.01, each future sinking account payment shall be reduced on a pro rata basis (as nearly as practicable) in integrals of multiples of \$5,000, so that the total amount of sinking account payments with respect to the 2014 Series A 20__ Term Bonds to be made subsequent to the optional redemption shall be reduced by an amount equal to the principal amount of 2014 Series A 20__ Term Bonds so redeemed, all as shall be designated pursuant to a written notice filed by the Authority:

Sinking Account Payment Dates
(October 1)

Sinking Account
Payments

*

*maturity

(c) A subaccount is hereby established within the Principal Account created by Section 4.03(b) of the Trust Agreement to be designated the “2014 Series A 20__ Sinking Account.” In accordance with Section 4.03 of the Trust Agreement, the Trustee shall transfer the designated amount of the following payments from the Principal Account to the 2014 Series A 20__ Sinking Account; provided, however, if a portion of the 2014 Series A 20__ Term Bonds have been optionally redeemed pursuant to Section 30.01, each future sinking account payment shall be reduced on a pro rata basis (as nearly as practicable) in integrals of multiples of \$5,000, so that the total amount of sinking account payments with respect to the 2014 Series A 20__ Term Bonds to be made subsequent to the optional redemption shall be reduced by an amount equal to the principal amount of 2014 Series A 20__ Term Bonds so redeemed, all as shall be designated pursuant to a written notice filed by the Authority:

Sinking Account Payment
Dates (October 1)

Sinking Account
Payments

*

5,605,000

*maturity

Moneys in the 2014 Series A 20__ Sinking Account and the 2014 Series A 20__ Sinking Account shall be applied as provided in Section 4.03(b).

SECTION 30.03 Notice of Redemption.

(a) Notice of redemption shall be sent (by first class mail or such means as acceptable to the recipient thereof) by the Trustee, not less than 30 nor more than 60 days prior to the redemption date to (i) the respective Holders of the 2014 Series A Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, (ii) the

Securities Depositories and (iii) one or more Information Services. Each notice of redemption shall state the date of such notice, the redemption price, if any, (including the name and appropriate address of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity is to be redeemed, the distinctive certificate numbers of the 2014 Series A Bonds of such maturity, to be redeemed and, in the case of 2014 Series A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2014 Series A Bonds the redemption price, if any, thereof and in the case of a 2014 Series A Bond to be redeemed in part only, the specified portion of the principal amount thereof to be redeemed, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2014 Series A Bonds be then surrendered at the address of the Trustee specified in the redemption notice. Failure to receive such notice shall not invalidate any of the proceedings taken in connection with such redemption.

(b) If notice of redemption has been duly given and money for the payment of the redemption price of the 2014 Series A Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice 2014 Series A Bonds so called for redemption shall become due and payable, and from and after the date so designated interest on such 2014 Series A Bonds shall cease to accrue, and the Holders of such 2014 Series A Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

(c) The Authority shall have the right to rescind any optional redemption by written notice of rescission. Any notice of optional redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the 2014 Series A Bonds then called for redemption. Neither such cancellation nor lack of available funds shall constitute an Event of Default under the Trust Agreement. The Authority and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall send notices of rescission of such redemption in the same manner as the original notices of redemption were sent.

SECTION 30.04 Selection of 2014 Series A Bonds for Redemption. If not otherwise specified by the Authority as provided in Section 30.02, whenever less than all the Outstanding 2014 Series A Bonds of a maturity are to be redeemed on any one date, the Trustee shall select the 2014 Series A Bonds to be redeemed from the Outstanding 2014 Series A Bonds of such maturity by lot or by such other method as the Authority shall specify.

SECTION 30.05 Partial Redemption of 2014 Series A Bonds. Upon surrender of any 2014 Series A Bond redeemed in part only, the Trustee shall authenticate and deliver to the Holder thereof a new 2014 Series A Bond or 2014 Series A Bonds representing the unredeemed principal amount of the 2014 Series A Bond so surrendered.

SECTION 30.06 Effect of Redemption. If notice of redemption has been duly given as provided in Section 30.03 and money for the payment of the redemption price of the 2014 Series A Bonds or portions thereof to be redeemed is held by the Trustee, then on the redemption date designated in such notice the 2014 Series A Bonds or portions thereof so called for redemption shall become payable at the redemption price as specified in such notice; and from

and after the redemption date so designated, interest thereon or portions thereof so called for redemption shall cease to accrue, such 2014 Series A Bonds or portions thereof shall cease to be entitled to any benefit, protection or security hereunder and the Holders of such 2014 Series A Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price.

SECTION 30.07 Cancellation of Redeemed Bonds. All 2014 Series A Bonds redeemed pursuant to the provisions of this Article XXX shall be cancelled upon surrender thereof and destroyed.

ARTICLE XXXI 2014 BOND INSURANCE POLICY

SECTION 31.01 Payment under 2014 Bond Insurance Policy. So long as the 2014 Bond Insurance Policy remains in full force and effect, the Authority and the Trustee agree to comply with the following provisions:

- (a) [to come].

SECTION 31.02 Additional Rights of 2014 Bond Insurer; Additional Covenants. So long as the 2014 Bond Insurance Policy shall be in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the following provisions shall apply:

- (a) [to come]

SECTION 31.03 Suspension or Termination of Rights of 2014 Bond Insurer. All rights of the 2014 Bond Insurer to direct or consent to actions of the Authority, the Agency, the Trustee or the Holders of 2014 Series A Bonds under the Trust Agreement or under the Loan Agreements shall be suspended during any period in which the 2014 Bond Insurer is in default with respect to its payment obligations under the 2014 Bond Insurance Policy (except to the extent of amounts previously paid by the 2014 Bond Insurer and due and owing to the 2014 Bond Insurer) and shall be of no force or effect in the event the 2014 Bond Insurance Policy is no longer in effect or the 2014 Bond Insurer asserts that the 2014 Bond Insurance Policy is not in effect.

ARTICLE XXXII CONTINUING DISCLOSURE; MISCELLANEOUS PROVISIONS

SECTION 32.01 Continuing Disclosure. Pursuant to Section __.01 of the Tax Allocation Loan Agreement and Section __.01 of the Transient Occupancy Tax Loan Agreement, the Successor Agency has undertaken the responsibility for compliance with continuing disclosure requirements, and the Authority shall have no liability to the Holders of the Bonds or any other person with respect to such disclosure matters. The Trustee hereby covenants and agrees that it will comply with and carry out all of the provisions applicable to the Trustee of the 2014 Series A Continuing Disclosure Agreement, Section 31.01 of the Tax Allocation Loan Agreement and Section 30.01 of the Transient Occupancy Tax Loan Agreement. Notwithstanding any other provision of the Trust Agreement, failure of the Agency

or the Trustee to comply with the 2014 Series A Continuing Disclosure Agreement shall not be considered an Event of Default under the Trust Agreement or the Loan Agreements; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25 percent of the aggregate principal amount of Outstanding Bonds, shall (but only to the extent indemnification to its satisfaction from any liability or expense, including reasonable fees of its attorneys)) or any Holder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency to comply with its continuing disclosure obligations referred to in the Loan Agreements or to cause the Trustee to comply with its obligations under this Section.

SECTION 32.02 Cancellation of Agency-held Bonds. Upon the surrender to the Trustee of any 2014 Series A Bond acquired by the Agency (as contemplated in Section 30.01(b) of the Tax Allocation Loan Agreement or Section 29.01(b) of the Transient Occupancy Tax Loan Agreement), such 2014 Series A Bond shall be deemed paid and retired and the Trustee shall cancel and destroy such 2014 Series A Bond.

SECTION 32.03 References to Include Provisions in Sixth Supplemental Trust Agreement and Sixth Supplemental Loan Agreements. Unless the context clearly requires otherwise, references to Article II (or sections thereof) of the Trust Agreement in the third paragraph of Section 4.03(b) and in Section 4.05 shall be deemed to also include Article XXX (or applicable sections thereof) above. References to Section 2.03 of the Loan Agreements in Section 4.05 of the Trust Agreement shall be deemed to also include Section 30.01 of the Tax Allocation Loan Agreement and Section 29.01 of the Transient Occupancy Tax Loan Agreement. At any time the Trustee receives a Written Request of the Agency to apply moneys in a Sinking Account relating to the 2014 Series A Bonds to purchase term 2014 Series A Bonds, such Written Request shall have the same force and effect as if it was given by the Authority; provided, that the directions thereby given conform to the provisions of Section 4.03(b) of the Trust Agreement.

SECTION 32.04 Terms of 2014 Series A Bonds Subject to the Trust Agreement. Except as expressly provided in this Sixth Supplemental Trust Agreement, every term and condition contained in the Trust Agreement shall apply to this Sixth Supplemental Trust Agreement and to the 2014 Series A Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Sixth Supplemental Trust Agreement.

This Sixth Supplemental Trust Agreement and all the terms and provisions herein contained shall form part of the Trust Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Trust Agreement. The Trust Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

SECTION 32.05 2014 Bond Insurer as Third Party Beneficiary. Notwithstanding any provision to the contrary in the Trust Agreement, so long as the 2014 Bond Insurance Policy remains in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the 2014 Bond Insurer shall be a third party beneficiary to the Trust Agreement.

SECTION 32.06 Trust Agreement to Remain in Effect. Except as expressly provided herein, the provisions of the Trust Agreement shall remain in full force and effect.

SECTION 32.07 Effective Date of Sixth Supplemental Trust Agreement. This Sixth Supplemental Trust Agreement shall take effect upon its execution and delivery.

SECTION 32.08 Execution in Counterparts. This Sixth Supplemental Trust Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Supplemental Trust Agreement by their officers thereunto duly authorized as of the day and year first written above.

**SOUTH TAHOE JOINT POWERS
FINANCING AUTHORITY**

By: _____
Executive Director

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By: _____
Authorized Officer

EXHIBIT A

[FORM OF 2014 SERIES A BOND]

[UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE AUTHORITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

**SOUTH TAHOE JOINT POWERS FINANCING AUTHORITY
REFUNDING REVENUE BONDS
(SOUTH TAHOE REDEVELOPMENT PROJECT AREA NO. 1)
2014 SERIES A**

No.				\$ _____
	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
	_____ %	October 1, 20__	_____, 2014	_____

Registered Owner: [CEDE & CO.]

Principal Sum:

The SOUTH TAHOE JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority, duly organized and validly existing under and pursuant to the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues hereinafter referred to) to the registered owner identified above or registered assigns, on the maturity date specified above (subject to any right of prior redemption hereinafter provided for) the principal sum specified above, together with interest on such principal sum from the interest payment date next preceding the date of authentication of this Bond (unless this Bond is authenticated as of a day during the period from the sixteenth day of the month next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this Bond is registered on or before March 15, 2015, in which event it shall bear interest from the original issue date specified above) until the principal hereof shall have been paid at the interest rate per annum specified above (based on a 360-day year of twelve 30-day months), payable on April 1, 2015, and semiannually

thereafter on each October 1 and April 1. Subject to the provisions of the Trust Agreement (hereinafter defined), interest due on or before the maturity or prior redemption of this Bond shall be payable only by check mailed on the applicable Interest Payment Date by first class mail to the registered owner hereof; provided, however, upon the written request of any Holder of \$1,000,000 or more in aggregate amount of Bonds as of the close of business on the fifteenth day of the calendar month immediately preceding such interest payment date who has provided the Trustee with wire transfer instructions, by wire transfer to an account within the United States on each payment date. The principal hereof is payable in lawful money of the United States of America at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A. in Los Angeles, California (the "Trustee") or such other place as may be designated by the Trustee.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A" (the "2014 Series A Bonds") in aggregate principal amount of _____ Dollars (\$ _____), all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of the Joint Exercise of Powers Act (being Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended) and all laws amendatory thereof or supplemental thereto (the "Act") and under and pursuant to the provisions of a Trust Agreement, dated as of November 1, 1995, by and between the Authority and First Interstate Bank of California, as prior trustee, as supplemented and amended, including the Sixth Supplemental Trust Agreement, dated as of _____, 2016, by and between the Authority and the Trustee (collectively, the "Trust Agreement") (copies of which are on file at the corporate trust office of the Trustee in Los Angeles, California). The 2014 Series A Bonds are secured on a parity with the Authority's Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2005 Series A (the "2005 Series A Bonds"), the Authority's Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2007 Series A (the "2007 Series A Bonds"), and all other permitted additional bonds issued pursuant to the Trust Agreement. The 2005 Series A Bonds, the 2007 Series A Bonds and the 2014 Series A Bonds and all additional bonds issued pursuant to the Trust Agreement are referred to herein collectively as "the Bonds."

The 2014 Series A Bonds are issued to refund certain bonds previously issued by the Authority under the Trust Agreement. The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from certain proceeds of the Bonds held in certain funds and accounts pursuant to the Trust Agreement and the revenues defined in the Trust Agreement (the "Revenues"), including certain payments to be made by the Successor Agency to the South Tahoe Redevelopment Agency (the "Successor Agency"), as the successor to the former South Tahoe Redevelopment Agency (the "Former Agency") pursuant to the Loan Agreements, consisting of a Tax Allocation Loan Agreement and Transient Occupancy Tax Loan Agreement. The Tax Allocation Loan Agreement means that certain Master Tax Allocation Loan Agreement, dated as of November 1, 1995, by and between the Former Agency and the Trustee, as supplemented and amended, including by the Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014, by and between the Successor Agency and the Trustee. The Transient Occupancy Tax Loan Agreement means that certain Master Transient Occupancy Tax Loan Agreement, dated as of November 1, 1995, by and between the Former Agency and

the Trustee, as supplemented and amended, including the Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014, by and between the Successor Agency and the Trustee.

Neither the full faith and credit nor the general funds of the Authority, the City of South Lake Tahoe (the "City") or the Successor Agency are pledged for the payment of the interest on or principal of the Bonds. No tax or other source of funds other than the Revenues hereinafter referred to is pledged to pay the interest on or principal of the Bonds. The payment of the principal of or interest on the Bonds does not constitute a debt, liability or obligation of the Authority, the City or the Successor Agency.

The Authority is not obligated to pay interest on and principal of the Bonds except from the Revenues. All Bonds are equally and ratably secured in accordance with the terms and conditions of the Trust Agreement by a pledge of and charge and lien upon the Revenues, and the Revenues constitute a trust fund for the security and payment of the interest on and principal of the Bonds as provided in the Trust Agreement. The Bonds are not secured by a legal or equitable pledge of or charge or lien upon any property of the Authority or any of its income or receipts except the Revenues, and neither the payment of the interest on or principal of the Bonds is a debt, liability or general obligation of the Authority, the City or the Successor Agency. Additional bonds payable from the Revenues may be issued which will rank equally as to security with the Bonds, but only subject to the conditions and upon compliance with the procedures set forth in the Trust Agreement. Reference is hereby made to the Act and to the Trust Agreement and any and all amendments thereof and supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, the rights of the registered owners of the Bonds, security for payment of the Bonds, remedies upon default and limitations thereon, and amendment of the Trust Agreement (with or without consent of the registered owners of the Bonds); and all the terms of the Trust Agreement are hereby incorporated herein and constitute a contract between the Authority and the registered owner of this 2014 Series A Bond, to all the provisions of which the registered owner of this Bond, by acceptance hereof, agrees and consents.

The 2014 Series A Bonds maturing on or before October 1, 20[24] are not subject to redemption prior to their maturity. The 2014 Series A Bonds maturing on or after October 1, 20[25] are subject to redemption prior to their maturity dates, upon notice as hereinafter provided, at the option of the Authority (acting independently or at the direction of the Successor Agency following the Successor Agency's notice furnished to the Trustee before the proposed redemption date pursuant to the Loan Agreements) as a whole, or in part, on any date on or after October 1, 2017 (in such order as shall be specified by the Authority to the Trustee, or if not so specified, proportionately among maturities), from any lawfully available funds of the Authority, a redemption price equal to 100 percent of the principal amount of the 2014 Series A Bonds called for redemption, together with accrued interest to the date fixed for redemption, without premium.

The 2014 Series A Bonds maturing on October 1, 2032 and October 1, 2037, shall also be subject to redemption prior to their stated maturity, in part, by lot, from mandatory sinking account payments required by and as specified in the Sixth Supplemental Trust Agreement, on any October 1 on and after October 1, 20__ and October 1, 20__, respectively, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

Notice of redemption of this 2014 Series A Bond shall be given by first class mail not less than 30 days nor more than 60 days before the redemption date to the registered owner hereof, subject to and in accordance with provisions of the Trust Agreement with respect thereto. If notice of redemption has been duly given as aforesaid and money for the payment of the above-described redemption price is held by the Trustee, then this 2014 Series A Bond shall, on the redemption date designated in such notice, become due and payable at the above-described redemption price; and from and after the date so designated, interest on this 2014 Series A Bond shall cease to accrue and the registered owner of this 2014 Series A Bond shall have no rights with respect hereto except to receive payment of the redemption price hereof.

If an Event of Default, as defined in the Trust Agreement, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Trust Agreement; except that the Trust Agreement provides that in certain events such declaration and its consequences may be rescinded under the circumstances as provided therein.

This 2014 Series A Bond is transferable only on a register to be kept for that purpose at the above-mentioned office of the Trustee (or such other place as designated by the Trustee) by the registered owner hereof in person or by his duly authorized attorney upon payment of the charges provided in the Trust Agreement and upon surrender of this 2014 Series A Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such registered owner's duly authorized attorney, and thereupon a new fully registered 2014 Series A Bond or 2014 Series A Bonds in the same aggregate principal amount in authorized denominations will be issued to the transferee in exchange therefor. The Authority and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not this 2014 Series A Bond shall be overdue, and neither the Authority nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of this 2014 Series A Bond shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on this 2014 Series A Bond to the extent of the sum or sums so paid.

This 2014 Series A Bond shall not be entitled to any benefit, protection or security under the Trust Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually executed and dated by the Trustee.

It is hereby certified that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of this 2014 Series A Bond do exist, have happened and have been performed in due time, form and manner as required by law and that the amount of this 2014 Series A Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or laws of the State of California and is not in excess of the amount of 2014 Series A Bonds permitted to be issued under the Trust Agreement.

IN WITNESS WHEREOF, the SOUTH TAHOE JOINT POWERS FINANCING AUTHORITY has caused this 2014 Series A Bond to be executed in its name and on its behalf by the facsimile signature of the Chairperson of the Authority and countersigned by the facsimile

signature of the Secretary of the Authority, and has caused this 2014 Series A Bond to be dated as of the original issue date specified above.

**SOUTH TAHOE JOINT POWERS
FINANCING AUTHORITY**

By: _____
Chairperson

Attest:

Secretary

=====

STATEMENT OF INSURANCE

[to come]

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[CERTIFICATE OF AUTHENTICATION]

This is one of the 2014 Series A Bonds described in the within-mentioned Trust Agreement which has been authenticated on _____, 20__.

**THE BANK OF NEW YORK TRUST
COMPANY, N.A., as Trustee**

By: _____
Authorized Signatory

=====

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto _____ the within 2014 Series A Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof; with full power of substitution in the premises.

Dated: _____

Bond: The signature to this Assignment must correspond with the name as written on the fact of the 2014 Series A Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Attachment 5

6th Supplemental
Master Tax Allocation Loan Agreement

Sixth Supplemental Loan Agreement

by and between

Successor Agency to the South Tahoe Redevelopment Agency

and

**The Bank of New York Mellon Trust Company, N.A.,
as Trustee**

Dated as of _____ 1, 2014

Authorizing the issuance of

\$ _____

in Aggregate Principal Amount of
Successor Agency to the South Tahoe Redevelopment Agency
Redevelopment Project Area No. 1 Tax Allocation Note, 2014 Series A

(Supplemental to the Master Tax Allocation Loan Agreement, dated as of November 1, 1995)

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SIXTH SUPPLEMENTAL LOAN AGREEMENT

(Supplemental to the Master Tax Allocation Loan Agreement dated as of November 1, 1995)

This Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014 (this “Sixth Supplemental Loan Agreement”), is entered into by and between the Successor Agency to the South Tahoe Redevelopment Agency, a public body, corporate and politic, organized and existing by virtue of the laws of the State of California (the “Successor Agency”) , as the successor to the South Tahoe Redevelopment Agency (the “Former Agency”), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the United States of America, as trustee (the “Trustee”).

WITNESSETH:

WHEREAS, this Sixth Supplemental Loan Agreement is supplemental to the Master Tax Allocation Loan Agreement, dated as of November 1, 1995 (the “Master Loan Agreement”), as amended and supplemented by the First Supplemental Loan Agreement, dated as of March 1, 1999, the Second Supplemental Loan Agreement, dated as of April 1, 2003, the Third Supplemental Loan Agreement, dated as of September 1, 2004, the Fourth Supplemental Loan Agreement, dated as of July 1, 2005, and the Fifth Supplemental Loan Agreement, dated as of August 1, 2007, each by and between the Former Agency and the Trustee, as successor trustee; and

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

WHEREAS, the Former Agency undertook a program to redevelop a project area known as South Tahoe Redevelopment Project No. 1 (the “Project Area”); and

WHEREAS, to finance and refinance costs of redevelopment projects for the Project Area, the Former Agency previously incurred loans under the Master Loan Agreement, as amended and supplemented, the Former Agency previously incurred loans, each evidenced by tax allocation notes, including: (i) the Redevelopment Project Area No. 1 Tax Allocation Note, 1999 Series A (the “1999 Series A TA Note”), (ii) the Redevelopment Project Area No. 1 Tax Allocation Note, 2003 Series A (the “2003 Series A TA Note”), (iii) the Redevelopment Project Area No. 1 Tax Allocation Note, 2004 Series A (the “2004 Series A TA Loan”), (iv) the Redevelopment Project Area No. 1 Tax Allocation Note, 2005 Series A (the “2005 Series A TA Note”), and the Redevelopment Project Area No. 1 Tax Allocation Note, 2007 Series A (the “2007 Series A TA Note”); and

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

WHEREAS, AB 1484 (enacted in June 2012) amended and supplemented the provisions of AB X1 26 (AB X1 26 and AB 1484, together, being referred to below as the “Dissolution Act”); and

WHEREAS, the Successor Agency is authorized to incur indebtedness (the “Refunding Debt”) to refund outstanding indebtedness previously incurred by the Former Agency, subject to the conditions precedent set forth in HSC Section 34177.5; and

WHEREAS, such Refunding Debt would be incurred under the authority of HSC Section 34177.5 and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code; and

WHEREAS, pursuant to HSC Sections 34177.5 and 34180, the incurrence of the Refunding Debt is subject to the Oversight Board’s prior approval and, pursuant to HSC Section 34179(h), all Oversight Board actions are subject to review by the California State Department of Finance (the “DOF”); and

WHEREAS, on _____, 2014, the Oversight Board adopted Resolution No. OB-_____, approving the incurrence of Refunding Debt to refund all or a portion of the remaining outstanding principal amounts of the 1999 Series A TA Note, the 2003 Series A TA Note, the 2004 Series A TA Note; and

WHEREAS, the DOF has issued a letter dated _____, 2014, indicating the DOF’s approval of Resolution No. OB-_____; and

WHEREAS, the Successor Agency has determined to issue the Refunding Debt to refund [all of the remaining outstanding principal amounts of the 1999 Series A TA Note, the 2003 Series A TA Note, the 2004 Series A TA Note][a portion of the outstanding principal amounts of the 1999 Series A TA Note, the 2003 Series A TA Note, the 2004 Series A TA Note as follows: _____]; and

WHEREAS, the Refunding Debt will be in the form of a loan (the “2014 Series A TA Loan”) pursuant to the terms of the Master Loan Agreement, as previously amended and supplemented and as further amended and supplemented by this Sixth Supplemental Loan Agreement (as so amended and supplemented, the “Loan Agreement”); and

WHEREAS, the repayment of the 2014 Series A TA Loan will be secured by a pledge and lien established under the Loan Agreement on a parity with other loans incurred and outstanding under the Loan Agreement; and

WHEREAS, the 2014 Series A TA Loan will be evidenced by the a note be issued by the Successor Agency hereunder designated as its Redevelopment Project Area No. 1 Tax Allocation Note, 2014 Series A; and

WHEREAS, the Successor Agency has determined that this Sixth Supplemental Loan Agreement shall contain certain amendments to the Master Loan Agreement for update and clarification purposes to reflect the implementation of the Dissolution Act; and

WHEREAS, the Successor Agency has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Sixth Supplemental Loan Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Sixth Supplemental Loan Agreement;

NOW, THEREFORE, the parties hereto agree, as follows:

**ARTICLE XXVII
DEFINITIONS; INTERPRETATION**

SECTION 27.01 Definitions; Amended Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in Section 1.01 of the Loan Agreement. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of the Loan Agreement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. For all purposes of the Loan Agreement, the terms "Law" and "Tax Increment Revenues" shall be amended and restated as set forth below.

County means the County of El Dorado, California.

County Auditor-Controller means the Auditor-Controller of the County.

Dissolution Act means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the HSC, as heretofore amended and as the same may be further amended from time to time.

Former Agency means the South Tahoe Redevelopment Agency (defined as the "Agency" in Section 1.01 of the Loan Agreement), which was dissolved as of February 1, 2012, pursuant to the Dissolution Act.

HSC means the Health and Safety Code of the State.

Oversight Board means the oversight board to the Successor Agency established pursuant to HSC Section 34179.

Redevelopment Obligation Retirement Fund means the fund by that name established and held by the Successor Agency pursuant to HSC Section 34170.5.

ROPS means a Recognized Obligation Payment Schedule, prepared by the Successor Agency pursuant to HSC Section 34177(l), on which the Successor Agency's anticipated payments for enforceable obligations for the upcoming ROPS Period are listed.

ROPS Period means the six-month fiscal period (commencing on each January 1 and July 1) covered by a ROPS; provided that if the Dissolution Act is hereafter amended, such that each ROPS covers a fiscal period of a different length, then ROPS Period shall mean such other fiscal period per the Dissolution Act, as amended.

RPTTF means the Redevelopment Property Tax Trust Fund established and held by the County Auditor-Controller pursuant to HSC Section 34172(c) and 34170.5, into which the property tax revenues that would have been allocated to the Former Agency pursuant to subdivision (b) of Section 16 of Article XVI of the Constitution of the State are deposited and administered in accordance with the provisions of the Dissolution Act.

RPTTF Disbursement Date means each January 2 and June 1 (or such other date(s) as provided in the Dissolution Act) on which the County Auditor-Controller is required pursuant to the Dissolution Act to disburse moneys deposited in the RPTTF to the Successor Agency for payment on enforceable obligations pursuant to an approved ROPS.

State means the State of California.

State Department of Finance means the California Department of Finance.

Successor Agency means the Successor Agency to the South Tahoe Redevelopment Agency, which was established pursuant to the Dissolution Act as the successor to the Former Agency.

2014 Authority Bonds means the Authority's Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A issued pursuant to the Trust Agreement.

2014 Bond Insurance Policy has the meaning ascribed to it in the Trust Agreement.

2014 Bond Insurer has the meaning ascribed to it in the Trust Agreement.

2014 Escrow Agreement has the meaning ascribed to it in the Trust Agreement.

2014 Escrow Fund has the meaning ascribed to it in the Trust Agreement.

2014 Oversight Board Resolution means Resolution No. OB-____, adopted on _____, 2014, by the Oversight Board, approving the incurrence of the 2014 Series A TA Loan and the issuance of the 2014 Series A TA Note and taking other actions.

2014 Series A Continuing Disclosure Agreement has the meaning ascribed to it in the Trust Agreement.

2014 Series A TA Loan means the Successor Agency's South Tahoe Redevelopment Project Area No. 1 Tax Allocation Loan, 2014 Series A, as described in Article XXIX.

2014 Series A TA Note means the Redevelopment Project Area No. 1 Tax Allocation Note, 2014 Series A issued by the Successor Agency to evidence the 2014 Series A TA Loan pursuant to Article XXIX.

2014 Series A Continuing Disclosure Agreement has the meaning ascribed to it in the Trust Agreement.

2014 Successor Agency Resolution means Resolution No. 2014-_____, adopted on _____, 2014, by the Board of Directors of the Successor Agency, approving the incurrence of the 2014 Series A TA Loan and the issuance of the 2014 Series A TA Note and taking other actions.

Tax Increment Revenues has the following meaning:

(A) The term “Tax Increment Revenues” means, for each Fiscal Year beginning with the Fiscal Year ending on September 30, 1996, the taxes (including all payments, reimbursements and subventions, if any, specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations) eligible for allocation to the Former Agency pursuant to the Law (excluding (i) the amount of such taxes required by the Law to be deposited in the Housing Fund and used for certain housing purposes, provided, however, that such amount, or any portion thereof, shall not be excluded if and to the extent that the Former Agency makes such amount available as Tax Increment Revenues by providing therefor in a Supplemental Resolution or otherwise, (ii) amounts payable by the Former Agency pursuant to the Fiscal Agreements and (iii) amounts, if any, received by the Former Agency pursuant to Section 16111 of the Government Code) as provided in the Redevelopment Plan; provided, Tax Increment Revenues shall not exceed in the aggregate an amount greater than \$150,000,000, or such greater amount as may be permitted under the Redevelopment Plan and the Law.

(B) In recognition of the express intent of the Dissolution Act (as stated in HSC Section 34175) that the pledges of revenues associated with bonds issued by the Former Agency are to be honored and that the cessation of the Former Agency shall not affect such pledges, and the requirement of the Dissolution Act that property tax revenues that would have been allocated to the Former Agency (but for the dissolution of the Former Agency) are now deposited into the RPTTF, it is hereby recognized that, commencing on the date of the dissolution of the Former Agency, “Tax Increment Revenues” shall include all property taxes deposited from time to time into the RPTTF, subject to the exclusions as stated in the first sentence of paragraph (A) above.

(C) In the event that the provisions of the Dissolution Act are invalidated because of a final judicial decision or a change in law, such that property tax revenues described above are no longer deposited into the RPTTF, then Tax Increment Revenues shall mean all revenues derived from taxes levied on properties that would have been allocated to the Former Agency pursuant to Section 16(b) of Article XVI of the California Constitution, subject to the exclusions stated in paragraph (A) above, as such exclusions are then in effect pursuant to the law of such time.

SECTION 27.02 Interpretation.

(a) Unless the context otherwise indicates, defined terms shall include all variants thereof, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) Unless otherwise indicated, references herein to Articles and Sections shall be to the Articles and Sections of the Loan Agreement. The words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Sixth Supplemental Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE XXVIII AMENDMENTS TO LOAN AGREEMENT

SECTION 28.01 Global Amendment to Substitute “Successor Agency” for “Agency”. It is hereby recognized that the Successor Agency is the successor to the Former Agency. All references to the “Agency” in the Loan Agreement pertaining to covenants, obligations and rights and interests of the Agency are hereby amended to refer to, instead, the “Successor Agency.” All references to the “Chairman” of the Agency in the Loan Agreement are hereby amended to refer to, instead, the Chair of the Board of Directors of the Successor Agency (who is the Mayor of the City).

SECTION 28.02 Amendment to Section 3.01 of Loan Agreement. Section 3.01 of the Loan Agreement (as previously supplemented by Section 23.02(a) set forth in the Fourth Supplemental Loan Agreement) is hereby amended, by the addition of Section 3.01(d) as follows:

“(d) The issuance of such Additional TA Loans shall be in compliance with HSC Section 34177.5, to the extent that such provision of the Dissolution Act is then in effect.”

SECTION 28.03 Amendment to Section 4.01 of Loan Agreement. Section 4.01 of the Loan Agreement is hereby amended, by the addition of the following paragraphs at the end of Section 4.01:

“It is hereby acknowledged that the Tax Increment Revenues, whether held by the Successor Agency, the County Auditor-Controller or the Trustee, shall be subject to the pledged described in the preceding paragraph.

The Successor Agency shall take all actions required under the Dissolution Act to include scheduled debt service on all Outstanding TA Loans, as well as any amount required under this Loan Agreement to replenish the Reserve Account, in the ROPS for each ROPS Period so as to enable the County Auditor-Controller to distribute from the RPTTF (to the greatest extent available) to the Successor Agency, for deposit into the Redevelopment Obligation Retirement Fund on each RPTTF Disbursement Date, amounts required for the Successor Agency to fulfill its obligations under this Loan Agreement. To that end, the Successor Agency shall also include on the periodic ROPS for approval by the Oversight Board and State Department of Finance, to the extent necessary, the amounts to be held by the Successor Agency as a reserve until the next ROPS Period, as contemplated by HSC Section 34171(d)(1)(A), when the next property tax allocation is

projected to be insufficient to pay all obligations due under this Loan Agreement during that next ROPS Period.”

SECTION 28.04 Amendment to Subsection (3) of Section 4.03 of Loan Agreement.
Subsection (3) (pertaining to the Reserve Account) of Section 4.03 of the Loan Agreement is hereby amended by replacing the words “On or before September 30 of each year, commencing on September 30, 1996” at the beginning of such subsection with “On or before March 31 and September 30 of each year.”

ARTICLE XXIX
TERMS OF 2014 SERIES A TA LOAN

SECTION 29.01 Authorization and Terms of 2014 Series A TA Loan.

(a) The Successor Agency hereby authorizes the incurrence of a TA Loan (the “2014 Series A TA Loan”) and the issuance of a TA Note (the “2014 Series A TA Note”) in the principal amount of _____ Dollars (\$_____) in accordance with the Law and pursuant to the Loan Agreement. The 2014 Series A TA Loan is hereby incurred by the Successor Agency to refund the remaining outstanding principal amounts of the 1999 Series A TA Note, the 2003 Series A TA Note and the 2004 Series A TA Note. Such refunding shall be accomplished through the deposit by the Authority of the proceeds of the 2014 Authority Bonds in the 2014 Escrow Fund. The 2014 Series A TA Loan is designated as the Successor Agency’s South Tahoe Redevelopment Project Area No. 1 Tax Allocation Loan, 2014 Series A. The Successor Agency hereby designates the 2014 Series A TA Loan as a TOT/TA Loan.

(b) The 2014 Series A TA Loan shall be evidenced by the 2014 Series A TA Note, to be designated as the Successor Agency’s Redevelopment Project Area No. 1 Tax Allocation Note, 2014 Series A. The 2014 Series A TA Note shall be issued in fully registered form, in the aggregate principal amount of the 2014 Series A TA Loan and shall be initially registered in the name of The Bank of New York Mellon Trust Company, N.A., as trustee for the Authority. Registered ownership of the 2014 Series A TA Note, or any portion thereof, may not thereafter be transferred; provided, that in the event there is a substitution of trustee for the 2014 Authority Bonds under the Trust Agreement, then the registered ownership of the 2014 Series A TA Note shall be transferred to the new trustee.

Principal and interest with respect to the 2014 Series A TA Loan shall be payable on the dates and in the amounts and bear interest as set forth in the following schedule (subject to prepayments under Article XXVI):

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>	<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>
4/1/2015			10/1/2025		
10/1/2015			4/1/2026		
4/1/2016			10/1/2026		
10/1/2016			4/1/2027		
4/1/2017			10/1/2027		
10/1/2017			4/1/2028		
4/1/2018			10/1/2028		
10/1/2018			4/1/2029		
4/1/2019			10/1/2029		
10/1/2019			4/1/2030		
4/1/2020			10/1/2030		
10/1/2020			4/1/2031		
4/1/2021			10/1/2031		
10/1/2021			4/1/2032		
4/1/2022			10/1/2032		
10/1/2022			4/1/2033		
4/1/2023			10/1/2033		
10/1/2023			4/1/2034		
4/1/2024			10/1/2034		
10/1/2024			4/1/2035		
4/1/2025			10/1/2035		

- (1) The principal and interest payments on the 2014 Series A TA Loan correspond with the principal and interest payments on the 2014 Authority Bonds.
- (2) If the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TA Loan pursuant to Article XXX, the interest payments shall be recalculated by the Successor Agency based on the applicable interest rates.

The 2014 Series A TA Loan shall bear interest at the rates corresponding to the outstanding maturities of the 2014 Authority Bonds, calculated on the basis of a 360-day year consisting of twelve 30-day months. If at any time the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TA Loan pursuant to Article XXX, the interest payments set forth in the table above and Schedule A of the 2014 Series A TA Note shall be recalculated by the Successor Agency based on the applicable interest rates. If at any time interest is in default on the Outstanding 2014 Series A TA Loan, such 2014 Series A TA Loan shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the Outstanding 2014 Series A TA Loan. Principal of, interest and premium, if any, on the 2014 Series A TA Loan shall be payable in lawful money of the United States of America, by the method specified by the Authority, at the corporate trust office of the Trustee, at Los Angeles, California or such other place as may be designated by the Trustee.

SECTION 29.02 Form of 2014 Series A TA Note. The 2014 Series A TA Note and the certificate of authentication to be executed thereon shall be in substantially the form set forth as Exhibit A to this Sixth Supplemental Loan Agreement. The 2014 Series A TA Note number,

payment dates and principal and interest due on each such date shall be inserted therein in conformity with Section 29.01.

SECTION 29.03 Issuance of 2014 Series A TA Note. Concurrently with the issuance of the 2014 Authority Bonds, the Successor Agency shall execute, and the Trustee shall authenticate and deliver, the 2014 Series A TA Note.

ARTICLE XXX PREPAYMENT OF 2014 SERIES A TA LOAN

SECTION 30.01 Prepayment Through Acquisition or Redemption of 2014 Authority Bonds.

(a) The Successor Agency may prepay the 2014 Series A TA Loan, in whole or in part, through the acquisition or redemption of the 2014 Authority Bonds pursuant to this Section. At any time that the 2014 Authority Bonds, in whole or in part, are redeemed or deemed paid prior to maturity as the result of actions taken pursuant to subsection (b), (c) or (e) of this Section, principal and interest otherwise payable on such redeemed or paid 2014 Authority Bonds shall be credited against the corresponding principal and interest payments on the Outstanding 2014 Series A TA Loan.

(b) The Successor Agency shall have the right to surrender any 2014 Authority Bond acquired by it in any manner whatsoever to the trustee for the 2014 Authority Bonds for cancellation. Upon the surrender and cancellation, such 2014 Authority Bond shall be deemed paid and retired. In the event that such surrendered 2014 Authority Bond represents a portion of a term bond, an allocation shall be made as set forth in the last sentence of Section 4.05 of the Trust Agreement in accordance with a Written Request of the Successor Agency.

(c) The Successor Agency may from time to time cause all or a portion of the 2014 Authority Bonds to be redeemed at the times permitted under the Trust Agreement pursuant to this Section 30.01 and Section 30.01 of the Trust Agreement. When 2014 Authority Bonds are to be optionally redeemed by the Authority upon direction of the Successor Agency as set forth in Section 30.01 of the Trust Agreement, the Successor Agency shall give, or cause to be given, written notice to the Trustee of the exercise of such option at least 45 days (or such shorter period as acceptable to the Trustee) prior to the proposed redemption date. Such notice shall state the proposed redemption date, the principal amount of 2014 Authority Bonds to be redeemed and the maturity or maturities from which such redemption shall be made.

On or before the redemption date for the 2014 Authority Bonds, the Successor Agency shall deposit, or caused to be deposited, with the trustee for the 2014 Authority Bonds, sufficient money to pay the redemption price of the 2014 Authority Bonds being called on such redemption date (including the principal thereof, and premium, if any, and accrued interest thereon). Such money shall be deposited by the trustee for the 2014 Authority Bonds upon receipt in the 2014 Series A Redemption Subaccount to be established, if necessary, within the Optional Redemption Account (established under Section 4.05 of the Trust Agreement). The money deposited in the Optional Redemption Account (or a subaccount therein) pursuant to the preceding sentence shall be used for the redemption or purchase of the

2014 Authority Bonds in the manner and subject to the terms and conditions set forth in the Trust Agreement.

(d) Prior to (i) requesting an optional redemption of 2014 Authority Bonds pursuant to Section 30.01 of the Trust Agreement, (ii) surrendering 2014 Authority Bonds to the trustee for the 2014 Authority Bonds for cancellation, or (iii) directing the Trustee to purchase 2014 Authority Bonds at a purchase price (excluding accrued interest) less than the par amount of such 2014 Authority Bonds pursuant to Section 4.03(b) or 4.05 of the Trust Agreement, the Successor Agency shall deliver to the Trustee a Certificate of the Successor Agency requesting such action and identifying the maturity date of 2014 Authority Bonds to be so redeemed, surrendered or purchased (and, in the case of 2014 Authority Bonds that are term bonds, the corresponding Mandatory Sinking Account Payment Date).

(e) If the Successor Agency is not in default in the payment of the 2014 Series A TA Loan, the Successor Agency may request that the Authority, at any time there is on deposit with the trustee for the 2014 Authority Bonds moneys or securities in the amount necessary to pay or redeem all 2014 Authority Bonds Outstanding (as provided in Article IX of the Trust Agreement), apply such moneys or securities to pay or redeem all Outstanding 2014 Authority Bonds, and the Successor Agency, and the Trustee at the reasonable request of the Successor Agency, shall take such action as necessary or appropriate to assist the Authority to discharge the entire indebtedness on all 2014 Authority Bonds Outstanding in accordance with the terms of the Trust Agreement.

(f) Notwithstanding anything of the foregoing, the Successor Agency shall have the right to rescind any request for the optional redemption of 2014 Authority Bonds by a written notice of rescission. Any notice of optional redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the 2014 Authority Bonds then called for redemption. Neither such cancellation nor lack of available funds shall constitute an Event of Default under this Loan Agreement. In such event, the Successor Agency shall cause the trustee for the 2014 Authority Bonds to send notices of rescission in accordance with Section 30.03(c) of the Trust Agreement.

SECTION 30.02 Defeasance of 2014 Series A TA Loan. The Successor Agency shall also have the right, at any time or from time to time, to prepay all or any portion of the 2014 Series A TA Loan pursuant Section 9.01 of the Loan Agreement.

ARTICLE XXXI MISCELLANEOUS PROVISIONS

SECTION 31.01 Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2014 Series A Continuing Disclosure Agreement. Notwithstanding any other provision of the Loan Agreement to the contrary, failure of the Successor Agency to comply with the 2014 Series A Continuing Disclosure Agreement shall not be considered an Event of Default under the Loan Agreement; provided, however, that the Trustee, at the written request of any Participating Underwriter (as that term is defined in the 2014 Series A Continuing Disclosure Agreement) or the Holders (as defined in the Trust Agreement) of at least 25 percent aggregate principal amount of 2014 Series

A Bonds shall (but only to the extent funds in amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction), or any Holder or Beneficial Owner of a 2014 Series A Bond 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 Section. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2014 Series A Bonds (including persons holding 2014 Series A Bonds through nominees, depositories or other intermediaries).

SECTION 31.02 Additional Covenants. So long as the 2014 Bond Insurance Policy remains in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the Successor Agency and the Trustee, as applicable, shall comply with the following additional covenants:

(a) [to come].

(b)

Notwithstanding any of the foregoing, all rights of the 2014 Bond Insurer to direct or consent to actions of the Successor Agency or the Trustee under the Loan Agreement shall be suspended during any period in which the 2014 Bond Insurer is in default with respect to its payment obligations under the 2014 Bond Insurance Policy (except to the extent of amounts previously paid by the 2014 Bond Insurer and due and owing to the 2014 Bond Insurer) and shall be of no force or effect in the event the 2014 Bond Insurance Policy is no longer in effect or the 2014 Bond Insurer asserts that the 2014 Bond Insurance Policy is not in effect.

SECTION 31.03 2014 Bond Insurer as Third Party Beneficiary. Notwithstanding any provision to the contrary in the Loan Agreement, so long as the 2014 Bond Insurance Policy remains in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the 2014 Bond Insurer shall be a third party beneficiary to the Loan Agreement.

SECTION 31.04 Terms of 2014 Series A TA Loan Subject to the Loan Agreement. Except as expressly provided in this Sixth Supplemental Loan Agreement, every term and condition contained in the Loan Agreement shall apply to this Sixth Supplemental Loan Agreement and to the 2014 Series A TA Loan with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Sixth Supplemental Loan Agreement.

This Sixth Supplemental Loan Agreement and all the terms and provisions herein contained shall form part of the Loan Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Loan Agreement. The Loan Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

SECTION 31.05 Effective Date of Sixth Supplemental Loan Agreement. This Sixth Supplemental Loan Agreement shall take effect upon its execution and delivery.

SECTION 31.06 Execution in Counterparts. This Sixth Supplemental Loan Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Supplemental Loan Agreement by their officers thereunto duly authorized as of the day and year first written above.

**SUCCESSOR AGENCY TO THE SOUTH
TAHOE REDEVELOPMENT AGENCY**

By _____
Executive Director

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By _____
Authorized Officer

EXHIBIT A

[FORM OF 2014 SERIES A TA NOTE]

SUCCESSOR AGENCY TO THE
SOUTH TAHOE REDEVELOPMENT AGENCY
REDEVELOPMENT PROJECT AREA NO. 1
TAX ALLOCATION NOTE, 2014 SERIES A

Average Interest Rate at Original Issuance Date	Payment Date	Original Issue Date
_____ %	(See attached schedule)	_____, 2014

Registered Owner: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE FOR THE SOUTH TAHOE JOINT POWERS FINANCING AUTHORITY

Principal Sum: _____ DOLLARS (\$ _____)

The SUCCESSOR AGENCY TO THE SOUTH TAHOE REDEVELOPMENT AGENCY, a public body, corporate and politic, duly organized and validly existing under and pursuant to the laws of the State of California (the "Successor Agency"), as the successor to the South Tahoe Redevelopment Agency (the "Former Agency"), for value received, hereby promises to pay but only out of the Tax Increment Revenues (as defined in the TA Loan Agreement hereinafter described) and other amounts pledged therefor to the registered owner identified above or registered assigns, on the payment dates specified in the attached Schedule A (subject to permitted prepayments) the principal sum specified above, together with interest on such principal sum from the Original Issue Date stated above until the principal shall have been paid in full. Interest payable hereunder shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, at the rates described in that certain Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014 (the "Sixth Supplemental Loan Agreement"), by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The amounts of principal and/or interest due on each payment date are set forth in Schedule A attached hereto; provided, however, amounts payable under this Note (this "2014 Series A TA Note") are subject to prepayments pursuant to the Sixth Supplemental Loan Agreement; and in the event of such a prepayment, the principal and interest due hereunder shall be recalculated in accordance with the Sixth Supplemental Loan Agreement. Principal, prepayment premium (if any), and interest due under this Note (this "2014 Series A TA Note") shall be payable in lawful money of the United States of America in the manner set forth in the Sixth Supplemental Loan Agreement.

This 2014 Series A TA Note evidences payments to be made by the Successor Agency under the Successor Agency to the South Tahoe Redevelopment Agency Redevelopment Project Area No. 1 Tax Allocation Loan, 2014 Series A (the "2014 Series A TA Loan"), limited in aggregate principal amount to _____ Dollars (\$ _____), incurred

pursuant to (i) Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, (ii) the Community Redevelopment Law of the State of California set forth in Part 1 of Division 24 of California Health and Safety Code, as amended by Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code (as so amended, the "Law"), and (iii) a Master Tax Allocation Loan Agreement, dated as of November 1, 1995, by the Former Agency and First Interstate Bank of California, as prior trustee, as amended and supplemented, including by a Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014, by and between the Successor Agency and the Trustee (as the same may be amended or supplemented from time to time in accordance to the terms thereof, the "TA Loan Agreement"). The 2014 Series A TA Note is secured in accordance with the terms and conditions of the TA Loan Agreement. Reference is hereby made to the TA Loan Agreement and the Law for (i) a description of the terms on which the 2014 Series A TA Loan is made by the Successor Agency, (ii) the provisions regarding the nature and extent of the security provided for the 2014 Series A TA Loan and of the nature, extent and manner of enforcement of such security, and (iii) a statement of the rights of the registered owners of the 2014 Series A TA Note. All the terms of the TA Loan Agreement and the Law are hereby incorporated herein and constitute a contract between the Successor Agency and the registered owner from time to time of this 2014 Series A TA Note. By the acceptance hereof, the registered owner of this 2014 Series A TA Note consents and agrees to all the provisions of the TA Loan Agreement and the Law. Each registered owner hereof shall have recourse to all the provisions of the Law and the TA Loan Agreement and shall be bound by all the terms and conditions thereof. All capitalized terms not otherwise defined herein have the meanings ascribed to them in the TA Loan Agreement.

The 2014 Series A TA Loan was incurred to provide funds to aid the refinancing of certain costs of the Project relating to Redevelopment Project Area No. 1, a duly adopted redevelopment project in the City of South Lake Tahoe, California (the "City"), as more particularly described in the TA Loan Agreement.

The 2014 Series A TA Loan is secured by a pledge of, and charge and lien upon, certain revenues defined as "Tax Increment Revenues" pursuant to the Law. The 2014 Series A TA Loan is a special obligation of the Successor Agency and is payable, as to interest thereon, principal thereof and any premiums upon the prepayment thereof, exclusively from the Tax Increment Revenues and other amounts pledged therefor under the TA Loan Agreement. The Successor Agency is not obligated to pay the 2014 Series A TA Loan except from Tax Increment Revenues and amounts pledged therefor under the TA Loan Agreement. The Tax Increment Revenues and the other amounts pledged under the TA Loan Agreement constitute a trust fund for the security and payment of the interest on and principal of and redemption premiums, if any, on the 2014 Series A TA Loan.

The 2014 Series A TA Loan is subject to prepayment as provided in the TA Loan Agreement.

For the payment of the interest on and principal of and prepayment premium, if any, on the Loans when due, there has been created and will be maintained by the Trustee, a TA Special Fund into which Tax Increment Revenues shall be deposited pursuant to the TA Loan Agreement. The Successor Agency covenants under the TA Loan Agreement to pay promptly

when due the interest on and principal of and prepayment premium, if any, on the 2014 Series A TA Loan and all the other Loans incurred by the Successor Agency under the TA Loan Agreement out of the TA Special Fund, all in accordance with the terms and provisions set forth in the TA Loan Agreement.

[To be revised accordingly, if only a portion of the 1999, 2003 and 2004 debt will be refunded] The Former Agency previously incurred its Tax Allocation Loan, 2005 Series A TA Loan (the "2005 Series A TA Loan") and its Tax Allocation Loan, 2007 Series A TA Loan (the "2007 Series A TA Loan"), which rank equally as to security to the 2014 Series A TA Loan. Additional loans payable from the Tax Increment Revenues which will rank equally as to security with the 2005 Series A TA Loan, the 2007 Series A TA Loan and the 2014 Series A TA Loan, may be incurred subject to terms and conditions set forth in the TA Loan Agreement. The 2014 Series A TA Loan and all other loans heretofore or hereafter incurred under the TA Loan Agreement are collectively referred to herein as the "Loans." This 2014 Series A TA Note together with all other notes heretofore or hereafter issued under the TA Loan Agreement are collectively referred to herein as the "Notes."

The 2005 Series A TA Loan, the 2007 Series A TA Loan and the 2014 Series A TA Loan have been designated TOT/TA Loans under the TA Loan Agreement. Pursuant to the TA Loan Agreement, any deposit of moneys into the Interest Account and the Principal Account (each an account in the TA Special Fund) with respect to a TOT/TA Loan, as required in the TA Loan Agreement, shall also be deemed to be a payment with respect to such TOT/TA Loan under the TOT Loan Agreement, to the extent such deposit or deposits are applied to pay such TOT/TA Loan.

If an Event of Default (within the meaning of Article VIII of the TA Loan Agreement) shall occur, the principal of all Loans may be declared due and payable upon the conditions, in the manner and with the effect provided in the TA Loan Agreement; except that the TA Loan Agreement provides that in certain events such declaration and its consequences may be rescinded by the registered owners of at least 25 percent in aggregate principal amount of the Notes then outstanding.

The 2014 Series A TA Note is issued only in the form of a fully registered note. The holder of this 2014 Series A TA Note may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such registered owner's duly authorized attorney) at the office of the Trustee in Los Angeles, California, in exchange for an equal principal amount of fully registered 2014 Series A TA Note, in the manner, subject to the conditions and upon the payment of the charges provided in the TA Loan Agreement.

This 2014 Series A TA Note may be transferred only in accordance with the terms and conditions of the TA Loan Agreement.

In addition, this 2014 Series A TA Note is transferable only on a register to be kept for that purpose at the above-mentioned office of the Trustee by the registered owner hereof in person or by such registered owner's duly authorized attorney upon payment of the charges provided in the TA Loan Agreement, if any, and upon surrender of this 2014 Series A TA Note

together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such registered owner's duly authorized attorney, and thereupon a new fully registered 2014 Series A TA Note in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Successor Agency and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not the 2014 Series A TA Loan shall be overdue, and neither the Successor Agency nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of the 2014 Series A TA Loan shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on the 2014 Series A TA Loan to the extent of the sum or sums so paid. The rights and obligations of the Successor Agency and of the registered owners of this 2014 Series A TA Note may be amended at any time in the manner, to the extent and upon the terms provided in the TA Loan Agreement, but no such amendment shall (1) extend the maturity of the 2014 Series A TA Loan, or reduce the interest rate hereon, or otherwise alter or impair the obligation of the Successor Agency to pay the interest hereon or principal hereof or any premium payable on the redemption hereof at the time and place and at the rate and in the currency provided herein, without the express written consent of the registered owner of this 2014 Series A TA Note, or (2) permit the creation by the Successor Agency of any mortgage, pledge or lien upon the Tax Increment Revenues superior to the pledge and lien created in the TA Loan Agreement for the benefit of the 2014 Series A TA Note except as permitted by the TA Loan Agreement or (3) reduce the percentage of Notes required for the written consent to an amendment of the TA Loan Agreement, or (4) modify any rights or obligations of the Trustee without its prior written assent thereto; all as more fully set forth in the TA Loan Agreement.

The 2014 Series A TA Loan is not a debt of the City, the State of California (the "State") or any of political subdivision thereof (except for the Successor Agency). None of the City, the State nor any political subdivision thereof (except for the Successor Agency) is liable for repayment on the 2014 Series A TA Loan. In no event shall the 2014 Series A TA Loan or any interest thereon or any redemption premium thereon be payable out of any funds or properties other than those of the Successor Agency. The 2014 Series A TA Loan does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Successor Agency nor any persons executing this 2014 Series A TA Note shall be personally liable on the 2014 Series A Loan or this 2014 Series A TA Note by reason of the issuance of this 2014 Series A TA Note.

This 2014 Series A TA Note shall not be entitled to any benefits under the TA Loan Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

It is hereby certified that all of the acts, conditions and things required to exist, to have happened or to have been performed precedent to and in the issuance of this 2014 Series A TA Note do exist, have happened and have been performed in due time, form and manner as required by law and that the amount of the 2014 Series A TA Loan, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Constitution or laws of the State, and is not in excess of the amount of Loans permitted to be incurred by the Successor Agency under the TA Loan Agreement.

IN WITNESS WHEREOF, the Successor Agency has caused this 2014 Series A TA Note to be executed in its name and on its behalf by the facsimile signature of its Executive Director and countersigned by the facsimile signature of its Secretary, and has caused this 2014 Series A TA Note to be dated as of the original issue date specified above.

**SUCCESSOR AGENCY TO THE SOUTH
TAHOE REDEVELOPMENT AGENCY**

By _____
Executive Director

Attest:

Secretary

[CERTIFICATE OF AUTHENTICATION]

This is the 2014 Series A TA Note described in the within-mentioned TA Loan Agreement which has been authenticated on _____, 20__.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By _____
Authorized Signatory

=====

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto _____ the within the 2014 Series A TA Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within 2014 Series A TA Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Bond: The signature to this Assignment must correspond with the name as written on the face of the 2014 Series A TA Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

SCHEDULE A

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>	<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>
4/1/2015			10/1/2025		
10/1/2015			4/1/2026		
4/1/2016			10/1/2026		
10/1/2016			4/1/2027		
4/1/2017			10/1/2027		
10/1/2017			4/1/2028		
4/1/2018			10/1/2028		
10/1/2018			4/1/2029		
4/1/2019			10/1/2029		
10/1/2019			4/1/2030		
4/1/2020			10/1/2030		
10/1/2020			4/1/2031		
4/1/2021			10/1/2031		
10/1/2021			4/1/2032		
4/1/2022			10/1/2032		
10/1/2022			4/1/2033		
4/1/2023			10/1/2033		
10/1/2023			4/1/2034		
4/1/2024			10/1/2034		
10/1/2024			4/1/2035		
4/1/2025			10/1/2035		

- (1) The principal and interest payments on the 2014 Series A TA Loan correspond with the principal and interest payments on the 2014 Authority Bonds.
- (2) If the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TA Loan pursuant to Article XXX of the TA Loan Agreement, the interest payments shall be recalculated by the Successor Agency based on the applicable interest rates.

Attachment 6

Amendment No. 2
to the
Transient Occupancy Tax
Administration Agreement

**AMENDMENT NO. 2 TO
TRANSIENT OCCUPANCY TAX ADMINISTRATION AGREEMENT**

This Amendment No. 2 to Transient Occupancy Tax Administration Agreement, dated as of April 1, 2006 (this "Amendment No. 2"), is entered into by and between the City of South Lake Tahoe, a municipal corporation duly organized and existing pursuant to the laws of the State of California (the "City") and the Successor Agency to the South Tahoe Redevelopment Agency, a public body, corporate and politic, organized and existing by virtue of the laws of the State of California (the "Successor Agency"), as the successor to the South Tahoe Redevelopment Agency (the "Former Agency").

RECITALS

A. The City and the Former Agency entered into the Transient Occupancy Tax Administration Agreement, dated as of November 1, 1995 (the "Original Agreement"), as amended by Amendment No. 1 to Transient Occupancy Tax Administration Agreement, dated as of April 1, 2006 ("Amendment No. 1), providing for the administration of the transient occupancy tax levied by the Agency.

B. The City and the Successor Agency desire to enter into this Amendment No. 2 to further amend the Original Agreement, as previously amended.

NOW THEREFORE, the parties hereto agree as follows:

1. Agreement to Remain in Effect Except as Amended Hereby. Except as expressly modified by this Amendment No. 2, the Original Agreement, as previously amended, shall remain unmodified and in full force and effect in accordance with its terms. The Original Agreement, as amended by Amendment No. 1 and Amendment No. 2, shall be hereinafter referred to as the "Agreement."

2. Amendments.

(a) The definition of "Agency" set forth in Section 1.01 of the Original Agreement is hereby amended and restated as follows:

" 'Agency' means (i) with respect to actions taken prior to February 1, 2012, the South Tahoe Redevelopment Agency, and (ii) for all purposes on or after February 1, 2012, the Successor Agency to the South Tahoe Redevelopment Agency, as the successor to the dissolved South Tahoe Redevelopment Agency."

(b) Section 3.01 of the Original Agreement is hereby amended to read in its entirety as follows:

"On or before March 1st and September 1st of each year (or such other times as required by Section 4.03 of the TOT Loan Agreement (as amended)), the City Tax Collector shall transmit to the Trustee for the account of the Agency (and to any other trustee or fiscal agent specified in a TOT Security Document) Transient Occupancy Tax Revenues in an amount fully sufficient to satisfy all of the deposits required to be made

by the Agency in accordance with the provisions of the TOT Loan Agreement (and in accordance with the requirements of any such TOT Security Document).”

3. Execution by Counterparts. This Amendment No. 2 may be executed in counterparts and each of said counterparts shall be deemed an original for all purposes of this Amendment No. 2. All of such counterparts taken together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed in their respective names by their duly authorized officers as of the date first above written.

CITY OF SOUTH LAKE TAHOE

By _____
Mayor

ATTEST:

City Clerk

**SUCCESSOR AGENCY TO THE SOUTH
TAHOE REDEVELOPMENT AGENCY**

By _____
Chair

ATTEST:

Secretary

Attachment 7

6th Supplemental Master Transient
Occupancy Tax Loan Agreement

Sixth Supplemental Loan Agreement

by and between

South Tahoe Redevelopment Agency

and

The Bank of New York Mellon Trust Company, N.A.,
as Trustee

Dated as of _____ 1, 2014

Authorizing the issuance of

\$ _____
in the Aggregate Principal Amount of
South Tahoe Redevelopment Agency
Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2014 Series A

(Supplemental to the Master Transient Occupancy Tax Loan Agreement,
dated as of November 1, 1995)

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SIXTH SUPPLEMENTAL LOAN AGREEMENT
(Supplemental to the Master Transient Occupancy Tax Loan Agreement
dated as of November 1, 1995)

This Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014 (this "Sixth Supplemental Loan Agreement"), is entered into by and between the Successor Agency to the South Tahoe Redevelopment Agency, a public body, corporate and politic, organized and existing by virtue of the laws of the State of California (the "Successor Agency") , as the successor to the South Tahoe Redevelopment Agency (the "Former Agency"), and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the United States of America, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, this Sixth Supplemental Loan Agreement is supplemental to the Master Tax Allocation Loan Agreement, dated as of November 1, 1995 (the "Master Loan Agreement"), as amended and supplemented by the First Supplemental Loan Agreement, dated as of March 1, 1999, the Second Supplemental Loan Agreement, dated as of April 1, 2003, the Third Supplemental Loan Agreement, dated as of September 1, 2004, the Fourth Supplemental Loan Agreement, dated as of July 1, 2005, and the Fifth Supplemental Loan Agreement, dated as of August 1, 2007, each by and between the Former Agency and the Trustee, as successor trustee; and

WHEREAS, the Former Agency was a redevelopment agency duly formed pursuant to the Community Redevelopment Law, set forth in Part 1 of Division 24 of the Health and Safety Code of the State of California ("HSC"); and

WHEREAS, the Former Agency undertook a program to redevelop a project area known as South Tahoe Redevelopment Project No. 1 (the "Project Area"); and

WHEREAS, to finance and refinance costs of redevelopment projects for the Project Area, the Former Agency previously incurred loans under the Master Loan Agreement, as amended and supplemented, the Former Agency previously incurred loans, each evidenced by tax allocation notes, including: (i) the Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 1999 Series A (the "1999 Series A TOT Note"), (ii) the Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2003 Series A (the "2003 Series A TOT Note"), (iii) the Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2004 Series A (the "2004 Series A TOT Loan"), (iv) the Redevelopment Project Area No. 1 Transient Occupancy Tax, 2005 Series A (the "2005 Series A TOT Note"), and the Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2007 Series A (the "2007 Series A TOT Note"); and

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

WHEREAS, AB 1484 (enacted in June 2012) amended and supplemented the provisions of AB X1 26 (AB X1 26 and AB 1484, together, being referred to below as the “Dissolution Act”); and

WHEREAS, the Successor Agency is authorized to incur indebtedness (the “Refunding Debt”) to refund outstanding indebtedness previously incurred by the Former Agency, subject to the conditions precedent set forth in HSC Section 34177.5; and

WHEREAS, such Refunding Debt would be incurred under the authority of HSC Section 34177.5 and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code; and

WHEREAS, pursuant to HSC Sections 34177.5 and 34180, the incurrence of the Refunding Debt is subject to the Oversight Board’s prior approval and, pursuant to HSC Section 34179(h), all Oversight Board actions are subject to review by the California State Department of Finance (the “DOF”); and

WHEREAS, on _____, 2014, the Oversight Board adopted Resolution No. OB-_____, approving the incurrence of Refunding Debt to refund all or a portion of the remaining outstanding principal amounts of the 1999 Series A TOT Note, the 2003 Series A TOT Note, the 2004 Series A TOT Note; and

WHEREAS, the DOF has issued a letter dated _____, 2014, indicating the DOF’s approval of Resolution No. OB-_____; and

WHEREAS, the Successor Agency has determined to incur the Refunding Debt to refund [all of the remaining outstanding principal amounts of the 1999 Series A TOT Note, the 2003 Series A TOT Note, the 2004 Series A TOT Note][a portion of the outstanding principal amounts of the 1999 Series A TOT Note, the 2003 Series A TOT Note, the 2004 Series A TOT Note as follows: _____]; and

WHEREAS, the Refunding Debt will be in the form of a loan (the “2014 Series A TOT Loan”) pursuant to the terms of the Master Loan Agreement, as previously amended and supplemented and as further amended and supplemented by this Sixth Supplemental Loan Agreement (as so amended and supplemented, the “Loan Agreement”); and

WHEREAS, the repayment of the 2014 Series A TOT Loan will be secured by a pledge and lien established under the Loan Agreement on a parity with other loans incurred and outstanding under the Loan Agreement; and

WHEREAS, the 2014 Series A TOT Loan will be evidenced by the a note be issued by the Successor Agency hereunder designated as its Redevelopment Project Area No. 1 Tax Allocation Note, 2014 Series A; and

WHEREAS, the Successor Agency has determined that this Sixth Supplemental Loan Agreement shall contain certain amendments to the Master Loan Agreement, for which the Successor Agency has obtained the prior written consent of the Ambac Assurance Corporation, in its capacity as the 2005 Bond Insurer and the 2007 Bond Insurer (as previously defined in the

Loan Agreement) [and Assured Guaranty Corporation (as successor to Financial Security Assurance, Inc.), in its capacity as the 2004 Bond Insurer]; and

WHEREAS, the Successor Agency has determined that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and the entering into of this Sixth Supplemental Loan Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Sixth Supplemental Loan Agreement;

NOW, THEREFORE, the parties hereto agree, as follows:

**ARTICLE XXVI
DEFINITIONS; INTERPRETATION**

SECTION 26.01 Definitions; Amended Definitions. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in Section 1.01 of the Loan Agreement. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of the Loan Agreement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. For all purposes of the Loan Agreement, the terms "Law" and "Tax Increment Revenues" shall be amended and restated as set forth below.

Closing Date means, with respect to the 2014 Series A TOT Note, _____, 2014.

County means the County of El Dorado, California.

County Auditor-Controller means the Auditor-Controller of the County.

Dissolution Act means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the HSC, as heretofore amended and as the same may be further amended from time to time.

Former Agency means the South Tahoe Redevelopment Agency (defined as the "Agency" in Section 1.01 of the Loan Agreement), which was dissolved as of February 1, 2012, pursuant to the Dissolution Act.

HSC means the Health and Safety Code of the State.

Oversight Board means the oversight board to the Successor Agency established pursuant to HSC Section 34179.

State means the State of California.

State Department of Finance means the California Department of Finance.

Successor Agency means the Successor Agency to the South Tahoe Redevelopment Agency, which was established pursuant to the Dissolution Act as the successor to the Former Agency.

2014 Authority Bonds means the Authority's Refunding Revenue Bonds (South Tahoe Redevelopment Project Area No. 1) 2014 Series A issued pursuant to the Trust Agreement.

2014 Bond Insurance Policy has the meaning ascribed to it in the Trust Agreement.

2014 Bond Insurer has the meaning ascribed to it in the Trust Agreement.

2014 Escrow Agreement has the meaning ascribed to it in the Trust Agreement.

2014 Escrow Fund has the meaning ascribed to it in the Trust Agreement.

2014 Oversight Board Resolution means Resolution No. OB-____, adopted on _____, 2014, by the Oversight Board, approving the incurrence of the 2014 Series A TOT Loan and the issuance of the 2014 Series A TOT Note and taking other actions.

2014 Series A Continuing Disclosure Agreement has the meaning ascribed to it in the Trust Agreement.

2014 Successor Agency Resolution means Resolution No. 2014-____, adopted on _____, 2014, by the Board of Directors of the Successor Agency, approving the incurrence of the 2014 Series A TOT Loan and the issuance of the 2014 Series A TOT Note and taking other actions.

2014 Series A TOT Loan means the Successor Agency's South Tahoe Redevelopment Project Area No. 1 Transient Occupancy Tax Loan, 2014 Series A, as described Article XXVIII.

2014 Series A TOT Note means the Successor Agency's Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2014 Series A pursuant to Article XXVIII.

TA Loan Agreement the Master TA Loan Agreement, as amended and supplemented to date and as the same may be further amended and supplemented pursuant to the terms thereof.

Tax Increment Revenues has the meaning ascribed to it in the TA Loan Agreement.

TOT Set-Aside Fund means the fund by that name established and held by the Successor Agency under Section 4.03 of the Loan Agreement (as amended by Section 27.04 of this Sixth Supplemental Loan Agreement.)”

SECTION 26.02 Interpretation.

(a) Unless the context otherwise indicates, defined terms shall include all variants thereof, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) Unless otherwise indicated, references herein to Articles and Sections shall be to the Articles and Sections of the Loan Agreement. The words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Sixth Supplemental Loan Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE XXVII TERMS OF 2014 SERIES A TOT LOAN

SECTION 27.01 Global Amendment to Substitute "Successor Agency" for "Agency". It is hereby recognized that the Successor Agency is the successor to the Former Agency. All references to the "Agency" in the Loan Agreement pertaining to covenants, obligations and rights and interests of the Agency are hereby amended to refer to, instead, the "Successor Agency." All references to the "Chairman" of the Agency in the Loan Agreement are hereby amended to refer to, instead, the Chair of the Board of Directors of the Successor Agency (who is the Mayor of the City).

SECTION 27.02 Amendment to Section 3.01 of Loan Agreement. Section 3.01 of the Loan Agreement (as previously supplemented by Section 23.02(a) set forth in the Fourth Supplemental Loan Agreement) is hereby amended, by the addition of Section 3.01(d) as follows:

"(d) The issuance of such Additional TOT Loans shall be in compliance with HSC Section 34177.5, to the extent that such provision of the Dissolution Act is then in this Loan Agreement; provided, that any TOT Revenues effect."

SECTION 27.03 Amendment to Section 4.02 of Loan Agreement. Section 4.02 of the Loan Agreement is hereby amended and restated as follows:

"The Successor Agency covenants and agrees that all TOT Revenues (when and as received and deposited into the TOT Trust Fund established under the Tax Administration Agreement) shall be at all times subject to the lien and pledge established under this Loan Agreement; provided, that within duration of any Loan Year, to the extent that TOT Revenues are received by or on behalf of the Successor Agency exceeds the required deposits into the TOT Special Fund pursuant to Section 4.03 of this Loan Agreement for such Loan Year (the "Required Annual Deposits"), then such excess TOT Revenues after the Required Annual Deposits have been satisfied shall be released from the pledge and lien created by this Loan Agreement and may be used for lawful purposes in accordance to the Tax Administration Agreement. All TOT Revenues pledged under this Loan Agreement shall be disbursed, allocated and applied solely to the uses and purposes herein set forth, and shall be accounted for separately from all other money, funds, accounts or resources of the Successor Agency. Except only as provided herein, the Successor Agency shall have no beneficial right or interest in any moneys deposited in the TOT Special Fund held by the Trustee hereunder. "

SECTION 27.04 Amendment to Section 4.03 of Loan Agreement. The first paragraph of Section 4.03 of the Loan Agreement is hereby amended by deleting the second sentence thereof and inserting in its place the following text:

“On or before March 1st of each year, the Successor Agency shall transfer, or cause to be transferred, to the Trustee for deposit into the TOT Special Fund an amount of TOT Revenues that is equal to the result of the following (the “Required March 1st Deposit”): (i) the interest payment then scheduled to be due with respect to the Outstanding Notes on immediately upcoming April 1st, plus (ii) the amount, if any, necessary to replenish the Reserve Account pursuant to subsection (3) of this Section 4.03, minus (iii) the amount of money then on deposit in the TA Special Fund held by the trustee under the TA Loan Agreement.

In addition, the Successor Agency shall establish a separate fund designated the “TOT Set-Aside Fund” and hold such fund in trust for the benefit of the Holders. On or before March 1st of each year, the Successor Agency shall cause available TOT Revenues collected since the previous October 1 (together with, at the Successor Agency’s discretion, moneys from any other legally available source), to be deposited into the TOT Set-Aside Fund, so that the total deposit into the TOT Set-Aside Fund shall equal 100 percent of the result of the following: (i) the aggregate amount of interest and principal scheduled to be due with respect to the Outstanding Notes on the immediately upcoming April 1st and October 1st, minus (ii) the Anticipated TA Portion (defined below), minus (iii) the Required March 1st Deposit already made pursuant to the preceding paragraph. For the purposes of the foregoing, “Anticipated TA Portion” is equal to the total amount of Tax Increment Revenues that the Successor Agency anticipates to receive for the ROPS Period(s) during which the immediately upcoming April 1st and October 1st interest and principal payments will occur (calculated based on the assessed valuation of taxable property in the Project Area as shown on the most recently equalized assessment roll provided by the El Dorado County Assessor, as adjusted by any property tax roll corrections or refunds of which the Successor Agency has actual knowledge at the time of such calculation).

On or before September 1st of each year, the Successor Agency shall cause to be transferred to the Trustee for deposit into the TOT Special Fund an amount of TOT Revenues (from, first, the TOT Set-Aside Fund and, second, the TOT Trust Fund) that is equal to the result of the following: (i) the amount of principal and interest then scheduled to be due with respect to the Outstanding Notes on the immediately upcoming October 1st, plus (ii) the amount, if any, necessary to replenish the Reserve Account pursuant to subsection (3) of this Section 4.03, minus (iii) the amount of money then already on deposit in the TOT Special Fund (except for the moneys in the Reserve Account), minus (iv) the amount of money then on deposit in the TA Special Fund held by the trustee under the TA Loan Agreement. After the transfer to the Trustee pursuant to the preceding sentence is made, any moneys remaining in the TOT Set-Aside Fund shall be released from the trust established hereunder and shall be released to the City and deemed to be amounts described under clause (iii) of Section 2.03(b) of the Tax Administration Agreement.”

ARTICLE XXVIII
TERMS OF 2014 SERIES A TOT LOAN

SECTION 28.01 Authorization and Terms of 2014 Series A TOT Loan.

(a) The Successor Agency hereby authorizes the incurrence of a TOT Loan (the "2014 Series A TOT Loan") and the issuance of a TOT Note (the "2014 Series A TOT Note") in the principal amount of _____ Dollars (\$ _____) in accordance with the Law and pursuant to the Loan Agreement. The 2014 Series A TOT Loan is hereby incurred by the Successor Agency to refund the remaining outstanding principal amounts of the 1999 Series A TOT Note, the 2003 Series A TOT Note and the 2004 Series A TOT Note. Such refunding shall be accomplished through the deposit by the Authority of the proceeds of the 2014 Authority Bonds in the 2014 Escrow Fund. The 2014 Series A TOT Loan is designated as the Successor Agency's South Tahoe Redevelopment Project Area No. 1 Transient Occupancy Tax Loan, 2014 Series A. The Successor Agency hereby designates the 2014 Series A TOT Loan as a TOT/TA Loan.

(b) The 2014 Series A TOT Loan shall be evidenced by the 2014 Series A TOT Note, to be designated as the Successor Agency's Redevelopment Project Area No. 1 Transient Occupancy Tax Note, 2014 Series A. The 2014 Series A TOT Note shall be issued in fully registered form, in the aggregate principal amount of the 2014 Series A TOT Loan and shall be initially registered in the name of The Bank of New York Mellon Trust Company, N.A., as trustee for the Authority. Registered ownership of the 2014 Series A TOT Note, or any portion thereof, may not thereafter be transferred; provided, that in the event there is a substitution of trustee for the 2014 Authority Bonds under the Trust Agreement, then the registered ownership of the 2014 Series A TOT Note shall be transferred to the new trustee.

Principal and interest with respect to the 2014 Series A TOT Loan shall be payable on the dates and in the amounts and bear interest as set forth in the following schedule (subject to prepayments under Article XXIX):

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment</u> ⁽¹⁾⁽²⁾	<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment</u> ⁽¹⁾⁽²⁾
4/1/2015			10/1/2025		
10/1/2015			4/1/2026		
4/1/2016			10/1/2026		
10/1/2016			4/1/2027		
4/1/2017			10/1/2027		
10/1/2017			4/1/2028		
4/1/2018			10/1/2028		
10/1/2018			4/1/2029		
4/1/2019			10/1/2029		
10/1/2019			4/1/2030		
4/1/2020			10/1/2030		
10/1/2020			4/1/2031		
4/1/2021			10/1/2031		
10/1/2021			4/1/2032		
4/1/2022			10/1/2032		
10/1/2022			4/1/2033		
4/1/2023			10/1/2033		
10/1/2023			4/1/2034		
4/1/2024			10/1/2034		
10/1/2024			4/1/2035		
4/1/2025			10/1/2035		

- (1) The principal and interest payments on the 2014 Series A TOT Loan correspond with the principal and interest payments on the 2014 Authority Bonds.
- (2) If the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TOT Loan pursuant to Article XXIX, the interest payments shall be recalculated by the Successor Agency based on the applicable interest rates.

The 2014 Series A TOT Loan shall bear interest at the rates corresponding to the outstanding maturities of the 2014 Authority Bonds, calculated on the basis of a 360-day year consisting of twelve 30-day months. If at any time the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TOT Loan pursuant to Article XXIV, the interest payments set forth in the table above and Schedule A of the 2014 Series A TOT Note shall be recalculated by the Successor Agency based on the applicable interest rates. If at any time interest is in default on the Outstanding 2014 Series A TOT Loan, such 2014 Series A TOT Loan shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on the Outstanding 2014 Series A TOT Loan. Principal of, interest and premium, if any, on the 2014 Series A TOT Loan shall be payable in lawful money of the United States of America, by the method specified by the Authority, at the corporate trust office of the Trustee, at Los Angeles, California or such other place as may be designated by the Trustee.

SECTION 28.02 Form of 2014 Series A TOT Note. The 2014 Series A TOT Note and the certificate of authentication to be executed thereon shall be in substantially the form set forth as Exhibit A to this Sixth Supplemental Loan Agreement. The 2014 Series A TOT Note

number, payment dates and principal and interest due on each such date shall be inserted therein in conformity with Section 23.02.

SECTION 28.03 Issuance of 2014 Series A TOT Note. Concurrently with the issuance of the 2014 Authority Bonds, the Successor Agency shall execute, and the Trustee shall authenticate and deliver, the 2014 Series A TOT Note.

ARTICLE XXIX PREPAYMENT OF 2014 SERIES A TOT LOAN

SECTION 29.01 Prepayment Through Acquisition or Redemption of 2014 Authority Bonds.

(a) The Successor Agency may prepay the 2014 Series A TOT Loan, in whole or in part, through the acquisition or redemption of the 2014 Authority Bonds pursuant to this Section 24.01. At any time that the 2014 Authority Bonds, in whole or in part, are redeemed or deemed paid prior to maturity as the result of actions taken pursuant to subsection (b), (c) or (e) of this Section, principal and interest otherwise payable on such redeemed or paid 2014 Authority Bonds shall be credited against the corresponding principal and interest payments on the Outstanding 2014 Series A TOT Loan.

(b) The Successor Agency shall have the right to surrender any 2014 Authority Bond acquired by it in any manner whatsoever to the trustee for the 2014 Authority Bonds for cancellation. Upon the surrender and cancellation, such 2014 Authority Bond shall be deemed paid and retired. In the event that such surrendered 2014 Authority Bond represents a portion of a term bond, an allocation shall be made as set forth in the last sentence of Section 4.05 of the Trust Agreement in accordance with a Written Request of the Successor Agency.

(c) The Successor Agency may from time to time cause all or a portion of the 2014 Authority Bonds to be redeemed at the times permitted under the Trust Agreement pursuant to this Section 29.01 and Section 30.01 of the Trust Agreement. When 2014 Authority Bonds are to be optionally redeemed by the Authority upon direction of the Successor Agency as set forth in Section 30.01 of the Trust Agreement, the Successor Agency shall give, or cause to be given, written notice to the Trustee of the exercise of such option at least 45 days (or such shorter period as acceptable to the Trustee) prior to the proposed redemption date. Such notice shall state the proposed redemption date, the principal amount of 2014 Authority Bonds to be redeemed and the maturity or maturities from which such redemption shall be made.

On or before the redemption date for the 2014 Authority Bonds, the Successor Agency shall deposit, or caused to be deposited, with the trustee for the 2014 Authority Bonds, sufficient money to pay the redemption price of the 2014 Authority Bonds being called on such redemption date (including the principal thereof, and premium, if any, and accrued interest thereon). Such money shall be deposited by the trustee for the 2014 Authority Bonds upon receipt in the 2014 Series A Redemption Subaccount to be established, if necessary, within the Optional Redemption Account (established under Section 4.05 of the Trust Agreement). The money deposited in the Optional Redemption Account (or a subaccount therein) pursuant to the preceding sentence shall be used for the redemption or purchase of the

2014 Authority Bonds in the manner and subject to the terms and conditions set forth in the Trust Agreement.

(d) Prior to (i) requesting an optional redemption of 2014 Authority Bonds pursuant to Section 26.01 of the Trust Agreement, (ii) surrendering 2014 Authority Bonds to the trustee for the 2014 Authority Bonds for cancellation, or (iii) directing the Trustee to purchase 2014 Authority Bonds at a purchase price (excluding accrued interest) less than the par amount of such 2014 Authority Bonds pursuant to Section 4.03(b) or 4.05 of the Trust Agreement, the Successor Agency shall deliver to the Trustee a Certificate of the Successor Agency requesting such action and identifying the maturity date of 2014 Authority Bonds to be so redeemed, surrendered or purchased (and, in the case of 2014 Authority Bonds that are term bonds, the corresponding Mandatory Sinking Account Payment Date).

(e) If the Successor Agency is not in default in the payment of the 2014 Series A TOT Loan, the Successor Agency may request that the Authority, at any time there is on deposit with the trustee for the 2014 Authority Bonds moneys or securities in the amount necessary to pay or redeem all 2014 Authority Bonds Outstanding (as provided in Article IX of the Trust Agreement), apply such moneys or securities to pay or redeem all Outstanding 2014 Authority Bonds, and the Successor Agency, and the Trustee at the reasonable request of the Successor Agency, shall take such action as necessary or appropriate to assist the Authority to discharge the entire indebtedness on all 2014 Authority Bonds Outstanding in accordance with the terms of the Trust Agreement.

(f) Notwithstanding anything of the foregoing, the Successor Agency shall have the right to rescind any request for the optional redemption of 2014 Authority Bonds by a written notice of rescission. Any notice of optional redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the 2014 Authority Bonds then called for redemption. Neither such cancellation nor lack of available funds shall constitute an Event of Default under this Loan Agreement. In such event, the Successor Agency shall cause the trustee for the 2014 Authority Bonds to send notices of rescission in accordance with Section 30.03(c) of the Trust Agreement

SECTION 29.02 Defeasance of 2014 Series A TOT Loan. The Successor Agency shall also have the right, at any time or from time to time, to prepay all or any portion of the 2014 Series A TOT Loan pursuant Section 9.01 of the Loan Agreement.

ARTICLE XXX MISCELLANEOUS PROVISIONS

SECTION 30.01 Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2014 Series A Continuing Disclosure Agreement. Notwithstanding any other provision of the Loan Agreement to the contrary, failure of the Successor Agency to comply with the 2014 Series A Continuing Disclosure Agreement shall not be considered an Event of Default under the Loan Agreement; provided, however, that the Trustee, at the written request of any Participating Underwriter (as that term is defined in the 2014 Series A Continuing Disclosure Agreement) or the Holders (as defined in the Trust Agreement) of at least 25 percent aggregate principal amount of 2014 Series

A Bonds shall (but only to the extent funds in amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction), or any Holder or Beneficial Owner of a 2014 Series A Bond 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 Section. For purposes of this Section, "Beneficial Owner" means any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any 2014 Series A Bonds (including persons holding 2014 Series A Bonds through nominees, depositories or other intermediaries).

SECTION 30.02 Additional Covenants. So long as the 2014 Bond Insurance Policy remains in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the Successor Agency and the Trustee, as applicable, shall comply with the following additional covenants:

(a) [to come]

(b)

Notwithstanding any of the foregoing, all rights of the 2014 Bond Insurer to direct or consent to actions of the Successor Agency or the Trustee under the Loan Agreement shall be suspended during any period in which the 2014 Bond Insurer is in default with respect to its payment obligations under the 2014 Bond Insurance Policy (except to the extent of amounts previously paid by the 2014 Bond Insurer and due and owing to the 2014 Bond Insurer) and shall be of no force or effect in the event the 2014 Bond Insurance Policy is no longer in effect or the 2014 Bond Insurer asserts that the 2014 Bond Insurance Policy is not in effect.

SECTION 30.03 2014 Bond Insurer as Third Party Beneficiary. Notwithstanding any provision to the contrary in the Loan Agreement, so long as the 2014 Bond Insurance Policy remains in full force and effect and the 2014 Bond Insurer has not defaulted with respect to its payment obligations thereunder, the 2014 Bond Insurer shall be a third party beneficiary to the Loan Agreement.

SECTION 30.04 Terms of 2014 Series A TOT Loan Subject to the Loan Agreement. Except as expressly provided in this Sixth Supplemental Loan Agreement, every term and condition contained in the Loan Agreement shall apply to this Sixth Supplemental Loan Agreement and to the 2014 Series A TOT Loan with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Sixth Supplemental Loan Agreement.

This Sixth Supplemental Loan Agreement and all the terms and provisions herein contained shall form part of the Loan Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Loan Agreement. The Loan Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby.

SECTION 30.05 Effective Date of Sixth Supplemental Loan Agreement. This Sixth Supplemental Loan Agreement shall take effect upon its execution and delivery.

SECTION 30.06 Execution in Counterparts. This Sixth Supplemental Loan Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Sixth Supplemental Loan Agreement by their officers thereunto duly authorized as of the day and year first written above.

**SUCCESSOR AGENCY TO THE SOUTH
TAHOE REDEVELOPMENT AGENCY**

By: _____
Executive Director

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By: _____
Authorized Officer

(commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code (as so amended, the "Law"), and (iii) a Master Transient Occupancy Tax Loan Agreement, dated as of November 1, 1995, by the Former Agency and First Interstate Bank of California, as prior trustee, as amended and supplemented, including by a Sixth Supplemental Loan Agreement, dated as of _____ 1, 2014, by and between the Successor Agency and the Trustee (as the same may be amended or supplemented from time to time in accordance to the terms thereof, the "TOT Loan Agreement"). The 2014 Series A TOT Note is secured in accordance with the terms and conditions of the TOT Loan Agreement. Reference is hereby made to the TOT Loan Agreement and the Law for (i) a description of the terms on which the 2014 Series A TOT Loan is made by the Successor Agency, (ii) the provisions regarding the nature and extent of the security provided for the 2014 Series A TOT Loan and of the nature, extent and manner of enforcement of such security, and (iii) a statement of the rights of the registered owners of the 2014 Series A TOT Note. All the terms of the TOT Loan Agreement and the Law are hereby incorporated herein and constitute a contract between the Successor Agency and the registered owner from time to time of this 2014 Series A TOT Note. By his or her acceptance hereof, the registered owner of this 2014 Series A TOT Note consents and agrees to all the provisions of the TOT Loan Agreement and the Law. Each registered owner hereof shall have recourse to all the provisions of the Law and the TOT Loan Agreement and shall be bound by all the terms and conditions thereof. All capitalized terms not otherwise defined herein have the meanings ascribed to them in the TOT Loan Agreement.

The 2014 Series A TOT Loan was incurred to provide funds to aid the refinancing of certain costs of the Project relating to Redevelopment Project Area No. 1, a duly adopted redevelopment project in the City of South Lake Tahoe, California (the "City"), as more particularly described in the TOT Loan Agreement.

The 2014 Series A TOT Loan is secured by a pledge of, and charge and lien upon, certain revenues defined as "TOT Revenues" levied and collected by the Successor Agency. The 2014 Series A TOT Loan is a special obligation of the Successor Agency and is payable, as to interest thereon, principal thereof and any premiums upon the prepayment thereof, exclusively from the TOT Revenues and other amounts pledged therefor under the TOT Loan Agreement. The Successor Agency is not obligated to pay the 2014 Series A TOT Loan except from such TOT Revenues and amounts pledged therefor under the TOT Loan Agreement. The TOT Revenues and the other amounts pledged under the TOT Loan Agreement constitute a trust fund for the security and payment of the interest on and principal of and redemption premiums, if any, on the 2014 Series A TOT Loan.

The 2014 Series A TOT Loan is subject to prepayment as provided in the TOT Loan Agreement.

For the payment of the interest on and principal of and prepayment premium, if any, on the Loans when due, there has been created and will be maintained by the Trustee, a TOT Special Fund into which TOT Revenues shall be deposited pursuant to the TOT Loan Agreement. The Successor Agency covenants under the TOT Loan Agreement to pay promptly when due the interest on and principal of and prepayment premium, if any, on the 2014 Series A TOT Loan and all the other Loans incurred by the Successor Agency under the TOT Loan

Agreement out of the TOT Special Fund, all in accordance with the terms and provisions set forth in the TOT Loan Agreement.

[To be revised accordingly, if only a portion of the 1999, 2003 and 2004 debt will be refunded] The Former Agency previously incurred its Transient Occupancy Tax Loan, 2005 Series A TOT Loan (the "2005 Series A TOT Loan") and its Transient Occupancy Tax Loan, 2007 Series A TOT Loan (the "2007 Series A TOT Loan") which rank equally as to security to the 2014 Series A TOT Loan. Additional loans payable from the TOT Revenues which will rank equally as to security with the 2005 Series A TOT Loan, the 2007 Series A TOT Loan and the 2014 Series A TOT Loan, may be incurred subject to terms and conditions set forth in the TOT Loan Agreement. The 2014 Series A TOT Loan and all other loans heretofore or hereafter incurred under the TOT Loan Agreement are collectively referred to herein as the "Loans." This 2014 Series A TOT Note together with all other notes heretofore or hereafter issued under the TOT Loan Agreement are collectively referred to herein as the "Notes."

The 2005 Series A TOT Loan, the 2007 Series A TOT Loan and the 2014 Series A TOT Loan have been designated TOT/TA Loans under the TOT Loan Agreement. Pursuant to the Loan Agreement, any deposit of moneys into the Interest Account and the Principal Account (each an account in the TOT Special Fund) with respect to a TOT/TA Loan, as required in the TOT Loan Agreement, shall also be deemed to be a payment with respect to such TOT/TA Loan under the TA Loan Agreement, to the extent such deposit or deposits are applied to pay such TOT/TA Loan.

If an Event of Default (within the meaning of Article VIII of the TOT Loan Agreement) shall occur, the principal of all Loans may be declared due and payable upon the conditions, in the manner and with the effect provided in the TOT Loan Agreement; except that the TOT Loan Agreement provides that in certain events such declaration and its consequences may be rescinded by the registered owners of at least 25 percent in aggregate principal amount of the Notes then outstanding.

The 2014 Series A TOT Note is issued only in the form of a fully registered note. The holder of this 2014 Series A TOT Note may surrender the same (together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such registered owner's duly authorized attorney) at the office of the Trustee in Los Angeles, California, in exchange for an equal principal amount of fully registered 2014 Series A TOT Note, in the manner, subject to the conditions and upon the payment of the charges provided in the TOT Loan Agreement.

This 2014 Series A TOT Note may be transferred only in accordance with the terms and conditions of the TOT Loan Agreement.

In addition, this 2014 Series A TOT Note is transferable only on a register to be kept for that purpose at the above-mentioned office of the Trustee by the registered owner hereof in person or by such registered owner's duly authorized attorney upon payment of the charges provided in the TOT Loan Agreement, if any, and upon surrender of this 2014 Series A TOT Note together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such registered owner's duly authorized attorney, and thereupon a new

fully registered 2014 Series A TOT Note in the same aggregate principal amount will be issued to the transferee in exchange therefor. The Successor Agency and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of the interest hereon and principal hereof and for all other purposes, whether or not the 2014 Series A TOT Loan shall be overdue, and neither the Successor Agency nor the Trustee shall be affected by any notice or knowledge to the contrary; and payment of the interest on and principal of the 2014 Series A TOT Loan shall be made only to such registered owner, which payments shall be valid and effectual to satisfy and discharge liability on the 2014 Series A TOT Loan to the extent of the sum or sums so paid. The rights and obligations of the Successor Agency and of the registered owners of this 2014 Series A TOT Note may be amended at any time in the manner, to the extent and upon the terms provided in the TOT Loan Agreement, but no such amendment shall (1) extend the maturity of the 2014 Series A TOT Loan, or reduce the interest rate hereon, or otherwise alter or impair the obligation of the Successor Agency to pay the interest hereon or principal hereof or any premium payable on the redemption hereof at the time and place and at the rate and in the currency provided herein, without the express written consent of the registered owner of this 2014 Series A TOT Note, or (2) permit the creation by the Successor Agency of any mortgage, pledge or lien upon the TOT Revenues superior to the pledge and lien created in the TOT Loan Agreement for the benefit of the 2014 Series A TOT Note except as permitted by the TOT Loan Agreement or (3) reduce the percentage of Notes required for the written consent to an amendment of the TOT Loan Agreement, or (4) modify any rights or obligations of the Trustee without its prior written assent thereto; all as more fully set forth in the TOT Loan Agreement.

The 2014 Series A TOT Loan is not a debt of the City, the State of California (the "State") or any of political subdivision thereof (except for the Successor Agency). None of the City, the State nor any political subdivision thereof (except for the Successor Agency) is liable for repayment on the 2014 Series A TOT Loan. In no event shall the 2014 Series A TOT Loan or any interest thereon or any redemption premium thereon be payable out of any funds or properties other than those of the Successor Agency. The 2014 Series A TOT Loan does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Successor Agency nor any persons executing this 2014 Series A TOT Note shall be personally liable on the 2014 Series A Loan or this 2014 Series A TOT Note by reason of the issuance of this 2014 Series A TOT Note.

This 2014 Series A TOT Note shall not be entitled to any benefits under the TOT Loan Agreement or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

It is hereby certified that all of the acts, conditions and things required to exist, to have happened or to have been performed precedent to and in the issuance of this 2014 Series A TOT Note do exist, have happened and have been performed in due time, form and manner as required by law and that the amount of the 2014 Series A TOT Loan, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Constitution or laws of the State, and is not in excess of the amount of Loans permitted to be incurred by the Successor Agency under the TOT Loan Agreement.

IN WITNESS WHEREOF, the Successor Agency has caused this 2014 Series A TOT Note to be executed in its name and on its behalf by the facsimile signature of its Executive Director and countersigned by the facsimile signature of its Secretary, and has caused this 2014 Series A TOT Note to be dated as of the original issue date specified above.

**SUCCESSOR AGENCY TO THE SOUTH
TAHOE REDEVELOPMENT AGENCY**

By _____
Executive Director

Attest:

Secretary

[CERTIFICATE OF AUTHENTICATION]

This is the 2014 Series A TOT Note described in the within-mentioned TOT Loan Agreement which has been authenticated on _____, 20__.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

By _____
Authorized Signatory

=====

[FORM OF ASSIGNMENT]

For value received the undersigned hereby sells, assigns and transfers unto _____ the within the 2014 Series A TOT Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within 2014 Series A TOT Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Bond: The signature to this Assignment must correspond with the name as written on the face of the 2014 Series A TOT Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

SCHEDULE A

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>	<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Payment ⁽¹⁾⁽²⁾</u>
4/1/2015			10/1/2025		
10/1/2015			4/1/2026		
4/1/2016			10/1/2026		
10/1/2016			4/1/2027		
4/1/2017			10/1/2027		
10/1/2017			4/1/2028		
4/1/2018			10/1/2028		
10/1/2018			4/1/2029		
4/1/2019			10/1/2029		
10/1/2019			4/1/2030		
4/1/2020			10/1/2030		
10/1/2020			4/1/2031		
4/1/2021			10/1/2031		
10/1/2021			4/1/2032		
4/1/2022			10/1/2032		
10/1/2022			4/1/2033		
4/1/2023			10/1/2033		
10/1/2023			4/1/2034		
4/1/2024			10/1/2034		
10/1/2024			4/1/2035		
4/1/2025			10/1/2035		

- (1) The principal and interest payments on the 2014 Series A TOT Loan correspond with the principal and interest payments on the 2014 Authority Bonds.
- (2) If the Successor Agency prepays any portion of the outstanding principal amount of the 2014 Series A TOT Loan pursuant to Article XXIX of the TOT Loan Agreement, the interest payments shall be recalculated by the Successor Agency based on the applicable interest rates.

Attachment 8

Estimated Debt Savings Report
Dated July 30, 2014



The PFM Group
Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

City of South Lake Tahoe, California
South Tahoe Redevelopment Successor Agency

South Tahoe Joint Powers Financing Authority
Refunding Revenue Bonds
(South Tahoe Redevelopment Project Area No. 1)
2014 Series A

Estimated Debt Service Savings

As of July 30, 2014



Summary of Bonds Refunded

	Maturity Date	Par Amount
Series 1999A:		
	10/1/2015	145,000.00
	10/1/2021	1,050,000.00
	10/1/2030	6,495,000.00
		<hr/>
		7,690,000.00
Series 2003A:		
	10/1/2015	55,000.00
	10/1/2016	60,000.00
	10/1/2017	65,000.00
	10/1/2018	70,000.00
	10/1/2019	75,000.00
	10/1/2020	80,000.00
	10/1/2027	790,000.00
	10/1/2033	9,275,000.00
		<hr/>
		10,470,000.00
Series 2004A:		
	10/1/2015	225,000.00
	10/1/2016	235,000.00
	10/1/2017	250,000.00
	10/1/2018	255,000.00
	10/1/2019	270,000.00
	10/1/2020	285,000.00
	10/1/2029	3,285,000.00
	10/1/2034	5,830,000.00
		<hr/>
		10,635,000.00
<hr/>		
Grand		
Total		28,795,000.00



Estimated Combined Annual Savings*

Date	Prior Debt Service	Refunding Debt Service	Savings
10/1/2015	1,926,727.52	1,792,781.25	133,946.27
10/1/2016	1,927,783.76	1,775,225.00	152,558.76
10/1/2017	1,937,493.76	1,790,350.00	147,143.76
10/1/2018	1,935,763.76	1,787,150.00	148,613.76
10/1/2019	1,941,036.26	1,791,000.00	150,036.26
10/1/2020	1,945,371.26	1,791,250.00	154,121.26
10/1/2021	1,943,603.76	1,795,250.00	148,353.76
10/1/2022	1,948,663.76	1,802,750.00	145,913.76
10/1/2023	1,956,746.26	1,803,500.00	153,246.26
10/1/2024	1,952,751.26	1,797,750.00	155,001.26
10/1/2025	1,957,198.76	1,805,750.00	151,448.76
10/1/2026	1,964,550.00	1,811,750.00	152,800.00
10/1/2027	1,969,553.76	1,820,750.00	148,803.76
10/1/2028	1,972,212.50	1,822,500.00	149,712.50
10/1/2029	3,997,446.26	3,852,250.00	145,196.26
10/1/2030	4,001,507.50	3,848,500.00	153,007.50
10/1/2031	4,007,032.50	3,847,750.00	159,282.50
10/1/2032	4,011,567.50	3,854,500.00	157,067.50
10/1/2033	4,016,405.00	3,858,000.00	158,405.00
10/1/2034	4,011,000.00	3,843,000.00	168,000.00
	<u>51,324,415.14</u>	<u>48,291,756.25</u>	<u>3,032,658.89</u>

*Savings by series is included in the attached detailed refunding analysis.



Estimated Sources and Uses of Funds

Sources:	Refund Series 1999A Bonds	Refund Series 2003A Bonds	Refund Series 2004A Bonds	Total
Bond Proceeds:				
Par Amount	7,360,000.00	10,215,000.00	10,250,000.00	27,825,000.00
Premium	510,347.00	504,312.10	627,647.00	1,642,306.10
	7,870,347.00	10,719,312.10	10,877,647.00	29,467,306.10
Other Sources of Funds:				
Liquidated Reserve Funds	558,651.00	588,190.51	744,346.87	1,891,188.38
	8,428,998.00	11,307,502.61	11,621,993.87	31,358,494.48

Uses:	Refund Series 1999A Bonds	Refund Series 2003A Bonds	Refund Series 2004A Bonds	Total
Refunding Escrow Deposits:				
Cash Deposit	7,763,310.00	10,571,125.33	10,727,538.44	29,061,973.77
Other Fund Deposits:				
Debt Service Reserve Fund	558,651.00	588,190.51	744,346.87	1,891,188.38
Delivery Date Expenses:				
Cost of Issuance	66,127.58	91,778.98	92,093.44	250,000.00
Underwriter's Discount	40,480.00	56,182.50	56,375.00	153,037.50
	106,607.58	147,961.48	148,468.44	403,037.50
Rounding Amount	429.42	225.29	1,640.12	2,294.83
	8,428,998.00	11,307,502.61	11,621,993.87	31,358,494.48

Attachment

Estimated Refunding Analysis

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South Tahoe Successor Agency
2014 Revenue Refunding Bonds
Rates as of 7/30/2014

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SOURCES AND USES OF FUNDS

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Sources:	Refund Series 1999A Bonds	Refund Series 2003A Bonds	Refund Series 2004A Bonds	Total
Bond Proceeds:				
Par Amount	7,360,000.00	10,215,000.00	10,250,000.00	27,825,000.00
Premium	510,347.00	504,312.10	627,647.00	1,642,306.10
	<u>7,870,347.00</u>	<u>10,719,312.10</u>	<u>10,877,647.00</u>	<u>29,467,306.10</u>
Other Sources of Funds:				
Liquidated DSRF	558,651.00	588,190.51	744,346.87	1,891,188.38
	<u>8,428,998.00</u>	<u>11,307,502.61</u>	<u>11,621,993.87</u>	<u>31,358,494.48</u>
Uses:				
Refunding Escrow Deposits:				
Cash Deposit	7,763,310.00	10,571,125.33	10,727,538.44	29,061,973.77
Other Fund Deposits:				
Debt Service Reserve Fund	558,651.00	588,190.51	744,346.87	1,891,188.38
Delivery Date Expenses:				
Cost of Issuance	66,127.58	91,778.98	92,093.44	250,000.00
Underwriter's Discount	40,480.00	56,182.50	56,375.00	153,037.50
	<u>106,607.58</u>	<u>147,961.48</u>	<u>148,468.44</u>	<u>403,037.50</u>
Other Uses of Funds:				
Additional Proceeds	429.42	225.29	1,640.12	2,294.83
	<u>8,428,998.00</u>	<u>11,307,502.61</u>	<u>11,621,993.87</u>	<u>31,358,494.48</u>

SUMMARY OF BONDS REFUNDED

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 1999A:					
SERIALS	10/01/2015	5.250%	145,000.00	12/05/2014	100.000
TERM21	10/01/2016	5.300%	150,000.00	12/05/2014	100.000
	10/01/2017	5.300%	160,000.00	12/05/2014	100.000
	10/01/2018	5.300%	170,000.00	12/05/2014	100.000
	10/01/2019	5.300%	180,000.00	12/05/2014	100.000
	10/01/2020	5.300%	190,000.00	12/05/2014	100.000
TERM30	10/01/2021	5.300%	200,000.00	12/05/2014	100.000
	10/01/2022	5.375%	210,000.00	12/05/2014	100.000
	10/01/2023	5.375%	220,000.00	12/05/2014	100.000
	10/01/2024	5.375%	230,000.00	12/05/2014	100.000
	10/01/2025	5.375%	245,000.00	12/05/2014	100.000
	10/01/2026	5.375%	255,000.00	12/05/2014	100.000
	10/01/2027	5.375%	275,000.00	12/05/2014	100.000
	10/01/2028	5.375%	285,000.00	12/05/2014	100.000
	10/01/2029	5.375%	2,325,000.00	12/05/2014	100.000
	10/01/2030	5.375%	2,450,000.00	12/05/2014	100.000
			<u>7,690,000.00</u>		
Series 2003A:					
SERIALS	10/01/2015	4.750%	55,000.00	12/05/2014	100.000
	10/01/2016	4.900%	60,000.00	12/05/2014	100.000
	10/01/2017	5.000%	65,000.00	12/05/2014	100.000
	10/01/2018	5.150%	70,000.00	12/05/2014	100.000
	10/01/2019	5.300%	75,000.00	12/05/2014	100.000
TERM27	10/01/2020	5.375%	80,000.00	12/05/2014	100.000
	10/01/2021	5.400%	85,000.00	12/05/2014	100.000
	10/01/2022	5.400%	95,000.00	12/05/2014	100.000
	10/01/2023	5.400%	105,000.00	12/05/2014	100.000
	10/01/2024	5.400%	110,000.00	12/05/2014	100.000
	10/01/2025	5.400%	120,000.00	12/05/2014	100.000
	10/01/2026	5.400%	135,000.00	12/05/2014	100.000
TERM33	10/01/2027	5.400%	140,000.00	12/05/2014	100.000
	10/01/2028	5.450%	155,000.00	12/05/2014	100.000
	10/01/2029	5.450%	160,000.00	12/05/2014	100.000
	10/01/2030	5.450%	175,000.00	12/05/2014	100.000
	10/01/2031	5.450%	2,770,000.00	12/05/2014	100.000
	10/01/2032	5.450%	2,925,000.00	12/05/2014	100.000
	10/01/2033	5.450%	3,090,000.00	12/05/2014	100.000
			<u>10,470,000.00</u>		
Series 2004A:					
SERIALS	10/01/2015	3.875%	225,000.00	12/05/2014	100.000
	10/01/2016	4.000%	235,000.00	12/05/2014	100.000
	10/01/2017	4.000%	250,000.00	12/05/2014	100.000
	10/01/2018	4.750%	255,000.00	12/05/2014	100.000
	10/01/2019	4.500%	270,000.00	12/05/2014	100.000
	10/01/2020	4.350%	285,000.00	12/05/2014	100.000
TERM29	10/01/2021	5.000%	295,000.00	12/05/2014	100.000
	10/01/2022	5.000%	310,000.00	12/05/2014	100.000
	10/01/2023	5.000%	330,000.00	12/05/2014	100.000
	10/01/2024	5.000%	345,000.00	12/05/2014	100.000
	10/01/2025	5.000%	360,000.00	12/05/2014	100.000
	10/01/2026	5.000%	380,000.00	12/05/2014	100.000

SUMMARY OF BONDS REFUNDED

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2004A:					
TERM29	10/01/2027	5.000%	400,000.00	12/05/2014	100.000
	10/01/2028	5.000%	420,000.00	12/05/2014	100.000
	10/01/2029	5.000%	445,000.00	12/05/2014	100.000
TERM34	10/01/2030	5.000%	465,000.00	12/05/2014	100.000
	10/01/2031	5.000%	490,000.00	12/05/2014	100.000
	10/01/2032	5.000%	515,000.00	12/05/2014	100.000
	10/01/2033	5.000%	540,000.00	12/05/2014	100.000
	10/01/2034	5.000%	3,820,000.00	12/05/2014	100.000
			10,635,000.00		
			28,795,000.00		

SUMMARY OF REFUNDING RESULTS

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

	Refund Series 1999A Bonds	Refund Series 2003A Bonds	Refund Series 2004A Bonds	Total
Dated Date	11/05/2014	11/05/2014	11/05/2014	11/05/2014
Delivery Date	11/05/2014	11/05/2014	11/05/2014	11/05/2014
Arbitrage Yield	4.186537%	4.186537%	4.186537%	4.186537%
Escrow Yield				
Value of Negative Arbitrage				
Bond Par Amount	7,360,000.00	10,215,000.00	10,250,000.00	27,825,000.00
True Interest Cost	4.307222%	4.607353%	4.427636%	4.470805%
Net Interest Cost	4.483570%	4.730930%	4.596488%	4.626093%
Average Coupon	4.984388%	4.995883%	4.984391%	4.989128%
Average Life	12.747	16.558	14.368	14.743
Par amount of refunded bonds	7,690,000.00	10,470,000.00	10,635,000.00	28,795,000.00
Average coupon of refunded bonds	5.371146%	5.445647%	4.977788%	5.259864%
Average life of refunded bonds	12.701	16.666	14.430	14.781
PV of prior debt	8,596,513.97	12,073,478.05	11,545,565.53	32,215,557.55
Net PV Savings	678,486.61	893,122.33	461,490.68	2,033,099.62
Percentage savings of refunded bonds	8.822973%	8.530299%	4.339358%	7.060599%
Percentage savings of refunding bonds	9.218568%	8.743244%	4.502348%	7.306737%

SAVINGS

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/05/2014 @ 4.1865373%
10/01/2015	1,926,727.52	1,792,781.25	133,946.27	132,975.91
10/01/2016	1,927,783.76	1,775,225.00	152,558.76	142,259.05
10/01/2017	1,937,493.76	1,790,350.00	147,143.76	131,634.17
10/01/2018	1,935,763.76	1,787,150.00	148,613.76	127,510.54
10/01/2019	1,941,036.26	1,791,000.00	150,036.26	123,465.62
10/01/2020	1,945,371.26	1,791,250.00	154,121.26	121,645.43
10/01/2021	1,943,603.76	1,795,250.00	148,353.76	112,369.83
10/01/2022	1,948,663.76	1,802,750.00	145,913.76	106,032.25
10/01/2023	1,956,746.26	1,803,500.00	153,246.26	106,779.40
10/01/2024	1,952,751.26	1,797,750.00	155,001.26	103,587.28
10/01/2025	1,957,198.76	1,805,750.00	151,448.76	97,098.38
10/01/2026	1,964,550.00	1,811,750.00	152,800.00	93,959.26
10/01/2027	1,969,553.76	1,820,750.00	148,803.76	87,780.13
10/01/2028	1,972,212.50	1,822,500.00	149,712.50	84,704.13
10/01/2029	3,997,446.26	3,852,250.00	145,196.26	78,805.43
10/01/2030	4,001,507.50	3,848,500.00	153,007.50	79,582.20
10/01/2031	4,007,032.50	3,847,750.00	159,282.50	79,395.60
10/01/2032	4,011,567.50	3,854,500.00	157,067.50	75,032.58
10/01/2033	4,016,405.00	3,858,000.00	158,405.00	72,509.10
10/01/2034	4,011,000.00	3,843,000.00	168,000.00	73,678.50
	51,324,415.14	48,291,756.25	3,032,658.89	2,030,804.80

Savings Summary

PV of savings from cash flow	2,030,804.80
Less: Prior funds on hand	-1,891,188.38
Plus: Refunding funds on hand	1,893,483.21
Net PV Savings	2,033,099.63

ESCROW REQUIREMENTS

South Tahoe Successor Agency
2014 Revenue Refunding Bonds
Rates as of 7/30/2014

Period Ending	Interest	Principal Redeemed	Total
12/05/2014	266,973.77	28,795,000.00	29,061,973.77
	266,973.77	28,795,000.00	29,061,973.77

BOND SUMMARY STATISTICS

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Dated Date	11/05/2014
Delivery Date	11/05/2014
Last Maturity	10/01/2034
Arbitrage Yield	4.186537%
True Interest Cost (TIC)	4.470805%
Net Interest Cost (NIC)	4.626093%
All-In TIC	4.554626%
Average Coupon	4.989128%
Average Life (years)	14.743
Duration of Issue (years)	10.464
Par Amount	27,825,000.00
Bond Proceeds	29,467,306.10
Total Interest	20,466,756.25
Net Interest	18,977,487.65
Total Debt Service	48,291,756.25
Maximum Annual Debt Service	3,858,000.00
Average Annual Debt Service	2,426,044.13
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.500000
Total Underwriter's Discount	5.500000
Bid Price	105.352268

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bonds	27,825,000.00	105.902	4.989%	14.743
	27,825,000.00			14.743

	TIC	All-In TIC	Arbitrage Yield
Par Value	27,825,000.00	27,825,000.00	27,825,000.00
+ Accrued Interest			
+ Premium (Discount)	1,642,306.10	1,642,306.10	1,642,306.10
- Underwriter's Discount	-153,037.50	-153,037.50	
- Cost of Issuance Expense		-250,000.00	
- Other Amounts			
Target Value	29,314,268.60	29,064,268.60	29,467,306.10
Target Date	11/05/2014	11/05/2014	11/05/2014
Yield	4.470805%	4.554626%	4.186537%

BOND PRICING

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Call Date	Call Price	
Serial Bonds:								
	10/01/2015	555,000	3.000%	0.910%	101.880			
	10/01/2016	425,000	3.500%	1.210%	104.300			
	10/01/2017	455,000	4.000%	1.540%	106.962			
	10/01/2018	470,000	4.500%	1.960%	109.503			
	10/01/2019	495,000	5.000%	2.350%	112.208			
	10/01/2020	520,000	5.000%	2.660%	112.707			
	10/01/2021	550,000	5.000%	2.960%	112.653			
	10/01/2022	585,000	5.000%	3.180%	112.630			
	10/01/2023	615,000	5.000%	3.450%	111.794			
	10/01/2024	640,000	5.000%	3.620%	111.398			
	10/01/2025	680,000	5.000%	3.780%	109.998	C 10/01/2024	100.000	
	10/01/2026	720,000	5.000%	3.940%	108.620	C 10/01/2024	100.000	
	10/01/2027	765,000	5.000%	4.040%	107.769	C 10/01/2024	100.000	
	10/01/2028	805,000	5.000%	4.180%	106.591	C 10/01/2024	100.000	
	10/01/2029	2,875,000	5.000%	4.260%	105.925	C 10/01/2024	100.000	
	10/01/2030	3,015,000	5.000%	4.330%	105.346	C 10/01/2024	100.000	
	10/01/2031	3,165,000	5.000%	4.400%	104.771	C 10/01/2024	100.000	
	10/01/2032	3,330,000	5.000%	4.470%	104.200	C 10/01/2024	100.000	
	10/01/2033	3,500,000	5.000%	4.520%	103.794	C 10/01/2024	100.000	
	10/01/2034	3,660,000	5.000%	4.570%	103.390	C 10/01/2024	100.000	
		27,825,000						

Dated Date 11/05/2014
 Delivery Date 11/05/2014
 First Coupon 04/01/2015

BOND DEBT SERVICE

South Tahoe Successor Agency
 2014 Revenue Refunding Bonds
 Rates as of 7/30/2014

Period Ending	Principal	Coupon	Interest	Debt Service
10/01/2015	555,000	3.000%	1,237,781.25	1,792,781.25
10/01/2016	425,000	3.500%	1,350,225.00	1,775,225.00
10/01/2017	455,000	4.000%	1,335,350.00	1,790,350.00
10/01/2018	470,000	4.500%	1,317,150.00	1,787,150.00
10/01/2019	495,000	5.000%	1,296,000.00	1,791,000.00
10/01/2020	520,000	5.000%	1,271,250.00	1,791,250.00
10/01/2021	550,000	5.000%	1,245,250.00	1,795,250.00
10/01/2022	585,000	5.000%	1,217,750.00	1,802,750.00
10/01/2023	615,000	5.000%	1,188,500.00	1,803,500.00
10/01/2024	640,000	5.000%	1,157,750.00	1,797,750.00
10/01/2025	680,000	5.000%	1,125,750.00	1,805,750.00
10/01/2026	720,000	5.000%	1,091,750.00	1,811,750.00
10/01/2027	765,000	5.000%	1,055,750.00	1,820,750.00
10/01/2028	805,000	5.000%	1,017,500.00	1,822,500.00
10/01/2029	2,875,000	5.000%	977,250.00	3,852,250.00
10/01/2030	3,015,000	5.000%	833,500.00	3,848,500.00
10/01/2031	3,165,000	5.000%	682,750.00	3,847,750.00
10/01/2032	3,330,000	5.000%	524,500.00	3,854,500.00
10/01/2033	3,500,000	5.000%	358,000.00	3,858,000.00
10/01/2034	3,660,000	5.000%	183,000.00	3,843,000.00
	27,825,000		20,466,756.25	48,291,756.25

SAVINGS

South Tahoe Successor Agency
Refund Series 1999A Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/05/2014 @ 4.1865373%
10/01/2015	557,368.76	506,022.64	51,346.12	50,668.53
10/01/2016	554,756.26	494,625.00	60,131.26	56,051.14
10/01/2017	556,806.26	499,725.00	57,081.26	51,043.85
10/01/2018	558,326.26	498,725.00	59,601.26	51,093.57
10/01/2019	559,316.26	501,750.00	57,566.26	47,341.77
10/01/2020	559,776.26	498,500.00	61,276.26	48,314.50
10/01/2021	559,706.26	500,000.00	59,706.26	45,161.90
10/01/2022	559,106.26	501,000.00	58,106.26	42,163.77
10/01/2023	557,818.76	496,500.00	61,318.76	42,660.78
10/01/2024	555,993.76	496,750.00	59,243.76	39,538.42
10/01/2025	558,631.26	501,500.00	57,131.26	36,575.12
10/01/2026	555,462.50	495,500.00	59,962.50	36,805.61
10/01/2027	561,756.26	504,250.00	57,506.26	33,857.78
10/01/2028	556,975.00	497,000.00	59,975.00	33,856.29
10/01/2029	2,581,656.26	2,524,500.00	57,156.26	30,946.28
10/01/2030	2,581,687.50	2,520,000.00	61,687.50	31,977.87
	12,975,143.88	12,036,347.64	938,796.24	678,057.19

Savings Summary

PV of savings from cash flow	678,057.19
Less: Prior funds on hand	-558,651.00
Plus: Refunding funds on hand	559,080.42
Net PV Savings	678,486.61

SAVINGS

South Tahoe Successor Agency
Refund Series 2003A Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/05/2014 @ 4.1865373%
10/01/2015	623,830.00	568,799.72	55,030.28	54,595.38
10/01/2016	626,217.50	563,350.00	62,867.50	58,702.83
10/01/2017	628,277.50	566,250.00	62,027.50	55,567.77
10/01/2018	630,027.50	568,650.00	61,377.50	52,753.79
10/01/2019	631,422.50	570,500.00	60,922.50	50,237.49
10/01/2020	632,447.50	571,750.00	60,697.50	48,020.51
10/01/2021	633,147.50	572,750.00	60,397.50	45,843.81
10/01/2022	638,557.50	578,500.00	60,057.50	43,735.57
10/01/2023	643,427.50	583,750.00	59,677.50	41,695.00
10/01/2024	642,757.50	578,500.00	64,257.50	43,038.07
10/01/2025	646,817.50	583,250.00	63,567.50	40,847.56
10/01/2026	655,337.50	592,500.00	62,837.50	38,739.28
10/01/2027	653,047.50	591,000.00	62,047.50	36,699.33
10/01/2028	660,487.50	599,250.00	61,237.50	34,749.80
10/01/2029	657,040.00	596,750.00	60,290.00	32,823.14
10/01/2030	663,320.00	604,000.00	59,320.00	30,983.87
10/01/2031	3,248,782.50	3,120,500.00	128,282.50	63,951.25
10/01/2032	3,252,817.50	3,125,750.00	127,067.50	60,696.27
10/01/2033	3,258,405.00	3,129,000.00	129,405.00	59,216.33
	20,026,167.50	18,664,799.72	1,361,367.78	892,897.04

Savings Summary

PV of savings from cash flow	892,897.04
Less: Prior funds on hand	-588,190.51
Plus: Refunding funds on hand	588,415.80
Net PV Savings	893,122.33

SAVINGS

South Tahoe Successor Agency
Refund Series 2004A Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/05/2014 @ 4.1865373%
10/01/2015	745,528.76	717,958.89	27,569.87	27,712.01
10/01/2016	746,810.00	717,250.00	29,560.00	27,505.08
10/01/2017	752,410.00	724,375.00	28,035.00	25,022.56
10/01/2018	747,410.00	719,775.00	27,635.00	23,663.18
10/01/2019	750,297.50	718,750.00	31,547.50	25,886.36
10/01/2020	753,147.50	721,000.00	32,147.50	25,310.41
10/01/2021	750,750.00	722,500.00	28,250.00	21,364.12
10/01/2022	751,000.00	723,250.00	27,750.00	20,132.91
10/01/2023	755,500.00	723,250.00	32,250.00	22,423.62
10/01/2024	754,000.00	722,500.00	31,500.00	21,010.79
10/01/2025	751,750.00	721,000.00	30,750.00	19,675.70
10/01/2026	753,750.00	723,750.00	30,000.00	18,414.37
10/01/2027	754,750.00	725,500.00	29,250.00	17,223.02
10/01/2028	754,750.00	726,250.00	28,500.00	16,098.04
10/01/2029	758,750.00	731,000.00	27,750.00	15,036.01
10/01/2030	756,500.00	724,500.00	32,000.00	16,620.47
10/01/2031	758,250.00	727,250.00	31,000.00	15,444.34
10/01/2032	758,750.00	728,750.00	30,000.00	14,336.31
10/01/2033	758,000.00	729,000.00	29,000.00	13,292.78
10/01/2034	4,011,000.00	3,843,000.00	168,000.00	73,678.50
	18,323,103.76	17,590,608.89	732,494.87	459,850.56

Savings Summary

PV of savings from cash flow	459,850.56
Less: Prior funds on hand	-744,346.87
Plus: Refunding funds on hand	745,986.99
Net PV Savings	461,490.68