



THE CITY OF SAN DIEGO

## Report to the City Council

DATE ISSUED: September 6, 2016 REPORT NO: 16-077

ATTENTION: Council President and City Council (as Successor Agency Board)

SUBJECT: Successor Agency to the Redevelopment Agency of the City of San Diego Tax Allocation Refunding Bonds, Series 2017A (Tax Exempt) and 2017B (Taxable)

REFERENCE: Budget and Government Efficiency Committee Report No. 16-068, titled Economic Refunding of Eligible Outstanding Successor Agency Tax Allocation Bonds, dated July 1, 2016

### REQUESTED ACTION:

- 1.) Authorize the issuance of the Successor Agency to the Redevelopment Agency of the City of San Diego Tax Allocation Refunding Bonds, Series 2017A (Tax Exempt) and 2017B (Taxable) (the "Series 2017 Bonds") in a principal amount collectively not to exceed \$260 million and the execution of related financing documents to refund 13 series of former Redevelopment Agency Tax Allocation Bonds. The related financing documents consist of the forms of a First Supplemental Indenture of Trust, a Bond Purchase Agreement, a form of Escrow Agreement, and a Continuing Disclosure Certificate;
- 2.) Authorize the City Attorney to retain and enter into an agreement with Stradling, Yocca, Carlson & Rauth PC, to provide Bond and Disclosure Counsel services in connection with the issuance of the Series 2017 Bonds; and
- 3.) Authorize the Chief Financial Officer to establish one or more special interest bearing account(s) for the proceeds of the Series 2017 Bonds.

### STAFF RECOMMENDATION:

Approve the requested actions.

### SUMMARY:

#### **I. Background**

As of January 2016, twenty-two (22) tax allocation bond series were consolidated into two (2) series; the Tax Allocation Refunding Bonds, Series 2016A and Series 2016B (Taxable) (collectively, the "2016 Refunding Bonds"). The refunding produced \$83 million in gross cash flow savings (19% net present value savings ("NPV savings") of refunded principal). The savings benefit all tax sharing entities including the City, County, and schools through FY2034.

## 2017 RDA Refunding Bonds

Subsequent to the 2016 master refunding, sixteen (16) bond series remain that were originally issued by the City's former Redevelopment Agency for the former City Redevelopment Division, Center City Development Corporation ("CCDC") and the Southeastern Economic Development Corporation ("SEDC"). The City's Debt Management Department, on behalf of the Successor Agency, and in consultation with CSG Advisors Inc., the municipal advisor engaged for this refunding proposal, has identified thirteen (13) eligible series to refund. They were originally issued from 2006 to 2010, as such, the economic refundings will be conducted on a current and advance refunding basis as applicable to each prior series with the projected aggregate NPV savings to exceed the recommended aggregate net present savings levels of 3% and 4%, respectively. See Exhibit A – Prior Series for the schedule listing the refunding eligible bond series (subject to market conditions).

The objectives of the proposed refunding would be to maximize NPV savings by consolidating the refunded series into a single "pooled" bond issuance as was done with the 2016 Refunding Bonds, while also structuring the bonds in a manner consistent with applicable federal tax rules. Debt Management is diligently working with tax counsel and the municipal advisor to generate a sound financing plan that maximizes economic savings while ensuring the Successor Agency remains compliant with all the legal requirements with respect to funds of certain bond series.

## II. Discussion

### A. Summary of the Tax Allocation Refunding Bonds, Series 2017A (Tax Exempt) and Series 2017B (Taxable)

- *Issuer:* Successor Agency to the Redevelopment Agency of the City of San Diego.
- *Not to Exceed Amount:* \$260 million (combined Series A and B)
- *Debt Service Reserve Fund:* A Surety Policy was issued for the 2016 Refunding Bonds because of the economic benefits provided. This will most likely be the case with the 2017 Bonds. Currently, the thirteen (13) RDA bonds proposed for refunding carry debt service reserve funds of \$30.9 million in cash. The cash reserves are expected to be released from the prior bonds and applied as a source of funds for the refunding, thus reducing the issuance size of the refunding bonds and increasing cash flow savings. The Surety Policy will serve as the debt service reserve guarantee for the bondholders. Under certain conditions, and only if economical, bond insurance may also be purchased for some or all of the Series 2017 Bonds. It was not economic to purchase bond insurance for the 2016 Refunding Bonds and the bonds were issued as uninsured bonds relying on underlying AA- credit rating from Standard and Poor's.
- *Method of Sale:* Public Offering with credit rating; Negotiated Sale.
- *Tax Status:* The Series 2017 Bonds consist of Series A to refund the tax exempt eligible issuances and Series B will refund certain series on a taxable basis. Currently, due to the existence of unspent, original tax-exempt bond proceeds, bond counsel advises the Agency to refund up to 5 series with taxable refunding bonds. The result of this potential action will likely be lower debt service savings than could be achieved with lower tax exempt rates (subject to market conditions) but will also allow the Agency and City to continue



## 2017 RDA Refunding Bonds

expending the outstanding bond proceeds as programmed for various capital improvements within the former project areas.

- **Structure:** The bonds will be issued under the First Supplemental Indenture of Trust, and the previously approved 2016 Indenture (collectively “the Indenture”), by and between the Successor Agency and U.S. Bank N.A., trustee, established with the Series 2017 Bonds. See Legal Structure.
- **Repayment Source:** Payable from Pledged Tax Revenues, as defined in the Indenture, deposited in the Redevelopment Property Tax Trust Fund (the “RPTTF”) on a subordinate basis to the RDA bonds that remain outstanding and certain other non-bond obligations of the Agency.
- **Principal and Interest Payments:** Principal and Interest payments will be made each March 1 and September 1 out of annual distributions received by the RPTTF held by the San Diego County Assessor.
- **Final Maturity:** 24 year term; Original repayment tenor is maintained as applicable to each series of refunded bonds. The final maturity of the refunding bonds will occur in the same Fiscal Year as the longest final maturity of the Prior Bonds (FY 2041).

### **B. Legal Structure**

The Successor Agency to the Redevelopment Agency of the City of San Diego is the issuer of the Series 2017 Bonds. The Series 2017 Bonds are tax allocation bonds, secured by the Pledged Tax Revenues as defined in the Indenture. Taxes levied on the property within the project areas on that portion of the taxable valuation over and above the taxable valuation of the base year property tax roll, to the extent that such taxes constitute Pledged Tax Revenues, will be deposited in a Special Fund and administered by the Agency and the Trustee in accordance with the Indenture.

The Series 2017 Bonds are not a debt of the City of San Diego nor any of its political subdivisions. The Series 2017 Bonds will not be payable out of any funds or properties other than those of the Agency.

### **C. City Council (Acting In Its Capacity As The Successor Agency Board) Authorization**

The Successor Agency Board is requested to (i) authorize the issuance of the Series 2017 Bonds; (ii) approve the financing legal documents; (iii) authorize the City Attorney to appoint the Bond and Disclosure Counsel; and (iv) authorize the Chief Financial Officer to establish one or more special interest-bearing accounts for the bond proceeds contingent upon approval of the bond documents and contingent upon the issuance of the bonds. Certain financing legal documents, including the First Supplemental Indenture, the Bond Purchase Agreement, a form of Escrow Agreement, and a Continuing Disclosure Certificate would be approved via ordinance. Staff will be docketing the Preliminary Official Statement (“POS”) for the Series 2017 Bonds separately to be authorized via resolution in November 2016, closer to the distribution of the POS to potential investors.

Financing and Legal Documents

The financing Ordinance approves and authorizes the execution of the following financing documents included in the Successor Agency approval request (*the docketed documents contain various blank placeholders, which will be filled in by Bond Counsel at the time of the bond sale or the bond closing period*):

1. Form of the First Supplemental Indenture (Indenture) – The Indenture is an agreement between the Agency and the Trustee for the bonds. The Indenture provides for the issuance of the bonds, and includes information regarding the amount of the bonds, the maturities and interest rates on the bonds, the use of bond proceeds, and the nature of the security for the bonds (i.e., that the bonds are payable from Pledged Tax Revenues deposited in the RPTTF). The Indenture also sets forth terms, including the specific rights, responsibilities, and obligations of each party with respect to the issuance of the bonds. The First Supplemental Indenture addresses terms specific to the Series 2017 Bonds and incorporates applicable terms of the 2016 Indenture.
2. Form of the Continuing Disclosure Certificate (CDC) – The CDC details the Successor Agency’s ongoing obligation to file annual reports and material events with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system for the benefit of the bondholders.
3. Form of the Bond Purchase Agreement (BPA) – The BPA is an agreement among the Successor Agency and the Underwriters for the transaction pursuant to which the Agency agrees to sell, and the Underwriters agree to buy the bonds. It specifies the purchase price of the bonds and certain terms of the bonds, such as interest rates and maturities. The agreement also specifies documents that the parties must receive prior to bond closing, including the Bond Counsel opinion regarding the validity and tax exempt nature of the bonds as well as certain opinions and certificates of the City Attorney and other City and Authority officials. Such opinions and certificates would confirm, among other things, that all steps necessary to authorize the execution of the financing documents and the issuance of the bonds have been properly taken.
4. Form of Escrow Agreement – The Escrow Agreement between the Agency and the Trustee provides for the deposit of moneys in the escrow account to refund all outstanding principal since the Series 2017 Bonds will be issued prior to the first eligible redemption date of the Prior Bonds. The agreement sets forth the manner in which funds are to be invested (if any) pending their expenditure and a schedule of debt service payments (if any) to be made with respect to the bonds being refunded. A form of Escrow Agreement is provided as there are three separate trustees for the prior bonds and each will have a separate escrow agreement in substantially the same form.

**D. Financing Timeline**

Following are the critical milestones related to the execution of the Series 2017 Bonds, including the authorization of the financing ordinance and POS.

September 2016	Introduction and approval (two readings) of the financing ordinance authorizing the issuance of the Series 2017 Bonds, and approval of the financing documents by Successor Agency (City Council)
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## 2017 RDA Refunding Bonds

October 2016	Oversight Board Review and Approval by Resolution authorizing the Series 2017 Bonds
November/December 2016	California State Department of Finance review and approval of the Series 2017 Bonds. Up to 65 days from Oversight Board approval anticipated
November 2016	Successor Agency (City Council) approval of the disclosure document (POS) for the Series 2017 Bonds
January 2017	Refunding Bond Sale and Closing

**E. Financing Team**

The Financing Team for the Series 2017 Bonds consists of staff of the Department of Finance, including the Chief Financial Officer and staff of the Debt Management Department, the Comptroller's Office, the Treasurer's Office, and the Financial Management Department. The Financing Team also includes staff of the Economic Development Department, City Attorney's Office and Civic San Diego. External members include: CSG Advisors Inc. as the Municipal Advisor; Stradling, Yocca, Carlson & Rauth PC as Bond and Disclosure Counsel; the underwriting syndicate; US Bank, N.A. as Trustee; and Keyser Marston Associates as Fiscal Consultant.

Municipal Advisor: CSG Advisors Inc. ("CSG") was selected to provide municipal advisory services for this transaction through a competitive process utilizing the City's As-Needed Municipal Advisors Pool based on the firm's experience in tax allocation/former RDA bond financings, negotiated method of sale, and the fee proposal. The fee to CSG for this issuance is for an amount not to exceed \$65,000, plus out of pocket expenses not to exceed \$3,000 to be paid from the Series 2017 Bonds costs of issuance fund.

Fiscal Consultant: Keyser Marston Associates ("KMA") was identified to produce the Fiscal Consultant Report (the "FCR"). KMA provided the original FCR for the Series 2016 Bonds and the City is now requesting an updated report for the Series 2017 Bonds. The FCR is an important and necessary evaluation of the current and projected composition and assessed property values of the various former RDA project areas. Statutory and negotiated tax sharing agreements are also included in KMA's analysis to arrive at estimated net tax revenues ultimately pledged as security for repayment of the Series 2017 Bonds' debt service. The FCR will be incorporated as an appendix to the Official Statement (offering document). The fee to KMA for this issuance is for an amount not to exceed \$28,000 for the scope of work, a not to exceed \$2,000 for additional optional services, and a not to exceed \$2,500 for out of pocket expenses all to be paid from the Series 2017 Bonds costs of issuance fund or any other available funds of the Successor Agency.

Bond and Disclosure Counsel: The City Attorney's Office has identified and retained Stradling, Yocca, Carlson & Rauth PC to serve as Bond and Disclosure Counsel for the Series 2017 Bonds and pay an amount not to exceed \$195,000 inclusive of reasonable out of pocket expenses and are to be paid from the Series 2017 Bonds costs of issuance fund.

Trustee and Escrow Bank: US Bank N.A. will serve as the Trustee for the Series 2017 Bonds. Compensation for the Trustee includes \$3,500 for the transaction and ongoing annual fees of

## 2017 RDA Refunding Bonds

\$1,200. Wells Fargo, US Bank, and BNY Mellon, independently, currently serve as trustee for at least one of the 13 refunding series and will serve as Escrow Agent for their respective refunded series for a fee(s) of approximately \$1,500 per series.

Underwriting Syndicate: Stifel was selected to serve as Senior Manager and Citigroup will serve as Co-Senior Manager for the Series 2017 Bonds. In addition, the underwriting syndicate will include four Co-Managers: Raymond James, Morgan Stanley, William Blair, and Mesirov Financial. They were selected through a competitive process utilizing the City's established pool of Underwriters. The solicitation specific to the Series 2017 Bonds was issued in June 2016. In total, thirteen (13) proposals were received of which seven (7) firms proposed to serve as a Senior Manager or Co-Manager and six (6) firms proposed solely as a Co-Manager.

The syndicate members were identified based on the investment banking experience of the firms on similar transactions (particularly in the years since RDA dissolution), capacity to underwrite the transaction, and bond marketing outreach capabilities.

FISCAL CONSIDERATIONS:**A. Bond Proceeds, Interest Rate, Projected Debt Service and Savings**

Based upon current pricing conditions as of September 1, 2016, the total proceeds from the Series 2017 Bonds is expected to be approximately \$285 million which includes debt service and debt service reserve fund moneys released from the Prior Bonds.

Estimated Sources and Uses of Funds as of September 2016\*Estimated Sources

Bond Proceeds	\$246,300,000
Release of the Prior Bonds Debt Service Reserve Fund	\$30,900,000
Prior Debt Service Funds on Hand	<u>\$7,800,000</u>

<b>Total Sources of Funds</b>	<b>\$285,000,000</b>
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Estimated Uses

Escrow Fund to refund Prior Bonds <sup>(1)</sup>	\$283,200,000
Costs of Issuance <sup>(2)</sup>	<u>\$ 1,800,000</u>

<b>Total Uses of Funds</b>	<b>\$285,000,000</b>
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\* Preliminary; subject to change. Based on interest rates of 9/1/16 & preliminary bond structure.

(1) Includes debt service on Prior Bonds and redemption of remaining principal on the call date.

(2) Costs of Issuance ("COI") is the amount budgeted to pay costs of issuance such as underwriter's discount, City staff costs, bond and disclosure counsel fees, municipal advisor fees, fiscal consultant fees, rating agency fees and surety fee. Per the First Supplemental Indenture, unspent COI funds and contingency will flow to the Interest Account six months after the bond closing to pay debt service on the Series 2017 Bonds.

The estimated All-In True Interest Cost (All-In TIC) on the Series 2017 Bonds based on current market conditions is approximately 3.25%; the estimated average annual debt service payment would be approximately \$14 million. In comparison, the average interest rate for the Prior Bonds is 6.47% and the average debt service payment of the Prior Bonds is \$18.8 million. This translates to cumulative cash flow savings of approximately \$104 million over the remaining



2017 RDA Refunding Bonds

24 year term of the bond issue for an average annual cash flow savings of approximately \$4.3 million in Fiscal Years 2018 – 2041. The net present value savings is estimated at 19% of the refunded par amount or \$48.5 million.

The savings benefit to the City will be realized by an increase in its residual share of semi-annual RPTTF distribution payments from the County. The City’s share is currently 17.5%. Other local taxing entities that will benefit from the refunding include local K-12 school districts (44%), community college districts (6%), as well as, the County (15%) and other special districts. The share of residual distribution equates to, on average, approximately \$750,000 additional annual revenue to the City’s General Fund. The 2016 Refunding produced \$800,000 average annual savings for FY17 – FY34.

The following table summarizes an estimated financing comparison between Prior Bonds in aggregate and the proposed Series 2017 Bonds.

	Prior Bonds Outstanding	Series 2017 Bonds
Bond Issue Amount	\$252,125,000	\$236,000,000
Interest Rate Comparison	6.47%(Avg. Coupon)	3.25%(All In TIC)
Final Maturity (FY)	2041	2041
Total Debt Service	\$451,316,401	\$339,250,000

CITY STRATEGIC PLAN GOAL(S)/OBJECTIVE(S):

Goal #1: Provide high quality public service.

Objective #1: Promote a customer-focused culture that prizes accessible, consistent, and predictable delivery of services.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (if applicable):

Contract or agreements associated with this action are subject to the City’s Equal Employment Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and the City’s Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

PREVIOUS COUNCIL and/or COMMITTEE ACTIONS:

Item: "Economic Refunding of Eligible Outstanding Successor Agency Tax Allocation Bonds" was docketed and scheduled to be presented at the July 20th, 2016 Budget and Government Efficiency Committee. Upon the advance review of the docketed material, Committee recommended forwarding the item directly to City Council and Successor Agency for approval.

The 2016 Refunding Bonds (the previous RDA refunding) were approved by City Council, in its capacity as Successor Agency, via ordinance No. 20566 on October 9, 2015.

The 2016 Refunding Bonds were reviewed and approved via resolution by the Oversight Board to the Successor Agency on October 19, 2015 and subsequently reviewed and approved by the California State Department of Finance on December 18, 2015.

COMMUNITY PARTICIPATION AND OUTREACH EFFORTS:

Item was docketed for Budget and Government Efficiency Committee (see above) and is subject to Charter Section 99 public noticing requirements for public comment.

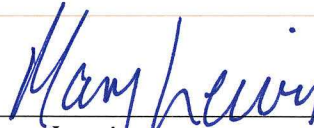
KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Business entities involved in the proposed financing include Stradling, Yocca, Carlson & Rauth PC (Bond and Disclosure Counsel); U.S. Bank, N.A. (Trustee/Escrow Agent); CSG Advisors Inc. (Municipal Advisor); Stifel, Citigroup, Raymond James, Morgan Stanley, William Blair, and Mesirow Financial (Underwriters); Norton Rose Fulbright (Underwriter's Counsel); Keyser Marston Associates (Fiscal Consultant); Standard & Poor's (Rating Agency); and the Printer (Electronic Printing of POS and OS).

Respectfully submitted,



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Lakshmi Kommi  
Director, Debt Management Department



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Mary Lewis  
Chief Financial Officer

Attachment: Exhibit A – Prior Series



EXHIBIT A

Prior Series

1. \$76,255,000 Centre City Redevelopment Project Subordinate Tax Allocation Bonds, Series 2006A (the "Centre City Series 2006A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and Deutsche Bank National Trust Company, dated as of June 1, 2006, relating to the Centre City Series 2006A Bonds
2. \$33,760,000 Centre City Redevelopment Project Tax Allocation Housing Bonds, Series 2006B (Taxable) (the "Centre City Series 2006B Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and Deutsche Bank National Trust Company, dated as of June 1, 2006, relating to the Centre City Series 2006B Bonds
3. \$69,000,000 Redevelopment Agency of the City of San Diego Centre City Redevelopment Project Tax Allocation Housing Bonds, Series 2008A (Taxable) (the "Centre City Series 2008A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and Deutsche Bank National Trust Company, dated as of June 1, 2008, relating to the Centre City Series 2008A Bonds
4. \$13,930,000 North Park Redevelopment Project Subordinate Tax Allocation Bonds, Series 2009A (the "North Park Series 2009A Bonds"), issued pursuant to that certain Indenture of Trust between the Former Agency and Wells Fargo Bank, National Association, dated as of July 1, 2009, relating to the North Park Series 2009A Bonds
5. \$5,635,000 City Heights Redevelopment Project Tax Allocation Bonds, 2010 Series A (Tax Exempt) (the "City Heights Series 2010A Bonds"), issued pursuant to that certain Master Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, as supplemented by that certain First Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, that certain Second Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, and that certain Third Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and U.S. Bank National Association, dated as of August 1, 2010, relating to the City Heights Series 2010A Bonds
6. \$9,590,000 City Heights Redevelopment Project Tax Allocation Bonds, 2010 Series B (Taxable) (the "City Heights Series 2010B Bonds"), issued pursuant to that certain Master Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, as supplemented by that certain First Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, that certain Second Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and Dai-Ichi Kangyo Bank, dated as of April 1, 1999, and that certain Third Supplemental Trust Agreement (City Heights Redevelopment Project) between the Former Agency and U.S. Bank National Association, dated as of August 1, 2010, relating to the City Heights Series 2010B Bonds

## 2017 RDA Refunding Bonds

7. \$4,915,000 Crossroads Redevelopment Project Tax Allocation Bonds, 2010 Series A (the "Crossroads Series 2010A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and U.S. Bank National Association, dated as of August 1 2010, relating to the Crossroads Series 2010A Bonds
8. \$19,765,000 Naval Training Center Redevelopment Project Tax Allocation Bonds, 2010 Series A (the "Naval Training Center Series 2010A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and U.S. Bank National Association, dated as of August 1 2010, relating to the Naval Training Center Series 2010A Bonds
9. \$2,900,000 San Ysidro Redevelopment Project Tax Allocation Bonds, 2010 Series A (Tax-Exempt) (the "San Ysidro Series 2010A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and U.S. Bank National Association, dated as of August 1 2010, relating to the San Ysidro Series 2010A Bonds
10. \$5,030,000 San Ysidro Redevelopment Project Tax Allocation Bonds, 2010 Series B (Taxable) (the "San Ysidro Series 2010B Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and U.S. Bank National Association, dated as of August 1 2010, relating to the San Ysidro Series 2010B Bonds
11. \$17,230,000 Public Facilities Financing Authority of the City of San Diego, California Pooled Financing Bonds, 2007 Series A (Taxable) (Southcrest, Central Imperial and Mount Hope Redevelopment Projects) (the "PFFA Series 2007A Bonds"), issued pursuant to that certain Indenture of Trust between the Former Agency and The Bank of New York Trust Company, N.A. ("BNY Trust Company"), dated as of June 1 2007, relating to the PFFA Series 2007A Bonds.
12. \$17,755,000 Public Facilities Financing Authority of the City of San Diego, California Pooled Financing Bonds, 2007 Series B (Tax-Exempt) (Southcrest and Central Imperial Redevelopment Projects) (the "PFFA Series 2007B Bonds"), issued pursuant to that certain Indenture of Trust between the Former Agency and BNY Trust Company, dated as of June 1 2007, relating to the PFFA Series 2007B Bonds.

Proceeds of the PFFA Series 2007A Bonds and the PFFA Series 2007B Bonds were used to make five separate loans to the Former Agency, and are secured by the Successor Agency's payments under such loans, pursuant to the following documents: (1) the Master Trust Agreement (Southcrest Redevelopment Project), as supplemented by the Loan Agreement and Third Supplemental Trust Agreement (Southcrest Redevelopment Project), dated as of June 1, 2007, by and among the Public Facilities Financing Authority of the City of San Diego, California (the "Authority"), BNY Trust Company and the Former Agency relating to the tax-exempt loan of \$9,405,000 and the taxable loan of \$7,605,000 to the Former Agency with respect to the Southcrest Redevelopment Project; (2) the Master Trust Agreement (Central Imperial Redevelopment Project), as supplemented by the Loan Agreement and Second Supplemental Trust Agreement (Central Imperial Redevelopment Project), dated as of June 1, 2007, by and among the Authority, BNY Trust Company and the Former Agency relating to the tax-exempt loan of \$8,350,000 and the taxable loan of \$6,515,000 to the Former Agency with respect to the Central Imperial Redevelopment Project; and (3) the Master Trust Agreement (Mount Hope Redevelopment Project), as supplemented by the Loan Agreement and Fourth Supplemental Trust Agreement (Mount Hope Redevelopment Project), dated as



2017 RDA Refunding Bonds

of June 1, 2007, by and among the Authority, BNY Trust Company and the Former Agency relating to the taxable loan of \$3,110,000 to the Former Agency with respect to the Mount Hope Redevelopment Project.

13. \$58,565,000 Housing Set-Aside Tax Allocation Bonds, 2010 Series A Taxable (the "Housing Set-Aside Series 2010A Bonds"), issued pursuant to that certain Trust Indenture between the Former Agency and U.S. Bank National Association, dated as of August 1, 2010, relating to the Housing Set-Aside Series 2010A Bonds