AGENDA

CORTE MADERA TOWN COUNCIL
AND SANITARY DISTRICT NO. 2 BOARD
TOWN HALL COUNCIL CHAMBERS
300 TAMALPAIS DRIVE
TUESDAY, MAY 17, 2016
7:30 P.M.

1. CALL TO ORDER, ROLL CALL AND SALUTE TO THE FLAG

1.I. Report out of Closed Session from May 3, 2016 Town Council Meeting
Report regarding the following item:
- **PUBLIC EMPLOYEE APPOINTMENT [Govt. Code Sec. 54957]**
  Title: Town Manager

2. PRESENTATION: None

3. OPEN TIME FOR PUBLIC DISCUSSION

Please confine your comments during this portion of the agenda to matters not already on this agenda. Speakers will be limited to three (3) minutes unless otherwise specified by the Mayor or the Presiding Officer.

The public will be given an opportunity to speak on each agenda item at the time it is called. The Council may discuss and/or take action regarding any or all of the items listed below. Once the public comment portion of any item on this agenda has been closed by the Council, no further comment from the public will be permitted unless authorized by the Mayor or the council and if so authorized, said additional public comment shall be limited to the provision of information not previously provided to the Council or as otherwise limited by order of the Mayor or Council.

4. TOWN MANAGER AND COUNCIL REPORTS
- **Town Manager Report**
- **Director of Planning & Building Report on Status of Tamal Vista East Corridor Study**
- **Council Reports**

5. CONSENT CALENDAR

The purpose of the Consent Calendar is to group items together which are routine or have been discussed previously and do not require further discussion. They will be approved by a single motion. Any member of the Town Council, Town Staff, or the Public may request removal of an item for discussion. Rescheduling of the item(s) will be at the discretion of the Mayor and Town Council.

5.I. Waive Further Reading And Authorize Introduction And/Or Adoption Of Ordinances And Resolutions By Title Only

This item contains standard language authorizing Town Council to introduce and/or adopt Resolutions and Ordinances by Title only and waive further reading.

5.II. Action To Move The Tuesday, June 7, 2016 Town Council Meeting To Monday, June 6, 2016 So As Not To Conflict With Election Night
(Report from Rebecca Vaughn, Town Clerk)

Documents: 5.II MEETING DATE CHANGE FROM JUNE 7 TO JUNE 6.PDF

5.III. Approve Transfer Of Funds - $5,000 Out Of $110,000 Of Approved Centennial Funds From FY 2016-17 To FY 2015-16
(Report from Mario Fiorentini, Director of Recreation and Leisure Services)

Documents: 5.III REQUEST FOR CENTENNIAL FUND TRANSFER.PDF

5.IV. Adopt Resolution No. 19/2016 Endorsing Zero Waste Marin And Allowing A Temporary Sign In The Public Right-Of-Way From June 15 To July 31, 2016 Publicizing Waste Reduction
(Report from Doug Bush, Assistant Planner)

Documents: 5.IV BANNER REQUEST ZERO WASTE MARIN.PDF

5.V. Refinance Of 30-Year 2006 Park Madera Center Certificates Of Participation (Bonds Dated September 28, 2006) For Remaining 20 Years Of Certificates (Bonds) With Maturity (Final Payment) Remaining February 1, 2037

1. Adopt Resolution 15/2016, A Resolution of the Town Council of the Town of Corte Madera Authorizing Delivery and Sale of Refunding Certificates of Participation to Refinance Outstanding 2006 Certificates of Participation, and Approving Related Documents and Actions

And

2. Approve a Supplemental Appropriation of Both the Revenues and Expenditures of the Refinancing Transaction to Maximum Amount of $11,000,000 for Both (Actual Estimate to be Roughly $9,500,000 for Both Depending on Bond Marketing Requirements)

(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

Documents: 5.V REFINANCE OF 30-YEAR 2006 PARK MADERA CENTER CERTIFICATES.PDF

5.VI. Transmittal Of March 31, 2016 Summary Financial Report (Interim Reports On Cash Basis)
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

Documents: 5.VI TRANSMITTAL OF 3.31.16 SUMMARY FINANCIAL REPORT.PDF

5.VII. Approve Warrants And Payroll For The Period 4/28/16 Through 5/10/16:
Warrant Check Numbers 213550 through 213630, Payroll Check Numbers 5200 through 5206, Payroll Direct Deposit Numbers 29441 through 29515, Payroll Wire Transfer Numbers 2006 through 2009, and Wire Transfer of 6/01/16.

(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

Documents: 5.VII PAYROLL AND DEMANDS 4.28.16 TO 5.10.16.PDF

6. PUBLIC HEARING:

6.I. Public Hearing Nuisance, 14 Lakeside – Determination Whether The Property Conditions Constitute A Public Nuisance As Designated In Chapter 9.04 Of The Corte Madera Municipal Code And Direction To Staff For Further Action
(Report from Adam Wolff, Director of Planning and Building)

Documents: 6.I PUBLIC HEARING NUISANCE 14 LAKESIDE DR.PDF

7. BUSINESS ITEMS

7.I. Review Of Draft June 6, 2016 Town Council Agenda

Documents: 7.I 6.06.16 DRAFT AGENDA.PDF

7.II. Approval Of Minutes Of The May 3, 2016 Town Council Meeting

Documents: 7.II 050316 DRAFT CORTE MADERA COUNCIL MINUTES.PDF

8. ADJOURNMENT

TOWN COUNCIL STAFF REPORTS ARE USUALLY AVAILABLE BY 5:00 P.M., FRIDAY PRIOR TO THE COUNCIL MEETING, AND MAY BE OBTAINED AT THE CORTE MADERA TOWN HALL, OR BY CALLING 927-5050. AGENDA ITEMS ARE AVAILABLE FOR REVIEW AT CORTE MADERA LIBRARY, FIRE STATION 13 (5600 PARADISE DRIVE) AND THE TOWN HALL. IF YOU CHALLENGE THE ACTION OF THE TOWN COUNCIL IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS AGENDA, OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE TOWN CLERK, AT OR PRIOR TO THE PUBLIC HEARING.

Any member of the public may request placement of an item on the agenda by submitting a request to the Town Clerk. The public is encouraged to contact the Town Manager at 415-927-5050 for assistance on any item between Council meetings.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at 415-927-5086. For auxiliary aids or services or other reasonable accommodations to be provided by the Town at or before the meeting please notify the Town Clerk at least 3 business days (the Thursday before the meeting) in advance of the meeting date. If the town does not receive timely notification of your reasonable request, the town may not be able to make the necessary arrangements by the time of the meeting.

To sign up to recieve automatic notifications regarding meetings and agendas, please visit

the Town's website at http://www.townofcortemadera.org and click on "Notify Me" to register, or email the Town Clerk at: rvaughn@tcmmail.org.

This material has been reviewed by the Town Manager

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CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 10, 2016
Meeting Date: May 17, 2016

TO: MAYOR, TOWN COUNCIL, AND TOWN MANAGER

FROM: REBECCA VAUGHN
TOWN CLERK/ ASSISTANT TO TOWN MANAGER

SUBJECT: CHANGE TOWN COUNCIL MEETING DATE FROM TUESDAY, JUNE 7, 2016 TO MONDAY, JUNE 6, 2016 SO AS TO NOT CONFLICT WITH ELECTIONS

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RECOMMENDATION:

That the Town Council change the regularly scheduled meeting of Tuesday, June 7, 2016 to Monday, June 6, 2016.

BACKGROUND:

Due to Marin County Supervisor and Presidential Primary Elections being held on Tuesday, June 7, 2016, the Town Council may wish to change the meeting date of the regularly scheduled meeting held on the first Tuesday in the month of June. It is recommended that this meeting be held on the Monday prior to that meeting, or June 6, 2016.

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER:

_____

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 4, 2016
Meeting Date: May 17, 2016

TO: TOWN COUNCIL OF CORTE MADERA

FROM: MARIO FIORENTINI, DIRECTOR OF RECREATION AND LEISURE SERVICES

SUBJECT: APPROVAL TRANSFER OF FUNDS - $5000 of $110,000 OF APPROVED CENTENNIAL FUNDS FROM FY 16-17 to FY 15-16

* * * * * * * * *

BACKGROND:

During the capital project budget cycle, the parks and recreation staff recommended budgeting $5000 for FY 15-16 and $110,000 for FY 16-17 for the Recreation Department to help put on Centennial activities. The funds were earmarked with the direction that staff would seek approval for the expenditures for the centennial activities in advance.

PURPOSE and DISCUSSION:

We are proposing to transfer $5000 from FY 16-17 to FY 15-16. This would allow the purchase of additional items for the Centennial Weekend Festivities. We are looking at purchasing pieces to extend the size of our portable stage system ($1800) and a tent for the ceremonies happening in the park on Saturday ($2500) and some other incidentals ($700).

FISCAL IMPACT:

Capital Budget FY 15-16:

Centennial Activities	$5,000

Capital Budget FY 16-17:

Centennial Activities	$110,000
Total	$116,000

Capital Budget Funds 16-17	
Centennial Activities	$105,000
Capital Budget Transfer of funds to FY 15-16	($5000)
Centennial Activities	$10,000

OPTIONS:

1. Accept the report and recommendations,
2. Make modifications to the recommendations.
3. Take no action. Request staff to bring back information or other alternatives to address the recommendations presented in this report.

RECOMMENDATION: APPROVE TRANSFER OF FUNDS

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THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER:
AW ACTING

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: MAY 5, 2016
MEETING DATE: MAY 17, 2016

TO: TOWN MANAGER, MAYOR AND COUNCIL MEMBERS

FROM: DOUG BUSH, ASSISTANT PLANNER

SUBJECT: ADOPT RESOLUTION NO. 19/2016 ENDORSING ZERO WASTE MARIN AND ALLOWING A TEMPORARY SIGN IN THE PUBLIC RIGHT-OF-WAY FROM JUNE 15-JULY 31 PUBLICIZING WASTE REDUCTION

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PURPOSE:

This is a request from Zero Waste Marin to place a banner in the public right-of-way at the corner of Wornum Drive and Tamal Vista Boulevard from June 15-July 31 2016, publicizing waste reduction to help Marin reach its Zero Waste goal by 2025.

STAFF RECOMMENDATION:

Staff recommends that the Town Council adopt the Resolution in Attachment 1.

OPTIONS:

The following options are available to the Council:

1. Deny the request.
2. Refer the request to staff for further study.
3. Approve the request.

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendation.

CEQA STATUS:

The activity is covered by the general rule that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity will have a significant effect on the environment (CEQA, Article 5, Section 15061(b)(3)).

BACKGROUND:

The Zoning Ordinance allows signs, including banners, in the public right-of-way or on public property if:

(1) they are advertising Town-sponsored or Town-endorsed events; and

(2) if they are approved by the Town Council.

DISCUSSION:

O'Rorke Inc., on behalf of Zero Waste Marin, has requested that the Town Council endorse Zero Waste Marin and approve a temporary banner in the public right-of-way. As part of Marin County's waste reduction goals, Zero Waste Marin is encouraging Corte Madera residents to compost to help Marin reach its Zero Waste goal by 2025. The request is for one banner to be placed at a horizontal banner location on Wornum Drive and Tamal Vista Boulevard from June 15 to July 31. The horizontal banner would be 4'-tall by 7'-wide and the content is shown in Attachment A.

The banner sign will be installed on removable hardware provided by the Public Works Department. The applicant has paid a cost recovery fee for the Public Works Department to install and remove the removable hardware and the horizontal banner.

CONCLUSION:

The proposed banner sign would be an effective way to publicize composting to help meet Marin's Zero Waste goal by 2025. The effort is also in line with the Town's newly adopted Climate Action Plan which encourages the reduction of waste as one method of reducing greenhouse gas emissions. Staff recommends approval of this banner request.

ATTACHMENT:

1. Town Council Resolution with Attachments A and B.

cc: Emiko Hashisaki, Account Coordinator for O'Rorke Inc. on behalf of Zero Waste Marin (via e-mail)
Kevin Kramer, Director of Field Maintenance and Operations (via e-mail)
subject file copy

RESOLUTION NO. 19/2016

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA ENDORSING ZERO WASTE MARIN AND ALLOWING A TEMPORARY SIGN IN THE PUBLIC RIGHT-OF-WAY FROM JUNE 15 TO JULY 31 PUBLICIZING WASTE REDUCTION

WHEREAS, on March 2, 2016, O'Rorke Inc., on behalf of Zero Waste Marin, has requested permission to install a temporary banner sign in the public right-of-way;

WHEREAS, Zero Waste Marin has requested that the Corte Madera Town Council endorse Zero Waste Marin and its message to Corte Madera residents to compost to help Marin reach its Zero Waste goal by 2025; and

WHEREAS, Corte Madera Municipal Code Section 18.22.050(10)(A) permits such signs with the approval to the Town Council.

NOW, THEREFORE, BE IT RESOLVED, that the Corte Madera Town Council does hereby approve Zero Waste Marin's request to endorse the Zero Waste Marin and approves the request to install 4' by 7' temporary horizontal banner signs in the public right-of-way as shown in Attachment A, subject to the following conditions:

1. The temporary banner signs are permitted to be displayed in the public right-of-way per the Banner Location Program per the following schedule:

   June 15, 2016 to July 31, 2016:

   - 1 on Tamal Vista Blvd. at the end of Wornum Dr.

2. The applicant shall pay $100.00 for each banner to cover the costs the Public Works Department to install and remove the removable hardware and the horizontal banners. For banner installations/removals on the same schedule, the cost is $100.00 for the first banner and $75.00 for each banner following the first. The fee shall be paid at the Planning Department public counter prior to banner installation.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ("CEQA") DETERMINATION

The activity is covered by the general rule that CEQA does not apply where it can be seen with certainty that there is no possibility that the activity will have a significant effect on the environment (CEQA, Article 5, Section 15061(b)(3)).

* * * * * * * * * * * * *

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Town Council of Corte Madera at a regular meeting held on the 17th day of May, 2016, by the following vote, to wit:

AYES: Councilmembers:

NOES: Councilmembers:

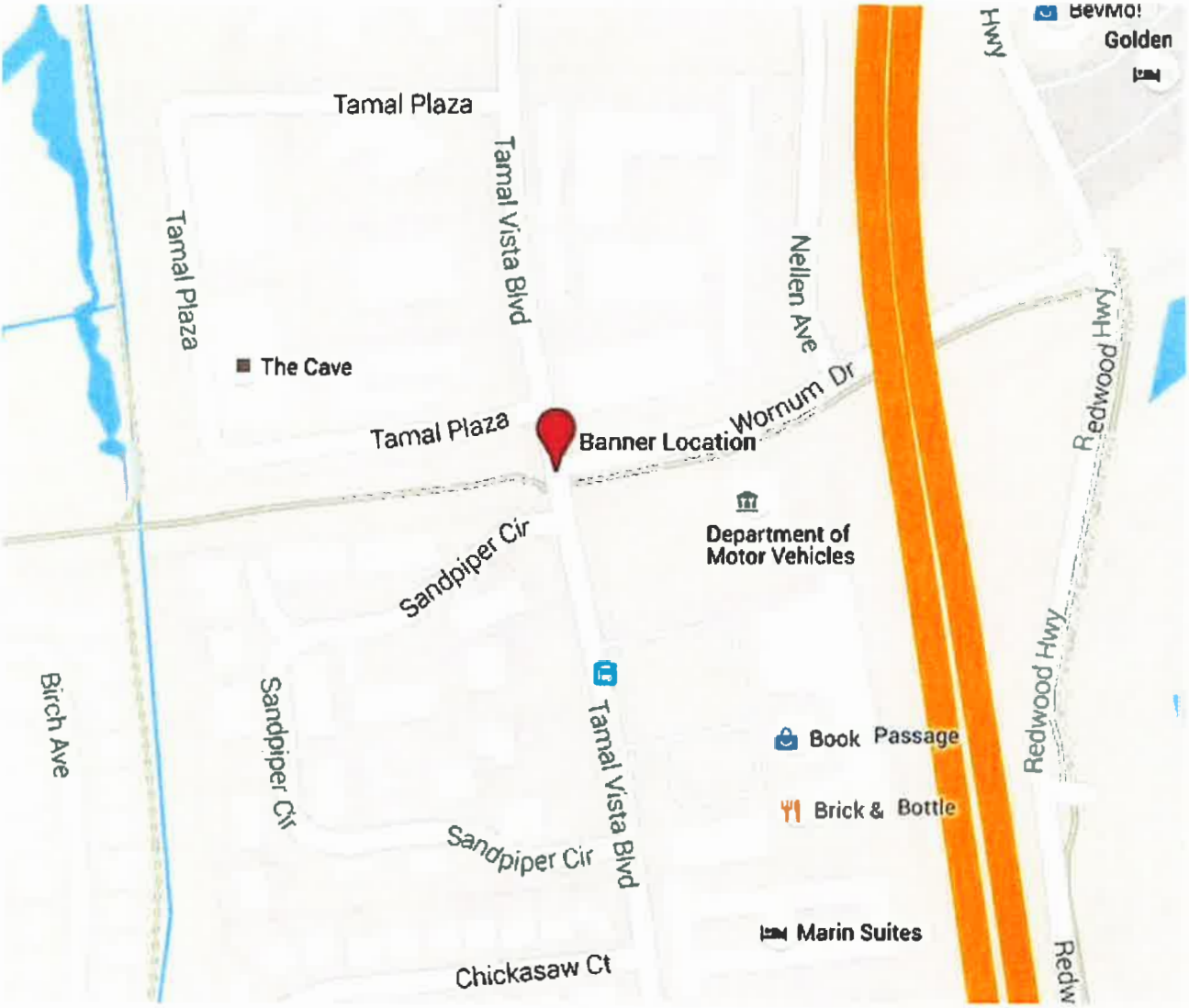
ABSENT: Councilmembers:

ATTEST:

Sloan C. Bailey, Mayor

Rebecca Vaughn, Town Clerk

ATTACHMENT A
BANNER
LOCATION



On Tamal Vista Boulevard at the end of Wornum Drive

ATTACHMENT B
PROPOSED
DESIGN

Design of previous banner used in Corte Madera

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER

_____

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 12, 2016
Meeting Date: May 17, 2016

TO: TOWN MANAGER, MAYOR AND TOWN COUNCIL

FROM: GEORGE T. WARMAN, JR., DIRECTOR OF ADMINISTRATIVE SERVICES/TOWN TREASURER

SUBJECT: REFINANCE OF 30-YEAR 2006 PARK MADERA CENTER CERTIFICATES OF PARTICIPATION (BONDS DATED SEPTEMBER 28, 2006) FOR REMAINING 20 YEARS OF CERTIFICATES (BONDS) WITH MATURITY (FINAL PAYMENT) REMAINING FEBRUARY 1, 2037

(1) ADOPTION OF RESOLUTION NO. 15/2016, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING DELIVERY AND SALE OF REFUNDING CERTIFICATES OF PARTICIPATION TO REFINANCE OUTSTANDING 2006 CERTIFICATES OF PARTICIPATION, AND APPROVING RELATED DOCUMENTS AND ACTIONS

AND

(2) APPROVE A SUPPLEMENTAL APPROPRIATION OF BOTH THE REVENUES AND EXPENDITURES OF THE REFINANCING TRANSACTION TO MAXIMUM AMOUNT OF $11,000,000 FOR BOTH (ACTUAL ESTIMATE TO BE ROUGHLY $9,500,000 FOR BOTH DEPENDING ON BOND MARKETING REQUIREMENTS)

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PURPOSE:

To refinance the Park Madera Center 2006 Certificates of Participation to reduce the annual debt service cost.

RECOMMENDATION:

Staff recommends that the Town Council adopt Resolution No. 15/2016 in Attachment #1.

(1) A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING DELIVERY AND SALE OF REFUNDING CERTIFICATES OF PARTICIPATION TO REFINANCE OUTSTANDING 2006 CERTIFICATES OF PARTICIPATION, AND APPROVING RELATED DOCUMENTS AND ACTIONS

AND

(2) APPROVE A SUPPLEMENTAL APPROPRIATION OF BOTH THE REVENUES AND EXPENDIUTRES OF THE REFINANCING TRANSACTION TO MAXIMUM AMOUNT OF $11,000,000 FOR BOTH (ACTUAL ESTIMATE TO BE ROUGHLY $9,500,000 FOR BOTH DEPENDING ON BOND MARKETING REQUIREMENTS)

OPTIONS:

The Town Council can choose to approve, deny or postpone action of the refinance at this time.

TOWN MANAGER'S RECOMMENDATION:

Support Staff's recommendation.

GENERAL PLAN:

Not applicable.

ENVIRONMENTAL IMPACT:

Not applicable.

FISCAL IMPACT:

The annual debt service cost of the 2006 Park Madera Center Certificates of Participation is $770,000. The Financial Consultants estimate of the proposed refinance would reduce this amount by approximately $90,000 per year for the remaining 20 years of the issue – final maturity February 1, 2037.

The general summary of the refinance is as follows:

- No Extension of final maturity (Final payment – February 1, 2037)
- Projected Annual Debt Service - $680,000 (roughly $90,000 lower than the current payments)
- Same assets used as collateral on original 2006 COP (Town Hall, both Fire Stations and Park Madera Center)
- Same legal structure as original 2006 COP
- 8-year call feature (original 2006 COP has a 10-year call)
- Reserve Fund provided by insurance (same as 2006 COP)

BACKGROUND/DISCUSSION/ANALYSIS:

This proposed refinance has been anticipated for several years. A call of the certificates at no penalty became available February 1, 2016. The outstanding principle now stands at $9,000,000. The September 28, 2006 issue was in the principal amount of $10,575,000. The refinance issue is estimated at roughly $9,500,000, with $500,000 being a high estimate to cover refinance costs of the Financial Consultants, Bond/Disclosure Counsel and other consultants.

The same principal team that did the 2006 issue is with us at this time: Financial Consultants, NHA Advisors (Mr. Craig Hill and Mr. Rob Schmidt) and Bond/Disclosure Counsel, Jones Hall (Mr. Stephen Milekian and Mr. Christopher Lynch). Attachment #2 is a complete list of the participants and consultants for the refinance as of May 10th and the financing schedule as of May 10th.

Attachment #3 is the Preliminary Official Statement.

Attachment #4 has several legal documents prepared by Jones Hall, some of which would be signed by Staff following the sale of the refinancing certificates, if the Town Council chooses to authorize the refinance.

The exact amounts of the Supplemental Appropriation of both revenue and expenditures of the refinancing transaction are to be determined. This amount would be in excess of the outstanding principal to be refinanced of $9,000,000, roughly estimated at $9,500,000 with $500,000 being a high estimate to cover refinance costs of the consultants. The proposed resolution sets a maximum amount at $11,000,000. This amount includes 1) funding the Reserve Fund (to be provided by an insurance policy), 2) funding the interest payment due August 1st (under the accrual basis of accounting the interest payment due August 1st is included in the Adopted FY 2015-2016 Budget), and 3) the possibility of selling the bonds at a discounted interest rate which would increase the principal amount of the bonds to be issued.

George T. Warman, Jr.
Director of Administrative Services/
Town Treasurer

ATTACHMENTS:

1. Proposed Resolution
2. List of Participants and Consultants & Financing Schedule
3. Preliminary Official Statement (provided only to Council Members – copies available at Town Hall)
4. Several other documents (provided only to Council Members – copies available at Town Hall)

ATTACHMENT #1

PROPOSED RESOLUTION

RESOLUTION NO. 15/2016

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING DELIVERY AND SALE OF REFUNDING CERTIFICATES OF PARTICIPATION TO REFINANCE OUTSTANDING 2006 CERTIFICATES OF PARTICIPATION, AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Public Property Financing Corporation of California (the "Corporation") and the Town of Corte Madera (the "Town") have previously entered into a Lease Agreement, dated as of September 1, 2006 (the "Prior Lease"), under which the Town has agreed to pay semiannual lease payments which are evidenced by Town of Corte Madera Certificates of Participation in the aggregate principal amount of $10,575,000 (the "2006 Certificates"); and

WHEREAS, in order to take advantage of favorable interest rates prevailing in the municipal bond market, the Town wishes at this time to provide for the refinancing of its obligations under the Prior Lease and the 2006 Certificates from the proceeds of Town of Corte Madera 2016 Federally Taxable Refunding Certificates of Participation to be delivered in the maximum principal amount of $11,000,000 (the "Refunding Certificates"); and

WHEREAS, the Town Council wishes at this time to authorize and approve all proceedings for the refinancing of the Prior Lease and the 2006 Certificates, the delivery and sale of Refunding Certificates for such purpose, and all related documents and actions, in furtherance of the public purposes of the Town;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Corte Madera as follows:

Section 1. Approval of Refinancing Plan and Related Documents. The Town Council hereby approves the refinancing plan outlined above. To that end, the Town Council hereby approves each of the following financing documents in substantially the respective forms on file with the Town Clerk, together with any changes therein or additions thereto approved by the Mayor, the Town Manager or the Director of Administrative Services/Town Treasurer (each, an "Authorized Officer"):

- Site Lease, between the Town as lessor and the Corporation as lessee, whereby the Town leases certain real property consisting generally of the land and improvements constituting (i) the Park Madera Center located at 504-516 Tamalpais Drive, and (ii) the Civic Center complex and fire substation located at 5600 Paradise Drive (collectively, the "Leased Property") to the Corporation.

- Lease Agreement, between the Corporation as lessor and the Town as lessee, whereby the Corporation leases the Leased Property back to the Town in consideration of the payment by the Town of semiannual lease payments.

- Trust Agreement, among the Town, the Corporation and the Trustee, whereby the Trustee agrees to execute and deliver the Refunding Certificates.

- Escrow Deposit and Trust Agreement between the Town and The Bank of New York Mellon Trust Company, N.A., as trustee for the 2006 Certificates and escrow agent, relating to refinancing of the 2006 Certificates.

- Termination Agreement, among the Town, the Corporation and The Bank of New York Mellon Trust Company, N.A, as trustee for the 2006 Certificates, whereby the Town and the Corporation terminate the documentation relating to the 2006 Certificates.

- Certificate Purchase Contract between the Town and the Underwriter, specifying the terms and conditions upon which the Certificates are to be sold to the Underwriter (as defined below).

Each Authorized Officer is hereby authorized and directed on behalf of the Town to execute the final form of each of the foregoing documents, and the Town Clerk is hereby authorized and directed to attest to the final form of each of the foregoing documents. Execution of each of the foregoing documents by an Authorized Officer shall be conclusive evidence of the approval of any changes therein or additions thereto by an Authorized Officer. The schedule of lease payments attached to the Lease Agreement shall correspond to the payments of principal and interest represented by the Refunding Certificates, to be determined upon the sale thereof as set forth in Section 2.

Section 2. Sale of Certificates. The Town Council hereby approves the sale of the Certificates by negotiation with Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Certificates shall be sold to the Underwriter under the Certificate Purchase Contract in the form approved above. The Underwriter's discount excluding original issue discount, shall not exceed 1.00% of the par amount of the Certificates, and the true interest cost of the Certificates may not exceed 5.00%.

Section 3. Official Statement. The Town Council hereby approves, and hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Certificates in substantially the form on file with the Town Clerk. The Town Manager and the Director of Administrative Services/Town Treasurer, each acting alone, are hereby authorized to execute an appropriate certificate stating the Town Council's determination that the Preliminary Official Statement has been deemed nearly final within the meaning of such Rule. Distribution of the preliminary Official Statement by the Underwriter is hereby approved. The Town Manager and the Director of Administrative Services/Town Treasurer, each acting alone, are hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by the Town Manager or the Director of Administrative Services/Town Treasurer shall be conclusive evidence of approval of any such changes and additions. The Town Council hereby authorizes the distribution of the final Official Statement by the Underwriter. The final Official Statement shall be executed in the name and on behalf of the Town by the Town Manager or the Director of Administrative Services/Town Treasurer.

Section 4. Authorization to Obtain Municipal Bond Insurance. The Town Council hereby authorizes an Authorized Officer to determine whether the Refunding Certificates are eligible for municipal bond insurance and reserve fund surety bond and, if so, whether it is in the best interests of the Town to obtain such insurance or surety bond. An Authorized Officer is hereby authorized to execute a commitment for such insurance or surety bond and to take all actions required to implement the delivery of such municipal bond insurance policy or surety bond.

Section 5. Appointment of Professionals. The following professionals are hereby appointed to provide services relating to the Bonds: Jones Hall, A Professional Law Corporation, as special counsel and disclosure counsel; NHA Advisors, LLC, as municipal advisor; The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and escrow agent; and Grant Thornton LLP, as verification agent. The Town Manager and the Director of Administrative Services/Town Treasurer, are hereby authorized to execute agreements for services with such professionals relating to the Refunding Certificates in substantially the forms presented at this meeting and on file with the Director of Administrative Services/Town Treasurer.

Section 6. Official Actions. The Mayor, the Town Manager, the Director of Administrative Services/Town Treasurer, the Town Clerk, and all other officers of the Town, are authorized and directed in the name and on behalf of the Town to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Whenever in this resolution any officer of the Town is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 7. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

I hereby certify that the foregoing Resolution was passed and adopted by the Town Council of the Town of Corte Madera at a regular meeting thereof duly held on May 17, 2016, by a majority vote of all of its members.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

TOWN OF CORTE MADERA

By _____
Sloan C. Bailey, Mayor

ATTEST:

By _____
Rebecca Vaughn, Town Clerk

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ATTACHMENT #2

1) LIST OF PARTICIPANTS AND CONSULTANTS AS OF MAY 10TH
2) FINANCING SCHEDULE AS OF MAY 10TH

NHA | ADVISORS
Strategy. Innovation. Solutions

4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Office: 415.785.2025
www.NHAadvisors.com

TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION
(REFUNDING OF 2007 CERTIFICATES OF PARTICIPATION)

DISTRIBUTION LIST
MAY 10, 2016

ISSUER

TOWN OF CORTE MADERA
300 Tamalpais Drive
Corte Madera, CA 94925

George Warman *Director of Finance*	415.927.5054	gwarman@tcmmail.org
Jonna Intoschi	415.927.5055	jintoschi@tcmmail.org

TOWN ATTORNEY

RENNE SLOAN HOLTZMAN SAKAI LLP

Randy Riddle	415.678.3814	rriddle@publiclawgroup.com

BOND / DISCLOSURE COUNSEL

JONES HALL
475 Sansome Street, Suite 1700
San Francisco, CA 94111

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Chris Lynch *Disclosure Counsel*	415.391.5780	clynch@joneshall.com
James Wawrzyniak	415.391.5780	jwawrzyniak@joneshall.com
To be determined *Closer*	415.391.5780	Email

MUNICIPAL ADVISOR

NHA ADVISORS
4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Craig Hill *Principal*	415.785.2025 x2001	craig@NHAadvisors.com
Rob Schmidt *Vice President*	415.785.2025 x2006	rob@NHAadvisors.com

UNDERWRITER

STIFEL NICOLAUS & COMPANY
One Montgomery Street, 35th Floor
San Francisco, CA 94104

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Anna Van Degna *Director*	415.364.6877	avandegna@stifel.com
Anant Sitaram *Vice President*	415.364.6838	sitarama@stifel.com
Eddie Love *Analyst*	415.364.2901	lovee@stifel.com

UNDERWRITER'S COUNSEL

STRADLING YOCCA CARLSON & RAUTH
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TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION
(REFUNDING OF 2006 CERTIFICATES OF PARTICIPATION)

FINANCING SCHEDULE
MAY 10, 2016

Issuer: *Town of Corte Madera (TOWN)*
Municipal Advisor: *NHA Advisors (MA)*
Bond Counsel: *Jones Hall (BC)*
Disclosure Counsel: *Jones Hall (DC)*
Trustee/Escrow Agent: *BNY Mellon (EA)*
Underwriter: *Stifel Nicolaus (UW)*

Date	Activity	Participants
April 18	Circulate Draft Financing Documents (Resolutions and Base Legal Documents)	BC
April 28	Comments Due on Draft Financing Documents	ALL
April 29	Circulate Draft Preliminary Official Statement ("POS")	DC
May 4	Circulated Revised Financing Documents	BC
May 4	Comments Due on Draft POS	ALL
May 9	Comments Due on Revised Financing Documents	ALL
May 10	Circulate Financing Documents and POS for Agenda Package	BC/DC
May 10	Agenda Deadline for May 17th Council Meeting	ALL
May 11	Credit Package Submitted to Rating Agency (S&P)	MA
May 12	Circulate Draft Rating Presentation	UW
May 13	Comments Due on Revised POS	ALL
May 16	Comments Due on Draft Rating Presentation	ALL

April 2016

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May 2016

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June 2016

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Date	Activity	Participants
May 17	Town Council Approves Financing Documents	TOWN
May 17	Circulate Revised POS	DC
May 17	Send Revised POS to S&P	MA
May 18	Conference Call with Rating Agency (11:00 AM, 415.655.0277)	TOWN/MA/DC/ UW
May 27	Rating Due	MA
May 30	Memorial Day Holiday	ALL
June 2	Final Comments Due on POS	ALL
June 7	Release POS to Underwriter	DC/MA
June 14-16	Price COPs	TOWN/MA/UW
Week of June 20	Execute Financing Documents	ALL
June 28	Pre-Close Financing	ALL
June 29	Closing	ALL
~~September 1~~ AUGUST 1	Redeem 2007 COPs	EA

ATTACHMENT #3

PRELIMINARY OFFICIAL STATEMENT
(provided only to Council Members – copies available at Town Hall)

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2016

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: S&P: "___"
See "RATINGS"

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to certain qualifications described herein, under existing law, the portion of Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from California personal income taxes. The portion of Lease Payments designated and comprising interest is not excluded from gross income for federal income tax purposes. See "TAX MATTERS."

$_____*

Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

Dated: Date of Delivery **Due: February 1, as shown on inside cover**

Authority for Execution and Delivery. The Certificates of Participation captioned above (the "Certificates") are being executed and delivered under a Trust Agreement dated as of June 1, 2016 (the "Trust Agreement") among the Town of Corte Madera (the "Town"), the Public Property Financing Corporation of California (the "Corporation") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). See "THE CERTIFICATES – Authority for Execution and Delivery."

Purposes. The Certificates are being executed and delivered to (i) provide funds to refinance an outstanding lease obligation of the Town, and (ii) pay certain costs of executing and delivering the Certificates, including, but not limited to, the premiums for a municipal bond insurance policy and a reserve fund insurance policy to be credited to the Reserve Fund (defined herein). See "REFINANCING PLAN."

Security for the Certificates. The Certificates evidence and represent direct, undivided fractional interests in certain payments (the "Lease Payments"), to be made by the Town under a Lease Agreement dated as of June 1, 2016 (the "Lease Agreement"), between the Town and the Corporation, under which the Corporation will lease certain real property to the Town in consideration of the payment by the Town of the Lease Payments. The Corporation, for the benefit of the Owners of the Certificates, has assigned, among other things, its right to receive Lease Payments to the Trustee. In addition, a Reserve Fund will be established for the benefit of the owners of the Certificates and amounts on deposit therein will be available if there are insufficient amounts in the Lease Payment Fund to make payment on the Certificates. See "SECURITY FOR THE CERTIFICATES."

Terms of the Certificates. The Certificates will be executed and delivered in denominations of $5,000 principal amount or integral multiples thereof. Interest with respect to the Certificates accrues from their date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2017. See "THE CERTIFICATES – General Certificate Terms."

Book-Entry Only. The Certificates will be executed and delivered as fully registered certificates in book-entry form only, initially registered in the name of Cede & Co., New York, New York, as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchasers will not receive physical certificates representing their interest in the Certificates. The principal and premium (if any) on and interest with respect to the Certificates will be payable by the Trustee to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Certificates. See "THE CERTIFICATES – Book-Entry System."

Prepayment. The Certificates are subject to optional prepayment, mandatory sinking fund prepayment and prepayment from the net proceeds of insurance or condemnation proceedings prior to their scheduled payment dates. See "THE CERTIFICATES – Prepayment of the Certificates."

Insurance. Payment of principal and interest with respect to the Certificates when due will be guaranteed by _____ pursuant to its municipal bond insurance policy. The Town will fund the Reserve Fund with a reserve fund insurance policy provided by _____.

[CERTIFICATE INSURER LOGO]

This cover page contains information for general reference only, and is not a summary of the security or terms of this issue. Investors must read the entire Official Statement, including the section entitled "RISK FACTORS," for a discussion of special factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the Certificates. Capitalized terms used on this cover page and not otherwise defined have the meanings set forth in this Official Statement.

MATURITY SCHEDULE
See inside front cover

NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE TOWN TO MAKE LEASE PAYMENTS CONSTITUTES A DEBT OF THE TOWN OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, OR AN OBLIGATION FOR WHICH THE TOWN IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE TOWN HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

The Certificates are offered when, as and if issued, and accepted by the Underwriter, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel. Jones Hall is also serving as Disclosure Counsel to the Town. Certain legal matters will be passed upon for the Town and the Corporation by the Town Attorney. It is anticipated that the Certificates in book-entry form, will be available for delivery to DTC in New York, New York, on or about _____, 2016.

[STIFEL LOGO]

The date of this Official Statement is _____, 2016

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor will there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful.

MATURITY SCHEDULE*

$_____ Serial Certificates

(Base CUSIP†: _____)

Maturity Date (February 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Town nor the Underwriter takes any responsibility for the accuracy of such numbers.

TOWN OF CORTE MADERA, CALIFORNIA

Town Council

Sloan Bailey, *Mayor*
Diane Furst, *Vice Mayor*
James Andrews, *Councilmember*
Carla Condon, *Councilmember*
Michael Lappert, *Councilmember*

Town Officials

David Bracken, *Town Manager/Town Engineer/Director of Public Works*
George T. Warman Jr., *Director of Administrative Services/Town Treasurer/Director of Finance*
Rebecca Vaughn, *Town Clerk/Assistant to the Town Manager*

Special Counsel and Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Municipal Advisor

NHA Advisors, LLC
San Rafael, California

Verification Agent

Grant Thornton, LLP
Minneapolis, Minnesota

Trustee

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

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

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the Town, in any press release and in any oral statement made with the approval of an authorized officer of the Town, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Limit of Offering. No dealer, broker, salesperson or other person has been authorized by the Town or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Certificates by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Limited Scope of Information. The Town has obtained certain information set forth herein from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town or any other parties described in this Official Statement since the date hereof.

All summaries of or references to the documents referred to in this Official Statement are made subject to the provisions of such documents and do not purport to be complete statements of any or all of such provisions. All capitalized terms used herein, unless noted otherwise, have the meanings given them in APPENDIX B.

Stabilization of Prices. In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Certificates at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the Certificates to certain dealers and others at prices lower than the public offering prices set forth on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

Town Internet Site. The Town maintains a website, but the information presented on the website is not a part this Official Statement and should not be relied upon in making an investment decision with respect to the Certificates.

NO REGISTRATION. THE CERTIFICATES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE CERTIFICATES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

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

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APPENDIX H	FORM OF CERTIFICATE INSURANCE POLICY

OFFICIAL STATEMENT

$_____*
Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

The purpose of this Official Statement (which includes the cover page and the attached Appendices) is to provide information concerning the execution and delivery of the certificates of participation captioned above (the "**Certificates**"), evidencing and representing direct, undivided fractional interests of the registered owners thereof in certain lease payments (described herein) to be made by the Town of Corte Madera (the "**Town**") to the Public Property Financing Corporation of California (the "**Corporation**").

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

Capitalized terms used but not defined in this Official Statement have the meanings set forth in APPENDIX B.

INTRODUCTION

Authority for Execution and Delivery. The Certificates are being executed and delivered under a Trust Agreement dated as of June 1, 2016 (the "**Trust Agreement**"), among the Town, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**").

Purposes. The Certificates are being executed and delivered to:

(i) provide funds to refinance the Town's lease payment obligations related to the outstanding Town of Corte Madera 2006 Certificates of Participation (the "**2006 Certificates**"), and

(ii) pay certain costs incurred in connection with the execution and delivery of the Certificates, including the payment of premiums for a municipal bond insurance policy (the "**Certificate Insurance Policy**") and a reserve fund insurance policy (the "**Reserve Policy**").

See "REFINANCING PLAN."

Security for the Certificates. In order to provide funds to finance the Certificates, the Corporation and the Town have entered into a Site Lease dated as of June 1, 2016, (the **"Site Lease")**, whereby the Town will lease to the Corporation the land and improvements which constitute (i) a retail center known as Park Madera Center and (ii) the Town's Civic Center

* Preliminary; subject to change.

complex and fire substation (collectively, the "**Leased Property**"), and the Corporation and the Town have entered into a Lease Agreement dated as of June 1, 2016 (the "**Lease Agreement**"), under which the Corporation will lease the Leased Property back to the Town in consideration of the payment by the Town of semiannual lease payments (the "**Lease Payments**"). The Town represents in the Lease Agreement that the Leased Property is essential to the Town's purpose. See "THE LEASED PROPERTY."

The Corporation will assign its right to receive the Lease Payments to the Trustee under an Assignment Agreement dated as of June 1, 2016 (the "**Assignment Agreement**"), between the Corporation and the Trustee, in consideration of which the Trustee has agreed to execute and deliver the Certificates. The Certificates evidence and represent direct, undivided fractional interests of the Certificate Owners in the Lease Payments. See "SECURITY FOR THE CERTIFICATES."

Reserve Fund. A Reserve Fund will be established as additional security for the Certificates, and will be available if there are insufficient amounts in the Lease Payment Fund to make payment on the Certificates. The Town will satisfy its obligation to fund the Reserve Fund in the amount of the Reserve Requirement (as defined below) by purchasing the Reserve Policy.

See "SECURITY FOR THE CERTIFICATES – Reserve Fund."

Prepayment. The Certificates are subject to optional prepayment, mandatory sinking fund prepayment and prepayment from the net proceeds of insurance or condemnation proceedings prior to their scheduled payment dates. See "THE CERTIFICATES – Prepayment of the Certificates."

Abatement. The Lease Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the Town's use and possession of the Leased Property or any portion thereof. If the Lease Payments were abated under the Lease Agreement, the Certificate Owners would receive less than the full amount of principal of and interest represented by the Certificates. To the extent proceeds of rental interruption insurance are available, Lease Payments (or a portion thereof) may be made from those proceeds during periods of abatement. See "SECURITY FOR THE CERTIFICATES – Abatement" and "RISK FACTORS – Abatement."

Risk Factors. The Certificates are payable only from Lease Payments made by the Town to the Corporation and assigned to the Trustee under the Assignment Agreement. For a discussion of some of the risks associated with the purchase of the Certificates, see "RISK FACTORS."

Limited Obligations. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE TOWN TO MAKE LEASE PAYMENTS CONSTITUTES A DEBT OF THE TOWN OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, OR AN OBLIGATION FOR WHICH THE TOWN IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE TOWN HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

REFINANCING PLAN

2006 Certificates. The 2006 Certificates being refunded from proceeds of the Certificates are identified in the following table.

TOWN OF CORTE MADERA
2006 Certificates

Principal Payment Date (October 1)	CUSIP†	Principal Amount Prepaid	Redemption Date	Prepayment Price (% of Par Amount Redeemed)
2021[T]	220508 BA2	$1,270,000	08/01/2016	100.00%
2037[T]	220508 BB0	7,730,000	08/01/2016	100.00

T Term Certificate.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Town nor the Underwriter takes any responsibility for the accuracy of such numbers.

Escrow Fund. In order to accomplish the refunding of the 2006 Certificates, the Town will enter into an Escrow Deposit and Trust Agreement with the Bank of New York Mellon Trust Company, N.A., as escrow agent for the 2006 Certificates (the "**2006 Certificates Escrow Agent**"), under which a portion of the proceeds of the Certificates and available moneys related to the 2006 Certificates will be deposited with the Escrow Agent into an irrevocable escrow fund (the "**2006 Certificates Escrow Fund**"), upon the closing of the Certificates. Amounts on deposit in the Escrow Fund will be invested in certain United States Treasury Securities, or held in cash, to be applied to the payment and redemption of the 2006 Certificates in accordance with the foregoing table.

Sufficiency of the amounts and investments held in the Escrow Fund for the purpose of paying the prepayment price of the 2006 Certificates on August 1, 2016 will be verified by Grant Thornton, LLP (the "**Verification Agent**"). See "ESCROW VERIFICATION."

Estimated Sources and Uses of Funds

The anticipated sources and uses of funds relating to the Certificates are as follows:

SOURCES:	
Principal Amount of Certificates	$
Plus Net Original Issue Premium/(Less Net Original Issue Discount)	
Amount Available from 2006 Certificates	
TOTAL SOURCES	$
USES:	
2006 Certificates Escrow Fund	$
Costs of Issuance (1)	
TOTAL USES	$

(1) Includes Underwriter's discount, Trustee fees, Municipal Advisor fees, Special Counsel and Disclosure Counsel fees, Escrow Agent fees, Verification Agent fees, certificate insurance premium, if any, reserve fund premium, if any, printing costs, rating agency fees, and other related costs.

THE LEASED PROPERTY

General

"Leased Property" is defined in the Lease Agreement as the following real property and improvements, subject to release and replacement as described below:

Park Madera Center. Park Madera Center, consists of 85,908 square feet (including parking for more than 85 vehicles) and is improved with 7 buildings totaling 25,508 square feet, including an office, gas station and various retail shops (see more detail below). Although the property has a history of leaking underground storage tanks, the California Regional Water Quality Control Board issued a closure letter dated December 16, 1999, confirming completion of a remedial action plan and that no further action was required.

The retail buildings were constructed in 1938 and the gas station in 1958 as a wood frame with plywood shear walls on concrete slab and footings. The property is zoned C-1 (Restricted Commercial District/Local Serving Commercial). The property lies outside the 500-year flood zone and is not identified in any specific earthquake zone.

An appraisal of this property by David Tattersall & Co., concluded that the market value of the fee simple interest of the real property and improvements as of December 2, 2015, was $11,230,000. The appraisal estimates the effective age of the improvements is 25-30 years in a 50-year life.

The appraisal includes the following list (as of November 2015) of the current tenants, the date of their current lease, the remaining months under the lease, the applicable rented space and the applicable rent. The list does not include 800 square feet of storage or 1,030 square feet used for a gas station.

Tenant	Date Term (Remain Mos.)	As Leased Area	Effect. $/Mo	$/SF/Mo
Café Verdi	10/1/2011 (72)	1,300	$3,169	$2.44
Bank of Marin	5/1/2010 (53)	2,288	5,566	2.43
Pet Club	3/1/2008 (15)	10,312	23,440	2.27
Tub TimThai	7/1/2012 (19)	996	2,479	2.49
Dilsa's Hair Studio	10/1/2015 (49)	700	2,334	3.33
Elaine Barton	8/1/2015 (49)	809	2,656	3.28
Coin Laundry	11/1/2014 (47)	1,360	4,715	3.47
Barbers 3+	4/1/2009 (40)	385	1,518	3.94
Boyett Petroleum	12/1/2011 (192)	1,030	4,200	4.08
K's Nails	1/1/2015 (49)	276	918	3.33
Yoga Center	8/1/2015 (49)	609	1,882	3.09
Tamalpais Dog	5/1/2013 (53)	682	1,788	2.62
Gary Champagne	6/1/2014 (6)	700	1,658	2.37
Inner Rythem	4/1/2014 (4)	700	1,658	2.37
Elle Skin Care	3/1/2013 (27)	280	747	2.67
Total		22,427		

Firehouse. The second component of the Leased Property is the firehouse and facilities commonly known as Station 13 and located at 5600 Paradise Drive in the Town. The parcel is 26,066 square feet (including parking for approximately 10 vehicles) and is improved with a single-story firehouse built in 1996 and renovated in 1999 that includes (i) a "living area" of 1,410 square feet with an office, lounge, 3 bedrooms, full bathroom and kitchen and (ii) a fire truck area of 1,600 square feet with an open garage suitable for two fire trucks and a bathroom. The property is zoned R-1 (single family residential with a flood control overlay). The property lies in a 100-year flood zone and is subject to tidal inundation, but is not identified in any specific earthquake zone.

An appraisal of this property by David Tattersall & Co. as of December 2, 2015 concluded that the market value of the fee simple interest of the real property and improvements was $650,000.

Town Hall/Fire Safety Buildings. The third component of the Leased Property is the Town Hall and Fire Safety buildings located at 300-342 Tamalpais Drive in the Town. The property is zoned for public/semi-public use. It consists of 3 parcels of real property (with a combined parcel size of 58,427 square feet) and is improved with asphalt paving for 65 +/- marked vehicle spaces, the Town Hall of the Town on the western portion of the site and the Public Safety (fire) building on the eastern portion of the site. The property lies outside the 500-year flood plain and is not identified in any specific earthquake zone.

The Town Hall building consists of 5,470 gross exterior square feet and was built in 1931 and extensively remolded in 1966. It is a combination of poured-in-place concrete and wood frame. The Town Hall was converted from its original use as a combined municipal building/firehouse. The building is centered around a concrete-encased vault from which a number of the structural beams extend.

The Fire Safety building consists of 6,691 gross exterior square feet and was built in 1965. It incorporates a concrete-encased steel frame and concrete block framing.

An appraisal of this property by David Tattersall & Co. concluded that the market value of the fee simple interest of the real property and improvements as of December 2, 2015 was $3,230,000.

Modification of Leased Property

Under the Lease Agreement, the Town has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of the Lease Agreement.

Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under the Lease Agreement, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements.

The Town will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the Town under the Lease Agreement; provided that if any such lien is established and the Town first notifies the Corporation of the Town's intention to do so, the Town may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and will provide the Corporation with full security against any loss or forfeiture that might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the Town.

Substitution of Property

Under the Lease Agreement, the Town has the option at any time and from time to time to substitute other real property (the "**Substitute Property**") for the Leased Property or any portion thereof (the "**Former Property**"), provided that the Town must satisfy all of the requirements set forth in the Lease Agreement that are conditions precedent to such substitution, and which include (among others) the following:

(a) The Town must file with the Corporation and the Trustee, and cause to be recorded in the office of the Marin County Recorder sufficient memorialization of, an

amendment of the Lease Agreement that adds to Appendix A thereto a description of such Substitute Property and deletes therefrom the description of such Former Property.

(b) The Town has obtained a CLTA policy of title insurance which insures the Town's leasehold estate under the Lease Agreement in such Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the estimated value thereof, as certified by the Town.

(c) The Town must certify in writing to the Corporation and the Trustee that such Substitute Property serves the municipal purposes of the Town and constitutes property which the Town is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the Town and to serve an essential governmental function of the Town.

(d) The Town must file with the Corporation and the Trustee an MAI fair market appraisal or other written documentation which establishes that the estimated value and the fair rental value of the Substitute Property are at least equal to the estimated value and the fair rental value, respectively, of the Former Property, and that the useful life of the Substitute Property at least equals the lesser of (i) the useful life of the Former Property, or (ii) the final Lease Payment Date of the Lease Payments allocable thereto.

(e) The Certificate Insurer has given its prior written consent to such substitution.

Upon the satisfaction of all conditions precedent to substitution under the Lease Agreement, the Term of the Lease Agreement will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property.

The Town is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution.

The Corporation and the Town will execute, deliver and cause to be recorded all documents required to discharge the Lease Agreement against the Former Property.

See APPENDIX B for additional conditions to the substitution of property under the Lease Agreement.

Release of Property

Under the Lease Agreement, Town has the option at any time and from time to time to release any portion of the Leased Property from the Lease Agreement and the Site Lease (the "**Released Property**") provided that the Town has satisfied all of the requirements of the Lease Agreement that are conditions precedent to such release, and which include (among others) the following:

(a) The Town must file with the Corporation and the Trustee, and cause to be recorded in the office of the Marin County Recorder sufficient memorialization of, an amendment of the Lease Agreement that removes the Released Property from the Lease Agreement and the Site Lease.

(b) The Town must certify in writing to the Corporation and the Trustee that the estimated value of the property that remains subject to the Lease Agreement and the Site Lease following such removal is at least equal to the aggregate original principal amount of the Certificates, and the fair rental value of the property that remains subject to the Lease Agreement and the Site Lease following such removal is at least equal to the Lease Payments thereafter coming due and payable under the Lease Agreement.

Upon the satisfaction of all conditions precedent to release under the Lease Agreement, the Term of the Lease Agreement will thereupon end as to the Released Property.

The Town is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release.

The Corporation and the Town will execute, deliver and cause to be recorded all documents required to discharge the Lease Agreement, the Site Lease of record against the Released Property.

See APPENDIX B for additional conditions to the release of property from the Lease Agreement and the Site Lease.

THE CERTIFICATES

This section provides summaries of the Certificates and certain provisions of the Trust Agreement. See "APPENDIX B – Summary of Principal Legal Documents" for a more complete summary of the Trust Agreement. Capitalized terms used but not defined in this section have the meanings given in APPENDIX B.

Authority for Execution and Delivery

The Certificates are being executed and delivered under the Trust Agreement, a resolution of the Town Council adopted on ____, 2016, and a resolution of the Board of Directors of the Corporation adopted on _____, 2016. Under these resolutions, the Certificates may be executed and delivered in a maximum principal amount of $_____.

General Certificate Terms

Certificate Terms. The Certificates will be dated as of the date of original delivery, will bear interest at the rates per annum and will mature on the dates and in the amounts set forth on the inside front cover of this Official Statement. The Certificates will be executed and delivered in fully registered form without coupons in denominations of $5,000 principal amount or any integral multiple of $5,000, except that no Certificate will represent principal payable in more than one year.

Interest with respect to the Certificates accrues from their date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2017 (each, an "**Interest Payment Date**").

Book-Entry Only System. The Certificates, when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("**DTC**"). So long as DTC, or Cede & Co. as its nominee, is the registered owner of all Certificates, all payments with respect to the Certificates will be made directly to DTC, and disbursement of such payments to the DTC Participants (defined below) will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners (defined below) will be the responsibility of the DTC Participants, as more fully described hereinafter. See "– Book-Entry System" below.

Calculation of Interest. Interest represented by the Certificates will be payable from the Interest Payment Date next preceding the date of execution thereof, unless:

(a) it is executed following a Record Date and on or before the next succeeding Interest Payment Date, in which event interest represented thereby is payable from such Interest Payment Date,

(b) unless it is executed on or before the first Record Date, in which event interest represented thereby is payable from the Closing Date, or

(c) if, as of the date of any Certificate, interest represented by such Certificate is in default, in which event interest represented thereby will be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate.

Interest represented by the Certificates is payable on each Interest Payment Date to and including the date of maturity or prepayment, whichever is earlier.

Interest represents the portion of Lease Payments designated as interest and coming due on each of the respective Interest Payment Dates. The share of the portion of Lease Payments designated as interest with respect to any Certificate will be computed by multiplying the portion of Lease Payments designated as principal represented by such Certificate by the rate of interest represented by such Certificate (on the basis of a 360-day year consisting of twelve 30-day months).

Record Date. The Trust Agreement defines the "Record Date" with respect to the Certificates as the close of business on the 15th calendar day of the month immediately preceding each Interest Payment Date, whether or not such 15th calendar day is a Business Day.

Payments of Interest and Principal. Payment of interest represented by any Certificate on any Interest Payment Date will be made to the person appearing on the Registration Books as the Owner thereof as of the close of business on the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the applicable Interest Payment Date to such Owner, by first class mail postage prepaid, at such Owner's address as it appears on the Registration Books.

At the written request of the Owner of Certificates in an aggregate principal amount of at least $1,000,000, which written request is on file with the Trustee prior to the Record Date preceding any Interest Payment Date, the Trustee will pay interest represented by such Certificates coming due and payable on such Interest Payment Date by wire transfer in immediately available funds to such account in the United States as is specified in such written request.

The principal, interest and prepayment premium, if any, represented by any Certificate at maturity or upon prepayment are payable in lawful money of the United States of America upon surrender of such Certificate at the Office of the Trustee.

Notwithstanding the foregoing, while the Certificates are held in the book-entry only system of DTC, all such payments of principal, premium (if any) of, and interest with respect to, the Certificates will be made to Cede & Co. as the registered owner of the Certificates, for subsequent disbursement to Participant and beneficial owners. See "APPENDIX F – BOOK ENTRY PROVISIONS."

Prepayment of the Certificates

Optional Prepayment. The Certificates maturing on or before February 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after February 1, 20__, are subject to prepayment prior to their respective stated maturities, at the option of the Town, in whole, or in part among maturities on such basis as designated by the Town and by lot within any one maturity, on February 1, 20__ or on any date thereafter, at a prepayment price of 100% the principal amount of Certificates or portions thereof to be prepaid, together with accrued interest represented thereby to the prepayment date.

If the Town optionally prepays the Certificates in part but not in whole, the Trustee will select the Certificates for prepayment among maturities and sinking fund payments on such

basis as the Town designates in written notice to the Trustee, and by lot within a maturity and sinking fund payment. The Town shall give the Trustee forty-five days prior notice of any such prepayment (which notice may be waived in the sole discretion of the Trustee) and shall provide the Trustee with a revised sinking fund schedule, if applicable.

Prepayment From Net Proceeds of Insurance or Condemnation. The Certificates are subject to prepayment, in whole or in part on any Business Day, from the Net Proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease Agreement and under the Trust Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

Sinking Fund Prepayment. The Certificates maturing on February 1, ____ and February 1, ____, are also subject to mandatory sinking fund prepayment by lot on February 1 in each year as set forth in the following tables, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

Certificates Maturing
February 1, 20__

Sinking Fund Prepayment Date (February 1)	Principal Amount To Be Prepaid

Selection of Certificates for Prepayment. Whenever provision is made in the Trust Agreement for the prepayment of Certificates of more than one maturity, the Certificates to be prepaid will be selected among maturities on such basis as shall be set forth in a written certificate of the Town filed with the Trustee, and the Trustee will select Certificates to be prepaid within any maturity by lot in any manner which the Trustee in its sole discretion will deem appropriate. For the purposes of such selection, Certificates will be deemed to be composed of $5,000 portions, and any such portion may be separately prepaid. The Trustee will promptly notify the Town and the Corporation in writing of the Certificates or portions thereof so selected for prepayment.

Notice of Prepayment. When optional prepayment or prepayment from the Net Proceeds of insurance or condemnation proceedings is authorized or required under the Trust Agreement, the Trustee will give notice of the prepayment of the Certificates on behalf and at the expense of the Town.

The Trustee will mail notice of prepayment by first-class mail with postage prepaid, to the Information Services and the Securities Depositories, to the Certificate Insurer and to the

Owners of Certificates designated for prepayment at their respective addresses appearing on the Registration Books, at least 30 days but not more than 60 days prior to the prepayment date.

Neither the failure to receive any such notice nor any defect in any notice so mailed will affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

However, while the Certificates are subject to DTC's book-entry system, the Trustee will be required to give notice of prepayment only to DTC as provided in the letter of representations executed by the Town and received and accepted by DTC. DTC and the Participants will have sole responsibility for providing any such prepayment notice to the beneficial owners of the Certificates to be prepaid. Any failure of DTC to notify any Participant, or any failure of Participants to notify the Beneficial Owner of any Certificates to be prepaid, of a notice of prepayment or its content or effect, will not affect the validity of the notice of prepayment, or alter the effect of prepayment set forth in the Trust Agreement.

Effect of Notice of Prepayment. If moneys for the prepayment (including the interest to the applicable date of prepayment) of Certificates have been set aside in the Lease Payment Fund, the Certificates will become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the Office of the Trustee, those Certificates will be paid at the unpaid principal amount (or applicable portion thereof) represented thereby plus interest accrued and unpaid to the date of prepayment.

If, on the date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to the date of prepayment, are held by the Trustee so as to be available therefor on such date of prepayment, then, from and after the date of prepayment, interest represented by the Certificates will cease to accrue and become payable. All moneys held by the Trustee for the prepayment of Certificates will be held in trust for the account of the Owners of the Certificates so to be prepaid, and will be held by the Trustee in cash uninvested.

Purchase of Certificates in Lieu of Prepayment. In lieu of prepayment of Certificates as provided in the Trust Agreement, amounts held by the Trustee for such prepayment may, at the written request of the Town Representative received by the Trustee at least 75 days prior to the selection of Certificates for prepayment, be applied by the Trustee to the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the Town may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid.

Book-Entry System

DTC will act as securities depository for the Certificates. The Certificates will be executed and delivered as fully-registered Certificates registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered certificate will be executed and delivered for each maturity of the Certificates, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F – BOOK ENTRY PROVISIONS."

The Town and the Trustee cannot and do not give any assurances that DTC, DTC Participants or others will distribute payments of principal, interest or premium with respect to the Certificates paid to DTC or its nominee as the registered owner, or will distribute any

prepayment notices or other notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The Town and the Trustee are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the Certificates or an error or delay relating thereto.

Registration, Transfer and Exchange

The provisions of the Trust Agreement regarding the registration, exchange and transfer of the Certificates apply only during any period in which the Certificates are not subject to DTC's book-entry system. While the Certificates are subject to DTC's book-entry system, their registration, exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC. See APPENDIX F.

Registration. The Trustee will keep or cause to be kept sufficient records for the registration and registration of transfer of the Certificates, which will at all reasonable times be open to inspection by the Town, the Corporation, and the Certificate Insurer upon prior notice, during regular business hours; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as provided in the Trust Agreement.

Transfer of Certificates. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by duly authorized attorney, upon surrender of such Certificate for cancellation at the Office of the Trustee, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, manually executed. Whenever any Certificate or Certificates is surrendered for registration of transfer, the Trustee will execute and deliver a new Certificate or Certificates representing the same maturity, interest rate and aggregate principal amount, in any authorized denominations. The Town will pay all costs of the Trustee incurred in connection with any such transfer, except that the Trustee may require the payment by the Certificate Owner of any tax or other governmental charge required to be paid with respect to such transfer.

Exchange of Certificates. Certificates may be exchanged at the Office of the Trustee, for a like aggregate principal amount of Certificates representing other authorized denominations of the same interest rate and maturity. The Town will pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee will require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

Limitations on Transfer or Exchange. The Trustee may refuse to transfer or exchange either (i) any Certificate during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) any Certificate which the Trustee has selected for prepayment in whole or in part under the Trust Agreement.

SCHEDULE OF LEASE PAYMENTS

The table below shows the annual Lease Payments, which correspond to the payments of principal and interest with respect to the Certificates.

Rental Period Ending February 1	Principal	Interest	Total

SECURITY FOR THE CERTIFICATES

This section provides summaries of the security and sources of payment for the Certificates and certain provisions of the Trust Agreement and Lease Agreement. See APPENDIX B for a more complete summary of the Trust Agreement and Lease Agreement. Capitalized terms used but not defined in this section have the meanings given in APPENDIX B.

General

Lease Payments. Each Certificate evidences and represents a direct, undivided fractional interest of the Owner thereof in the Lease Payments to be made by the Town under the Lease Agreement.

Assignment to Trustee. Under the Assignment Agreement, the Corporation will transfer, assign and set over to the Trustee, for the benefit of the Owners of all Outstanding Certificates, substantially all of the Corporation's rights under the Lease Agreement and the Site Lease, including without limitation:

(a) the right to receive and collect all of the Lease Payments from the Town under the Lease Agreement,

(b) the right to receive and collect any proceeds of any insurance maintained under the Lease Agreement with respect to the Leased Property, or any eminent domain award (or proceeds of sale under threat of eminent domain) paid with respect to the Leased Property, and

(c) the right to exercise such rights and remedies conferred on the Corporation under the Lease Agreement as may be necessary or convenient (i) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund established under the Trust Agreement, or (ii) otherwise to protect the interests of the Owners in the event of a default by the Town under the Lease Agreement.

The Trustee will administer all rights assigned to it by the Corporation under the Assignment Agreement in accordance with the provisions of the Trust Agreement, for the benefit of the Owners. This assignment will be absolute and irrevocable, and will be without recourse to the Corporation.

Under the Lease Agreement, the Town acknowledges that all Lease Payments have been assigned by the Corporation to the Trustee in trust under the Assignment Agreement, for the benefit of the Owners of the Certificates, and the Town consents to such assignment. The Corporation directs the Town, and the Town agrees to pay to the Trustee at its Office, all Lease Payments (including prepayments thereof).

Lease Payments

Obligation to Make Lease Payments. Under the Lease Agreement (subject to the provisions of the Lease Agreement regarding abatement and prepayment), the Town will pay to the Corporation, its successors and assigns, the Lease Payments (denominated into components of principal and interest) in the respective amounts specified in the Lease Agreement, to be due and payable in immediately available funds on the Interest Payment

Dates immediately following each of the respective Lease Payment Dates, and to be deposited by the Town with the Trustee on each of the Lease Payment Dates.

The Lease Payments payable in any Rental Period are for the use of the Leased Property during such Rental Period.

Credits and Offsets. Any amount held in the Lease Payment Fund on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole, and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) will be credited towards the Lease Payment then required to be paid.

No Lease Payment need be deposited with the Trustee on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be deposited with the Trustee.

Notwithstanding anything in the Lease Agreement or in the Trust Agreement to the contrary, amounts paid by the Certificate Insurer under the Certificate Insurance Policy will not relieve the Town from its obligations under the Lease Agreement to pay the Lease Payments when due and payable.

Effect of Prepayment. If the Town prepays all Lease Payments in full under the Lease Agreement, and if the Town has paid all Additional Payments then due and payable, the Town's obligations to make Lease Payments under the Lease Agreement will thereupon cease and terminate.

If the Town prepays the Lease Payments in part but not in whole under the Lease Agreement, the principal components of the remaining Lease Payments will be reduced in integral multiples of $5,000 among Lease Payment Dates on a basis that corresponds to the principal maturities of the Certificates that are prepaid; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest that would otherwise be payable with respect to the Certificates thereby prepaid under the Trust Agreement.

Rate on Overdue Payments. If the Town fails to make any of the Lease Payments, the payment in default will continue as an obligation of the Town until the amount in default has been fully paid, and the Town agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest rate of interest represented by any Outstanding Certificate.

Fair Rental Value. The Lease Payments and Additional Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and the Town will pay the Lease Payments and Additional Payments in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Rental Period.

The Corporation and the Town have agreed and determined that the total Lease Payments represent the fair rental value of the Leased Property. In making that determination, consideration has been given to the estimated value of the Leased Property as of the Closing Date, other obligations of the Town and the Corporation under this Lease, the uses and

purposes that may be served by the Leased Property, and the benefits therefrom that will accrue to the Town and the general public.

Source of Payments; Budget and Appropriation

The Lease Payments are payable from any source of available funds of the Town, subject to the provisions of the Lease Agreement regarding abatement and prepayment.

The Town covenants in the Lease Agreement to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due under the Lease Agreement in each of its final approved budgets. The Town further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the Town for all the actual amount of Lease Payments and Additional Payments that come due and payable during the period covered by each such budget.

These covenants on the part of the Town are duties imposed by law and it is the duty of each and every public official of the Town to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Town to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the Town.

Limited Obligation

THE OBLIGATION OF THE TOWN TO MAKE LEASE PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE TOWN OR OF THE STATE OF CALIFORNIA OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, OR AN OBLIGATION FOR WHICH THE TOWN IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE TOWN HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Payments

In addition to the Lease Payments, under the Lease Agreement, the Town agrees to pay when due, as additional rental for the Leased Property thereunder, all costs and expenses incurred by the Town thereunder or under the Trust Agreement, or incurred by the Corporation to comply with the provisions of the Trust Agreement, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, amounts payable to the Certificate Insurer, and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Corporation or the Trustee in connection with the Leased Property or the performance of their duties under the Lease Agreement or the Trust Agreement.

Reserve Fund

Under the Trust Agreement, a special fund designated as the Reserve Fund will be established for the benefit of the Town and the Owners of the Certificates, and applied solely as provided under the Trust Agreement. Moneys and assets in the Reserve Fund will be held in trust as a reserve for the payment when due of the Lease Payments on behalf of the Town.

The "Reserve Requirement" is defined in the Trust Agreement as an amount equal to the lesser of (a) 10% of the original principal amount of the Certificates, (b) the maximum amount of Lease Payments (excluding Lease Payments with respect to which the Town shall have posted a security deposit pursuant to the Lease Agreement) coming due in the current or any future fiscal year, or (c) 125% of average annual Lease Payments (based on each Rental Period).

The Town will satisfy the Reserve Requirement by depositing the Reserve Policy in the Reserve Fund.

Application of Reserve Fund. If on any Interest Payment Date the moneys available in the Lease Payment Fund do not equal the amount of the Lease Payment then coming due and payable, the Trustee will apply the moneys available in the Reserve Fund to make such payments on behalf of the Town by transferring the amount necessary for this purpose to the Lease Payment Fund. Upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund, such Lease Payment will be deposited in the Reserve Fund to the extent of such advance (or used to reimburse the Certificate Insurer for draws on the Reserve Policy).

See APPENDIX B for a further description of the Reserve Fund.

Abatement

Termination or Abatement Due to Eminent Domain. If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease Agreement will cease with respect thereto as of the day possession is so taken.

If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain,

(a) the Lease Agreement will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and

(b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be determined by the Town such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property.

Notwithstanding the foregoing, the Lease Payments will not be abated under the Lease Agreement to the extent that amounts in the Reserve Fund are available to pay Lease Payments that would otherwise be abated under the Lease Agreement. Such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Abatement Due to Damage or Destruction. The amount of Lease Payments will be abated during any period in which by reason of damage or destruction (other than by eminent domain as described above) there is substantial interference with the use and occupancy by the Town of the Leased Property or any portion thereof.

The amount of such abatement will be determined by the Town such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Leased Property not damaged or destroyed.

Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. If any such damage or destruction occurs, the Lease Agreement will continue in full force and effect and the Town waives any right to terminate the Lease Agreement by virtue of any such damage and destruction.

Notwithstanding the foregoing, there will be no abatement of Lease Payments to the extent that the proceeds of hazard insurance, rental interruption insurance, or amounts in the Reserve Fund are available to pay Lease Payments that would otherwise be abated, it being declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Application of Net Proceeds of Insurance and Condemnation

Application of Net Proceeds of Insurance Award. Under the Trust Agreement, any Net Proceeds of insurance collected by the Town in the event of accident to or destruction of any component of the Leased Property will be paid to the Trustee under the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "**Insurance and Condemnation Fund**" which the Trustee will thereupon establish.

If the Town determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interests of the Town, then such Net Proceeds will be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments under the Lease Agreement and the corresponding prepayment of Certificates under the Trust Agreement. This prepayment will be made on the first Interest Payment Date for which notice of prepayment can be timely given.

Notwithstanding the foregoing, the determination of the Town to apply Net Proceeds to the prepayment of Certificates is subject to the following:

(a) if the Leased Property is damaged or destroyed in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments allocable to the Leased Property; and

(b) if the Leased Property is damaged or destroyed in part but not in whole, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if the Lease Payments that result after the corresponding abatement thereof under the Lease

Agreement are sufficient to pay the full amount of principal and interest represented by the Certificates that remain Outstanding after such prepayment.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund will be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the Town.

Application of Net Proceeds of Eminent Domain Award. Under the Trust Agreement, if all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom will be deposited with the Trustee in the Insurance and Condemnation Fund and will be applied and disbursed by the Trustee as follows:

(a) If the Town gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the Town has given written notice to the Trustee of such determination, the Trustee will transfer such proceeds to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.

(b) If the Town gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee will pay to the Town, or to its order, from said proceeds such amounts as the Town may expend for the repair or rehabilitation of the Leased Property.

(c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the Town gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease Agreement, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee will transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments under the Lease Agreement and applied to the corresponding prepayment of Certificates under the Trust Agreement. This prepayment will be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under the Trust Agreement, the Town may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a

copy of which must be filed with the Trustee and the Certificate Insurer. Any such determination by the Town is final.

Covenants to Maintain Insurance

Public Liability and Property Damage Insurance. Under the Lease Agreement, the Town will maintain or cause to be maintained, throughout the Term of the Lease Agreement, comprehensive general insurance in protection of the Corporation, the Town and their respective members, officers, agents, employees and assigns. Such insurance must provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance must provide coverage in such liability limits and be subject to such deductibles as the Town deems adequate and prudent.

Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of a program of self-insurance by the Town subject to the provisions of the Lease Agreement, or in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance.

The Town will apply the proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which the net proceeds are paid.

If any such insurance is provided in the form of self-insurance, the Town must file with the Trustee annually, within 90 days following the close of each fiscal year, a statement of an independent insurance adviser engaged by the Town identifying the extent of such self-insurance and stating the determination that the Town maintains sufficient reserves with respect thereto. If any such insurance is provided in the form of self-insurance by the Town, the Town is not obligated to make any payment with respect to any insured event except from such reserves.

Casualty Insurance. Under the Lease Agreement, the Town will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease Agreement, casualty insurance against loss or damage to the insured buildings, facilities and other improvements constituting any part of the Leased Property, in an amount at least equal to the greater of (a) the replacement value of such buildings, facilities and improvements, or (b) the aggregate principal amount of the Outstanding Certificates.

Such insurance will, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and must include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the Town, whose determination is final and conclusive. Such insurance may be subject to such deductibles as the Town deems prudent.

Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Town in the form of self-insurance. The Town shall apply the Net Proceeds of such insurance as provided in the Lease Agreement.

Rental Interruption Insurance. Under the Lease Agreement, the Town will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in the casualty insurance required by the Lease Agreement and described above, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive fiscal years during the remaining Term of the Lease Agreement.

Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Town in the form of self-insurance.

The Net Proceeds of such insurance, if any, will be paid to the Trustee and deposited in the Lease Payment Fund, and will be credited towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

CERTIFICATE INSURANCE
[To Come]

THE TOWN AND THE CORPORATION

The Town

General. The Town of Corte Madera is located in Marin County (the "**County**"). Incorporated in 1916, the Town extends from San Francisco Bay on the east side of the Highway 101 to Mt. Tamalpais on the west. Corte Madera occupies an area of 4.4 square miles of land, plus surrounding water tidelands. The Town is located 12 miles north of San Francisco.

For additional demographic information regarding the Town and the County, see APPENDIX A.

Town Government. The Town is a general law city. The Town operates under a Council-Manager form of government. The Town Manager is responsible for administration of municipal affairs. The Mayor is selected by the Council from among its members for a one-year term. All municipal departments operate under the supervision of the Town Manager. The Town Clerk and the Town Treasurer are appointed by the Town Manager.

Functions of the Town government include general government, community development, fire safety, public works and culture and leisure. The Town provides police safety services through the Central Marin Police Authority (the "**Police Authority**"), formed under a joint powers agreement between the Town, the City of Larkspur, and the Town of San Anselmo.

The Town Council consists of five members elected to serve staggered four-year terms.

TOWN OF CORTE MADERA TOWN COUNCIL

Name	Position	Term Expires
Sloan Bailey	Mayor	November 2019
Diane Furst	Vice Mayor	November 2017
James Andrews	Councilmember	November 2019
Carla Condon	Councilmember	November 2017
Michael Lappert	Councilmember	November 2017

The Corporation

The Corporation is a non-profit public benefit corporation duly organized and existing under the laws of the State. The Corporation was created for the purpose, among others, of providing assistance to public agencies that wish to finance public improvements.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Article XIIIA of the California Constitution

On June 6, 1978, California voters approved Proposition 13 ("**Proposition 13**"), which added Article XIIIA to the State Constitution ("**Article XIIIA**"). Article XIIIA limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIIIA approved by State voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-third of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Litigation Regarding 2% Limitation. In a Minute Order issued on November 2, 2001, in *County of Orange v. Orange County Assessment Appeals Board No. 3*, Case No. 00CC03385, the Orange County Superior Court held that where a home's taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the two percent inflation adjustment provision of Article XIIIA when the assessor tried to "recapture" the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties use a similar methodology in raising the taxable values of property beyond 2% in a single year. On December 27, 2001, the Orange County Superior Court issued an order declaring the practice of "recapturing" to be unconstitutional. That order only applied to one property in Seal Beach. The court entered a Final Judgment on April 18, 2003.

In 2002 two local courts (Los Angeles and San Diego) ruled differently on the "recapture" issue. Orange County, the Orange County Tax Collector and the Orange County Assessor appealed the Superior Court ruling to the Court of Appeal of the State of California, Fourth Appellate District. The Appellate Court held a hearing on the matter on January 7, 2004, and issued its ruling on March 26, 2004, reversing the trial court. The Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year's assessment, and ruled that that the 2% annual inflation adjustment provision permits a maximum 2% annual increase calculated against the original acquisition cost base, rather than calculated against any reduced base resulting from any intervening downward reassessment in the wake of a decline in property values, such as what might happen with a general deflation or a disaster. On May 6, 2004, the case was appealed to the California Supreme Court (as Case No. S124682), which denied review on July 21, 2004, thereby

affirming the Court of Appeal's decision, which currently represents the applicable law that is binding on county assessors statewide.

Legislation Implementing Article XIIIA. Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989. Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is now shown at full market value on the tax rolls. Consequently, the tax rate is expressed as $1 per $100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Appropriation Limitation - Article XIIIB

On November 6, 1979, the voters of the State approved Proposition 4, known as the Gann Initiative, which added Article XIIIB to the State Constitution. On June 5, 1990, the voters approved Proposition 111, which amended Article XIIIB in certain respects.

Under Article XIIIB, as amended, state and local government entities each have an annual "appropriations limit" which limits the ability to spend certain monies which are called "appropriations subject to limitation" (consisting of most tax revenues and certain state subventions, together called "proceeds of taxes," and certain other funds) in an amount higher than the "appropriations limit." Article XIIIB does not affect the appropriation of monies which are excluded from the definition of "appropriations limit," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by two thirds of the voters.

The "appropriations limit" is adjusted annually for changes in the cost of living and in population, for transfers in the financial responsibility for providing services, and in the case of certain declared emergencies.

If an entity receives any proceeds of taxes in excess of its appropriations limit, it may, by resolution of the entity's governing board, increase its appropriations limit to equal that amount (provided that the State has excess appropriations limit of its own in that fiscal year).

Voter Initiatives

Under the California Constitution, the power of initiative is reserved to the voters for the purpose of enacting statutes and constitutional amendments. Since 1978, the voters have exercised this power through the adoption of Proposition 13 and similar measures, the most recent of which was approved as Proposition 218 in the general election held on November 5, 1996.

Any such initiative may affect the collection of fees, taxes and other types of revenue by local agencies. Subject to overriding federal constitutional principles, such collection may be

materially and adversely affected by voter-approved initiatives, possibly to the extent of creating cash-flow problems in the payment of outstanding obligations such as the Lease Payments.

Proposition 218 (Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges - Initiative Constitutional Amendment) added Articles XIIIC and XIIID to the California Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges.

Unitary Property

AB 454 (Chapter 921, Statutes of 1986) provides that revenues derived from most utility property assessed by the State Board of Equalization ("**Unitary Property**"), commencing with the 1988-89 fiscal year, will be allocated as follows: (1) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (2) if county-wide revenues generated from Unitary Property are less than the previous year's revenues or greater than 102% of the previous year's revenues, each jurisdiction will share the burden of the shortfall or excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

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

Proposition 62

On November 4, 1986, California voters adopted Proposition 62, which requires that (i) any local tax for general governmental purposes (a "**general tax**") must be approved by a majority vote of the electorate; (ii) any local tax for specific purposes (a "**special tax**") must be approved by a two-thirds vote of the electorate; (iii) any general tax must be proposed for a vote by two-thirds of the legislative body; and (iv) proceeds of any tax imposed in violation of the vote requirements must be deducted from the local agency's property tax allocation.

Most of the provisions of Proposition 62 were affirmed by the 1995 California Supreme Court decision in *Santa Clara County Local Transportation Authority v. Guardino*, which invalidated a special sales tax for transportation purposes because fewer than two-thirds of the voters voting on the measure had approved the tax.

The Town does not believe any of the taxes constituting Town revenues are levied in violation of Proposition 62.

Proposition 1A

On November 2, 2004, California voters approved Proposition 1A, which amends the State constitution to significantly reduce the State's authority over major local government revenue sources.

Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are

shared among local governments without two-third approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding.

Proposition 22

Proposition 22, entitled "The Local Taxpayer, Public Safety and Transportation Protection Act," was approved by the voters of the State in November 2010. Proposition 22 amended the State Constitution to eliminate or reduce the State's authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes.

Future Initiatives

Article XIIIA, Article XIIIB, Proposition 62, Proposition 1A, Proposition 22, and Proposition 218 were each adopted as measures that qualified for the ballot pursuant to California's initiative process. From time to time, other initiative measures could be adopted, further affecting the Town or its revenues or the ability of the Town to expend revenues.

RISK FACTORS

The following describes certain special considerations and risk factors affecting the payment of and security for the Certificates. The following discussion is not meant to be an exhaustive list of the risks associated with the purchase of any Certificates and does not necessarily reflect the relative importance of the various risks. Potential investors in the Certificates are advised to consider the following special factors along with all other information in this Official Statement in evaluating the Certificates. There can be no assurance that other considerations will not materialize in the future.

No Pledge of Taxes

General. The obligation of the Town to pay the Lease Payments and Additional Payments does not constitute an obligation of the Town for which the Town is obligated to levy or pledge any form of taxation or for which the Town has levied or pledged any form of taxation. The obligation of the Town to pay Lease Payments and Additional Payments does not constitute a debt or indebtedness of the Town, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The Town is currently liable on other obligations payable from general revenues, which are described in Appendix A under the caption "TOWN FINANCES - Outstanding General Fund Debt and Lease Obligations."

Limitations on Taxes and Fees. Certain taxes, assessments, fees and charges presently imposed by the Town could be subject to the voter approval requirements of Article XIIIC and Article XIIID of the State Constitution. Based upon the outcome of an election by the voters, such fees, charges, assessments and taxes might no longer be permitted to be imposed, or may be reduced or eliminated and new taxes, assessments fees and charges may not be approved.

The Town has assessed the potential impact on its financial condition of the provisions of Article XIIIC and Article XIIID of the State Constitution respecting the imposition and increase of taxes, fees, charges and assessments and does not believe that an election by the voters to reduce or eliminate the imposition of certain existing fees, charges, assessments and taxes would substantially affect its financial condition. However, the Town believes that if the initiative power were exercised so that all local taxes, assessments, fees and charges that may be subject to Article XIIIC and Article XIIID of the State Constitution were eliminated or substantially reduced, the financial condition of the Town, including its General Fund, could be materially adversely affected.

Although the Town does not currently anticipate that the provisions of Article XIIIC and Article XIIID of the State Constitution would adversely affect its ability to pay Lease Payments and its other obligations payable from the General Fund, no assurance can be given regarding the ultimate interpretation or effect of Article XIIIC and Article XIIID of the State Constitution on the Town's finances. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Additional Obligations of the Town

The Town has existing obligations payable from its General Fund. See Appendix A - "TOWN FINANCES - Outstanding General Fund Debt and Lease Obligations." The Town is permitted to enter into other obligations which constitute additional charges against its revenues without the consent of Owners of the Certificates. To the extent that additional obligations are incurred by the Town, the funds available to pay Lease Payments may be decreased.

The Lease Payments and other payments due under the Lease Agreement (including payment of costs of repair and maintenance of the Leased Property) are payable from funds lawfully available to the Town. If the amounts that the Town is obligated to pay in a fiscal year exceed the Town's revenues for such year, the Town may choose to make some payments rather than making other payments, including Lease Payments and Additional Payments, based on the perceived needs of the Town. The same result could occur if, because of California Constitutional limits on expenditures, the Town is not permitted to appropriate and spend all of its available revenues or is required to expend available revenues to preserve the public health, safety and welfare.

Default

Whenever any event of default referred to in the Lease Agreement happens and continues, the Corporation is authorized under the terms of the Lease Agreement to exercise any and all remedies available under law or granted under the Lease Agreement. See APPENDIX B for a detailed description of available remedies in the case of a default under the Lease Agreement.

In the event of a default, there is no remedy of acceleration of the total Lease Payments due over the term of the Lease Agreement. The Trustee is not empowered to sell the Leased Property and use the proceeds of such sale to prepay the Certificates or pay principal and interest represented by the Certificates.

The Town will be liable only for Lease Payments on an annual basis and, in the event of a default, the Trustee would be required to seek a separate judgment each year for that year's defaulted Lease Payments. Any such suit for money damages would be subject to limitations on legal remedies against municipalities in California, including a limitation on enforcement of judgments against funds of a fiscal year other than the fiscal year in which the Lease Payments were due and against funds needed to serve the public welfare and interest.

Abatement

Under certain circumstances related to damage, destruction, or a taking pursuant to eminent domain which, in any such case, causes a substantial interference with the use and possession of the Leased Property, the Town's obligation to make Lease Payments will be subject to full or partial abatement and could result in the Trustee having inadequate funds to pay the principal and interest with respect to the Certificates as and when due. See "SECURITY FOR THE CERTIFICATES – Abatement" and "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

Although the Town is required under the Lease Agreement to maintain property and liability insurance and rental interruption insurance with respect to the Leased Property, the required insurance coverage is subject to certain conditions and restrictions. See "SECURITY

FOR THE CERTIFICATES – Covenants to Maintain Insurance." However, there is no assurance that the Town will receive proceeds of any insurance in time to make Lease Payments when due.

Certain Risks Associated With Property Taxes

Levy and Collection. The Town does not have any independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease, or any substantial delinquencies in the payment of property taxes, could reduce the Town's property tax revenues, and accordingly, could have an adverse impact on the ability of the Town to make Lease Payments when due.

Reduction in Inflationary Rate. Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining assessed value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS." Such measure is computed on a calendar year basis. Because Article XIIIA limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. Since Article XIIIA was approved, the annual adjustment for inflation has fallen below the 2% limitation in certain years.

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

Appeals of Assessed Values. There are two types of appeals of assessed values that could adversely impact property tax revenues:

Proposition 8 Appeals. Most of the appeals that might be filed in the Town would be based on Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property must be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. These market-driven appeals are known as Proposition 8 appeals.

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

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

No assurance can be given that property tax appeals in the future will not significantly reduce the Town's property tax revenues.

Certain Risks Associated with Sales Tax Revenues

For fiscal year 2014-15, sales tax revenues were the largest source of revenue to the Town, followed by property tax revenues. Sales tax revenues are based upon the gross receipts of retail sales of tangible goods and products by retailers with taxable transactions in the Town, which could be impacted by a variety of factors.

For example, before the final maturity of the Certificates, the Town may enter into an economic recession. In times of economic recession, the gross receipts of retailers often decline, and such a decline would cause the sales tax revenues received by the Town to also decline.

In addition, changes or amendments in the laws applicable to the Town's receipt of sales tax revenues, whether implemented by State legislative action or voter initiative, could have an adverse effect on sales tax revenues received by the Town. For example, many categories of transactions are exempt from the statewide sales tax, and additional categories could be added in the future. Currently, most sales of food products for human consumption are exempt; this exemption, however, does not apply to liquor or to restaurant meals. The rate of sales tax levied on taxable transactions in the Town or the fee charged by the State Board of Equalization for administering the Town's sales tax could also be changed.

Geologic, Topographic and Climatic Conditions

The value of the Leased Property, and the financial stability of the Town, can be adversely affected by a variety of factors, particularly those which may affect infrastructure and other public improvements and private improvements and the continued habitability and enjoyment of such private improvements. Such additional factors include, without limitation, geologic conditions (such as earthquakes), topographic conditions (such as earth movements and floods), climatic conditions (such as droughts) and fires.

Geologic Hazards. The topography of the Town is varied, from the lowlands along the edge of the San Francisco Bay to the steeply sloping hillsides of residential neighborhoods. The Town's General Plan identifies the following geologic hazards:

Slope Failure. The major geologic- and soils-related hazards in the Town are hill slope failure and static settlement of soils. Potential for hill slope failure, or landslide, depends upon the geologic composition of a slope. Certain combinations of rocks and soils are more stable than others, and hill slope failure can occur without an earthquake. Landslides involve the downslope movement of soil and rock; earthquake-induced landslides will most likely occur in

the same areas where landslides are caused by other conditions. Unstable slopes and soils subject to static settlement can become more acute during an earthquake. The slopes of the Tiburon Peninsula Ridge, located east of Highway 101, are among the least stable areas. Changes made by man, such as excavating too steeply, undercutting slopes, or placing fills or structures on unstable slopes, may also induce landsliding. A large landslide was induced west of Highway 101 by excavating Alto Hill during construction of the highway. Scattered landslides have also occurred in the upland areas west of Highway 101. Regional landslide mapping has indicated the presence of extensive slope stability hazards in the Town, with the hazard typically more pronounced on steeper slopes. The hazards can include relatively large, loose debris flows.

Subsidence. Static settlement, or subsidence, is a safety hazard in the lowland areas of the Town. Much of the Town was built on fill deposited on Bay lands, such as marsh or tidelands. Bay Mud is soft, unconsolidated and water-saturated clay that becomes compact under the weight of fill and urban development. Bay Mud has severe stability problems because the mud is highly compressible. When fills are placed over thick Bay Mud deposits, large amounts of settlement can take place over long periods of time. Subsidence of Bay Mud is an on-going condition. This subsidence can subject low-lying areas to frequent flooding due to differential settlement. Indeed, subsidence is one of the major contributing factors to the steadily increasing flood hazard of the Town. The primary influence on the amount of subsidence at a given location is the thickness of the underlying Bay Mud. The thicker the Bay Mud layer, the longer consolidation will take place with a greater amount of subsidence. Bay Mud varies in thickness, so the amount of settlement varies between areas. Differential settlement of Bay Mud in the Town has resulted in reconstruction of streets, sidewalks, storm sewers, sanitary sewers, and periodic maintenance of sewers and streets.

Seismic Hazards. The Town is relatively close to known active earthquake faults, including the San Andreas, Hayward, and Calaveras Faults. The Town is approximately 8 miles northeast of the San Andreas Fault zone and 11 miles southwest of the Hayward Fault zone. While high magnitude earthquakes along these faults can be felt and can cause damage, there are no direct reports of damage in the Town as a result of major quakes. There are no known active faults in the Town, making ground rupture an unlikely hazard. Nevertheless, the intense ground shaking poses a significant threat to life and property. A critical factor affecting the intensity of ground shaking is the geologic material underneath a site. Deep, loose soils, such as the clays and Bay Mud prevalent in the lowland areas of Town, will amplify and prolong the shaking. The type of rock that least amplifies ground shaking is granite. Ground shaking can be several times greater on sites underlain by weak sediments, like Bay Mud, than on bedrock. Losses from shaking can occur where tall structures are built on thick, soft sediments. Damage from shaking is also influenced by the structural integrity of buildings before an earthquake. Damage to buildings and utilities in the Town is likely to be greatest on those sites underlain by deep, loose, compressible deposits such as Bay Mud. These areas include the lowland residential neighborhoods built on fill. Ground failure is a secondary effect of ground shaking and can include landslides, liquefaction, lurching, and differential settlement. Liquefaction occurs when saturated and poorly consolidated granular material is shaken during an earthquake and is transformed into a fluid-like state. Buildings can tilt or sink, utility lines can rise to the surface, and levees can fail. If soils are poorly consolidated, the ground can subside. The Town faces the hazardous potential for liquefaction of man-placed fill and Bay Mud sediments. Neighborhoods built on filled Bay Mud are the most susceptible. The Town typically requires geotechnical investigations for new development, including single-family residences. Mitigation for new construction often includes installation of deep foundation support piers

(anchored to bedrock), installation of appropriate drainage improvements around a structure, and seismic design pursuant to the Uniform Building Code.

Flooding. Flooding in the Town generally occurs as a result of storm runoff in low-lying areas. The extent of flooding is not life threatening, typically impacting culverts, channels and other drainage facilities. The Town continues to respond to flooding issues through a wide range of facility improvements and in addressing storm drainage impacts from new development. In many respects, differential subsidence of streets, curbs, gutters and sidewalks, and not the drainage system per se, result in some of the Town's most pressing flooding problems. Since long-term corrective actions are either infeasible or unavailable, the flooding problems associated with Town development atop Bay Muds is expected to remain. Policy approaches in response to differential settlement therefore tend to focus upon short-term solutions, such as continued repairs to existing improvements.

Flooding in the Town is generally the result of extreme high tides, storm water runoff and, in certain locations, inadequate drainage channels and systems, and inadequate levees. When tides are high, floodwater cannot drain into the San Francisco Bay. Steep hills south and west of the Town also contribute to the flooding problem whenever there is severe rain due to inadequate drainage facilities. There are also waterways that contribute to flooding within the Town. Factors that affect flooding in the bayside area of the Town are precipitation, tides, sea level rise, sedimentation, land subsidence and substandard drainage design. Bayside streets flood at certain places during extremely high tides, including those created by a "storm surge," or when high tides combine with storm driven waves, rainwater runoff, or both. Tidal influences are exacerbated during the winter when prolonged high winds and low barometric pressure raise the water level along the Pacific Coast. The bayside developments of Mariner Cove and Marina Village are experiencing subsidence from being built on five to ten feet of fill over San Francisco Bay Mud. The land is sinking faster than predicted when the developments were built 40 to 50 years ago. As a result, some areas have subsided to elevations that are expected to flood during a 100-year storm event.

The Federal Emergency Management Agency (FEMA) Flood Insurance Study for Corte Madera (1977) determined that all floods of any consequence in the Town have occurred in the low areas that have been "reclaimed" from the San Francisco Bay's marsh and tidal lands. The worst flooding in the Town occurred in 1982, when San Clemente Drive was closed as flood waters covered the roadway. In the mid-1980s, Corte Madera partnered with the U.S. Army Corps of Engineers to study the possibility of a "permanent" solution to certain types of flooding in the area. The project identified to resolve the flooding problem is now known as the Tidal Protection Project. This project, selected from various alternative solutions, consists of an offshore tidal barrier with a lock, pumps, and tidal exchange gate. The Tidal Barrier Project is still in the study phase and has not progressed for several years, due to opposition from local environmental groups, concern from homeowners, lack of funding, and difficulty in attaining land suitable to mitigate the loss of the required 18 acres of wetland habitat for environmental mitigation.

The Town is addressing flooding conditions through a voter-approved Storm Drainage Tax levied on parcels to raise money for storm drainage/flood control improvements. Future improvements will focus on protection from tidal flooding. Other improvements will include corrugated metal pipe replacement, pump station upgrades, and 100-year protection for the FEMA designated floodplain.

The Town requires all new buildings in Special Flood Hazard Areas to be built with finished floors one foot above flood elevations established by FEMA. The Ordinance requires individual development projects to complete a detailed hydrologic study prior to Town issuance of development permits. These studies are aimed at identifying downstream areas that experience localized flooding, detailing potential impacts that proposed projects could create on these areas, and identifying both on- and off-site mitigation measures that would be required to prevent these impacts.

Building codes require that some of these factors be taken into account, to a limited extent, in the design of improvements, including improvements of the Leased Property. Some of these factors may also be taken into account, to a limited extent, in the design of other infrastructure and public improvements neither designed nor subject to design approval by the Town. Design criteria in any of these circumstances are established upon the basis of a variety of considerations and may change, leaving previously-designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Conditions may occur and may result in damage to improvements of varying seriousness, such that the damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the actual value of the Leased Property, as well as public and private improvements within the Town in general, may well depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

Hazardous Substances

In general, the owners and operators of real property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but State laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) of the property is obligated to remedy a hazardous substances condition whether or not the owner (or operator) has anything to do with creating or handling the hazardous substance. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the finances of the Town.

Further, it is possible that liabilities may arise in the future resulting from the existence, currently, on Town-owned property of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Such liabilities may arise not simply from the existence of a hazardous substance, but from the method of handling it.

Although the Town handles, uses and stores and will handle, use and store certain hazardous substances including, but not limited to, solvents, paints, certain other chemicals on or near the Leased Property, the Town knows of no existing hazardous substances which require remedial action on or near the Leased Property. However, it is possible that such substances do currently or potentially exist and that the Town is not aware of them.

Limitations on Remedies Available to Certificate Owners

The ability of the Town to comply with its covenants under the Lease Agreement may be adversely affected by actions and events outside of the control of the Town, and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or payers of assessments, fees and charges. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Furthermore, any remedies available to the owners of the Certificates upon the occurrence of an event of default under the Lease Agreement or the Trust Agreement are in many respects dependent upon judicial actions, which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

In addition to the limitations on remedies contained in the Lease Agreement and the Trust Agreement, the rights and obligations under the Certificates, the Lease Agreement and the Trust Agreement may be subject to the following: the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of serving a significant and legitimate public purpose.

Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the Owners of the Certificates to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

Impact of State Budget on Town Revenues

At various times, including in recent years, the State has experienced significant financial and budgetary stress. State budgets are affected by national and local economic conditions and other factors over which the Town has no control. The State's financial condition and budget policies affect communities and local public agencies throughout the State. To the extent that the State budget process results in reduced revenues to the Town, the Town will be required to make adjustments to its budget.

For example, declining revenues and fiscal difficulties which arose in the State commencing in fiscal year 2008-09 led the State to undertake a number of budgeting strategies, which had subsequent impacts on local agencies within the State. These techniques included the issuance of IOUs in lieu of warrants (checks), the enactment of statutes deferring amounts owed to public schools, until a later date in the fiscal year, or even into the following fiscal year (known as statutory deferrals), trigger reductions, which were budget cutting measures which were implemented or could have been implemented if certain State budgeting goals were not met, among others, and the dissolution of local redevelopment agencies in part to make available additional funding for local agencies.

Although starting with fiscal year 2013-14, recent State budgets have been balanced and balanced budgets are projected for the foreseeable future, largely attributable to

improvements in the economy, the additional revenues generated due to the passage of Proposition 30 at the November 6, 2012 statewide election, as well as other spending cuts, there can be no certainty that budget-cutting strategies such as those used in prior years will not be used in the future should the State budget again be stressed and if projections included in such budget do not materialize.

Secondary Market for Certificates

There can be no guarantee that there will be a secondary market for the Certificates or, if a secondary market exists, that any Certificates can be sold for any particular price. Prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the market price for the Certificates will not be affected by the introduction or enactment of any future legislation (including without limitation amendments to the Internal Revenue Code), or changes in interpretation of the Internal Revenue Code, or any action of the Internal Revenue Service, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the Certificates for audit examination, or the course or result of any Internal Revenue Service audit or examination of the Certificates or obligations that present similar tax issues as the Certificates.

Risks Associated with the Certificate Insurance Policy and the Reserve Policy

In the event that the Town defaults in the payment of Lease Payments when due, the owners of the Certificates will have a claim under the Certificate Insurance Policy for such payments. Similarly, the Trustee may need to draw on the Reserve Policy if the Town defaults in the payment of Lease Payments. See the caption "CERTIFICATE INSURANCE." In the event that the Certificate Insurer becomes obligated to make payments with respect to the Certificates, no assurance can be given that such event will not adversely affect the market for the Certificates. In the event that the Certificate Insurer is unable to make payment of principal of and interest with respect to the Certificates when due under the Certificate Insurance Policy, or fail to honor a claim on the Reserve Policy, the Certificates will be payable solely from Lease Payments and amounts held in certain funds and accounts established under the Trust Agreement, as described under the caption "SECURITY FOR THE CERTIFICATES."

The long-term ratings on the Certificates are dependent in part on the financial strength of the Certificate Insurer and its claims-paying ability. The Certificate Insurer's financial strength and claims-paying ability are predicated upon a number of factors that could change over time. If the long-term ratings of the Certificate Insurer are lowered, such event could adversely affect the market for the Certificate. See the caption "RATINGS."

Neither the Town, the Corporation or the Underwriter has made an independent investigation of the claims-paying ability of the Certificate Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Certificate Insurer is being made in this Official Statement. Therefore, when making an investment decision with respect to the Certificates, potential investors should carefully consider the ability of the Town to pay Lease Payments that secure the Certificates, assuming that the Certificate Insurance Policy and the Reserve Policy are not available for that purpose, and the claims-paying ability of the Certificate Insurer through final maturity of the Certificates.

So long as the Certificate Insurance Policy remains in effect and the Certificate Insurer is not in default of its obligations thereunder, the Certificate Insurer has certain notice, consent and other rights under the Trust Agreement and will have the right to control all remedies for default under the Trust Agreement. The Certificate Insurer is not required to obtain the consent of the owners of the Certificates with respect to the exercise of remedies. See Appendix B.

TAX MATTERS

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to the qualifications set forth below, under existing law, the portion of Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from California personal income taxes.

The portion of Lease Payments designated as and comprising interest is not exempt from federal income taxation, and is subject to all applicable federal income taxation.

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

A copy of the proposed opinion of Special Counsel is set forth in Appendix D.

CERTAIN LEGAL MATTERS

The legal opinion of Special Counsel, approving the validity of the Certificates, in substantially the form attached hereto as APPENDIX D, will be made available to purchasers at the time of original delivery of the Certificates. Disclosure Counsel will deliver a disclosure letter to the Town and the Underwriter regarding the contents of this Official Statement. Certain matters will be passed upon for the Town by the Town Attorney.

CONTINUING DISCLOSURE

The Town will covenant for the benefit of owners of the Certificates to provide certain financial information and operating data relating to the Town and its general fund (the "**Annual Report**") and to provide notices of the occurrence of certain listed events ("**Event Notices**"). All Annual Reports and Event Notices are required to be filed electronically with the Municipal Securities Rulemaking Board (the "**MSRB**").

These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5), as amended (the "**Rule**"). The specific nature of the information to be contained in the Annual Report and the Event Notices is set forth in APPENDIX E.

The Town has made undertakings pursuant to the Rule in connection with prior debt issuances. Specific instances of non-compliance with prior undertakings in the previous five years include:

(1) Comprehensive audited financial statements, including the audited financial statements for fiscal year 2010-11 and 2012-13, were filed 114 days and 108 days late, respectively;

(2) Annual reports of financial and operating data, including the annual reports for fiscal years 2010-11, 2012-13, and 2015-16, failed to file all required information on a timely basis with the delay ranging from 1 to 114 days. The Town made additional filings to provide certain of the previously omitted information.

In order to ensure compliance with the Rule, the Town has retained Willdan Financial Services to serve as dissemination agent with respect to the Certificates.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") has agreed, subject to certain conditions, to purchase the Certificates from the Town at a purchase price of $_____ (representing the principal amount of the Certificates, less an Underwriter's discount in the amount of $_____ and an original issue discount of $_____). The obligations of the Underwriter are subject to certain conditions precedent, and it will be obligated to purchase all such Certificates if any Certificates are purchased. The Underwriter intends to offer the Certificates to the public initially at the prices and/or yields set forth on the inside cover page of this Official Statement, which prices or yields may subsequently change without any requirement of prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Certificates to the public. The Underwriter may offer and sell Certificates to certain dealers (including dealers depositing Certificates into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers. In reoffering Certificates to the public, the Underwriter may overallocate or effect transactions which stabilize or maintain the market prices for Certificates at levels above those which might otherwise prevail. Such stabilization, if commenced, may be discontinued at any time.

MUNICIPAL ADVISOR

The Town has retained NHA Advisors, LLC, San Rafael, California, as its Municipal Advisor (the "**Municipal Advisor**") in connection with the authorization and delivery of the Certificates. The payment of the Municipal Advisor's fees for services rendered with respect to the sale of the Certificates is contingent upon the authorization and delivery of the Certificates. The Municipal Advisor assumes no responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Certificates, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

LITIGATION

The Town is not aware of any litigation pending or threatened questioning the existence or powers of the Town, the authority of the Town to enter into the Site Lease or the Lease Agreement, or the execution and delivery of the Certificates. **[CONFIRM]**

PROFESSIONAL FEES

In connection with the execution and delivery of the Certificates, fees payable to the following professionals involved in the offering are contingent upon the issuance and delivery of the Bonds:

- Jones Hall, A Professional Law Corporation, as Special Counsel and Disclosure Counsel;

- NHA Advisors, LLC, as Municipal Advisor; and

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

ESCROW VERIFICATION

Grant Thornton, LLP (the **"Verification Agent"**), upon delivery of the Certificates, will deliver a report of the mathematical accuracy of certain computations, contained in schedules provided to them on behalf of the Town, relating to the sufficiency of the anticipated amount of proceeds of the Certificates and other funds deposited into the Escrow Fund and available to pay, when due, the principal, whether at maturity or upon prior redemption, interest and redemption premium requirements (if any) of the 2006 Certificates.

The report of the Verification Agent will include the statement that the scope of their engagement is limited to verifying mathematical accuracy, of the computations contained in such schedules provided to them, and that they have no obligation to update their report because of events occurring, or data or information coming to their attention, subsequent to the date of their report.

RATINGS

Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("**S&P**"), has assigned its municipal bond ratings of "___" (underlying) and "___" (insured) to the Certificates.

This rating reflects only the views of S&P, and an explanation of the significance of this rating, and any outlook assigned to or associated with this rating, should be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Town has provided certain additional information and materials to S&P (some of which does not appear in this Official Statement).

There is no assurance that the ratings will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the ratings on the Certificates may have an adverse effect on the market price or marketability of the Certificates.

None of the Town, the Corporation or the Underwriter makes any representation as to the Certificate Insurer's creditworthiness and no representation that the Certificate Insurer's credit ratings will be maintained in the future. Certain credit rating agencies have previously taken action to downgrade the ratings of certain municipal bond insurers and has published various releases outlining the processes that they intend to follow in evaluating the ratings of financial guarantors. For some financial guarantors, the result of such evaluations could be a rating affirmation, a change in rating outlook, a review for downgrade or a downgrade. Potential investors are directed to the applicable credit rating agencies for additional information on their respective evaluations of the financial guaranty industry and individual financial guarantors, including the Certificate Insurer. See the caption "CERTIFICATE INSURANCE" for further information relating to the Certificate Insurer.

EXECUTION

The execution and delivery of this Official Statement have been duly authorized by the Town.

TOWN OF CORTE MADERA

By: _____
Director of Administrative Services

APPENDIX A

FINANCIAL, ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE TOWN

General

The Town is located in Marin County (the "**County**"). Incorporated in 1916, the Town extends from San Francisco Bay on the east side of Highway 101 to Mt. Tamalpais on the west. The Town occupies an area of 4.47 square miles of land, including surrounding water tidelands. The Town is located 12 miles north of San Francisco.

Marin County was one of the original counties of California, created in 1850 at the time of statehood. The County has a total area of 828 miles and had, as of January 1, 2015, a population of approximately 258,972. Geographically, the county forms a large, southward-facing peninsula, with the Pacific Ocean to the west, San Pablo Bay and San Francisco Bay to the east, and -- across the Golden Gate -- the City of San Francisco to the south. Marin County's northern border is with Sonoma County. Most of the county's population resides on the eastern side, with a string of communities running along the Bay, from Sausalito to Tiburon to San Rafael to Novato. The interior contains large areas of agricultural and open space; West Marin, through which California State Route 1 runs alongside the California coast, contains many small, unincorporated communities dependent on agriculture and tourism for their economies.

Population

Population figures for the Town, the County and the State for the last five years are shown in the following table.

Table No. A-1
TOWN OF CORTE MADERA
Population Estimates

Year	Town of Corte Madera	County of Marin	State of California
2011	9,258	253,040	37,427,946
2012	9,297	253,374	37,680,593
2013	9,320	254,007	38,030,609
2014	9,432	257,153	38,357,121
2015	9,491	258,972	38,714,725

Source: State Department of Finance estimates (as of January 1)

Municipal Government

The Town is a general law city. The Town operates under a Council-Manager form of government. The Town Council consists of five members elected at large for four-year overlapping terms. The Town Manager is responsible for administration of municipal affairs. The Mayor is selected by the Council from among its members for a one-year term. All municipal departments operate under the supervision of the Town Manager. The Town Clerk and the Town Treasurer are appointed by the Town Manager.

Functions of the Town government include general government, community development, fire safety, public works and culture and leisure. The Town provides police safety services through the Central Marin Police Authority (the "**Police Authority**"), formed under a joint powers agreement between the Town, the City of Larkspur, and the Town of San Anselmo.

TOWN FINANCES

The following selected financial information provides a brief overview of the Town's finances. This financial information has been extracted from the Town's audited financial statements and, in some cases, from unaudited information provided by the Town's Finance Department. The most recent audited financial statements of the Town with an unqualified auditor's opinion is included as Appendix C.

Accounting Policies and Financial Reporting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled. The basis of accounting for all funds is more fully explained in the "Notes to Financial Statements" contained in Appendix C.

The Town Council employs, at the beginning of each fiscal year, an independent certified public accountant who, at such time or times as specified by the Town Council, at least annually, and at such other times as he or she shall determine, examines the combined financial statements of the Town in accordance with generally accepted auditing standards, including such tests of the accounting records and such other auditing procedures as such accountant considers necessary. As soon as practicable after the end of the fiscal year, a final audit and report is submitted by such accountant to the Town Council and a copy of the financial statements as of the close of the fiscal year is published. The Town's Independent Auditor's Report for fiscal year 2014-15 was prepared by Cropper Accountancy Corporation, Certified Public Accountants, Walnut Creek, California.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting and fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iii) required supplementary information.

The Town was required to implement Statement No. 34 for the fiscal year 2002-03 audited financial statement. See "APPENDIX C – Comprehensive Annual Financial Report of the Town for the Year Ended June 30, 2015 – Note 1" for a description of the significant accounting policies of the Town.

General Fund Financial Summary

The audited information contained in the following tables of revenues, expenditures and changes in fund balances, and assets, liabilities and fund equity has been derived from the Town's audited financial statements for fiscal years 2012-13 through 2014-15.

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Table No. A-2
TOWN OF CORTE MADERA
General Fund - Audited Revenues, Expenditures and Fund Balances
For Fiscal Years 2012-13 through 2014-15

	Audited Fiscal Year 2012-13	Audited Fiscal Year 2013-14	Audited Fiscal Year 2014-15
Revenues:			
Taxes	$13,192,956	$14,988,429	$17,468,266
Fines and forfeitures	6,553	13,766	13,446
Intergovernmental	673,926	628,073	772,896
Use of money and property	45,630	46,024	46,761
Charges for services	1,413,721	1,641,138	1,650,723
Other revenues	589,406	219,291	181,667
Total Revenues	15,922,192	17,536,721	20,133,759
Expenditures:			
Current:			
General government	1,838,868	2,015,679	2,400,982
Community development	894,455	1,073,133	1,117,964
Public safety	8,115,016	8,331,321	8,512,134
Public works	1,900,258	1,992,667	1,998,005
Cultural and leisure	985,860	1,021,612	1,120,333
Debt service:			
Principal	142,318	148,912	155,815
Interest	140,566	130,172	46,869
Capital outlay	725,734	683,147	880,339
Total Expenditures	14,743,075	15,396,643	16,232,441
Revenues over (under) expenditures	1,179,117	2,140,078	3,901,318
Other financing sources (uses):			
Proceeds from sale of assets	8,898	--	1,600
Operating transfers in (1)	--	--	--
Operating transfers out (1)	(603,388)	(773,910)	(796,046)
Total other financing sources (uses)	(594,490)	(773,910)	(795,046)
Net change in fund balance	584,627	1,366,168	3,106,272
Fund balance, July 1	1,545,622	2,130,249	3,496,417
Fund balance, June 30	$2,130,249	$3,496,417	$6,602,689

(1) See "APPENDIX C – Comprehensive Annual Financial Report of the Town for the Year Ended June 30, 2015 – Note 11."
Source: Town of Corte Madera; Comprehensive Annual Financial Reports.

Table No. A-3
TOWN OF CORTE MADERA
General Fund Balance Sheet
As of June 30 for Fiscal Years 2012-13 through 2014-15

	Audited Fiscal Year 2012-13	Audited Fiscal Year 2013-14	Audited Fiscal Year 2014-15
Assets:			
Cash and cash equivalents	$--	$296,181	$3,132,975
Restricted cash and investments	-- (1)	-- (1)	-- (1)
Receivables:			
Taxes	1,190,477	1,664,833	1,849,442
Fines	2,294	3,174	1,954
Interest	4,320	6,481	7,576
Intergovernmental subventions	4,164	--	--
Intergovernmental grants	--	--	--
Service charges	37,929	76,745	70,373
Loans	--	--	180,000
Expense reimbursements	117,834	47,022	17,725
Due from other funds	1,350,373	2,190,424	2,175,251
Inventory and prepaid items	3,221	1,902	1,372
TOTAL ASSETS	2,710,612	4,286,762	7,437,032
Liabilities and Fund Balance:			
Liabilities:			
Accounts payable and accrued liabilities	367,759	496,833	586,962
Due from other funds	--	--	--
Vacation and compensated absence obligation	212,604	293,512	247,381
TOTAL LIABILITIES	580,363	790,345	834,343
Fund Balance:			
Nonspendable:			
Inventory and prepaid items	3,221	1,902	1,372
Petty cash	500	500	500
Committed for contingencies	1,300,000	1,400,000	1,500,000
Assigned for capital projects	--	--	--
Unassigned, (deficit) reported in:			
General fund	826,528	2,094,015	5,100,817
Capital projects funds	--	--	--
Total fund balance (2)	2,130,249	3,496,417	6,602,689
Total liabilities and fund balance	$2,710,612	$4,286,762	$7,437,032

(1) Reflects auditor's use of cash to account for Interfund Transfers of Town's General Fund to and from its other funds. See "APPENDIX C – Comprehensive Annual Financial Report of the Town for the Year Ended June 30, 2015 – Note 11."
(2) Reflects the balance in the general fund only.
Source: Town of Corte Madera; Comprehensive Annual Financial Reports.

Budgetary Process

General. The Town uses the following procedures when establishing the budgetary data reflected in its financial statements:

1. Public meetings are conducted to obtain public comments. The Town Council annually adopts the budget for the ensuing fiscal year prior to July 1st.

2. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all Governmental, Proprietary and Fiduciary Fund Types.

3. Budgets for the General, Special Revenue, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

4. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the Town is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2015, based on the calculations by Town Management, proceeds of taxes did not exceed the appropriations limit.

5. Budgeted revenue and expenditure amounts represent the original budget modified by adjustments authorized during the year.

6. Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year.

7. Budgeted appropriations for the various governmental funds become effective each July 1. The Town Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level.

Fiscal Year 2011-12 Budget. The Town closed fiscal year 2011-12 with a General Fund balance of $1,545,622, an approximately $950,000 increase from the beginning balance of fiscal year 2010-11. Beginning in fiscal year 2005-06, the Town initiated a continued effort to reduce expenditures on a total basis, through staffing reductions, furloughs, reductions and/or deferrals of non-personnel operating expenses, complete deferral of equipment replacements, and complete elimination of studies and capital projects funded by unrestricted General Fund monies, which efforts begun to cause meaningful improvement in balancing total expenditures against total revenues in fiscal year 2011-12.

Fiscal Year 2012-13 Budget. The Town's fiscal year 2012-13 budget projected the Town's general fund to improve from a positive $1,545,600 balance at the beginning of the year (on July 1, 2012) to an ending positive balance of $2,056,500 at June 30, 2013.

The fiscal year 2012-13 budget stated that, to partially address the fiscal pressure the Town had experienced in recent years, the Town's total work force had been reduced by 19

positions (by over 30%) over the prior ten years. In addition to the staffing reductions, furloughs were in effect from January 11, 2010 through July 10, 2011 resulting in a 5% reduction in compensation. The Town also took steps in its collective bargaining agreements to address personnel costs, including agreeing with its Service Employees International Union (SEIU) employee association members that the affected employees (i) begin paying a portion of the Town's contribution to the retirement fund and (ii) reduce the Town's contribution for retiree health insurance for presently employed personnel. Town Department Heads, the Town Manager, the Firefighters' Association, and Fire Battalion Chiefs agreed to identical provisions. Other steps taken to relieve the fiscal pressure on the Town in those years were reductions and/or deferrals of non-personnel operating expenses, complete deferral of equipment replacements, and compete elimination of studies and capital projects funded by unrestricted General Fund monies. The fiscal year 2012-13 budget began to address the deferrals of non-personnel operating expenses and the replacement of some equipment.

Fiscal Year 2013-14 and Fiscal Year 2014-15. Due to the improving revenue forecast, the budget began restoring vacant positions in community development (planning, building, engineering). Expenditures for maintenance and equipment replacement that had been deferred for several years resumed. A general purpose sales tax override of 1/2 cent was passed by the voters effective April 1, 2014 (11/05/2013 election). The sales tax override is estimated to generate $2,500,000 more per year in sales tax for a six-year period.

Fiscal Year 2015-16 and Fiscal Year 2016-17. Due to the sales tax override, a capital projects budget was developed for the first time in many years and adopted by the Town Council. The capital projects budget addresses the deferred equipment replacement and capital maintenance projects that have been deferred since fiscal year 2005-06. The separate operating budget continues restoring vacant positions in community development. The operating budget also continues restoring reserves as has been the case since fiscal year 2012-13.

State Budget and its Impact on the Town

Fiscal Year 2015-16 State Budget. On June 24, 2015, Governor Brown signed the fiscal year 2015-16 State Budget Act (the "**2015-16 State Budget**"). The 2015-16 State Budget includes approximately $117.5 billion in State General Fund resources (including revenues, transfers and the prior year ending balance) and approximately $115.4 billion in planned State General Fund expenditures. By the end of fiscal year 2015-16, the Budget Stabilization Account (the State's basic reserve fund) will have a total balance of $3.5 billion. The 2015-16 State Budget includes an approximately 0.8% percent State General Fund spending increase from the fiscal year 2014-15 State Budget Act (the "**2014-15 State Budget**").

Fiscal Year 2016-17 Proposed State Budget. On January 7, 2016, Governor Brown presented his proposed budget for the 2016-17 fiscal year (the "**2016-17 Proposed State Budget**") to the State Senate and Assembly. The 2016-17 Proposed State Budget proposes a multiyear plan that is balanced and that, among other items, provides for the following:

- contributions to both state budget reserves: the Special Fund for Economic Uncertainties, the state's discretionary reserve, and the Budget Stabilization Account, the state's constitutional rainy day fund, raising such reserves to $2.2 billion and $8 billion, respectively;

- an increase in funding for K-12 schools of $2.8 billion by raising the funding level to $14,184 per pupil in fiscal year 2015-16 (representing an increase of 5.4 percent over the LCFF funding level for fiscal year 2014-15);

- $807 million for statewide deferred maintenance at levees, state parks, universities, community colleges, prisons, state hospitals, and other state facilities;

- a $3.1 billion cap-and-trade expenditure plan to reduce greenhouse gas emissions; and

- $710 million to pay for the costs of wildfires and for other effects of the drought.

The complete 2016-17 Proposed State Budget is available from the California Department of Finance website at www.dof.ca.gov. The Town cannot, and does not, take any responsibility for the continued accuracy of such internet address or for the accuracy, completeness or timeliness of information posted on such address, and such information is not incorporated in this Official Statement by such reference.

In May 2016, Governor Brown is expected to issue the May Revision to the 2016-17 Proposed State Budget to reflect updated revenue and expenditure estimates.

The execution of the 2016-17 Proposed State Budget may be affected by numerous factors, including but not limited to: (i) shifts of costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risk associated with proposed spending reductions, (iv) rising health care costs and (v) other factors, all or any of which could cause the revenue and spending projections in the 2016-17 Proposed State Budget to be unattainable. The Town cannot predict the impact that the 2016-17 Proposed State Budget, or subsequent budgets, will have on its own finances and operations. Additionally, the Town cannot predict the accuracy of any projections made in the 2016-17 Proposed State Budget.

LAO Budget Overview. On January 11, 2016, the Legislative Analyst's Office (the "**LAO**"), a nonpartisan State office that provides fiscal and policy information and advice to the State Legislature, released its report on the 2016-17 Proposed State Budget entitled, "The 2016-17 Budget: Overview of the Governor's Budget" (the "**2016-17 Proposed Budget Overview**"). In the 2016-17 Proposed Budget Overview, among other items, the LAO commends the State for its emphasis on increasing budget reserves. The LAO believes that this general approach is prudent and is the key to weathering the next recession with minimal disruption to public programs.

The complete 2016-17 Proposed Budget Overview is available from the LAO's website at www.lao.ca.gov. The Town cannot, and does not, take any responsibility for the continued accuracy of such internet address or for the accuracy, completeness or timeliness of information posted on such address, and such information is not incorporated in this Official Statement by such reference.

Dissolution of Redevelopment Agencies. State legislation enacted as part of the 2011 Budget Act, and upheld by the California Supreme Court (as amended, the "**Dissolution Act**"), resulted in the formal dissolution of redevelopment agencies, effective as of February 1, 2012. The Town has not operated its own redevelopment agency since the 1980s, and obligations of

the Town's prior redevelopment agency were repaid or otherwise liquidated at the time of such agency's deactivation.

Impact of State Budget on the Town. In previous years, as a result of the "triple-flip" and other measures designed to bolster state revenues at the expense of local agencies, the Town was materially impacted by the State Budget. Under the "triple-flip" the State withheld sales tax revenues from the Town and reimbursed the Town with property tax revenues (see Table A-6 below). In recent years, as the economy improved and the State Legislature's discretion was limited by Proposition 1A and Proposition 22 (see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS" in the main body of this Official Statement), the impact of the State Budget on the Town has decreased. The "triple-flip" expired December 31, 2015 and the final 25% withholding was with the March 2016 sales tax allocation. This significantly improves the Town's cash flow.

Comparison of Budget to Actual Performance

For purposes of comparison, the table on the following page summarizes the Town's adopted budgets for fiscal years 2013-14 and 2014-15 and sets forth audited revenues and expenditures for fiscal years 2013-14 and 2014-15; it also includes the Town's adopted budget for fiscal years 2015-16 and 2016-17.

Table No. A-4
TOWN OF CORTE MADERA
General Fund - Comparison of Amended Budget and Actual Revenues, Expenditures and Fund Balances For Fiscal Years 2013-14 through 2016-17

	Amended Budget Fiscal Year 2013-14	Audited Fiscal Year 2013-14	Amended Budget Fiscal Year 2014-15	Audited Fiscal Year 2014-15	Amended Budget Fiscal Year 2015-16	Amended Budget Fiscal Year 2016-17
Revenues:						
Taxes	$14,493,400	$14,988,429	$16,858,700	$17,468,266	$17,627,500	$18,107,000
Fines and forfeitures	5,000	13,766	5,000	13,446	5,000	15,000
Intergovernmental	625,500	628,073	256,000	772,896	746,000	107,000
Use of money and property	46,000	46,024	47,000	46,761	49,000	50,000
Charges for services	1,601,000	1,641,138	1,681,000	1,650,723	1,597,000	1,597,000
Other revenues	207,000	219,291	173,000	181,667	469,000	364,000
Total revenues	16,977,900	17,536,721	19,520,700	20,133,759	20,493,500	20,240,000
Expenditures:						
Current:						
General government	2,062,400	2,015,679	2,501,000	2,400,982	2,575,300	2,545,600
Community development	1,087,100	1,073,133	1,162,600	1,117,964	1,394,300	1,375,500
Public safety	8,412,200	8,331,321	8,558,400	8,512,134	8,770,000	8,433,200
Public works	2,042,600	1,992,667	2,121,200	1,998,005	2,146,400	2,188,700
Cultural and leisure	1,024,100	1,021,612	1,107,100	1,120,333	1,129,600	1,150,200
Debt service:						
Principal	148,900	148,912	155,800	155,814	38,400	40,500
Interest	133,300	130,172	46,900	46,870	41,000	38,900
Capital outlay	684,500	683,147	1,312,000	880,339	2,670,300	3,811,500
Total Expenditures	15,595,100	15,396,643	16,965,000	16,232,441	18,765,300	19,584,100
Revenues over (under) expenditures	1,382,800	2,140,078	2,555,700	3,904,318	1,728,200	655,900
Other financing sources (uses):						
Proceeds from sale of assets	--	--	--	1,600	--	--
Operating transfers in	56,200	--	--	--	--	--
Operating transfers out	(663,800)	(773,910)	(653,000)	(796,646)	(678,200)	(627,200)
Total other financing sources (uses)	(607,600)	(773,910)	(653,000)	(795,046)	(678,200)	(627,200)
Net change in fund balance	775,200	1,366,168	1,902,700	3,106,272	1,050,000	28,700
Fund balance, July 1	2,130,249	2,130,249	3,496,417	3,496,417	6,602,700	7,652,700
Fund balance, June 30	$2,905,449	$3,496,417	$5,399,117	$6,602,689	$7,652,700	$7,681,400

Source: Town of Corte Madera.

Available Reserves

The Town adopted Resolution No. 3665 which, beginning with fiscal year 2010-11, increased the Town's general reserve fund minimum from $300,000 to $1,300,000. This minimum is to be adjusted upwards in increments of $100,000 to account for future General Fund increases, with the Town endeavoring to fund the reserve over future years, as the flow of resources permits.

The following table illustrates the available reserves of the Town for fiscal years 2000-01 through 2014-15, with estimated available reserves for fiscal year 2015-16 and 2016-17. The table includes the total of the ending fund balances of the general fund, the equipment replacement fund, the capital maintenance fund and the capital improvement fund because the Town treats any remaining balance in those funds at the end of a fiscal year as general funds. In general, the Town maintains the equipment replacement fund, the capital maintenance fund and the capital improvement fund to account for moneys budgeted for capital projects but unspent in current and previous fiscal years.

Table No. A-5
TOWN OF CORTE MADERA
AVAILABLE RESERVES
(As of June 30)

Fiscal Year	Ending Fund Balance	Percent Change
2000-01	$4,909,415	--
2001-02	2,912,005	(40.7)%
2002-03	2,309,591	(20.7)
2003-04	1,944,145	(15.8)
2004-05	2,520,844	29.7
2005-06	1,554,370	(38.3)
2006-07	1,582,467	1.8
2007-08	752,297	(52.5)
2008-09	749,266	(0.4)
2009-10	592,582	(20.9)
2010-11	844,560	42.5
2011-12	1,545,622	83.0
2012-13	2,130,249	37.8
2013-14	3,496,417	64.1
2014-15	6,602,689	88.8
2015-16 Estimated	7,652,700	15.9
2016-17 Estimated	7,681,400	0.4

Source: Town of Corte Madera

The decline in available reserves in fiscal years 2000-01 through 2003-04 reflects a number of factors, including (i) post-September 11, 2001 drops in sales tax and transient occupancy tax and (ii) the departure of two significant sales tax producers (auto dealers) from the Town. The increase in available reserves in fiscal year 2004-05 reflects the replacement of the departed auto dealers and a rise in sales tax and transient occupancy tax revenue. The decrease in available reserves in fiscal years 2005-06 and 2007-08 is attributable to budgeted one-time expenditures on capital projects. The substantial drop in sales tax, transient occupancy tax, community development, and other revenues in fiscal year 2008-09 was offset by dramatic reductions in all General Fund expenditures including furloughs beginning in fiscal year 2009-10. Furloughs lasted 18 months (January 2010–June 2011). Full-time equivalent

employment was reduced 30% over 10 years (62.25 to 43.25 FTEs). For fiscal year 2009-10, the sales tax "Triple Flip" (see "-State Budget and its Impact on the Town") shorted the General Fund $354,000, which accounts for the drop from the previous year. The improvement in fiscal years 2010-11 through 2014-15 and estimated for 2015-16 and 2016-17, is the result of the General Fund austerity measures, an improvement in the local economy, and the newly enacted sales tax override of 1/2 cent effective April 1, 2014.

The Town has used, from time to time and it may also do so in the future, moneys in other funds than the General Fund to address temporary cash flow shortages attributable to the manner in which it receives property and sales tax revenues, and it has paid and will pay those moneys back to other funds during the related year. See "APPENDIX C - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE TOWN FOR THE YEAR ENDED JUNE 30, 2015, Note Note 10."

Tax Receipts

Taxes received by the Town include property taxes, sales and use taxes, business license taxes, occupancy taxes, franchise taxes and other miscellaneous taxes. In fiscal year 2014-15 sales and use taxes constituted approximately 52.6% of General Fund tax revenues and property taxes constituted approximately 29.7% of tax revenues.

The following table sets forth tax revenues received by the Town for fiscal years 2010-11 through 2014-15 by source:

Table No. A-6
TOWN OF CORTE MADERA
General Fund Tax Revenues by Source
For Fiscal Years 2010-11 through 2014-15
(Dollars in thousands)

Source:	2010-11	2011-12	2012-13	2013-14	2014-15
Property taxes (1) (2)	$4,532,625	$4,544,929	$4,568,011	$5,060,483	$5,188,410
Sales and use tax	5,336,001	5,455,458	5,779,542	6,373,745	6,652,246
Sales tax override	-	-	-	534,848	2,531,023
Transient occupancy tax	570,792	684,621	728,551	861,925	963,590
Franchise tax	839,792	931,732	1,091,827	1,108,727	1,071,598
Business license tax	455,919	466,780	501,624	517,143	498,912
Real property transfer tax	72,267	85,346	94,369	85,046	94,135
Paramedic special tax	394,151	396,032	429,032	446,512	468,352
Total	$12,201,547	$12,564,898	$13,192,956	$14,988,429	$17,468,266

(1) Property tax revenue includes secured, unsecured and supplemental property tax revenue along with penalties and interest.
(2) Includes property taxes in lieu of sales taxes as a result of Proposition 57 and motor vehicle in-lieu fee revenue. See " - Property Taxes" below.
Source: Town of Corte Madera Finance Department.

Sales Taxes

General. Sales tax represents the largest source of revenue to the Town. The Town's sales tax revenue represents the Town's 1.50% share of the sales and use tax imposed on taxable transactions occurring within the Town's boundaries. A sales tax is imposed on retail sales or consumption of personal property. The State Legislature establishes the tax rate.

The Town has four new-car dealerships that contribute, on average, approximately one-third of the sales tax revenues.

The Village at Corte Madera (the "**Village**"), an upscale, 430,000 square foot shopping mall located on U.S. Route 101 at Paradise Drive, has served the Town and the County for over 30 years. The Village is owned and managed by Macerich, anchored by Macy's and Nordstrom, and has over 65 other retail tenants.

The State collects and administers the tax, and makes distributions on taxes collected within the Town as follows:

Table No. A-7
TOWN OF CORTE MADERA
Sales Tax Rates

State (General Fund)	3.9375%
State (Local Public Safety Fund)	0.5000
State (Education Protection Account)	0.2500
State (Local Revenue Fund)	1.5625
Local (County Transportation Fund)	0.2500
Local (Town or County Operations)	1.0000
Subtotal Base Rate	7.5000%
Marin Parks/Open Space/Farmland Preservation	0.2500%
Transportation Authority Marin County	0.5000
Sonoma-Marin Area Rail Transit District	0.2500
Town of Corte Madera Transactions and Use Tax	0.5000
Total	9.0000%

Source: State Board of Equalization.

The State's actual administrative costs with respect to the portion of sales taxes allocable to the Town are deducted before distribution and are determined on a quarterly basis. Sales Tax revenue collected by the State is directly deposited monthly to the Town's General Fund.

Sales and use taxes are complementary taxes; when one applies, the other does not. In general, the statewide sales tax applies to gross receipts of retailers from the sale of tangible personal property in the State. The use tax is imposed on the purchase, for storage, use or other consumption in the State of tangible personal property from any retailer. The use tax generally applies to purchases of personal property from a retailer outside the State where the use will occur within the State. The Sales Tax is imposed upon the same transactions and items as the statewide sales tax and the statewide use tax.

For a summary of historical taxable transactions in the Town, see "- History of Taxable Transactions."

Certain transactions are exempt from the State sales tax, including sales of the following products:

- food products for home consumption;
- prescription medicine;
- newspapers and periodicals;
- edible livestock and their feed;
- seed and fertilizer used in raising food for human consumption; and
- gas, electricity and water when delivered to consumers through mains, lines and pipes.

This is not an exhaustive list of exempt transactions. A comprehensive list can be found in the State Board of Equalization's May 2003 publication entitled "Sales and Use Taxes: Exemptions and Exclusions," which can be found on the State Board of Equalization's website at http://www.boe.ca.gov/. *The reference to this Internet website is shown for reference and convenience only; the information contained within the website may not be current and has not been reviewed by the Town and is not incorporated in this Official Statement by reference.*

Sales Tax Collection Procedures. Collection of the sales and use tax is administered by the California State Board of Equalization. According to the State Board of Equalization, it distributes quarterly tax revenues to cities, counties and special districts using the following method:

Using the prior year's like quarterly tax allocation as a starting point, the Board first eliminates nonrecurring transactions such as fund transfers, audit payments and refunds, and then adjusts for growth, in order to establish the estimated base amount. The State Board of Equalization disburses 90% to each local jurisdiction in three monthly installments (advances) prior to the final computation of the quarter's actual receipts. The first and second advances each represent 30% of the 90% distribution, while the third advance represents 40%. Ten percent is withheld as a reserve against unexpected occurrences that can affect tax collections (such as earthquakes, fire or other natural disaster) or distributions of revenue such as unusually large refunds or negative fund transfers. One advance payment is made each month, and the quarterly reconciliation payment (clean-up) is distributed in conjunction with the first advance for the subsequent quarter. Statements showing total collections, administrative costs, prior advances and the current advance are provided with each quarterly clean-up payment.

Under the Sales and Use Tax Law, all sales and use taxes collected by the State Board of Equalization under contract with any city, city and county, redevelopment agency, or county are required to be transmitted by the Board of Equalization to such city, city and county, redevelopment agency, or county periodically as promptly as feasible. These transmittals are required to be made at least twice in each calendar quarter.

Under its procedures, the State Board of Equalization projects receipts of the sales and use tax on a quarterly basis and remits an advance of the receipts of the sales and use tax to the Town on a monthly basis. The amount of each monthly advance is based upon the State Board of Equalization's quarterly projection. During the last month of each quarter, the State Board of Equalization adjusts the amount remitted to reflect the actual receipts of the sales and use tax for the previous quarter.

The Board of Equalization receives an administrative fee based on the cost of services provided by the Board to the Town in administering the Town's sales tax, which is deducted from revenue generated by the sales and use tax before it is distributed to the Town.

History of Taxable Transactions. A summary of historic taxable sales within the Town during the past five years in which data is available is shown in the following table. Total taxable sales during the first three quarters of calendar year 2014 in the Town were reported to be $398,872,000, a 5.62% increase over the total taxable sales of $377,642,000 reported during the first three quarters of calendar year 2013. Figures are not yet available for calendar year 2014 or 2015.

Table No. A-8
TOWN OF CORTE MADERA
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions[1]
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2009	270	$391,891	448	$461,091
2010	260	412,433	421	492,752
2011	257	404,914	408	493,441
2012	271	432,557	422	524,266
2013	285	451,051	434	539,454

(1) A sales tax permit is required for each place of business operated by all manufacturers, wholesalers, and retailers of tangible personal property except those dealing solely in nontaxable commodities. Permits are tabulated twice a year, as of January 1 and July 1.
Source: State Board of Equalization. Taxable Sales in California (Sales & Use Tax).

Property Taxes

Property taxes have been the primary revenue source affected by voter initiatives and legislative actions. With approval of Proposition 13, property tax revenues were first curtailed over 35 years ago when they were reduced by two-thirds and thereafter limited to 2% annual increases or the CPI, whichever was less.

More recently, the California and local economies have been revitalized, property values have risen, and new construction has increased, all of which has been reflected in a higher level of property tax collections.

Motor Vehicle In-Lieu Fees. Motor vehicle in-lieu fees ("**MVLF**") are a State tax levied annually on the value of motor vehicles registered in the State. Under the State Constitution, MVLF revenues are allocated to cities and counties pursuant to State statute. In fiscal year 2004-05, the MVLF rate was reduced from 2% to 0.65% of the market value of the vehicle. Also commencing in fiscal year 2004-05, by State statute, the State is required to allocate to cities and counties property tax revenues in order to make up the difference in revenues as a result of the MVLF rate reduction from 2% to 0.65%. In fiscal year 2006-07 and thereafter, the replacement property taxes increase at rates corresponding to the rate of increase, if any, in

each jurisdiction's gross assessed property value. Additionally, per the amendments to the State Constitution enacted by the passage of Proposition 1A in November 2004, if the MVLF rate is reduced below 0.65%, then the State must replace the corresponding revenues to cities and counties. The Town received $821,478 of MVLF in fiscal year 2014-15.

Assessed Valuation. All property is assessed using full cash value as defined by Article XIIIA of the State Constitution. State law provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS," in the body of this Official Statement.

Future assessed valuation growth allowed under Article XIIIA (new construction, certain changes of ownership, 2% inflation) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools will share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

For assessment and collection purposes, property is classified as either "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and real property having a tax lien which is sufficient, in the opinion of the assessor, to secure payment of the taxes. Unsecured property comprises all property not attached to land such as personal property or business property. Boats and airplanes are examples of unsecured property. Unsecured property is assessed on the unsecured roll.

Historical Assessed Valuation Information. Set forth below is a listing of the Town's assessed valuations, net of homeowners' and other exemptions, for the past ten fiscal years.

Table No. A-9
TOWN OF CORTE MADERA
Historical Assessed Valuation
Fiscal Year 2005-06 through 2014-15
(Dollars in thousands)

	Local Secured	Utility	Unsecured	Total	% Change
2005-06	$1,780,622,805	$596,474	$114,504,768	$1,895,724,047	--
2006-07	1,926,263,094	596,474	109,238,810	2,036,098,378	7.4%
2007-08	2,056,150,020	596,474	115,768,278	2,172,514,772	6.7
2008-09	2,209,437,143	846,376	118,067,969	2,328,351,488	7.2
2009-10	2,268,044,786	846,376	122,446,799	2,391,337,961	2.7
2010-11	2,237,240,584	846,376	124,198,753	2,362,285,713	(1.2)
2011-12	2,263,190,834	846,376	121,961,541	2,385,998,751	1.0
2012-13	2,274,223,115	1,042,174	126,228,014	2,401,493,303	0.6
2013-14	2,372,560,208	1,042,174	124,989,156	2,498,591,538	4.0
2014-15	2,550,441,539	1,042,174	128,146,742	2,679,630,455	7.2

Source: California Municipal Statistics.

Proposition 8 Property Value Adjustments. Proposition 8, enacted in 1978, allows for a temporary reduction in assessed value when a property suffers a "decline-in-value." As of January 1st (lien date) each year, the Assessor must enroll either a property's Proposition 13 value (adjusted annually for inflation by no more than 2%) or its current market value, whichever

is less. When the current market value replaces the higher Proposition 13 value, the lower value is commonly referred to as a "Proposition 8 Value." "Proposition 8 values" are temporary and, once enrolled, must be reviewed annually by the assessor until the Proposition 13 adjusted base year value is enrolled.

Property Tax Levies and Collections. The following table shows property tax levies and tax receipts for fiscal years 2009-10 through 2014-15. Marin County has implemented the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), and under the Teeter Plan allocation method, the cities in the County receive no adjustments for redemption payments on delinquent collections. The unsecured taxes are allocated based on actual unsecured tax collections. Consequently, property tax collections allocated to the Town do not reflect actual collections.

Table No. A-10
TOWN OF CORTE MADERA
Property Tax Levies and Tax Collections
Fiscal Years 2009-10 through 2014-15
(Dollars in thousands)

		Collected within the Fiscal Year of the Levy		Total Collections to Date	
Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Amount	Percentage of Levy	Amount	Percentage of Levy
2010	$3,897,558	$3,897,558	100%	$3,897,558	100%
2011	3,808,434	3,808,434	100	3,808,434	100
2012	3,813,468	3,813,468	100	3,813,468	100
2013	3,831,799	3,831,799	100	3,831,799	100
2014	4,294,505	4,294,505	100	4,294,505	100
2015	4,366,932	4,366,932	100	4,366,932	100

Source: Town of Corte Madera Comprehensive Annual Financial Report for Fiscal Year 2014-15.

Largest Property Taxpayers. The following table lists the top 20 local secured taxpayers in the Town of Corte Madera for fiscal year 2015-16.

Table No. A-11
TOWN OF CORTE MADERA
Top 20 Local Secured Taxpayers
Fiscal Year 2015-16
[on order from CalMuni]

(1) 2015-16 Local Secured Assessed Valuation: $_____.
Source: California Municipal Statistics, Inc.

Other Taxes

Franchise Taxes. The Town levies a franchise tax on its cable television, debris and trash collection (Mill Valley Refuse Service), and utility (PG&E) franchises.

Transient Occupancy Taxes. The Town levies a 10% transient occupancy tax on hotel and motel bills collected within the Town; as a matter of law, 8% is allocated to the Town's General Fund and 2% is allocated to the Town's Chamber of Commerce.

Business License Taxes. The Town levies a business license tax on businesses operating within the Town based on (i) a flat annual registration fee and (ii) for some businesses, the number of employees.

Property Transfer Taxes. A documentary stamp tax is assessed for recordation of real property transfers within the Town.

Paramedic Special Tax. A Paramedic Special Tax was levied as a flat tax of $75 per residence and $75 per 1,000 square feet of floor area for nonresidential property in the Town. The Paramedic Special Tax was approved by two-thirds of the voters in the Town on November 4, 2014, as an extension of a prior Paramedic Special Tax. The final year of the Paramedic Special Tax is fiscal year 2018-19.

Retirement System

*This caption contains certain information relating to California Public Employees' Retirement System ("**CalPERS**"). The information is primarily derived from information produced by CalPERS, its independent accountants and actuaries. The Town has not independently verified the information provided by CalPERS and makes no representations and expresses no opinion as to the accuracy of the information provided by CalPERS.*

The comprehensive annual financial reports of CalPERS are available on its Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS' most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference in this Official Statement. Neither the Town nor the Underwriter can guarantee the accuracy of such information. Actuarial assessments are "forward-looking" statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or may be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

Town's Defined Benefit Pension Plan. The Town's Defined Benefit Pension Plan ("**Plan**") provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to Plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees' Retirement System ("**CalPERS**"), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State.

Benefits and Funding Policy. All full-time and part-time benefited Town employees are eligible to participate in CalPERS. Benefits vest after five years of service. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (or 52 for Misc. PEPRA members) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit (with fourth level), or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous	
Hire Date	Prior to January 1, 2013 (Classic Member)	On or after January 1, 2013 (PEPRA MEMBER)
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55+	52-67+
Monthly benefits, as % eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.0%	6.5%
Required employer contribution rates	24.951%	6.7%

	Safety	
Hire Date	Prior to January 1, 2013 (Classic Member)	On or after January 1, 2013 (PEPRA MEMBER)
Benefit formula	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55+	50-57+
Monthly benefits, as % eligible compensation	3.0%	2.0% to 2.7%
Required employee contribution rates	9.0%	12.25%
Required employer contribution rates	44.750%	12.25%

Section 20814(c) of the California Public Employees' Retirement Law ("**PERL**") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the costs of benefits earned by employees during the year, with an additional amount to pay any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2014 (the measurement date), the active employee contribution rate of annual pay, and the average employer's rate of annual payroll are below:

	Employer Contribution Rates	Employee Contribution Rates	Active Members
Classic Misc. Plan	24.951%	8.0%	27
PEPRA Misc. Plan	6.700	6.5	3
Classic Safety Plan	44.750	9.0	19
PEPRA Safety Plan	12.250	12.25	--

For the year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	Classic Misc.	PEPRA Misc.	Classic Safety	PEPRA Safety	Total
Contributions - employer	$554,451	$11,083	$1,102,011	$--	$1,667,545
Contributions - employee	177,773	10,752	221,633	--	410,158

Implementation of GASB Nos. 68. Commencing with fiscal year ended June 30, 2015, the Town implemented the provisions of GASB Statement No. 68, which requires certain new pension disclosures in the notes to its audited financial statements commencing with the audit

for fiscal year 2014-15. Statement No. 68 generally requires the Town to recognize its proportionate share of the unfunded pension obligation by recognizing a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. As a result of the implementation of GASB Statement No. 68, the Town may have to reflect a restatement of its beginning net position as of July 1, 2014. See "APPENDIX C - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE TOWN FOR THE YEAR ENDED JUNE 30, 2015 - Note 14 and Note 18."

Under GASB 27, an employer reports an annual pension cost ("**APC**") equal to the annual required contribution ("**ARC**") plus an adjustment for the cumulative difference between the APC and the employer's actual plan contributions for the year. The cumulative difference is called the net pension obligation. For fiscal year ended June 30, 2015 the Town's annual pension cost ("**APC**") and its actual contributions were $1,667,545. The Town made no contributions on behalf of its employees. Employees directly contributed $410,158. In order to calculate the dollar value of the ARC for inclusion in financial statements prepared as of June 30, 2015, the contribution rate is multiplied by the payroll of covered employees that were paid during the period from July 1, 2014 to June 30, 2015.

The ARC for the year ended June 30, 2015 was determined as part of the June 30, 2012 actuarial valuation using the entry-age-normal-actuarial-cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.50% discount rate (net of administrative expenses); (b) projected salary increases that vary by duration of service ranging from 3.30% to 14.20% for miscellaneous members and from 3.30% to 14.28% for safety members; (c) 3.00% cost-of-living adjustment. Both (a) and (b) include an inflation component of 2.75% and an annual production growth of 0.25%. See Appendix C, Note 14 for additional information about determination of actuarial value and amortization of unfunded liabilities.

The following table shows the three-year trend of the Town's annual pension cost and the Town's contribution:

Table No. A-12
Three-year Trend Information for the Plan

Fiscal year ended June 30	Annual pension cost (APC)	Percentage of APC contributed	Net pension obligations
2013	$1,420,037	100.0%	$--
2014	1,591,599	100.0	--
2015	1,667,545	100.0	--

The following table shows a three-year schedule of funding progress:

Table No. A-13
Funded Status of the
Town's Defined Benefit Pension Plan (Safety (Fire), Miscellaneous)[1]
(Dollars in millions)

Valuation Date (June 30)	Entry age normal accrued liability	Market value of assets	Unfunded/ (overfunded) liability	Funded ratio	Annual covered payroll	Unfunded liability as a percentage of payroll
			Classic Safety (Fire) Plan			
2012	$26,571,017	$18,496,804	$8,074,208	69.6%	$2,263,388	356.7%
2013	27,724,326	20,524,133	7,200,193	74.0	2,356,288	305.6
2014	30,452,448	23,887,309	6,565,139	78.4	2,255,753	291.0
			Classic Miscellaneous Plan			
2012	$22,406,902	$15,173,330	$7,233,572	67.7%	$2,990,076	241.9%
2013	23,399,137	16,903,703	6,495,434	72.2	2,572,220	252.5
2014	25,818,308	19,735,249	6,083,059	76.4	2,395,973	253.9

(1) PEPRA Plan information is not yet available.
Source: CalPERS Actuarial Valuations.

Recent CalPERS Actions. At its April 17, 2013, meeting, CalPERS' Board of Administration (the "**Board of Administration**") approved a recommendation to change the CalPERS amortization and smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy that spread investment returns over a 15-year period with experience gains and losses paid for over a rolling 30-year period. After this change, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The new amortization and smoothing policy was used for the first time in the June 30, 2013, actuarial valuations in setting employer contribution rates for fiscal year 2015-16.

On February 18, 2014, the CalPERS Board approved new demographic actuarial assumptions based on a 2013 study of recent experience. The largest impact, applying to all benefit groups, is a new 20-year mortality projection reflecting longer life expectancies and that longevity will continue to increase. Because retirement benefits will be paid out for more years, the cost of those benefits will increase as a result. The Board of Administration also assumed earlier retirements for Police 3%@50, Fire 3%@55, and Miscellaneous 2.7%@55 and 3%@60, which will increase costs for those groups. As a result of these changes, rates will increase beginning in fiscal year 2016-17 (based on the June 30, 2014 valuation) with full impact in fiscal year 2020-21.

On November 18, 2015, the CalPERS Board adopted a funding risk mitigation policy intended to incrementally lower its discount rate - its assumed rate of investment return - in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5%, by at least four percentage points. CalPERS staff modeling anticipates the policy will result in a lowering of the discount rate to 6.5% in about 21 years, improve funding levels gradually over time and cut risk in the pension system by lowering the

volatility of investment returns. More information about the funding risk mitigation policy can be accessed through CalPERS' web site at the following website address: https://www.calpers.ca.gov/page/newsroom/calpers-news/2015/adopts-funding-risk-mitigation-policy. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the Town and is not incorporated in this Official Statement by reference.*

Pension Reform Act of 2013 (Assembly Bill 340). On September 12, 2012, Governor Brown signed AB 340, a bill that enacted the California Public Employees' Pension Reform Act of 2013 ("**PEPRA**") and that also amended various sections of the California Education and Government Codes, including the County Employees Retirement Law of 1937. AB 340 (i) increases the retirement age for new State, school, and Town and local agency employees depending on job function, (ii) caps the annual CalPERS pension benefit payout, (iii) addresses numerous abuses of the system, and (iv) requires State, school, and certain Town and local agency employees to pay at least half of the costs of their CalPERS pension benefits. PEPRA applies to all public employers *except* the University of California, charter cities and charter counties (except to the extent they contract with CalPERS.)

The provisions of AB 340 went into effect on January 1, 2013 with respect to State employees hired on that date and after; local government employee associations, including employee associations of the Town, had a five-year window to negotiate compliance with AB 340 through collective bargaining. The Town has implemented AB 340 with all five bargaining groups. See below "-Employee Relations and Collective Bargaining."

Other Post-Employment Benefits

The Town adopted GASB No. 45 beginning with its fiscal year 2008-09, which establishes standards for the measurement, recognition, and display of other post-employment benefit expense/expenditures and related liabilities/assets.

Plan Description. The Town's single-employer defined benefit Other Post Employment Benefit ("**OPEB**") Plan provides post retirement healthcare benefits to eligible employees who retire directly from the Town. Healthcare coverage is with PEMHCA (CalPERS medical program). The Town pays healthcare coverage up to a cap based on the Kaiser Bay Area premiums for eligible Tier 1 retirees and their dependents. For all present employees and some new retirees, payments are limited to "dual coverage" (employee and one dependent). For Tier 2 retirees, the Town pays the PEMHCA minimum payment, $122 per month in 2015 for the retiree only. The PEMHCA minimum payment is adjusted each year with changes in the medical CPI. Benefit levels are established and may be amended by the Town Council except for the PEMHCA minimum benefit which is governed by State statute. The OPEB Plan does not provide dental and vision benefits, although retirees can continue these benefits at their own cost upon separation. In fiscal year 2008-09, the Town elected to being prefunding its OPEB liabilities in an irrevocable trust established through the California Public Employees Retirement System. The Prefunding Plan (sometimes also referred to as "**CERBT**") is an agent multiple-employer plan which is administered by the CalPERS Board of Administration. The trust will be used to accumulate and invest assets necessary to pay for healthcare costs and administrative costs of the Prefunding Plan.

Funding Policy. The Annual Required Contributions ("**ARC**") are based upon actuarial valuations. The contribution amounts are established and may be amended by the Town Council. OPEB Plan members do not make contributions to the plan.

The Town presently pays $500,000 to CERBT each fiscal year for prefunding. During fiscal year 2014-15 on a pay-as-you-go basis, the Town provided health care benefits to 45 retirees, which included 41 retired employees, 3 retired Council members on Council Tier One allowance (Kaiser single Medicare rate $295 per month) and 1 retired Council member on Council Tier Two allowance (State minimum employer contribution - $122 per month for 2015). The Town's expenditures for benefit payments totaled $346,102 in fiscal year 2014-15.

Annual OPEB Cost (AOC). The Town's annual OPEB cost (expense) is calculated based upon the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Based upon the valuation dated June 30, 2015, the actuarially determined ARC for fiscal year 2014-15 was $1,786,000. The components of annual OPEB cost for the current fiscal year, amount actually contributed, and the changes in net post employment benefit obligation are shown in the following table.

	Fiscal Year Ended June 30, 2015 (in thousands)
Normal Cost at Year End	$815
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	971
Annual Required Contribution	1,786
Interest on Prior Year Net OPEB Obligation	190
Amortization of Net OPEB Obligation (NOO)	(371)
Annual OPEB Cost	1,605
Contributions Made	(911)
Increase (Decrease) in Net OPEB Obligation	694
Net OPEB Obligation- Beginning of Year	4,772
Net OPEB Obligation- End of Year	$5,466

Funded Status and Funding Progress. The Town's annual OPEB cost (expense), the percentage of OPEB cost contributed to the plan, and the Net OPEB obligation for fiscal year 2014-15 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost (in thousands)	Annual OPEB Cost Contributed (in thousands)	Percentage of Annual OPEB Cost Contributed (in thousands)	Net OPEB Obligation (Asset) (in thousands)
6/30/2013	$1,222	$357	29%	$3,899
6/30/2014	1,294	421	33	4,772
6/30/2015	1,605	911	57	5,466

Source: The Town's Comprehensive Annual Financial Report For Year Ended June 30, 2015.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The funded status of the Plan as of June 30, 2015, the Plan's most recent actuarial valuation date, was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Cost Method Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (UAAL)	Funding Ratio	Covered Payroll (Active Plan Members)	UAAL as a % of Covered Payroll
June 30, 2015	$583,000	$10,287,000	$(9,704,000)	5.7%	$4,673,000	207.7%

Source: The Town's Comprehensive Annual Financial Report For Year Ended June 30, 2015.

Outstanding General Fund Debt and Lease Obligations

As of the date of the execution and delivery of the Certificates, and in addition to the Certificates, the Town will have outstanding general fund debt and lease obligations described below. The Town has never defaulted on the payment of principal of or interest on any of its indebtedness. The Town has complied with all significant bond covenants relating to reserve and sinking fund requirements, proofs of insurance, and budgeted revenues and maintenance costs.

General Obligation Debt. The Town has no general obligation debt.

Lease Obligations. In addition to the Certificates, the Town entered into a Fixed Rate Lease and Sublease Agreement with Zions First National Bank dated as of March 17, 2009, to refinance the Town's share of the cost of acquisition of land for a police station for the Police Authority. The total amount financed was $968,000 with an annual interest rate of 5.35%, subject to adjustment on March 20, 2019, and annually thereafter. The final payment date is March 20, 2029.

Short-Term Obligations. The Town last issued Tax and Revenue Anticipation Notes ("**TRANs**") for fiscal year 2013-14.

Direct and Overlapping Debt

Contained within the Town are overlapping local agencies providing public services which have issued general obligation bonds and other types of indebtedness. Direct and overlapping bonded indebtedness is shown in the following table.

Table No. A-14
TOWN OF CORTE MADERA
Statement of Direct and Overlapping Debt As of _____, 2016
(Unaudited)
[on order from CalMuni]

Source: California Municipal Statistics, Inc.

Investment of Town Funds

The Town may invest moneys not immediately required for operations in a manner consistent with the Town's Statement of Investment Policy (the "**Investment Policy**"). The current Investment Policy for the Town is attached as Appendix G.

The Investment Policy. The Town administers a pooled investment program, except for those funds which are managed separately by trustees appointed under bond indentures. This program enables the Town to combine available cash from all funds and to invest cash in maturities planned to coincide with current cash needs. The most recently revised Investment Policy for the Town was accepted by the Town Council on March 1, 2016.

In accordance with the Government Code, the Town requires certain collateralization for public deposits in banks and savings and loans, and has long-established safekeeping and custody procedures. The Town Treasurer submits a monthly report to the Town Council that contains a statement that the Town's portfolio is invested in conformance with state law and the Investment Policy, and that there is sufficient liquidity to meet estimated expenditures.

The Investment Policy establishes three objectives for Town investments, in the following order of priority:

(1) Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The Town only operates in those investments that are considered very safe.

(2) Liquidity. This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the need for unexpected funds occurs occasionally.

(3) Yield. Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

Specific Investment Restrictions. The Town is governed by Section 53600 et seq. of the California Government Code. Within the context of these limitations, the Investment Policy mandates avoidance in "any investment transaction that might impair public confidence in the Town government." The Investment Policy lists the following investments as being permitted

investments, and the maximum allowable percentage of total Town investments for each investment category:

(a) Local Agency Bonds (no maximum); the local agency bonds maturity may not exceed 5 years;

(b) United States Treasury obligations (no maximum); the United States Treasury obligations maturity may not exceed 5 years;

(c) State of California obligations (no maximum); the State of California obligations maturity may not exceed 5 years;

(d) California Local Agency obligations (no maximum); the California Local Agency obligations maturity may not exceed 5 years;

(e) U.S. Agencies (no maximum); the U.S. Agencies maturity may not exceed 5 years;

(f) Bankers' Acceptances (maximum of 40%); the Bankers' Acceptances maturity may not exceed 180 days;

(g) Commercial Paper (maximum of 25%); the commercial paper must be rated at least "A-1" by S&P or "P-1" by Moody's and its maturity may not exceed 270 days;

(h) Negotiable Certificates of Deposit (maximum of 30%); the Negotiable Certificates of Deposit maturity may not exceed 5 years;

(i) Repurchase Agreements (no maximum); the Repurchase Agreements maturity may not exceed 1 year;

(j) Reverse Repurchase Agreements (maximum of 20%); the reverse repurchase agreements maturity may not exceed 92 days;

(k) Medium Term Notes (Corporate Debt Investment Grade) (maximum of 30%); the notes must be rated "A" or higher by S&P or by Moody's;

(l) Mutual Funds (maximum of 20%);

(m) Money Market Mutual Funds (maximum of 20%);

(n) Collateralized Bank Deposits; the collateralized bank deposits maturity may not exceed 5 years;

(o) Mortgage Pass-Through Securities (maximum of 20%); the maximum pass-through securities must be rated at least "AA" by S&P and its maturity may not exceed 5 years;

(p) Time Deposits; the time deposits maturity may not exceed 5 years; and

(q) Local Agency Investment Fund of California State Treasurer's Office (no maximum).

The above investment categories are more fully described in the Investment Policy.

Monthly Report. As described above, the Town Treasurer submits a monthly report to the Town Council detailing and summarizing all transactions and stating the present status of Town investments (the "**Monthly Report**"). As of March 31, 2016, the Town Treasurer reports that the yield of the Town's investment portfolio was 0.543% (based on a 365-day year) and the average days to maturity was 25 days.

The following table summarizes certain information relating to the Town's investment portfolio as of March 31, 2016:

Table No. A-15
TOWN OF CORTE MADERA
Investment Portfolio Summary
(as of March 31, 2016)

Type of Investment	Amount of Investment	Market Value
Certificate of Deposit (CD)	$739,000.00	$741,175.75
Local Agency Investment Fund (LAIF)	10,550,000.00	10,550,000.00
Market Variance	--	(2,175.75)
Total	$11,289,000.00	$11,289,000.00

Source: Town of Corte Madera.

Employee Relations and Collective Bargaining

The Town employees are represented by five labor associations. The employee groups are shown below. Pursuant to the Town's Employee Relations Ordinance and the Meyers-Millias-Brown-Act, the Town and the employee represented groups negotiate wages, hours and conditions of employment. The Town has not experienced any strikes or other work stoppages.

Table No. A-16
TOWN OF CORTE MADERA
Town Employee Groups

Employee Group	Contract Expires
Department Heads	07/01/2018
Mid-Management	07/01/2018
SEIU	06/30/2018
Fire - General	06/30/2018
Fire - Battalion Chief	07/01/2018

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. Internal service funds have been established to account for and finance the uninsured risks of loss of public liability claims and worker's compensation.

The Town is self-insured for claims arising from employee injuries, general and automobile claims, property and vehicle losses, earthquake damage, and flood and storm water damage.

The Town purchases several insurance policies to protect against catastrophic loss. (1) Workers' Compensation Insurance with a statutory limit per each accident and self-insured retention of $1,000,000 per each accident (2) General Liability and Automobile Liability with $10,000,000 limit per occurrence subject to a $250,000 self insured retention per occurrence, except Employment Liability Claims are subject to a $500,000 self- insured retention per occurrence. (3) A Master Property Insurance Policy covers the Town's real and personal property on a replacement cost basis with a $10,000 deductible. As respects vehicles and motorized contractor's equipment, only selected high value items are specifically insured with various deductibles.

The retained earnings/net assets of the self-insurance funds, which are categorized as Governmental Activities, represent amounts set aside for possible additional losses after providing for actuarially determined liabilities for claims including claims adjustment expenses.

Fiscal Year	Beginning of Year Liability	Current Year Claims and Charges in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2009-10	$912,000	$127,597	$(316,597)	$723,000
2010-11	723,000	150,685	(95,685)	778,000
2011-12	778,000	(391,165)	(142,835)	244,000
2012-13	244,000	140,743	(119,743)	265,000
2013-14	265,000	199,313	(30,313)	434,000
2014-15	434,000	111,259	(42,259)	503,000

Source: The Town's Comprehensive Annual Financial Report For Year Ended June 30, 2015.

See "APPENDIX C - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE TOWN FOR YEAR ENDED JUNE 30, 2015 - Note 13."

Employment and Industry

The unemployment rate in the County was 3.2 percent in February 2016, unchanged from a revised 3.2 percent in January 2016, and below the year-ago estimate of 3.8 percent. This compares with an unadjusted unemployment rate of 5.7 percent for California and 5.2 percent for the nation during the same period.

The Town is included in the San Rafael Metropolitan Division. The following table summarizes the civilian labor force, employment and unemployment in the County for the calendar years 2011 through 2015. These figures are county-wide statistics and may not necessarily accurately reflect employment trends in the Town. The table below lists employment by industry group for the Los Angeles-Long Beach-Glendale Metropolitan Division for the past five years for which data is available.

Table No. A-17
SAN RAFAEL METROPOLITAN DIVISION
(MARIN COUNTY)
Civilian Labor Force, Employment and Unemployment
(Annual Averages)
March 2015 Benchmark

	2011	2012	2013	2014	2015
Civilian Labor Force (1)	134,600	137,100	138,700	139,600	141,100
Employment	124,800	128,500	131,500	133,700	136,100
Unemployment	9,800	8,600	7,200	5,900	5,000
Unemployment Rate	7.3%	6.3%	5.2%	4.3%	3.5%
Wage and Salary Employment: (2)					
Agriculture	400	400	400	400	300
Mining and Logging	100	100	--	--	--
Construction	4,900	5,200	5,700	6,100	6,500
Manufacturing	2,200	2,400	2,900	3,500	4,000
Wholesale Trade	2,400	2,600	2,700	2,800	3,000
Retail Trade	13,400	13,600	13,900	14,300	14,300
Trans., Warehousing, Utilities	1,100	1,100	1,200	1,300	1,200
Information	2,600	2,800	2,800	2,600	2,600
Financial Activities	7,000	7,200	7,300	6,800	6,400
Professional and Business Services	17,800	18,600	18,700	18,200	18,700
Educational and Health Services	17,800	18,500	19,400	19,700	20,200
Leisure and Hospitality	12,700	13,200	14,400	15,100	15,400
Other Services	4,800	5,000	5,200	5,200	5,300
Federal Government	800	800	800	700	700
State Government	2,100	2,000	1,900	1,800	1,900
Local Government	13,100	12,700	12,700	12,900	13,000
Total All Industries (3)	103,100	106,200	110,100	111,300	113,300

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) May not add due to rounding.
Source: State of California Employment Development Department.

Largest Employers

The following table lists the largest private employers within the Town and their estimated number of employees:

Table No. A-18
TOWN OF CORTE MADERA, CALIFORNIA
Principal Employers
As of June 30, 2015

Company	Number of Employees
Restoration Hardware, Inc.	240
Nordstrom, Inc.	203
The Cheesecake Factory	175
Bay Club Marin, Inc.	172
Macy's Corte Madera	150
Il Fornaio Cucina Italian	100
Aegies Senior Communities, LLC	90
Apple, Inc.	88
Safeway Stores, Inc.	74
Jaguar, Landrover & Volvo Marin	65

Source: Town of Corte Madera Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2015.

Effective Buying Income

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

The following table summarizes the total effective buying income for the Town, the County, the State and the United States for the period 2010 through 2014. Annual figures for 2015 are not yet available.

Table No. A-19
TOWN OF CORTE MADERA
Effective Buying Income
As of January 1, 2010 through 2014

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2010	Town of Corte Madera	$418,575	$74,627
	County of Marin	10,453,585	68,688
	California	801,393,028	47,177
	United States	6,365,020,076	41,368
2011	Town of Corte Madera	$413,803	$74,237
	County of Marin	10,592,305	68,667
	California	814,578,457	47,062
	United States	6,438,704,663	41,253
2012	Town of Corte Madera	$463,863	$79,092
	County of Marin	11,615,363	69,129
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	Town of Corte Madera	$419,515	$73,417
	County of Marin	10,035,970	61,675
	California	858,676,636	48,340
	United States	6,982,757,379	43,715
2014	Town of Corte Madera	$464,530	$83,644
	County of Marin	11,636,360	74,420
	California	901,189,699	50,072
	United States	7,357,153,421	45,448

Source: The Nielsen Company (US), Inc.

Construction Activity

Building activity for the past five calendar years in the Town and the County is shown in the following tables. Annual figures for calendar 2015 are not yet available.

Table No. A-20
TOWN OF CORTE MADERA
Total Building Permit Valuations
(valuations in thousands)
Calendar Year 2010 through 2014

	2010	2011	2012	2013	2014
Permit Valuation					
New Single-family	$600.0	$0.0	$496.0	$200.0	$1,500.0
New Multi-family	0.0	0.0	0.0	23,174.2	0.0
Res. Alterations/Additions	4,527.9	6,099.9	23,876.1	8,842.2	6,824.6
Total Residential	5,127.9	6,099.9	24,372.1	32,216.4	8,324.6
New Commercial	0.0	2,000.0	1,249.1	1,605.4	480.0
New Industrial	0.0	0.0	72.5	0.0	0.0
New Other	643.6	0.0	80.0	826.4	964.5
Com. Alterations/Additions	4,235.1	6,188.1	204,575.5	2,571.2	4,847.7
Total Nonresidential	4,878.7	8,188.1	205,977.1	5,003.0	6,292.2
New Dwelling Units					
Single Family	1	0	1	1	2
Multiple Family	0	0	0	179	0
Total	1	0	1	180	2

Source: Construction Industry Research Board, Building Permit Summary

Table No. A-21
COUNTY OF MARIN
Building Permit Activity
Dollars in Thousands
Calendar Year 2010 through 2014

	2010	2011	2012	2013	2014
Permit Valuation					
New Single-family	$59,252.4	$35,394.7	$36,152.7	$59,423.2	$71,460.1
New Multi-family	0.0	7,621.9	4,927.5	33,397.4	14,069.1
Res. Alterations/Additions	144,548.2	160,275.7	132,762.3	152,065.1	203,375.3
Total Residential	203,800.6	203,292.3	173,842.5	244,885.7	288,904.5
New Commercial	1,800.0	15,530.3	48,102.5	26,262.6	76,204.6
New Industrial	20,568.1	8,500.0	2,124.0	154.9	0.0
New Other	19,972.2	1,300.0	11,275.0	15,072.2	24,104.2
Com. Alterations/Additions	50,939.1	56,701.1	243,054.4	93,745.8	85,972.9
Total Nonresidential	93,279.5	82,031.4	304,555.9	135,235.5	186,281.7
New Dwelling Units					
Single Family	75	55	67	90	112
Multiple Family	0	61	50	212	76
TOTAL	75	116	117	302	188

Source: Construction Industry Research Board, Building Permit Summary

APPENDIX B

SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE TOWN FOR THE YEAR ENDED JUNE 30, 2015

APPENDIX D

PROPOSED FORM OF FINAL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$_____
Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is executed and delivered by the Town of Corte Madera (the "**Town**") in connection with the execution and delivery of the Certificates of Participation captioned above (the "**Certificates**"). The Certificates evidence the direct, undivided fractional interests of the owners thereof in lease payments to be made by the Town under a Lease Agreement dated as of June 1, 2016 (the "**Lease Agreement**") between the Public Property Financing Corporation of California (the "**Corporation**"), as lessor, and the Town as lessee. The Certificates will be delivered under a Trust Agreement dated as of June 1, 2016 (the "**Trust Agreement**") among the Town, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"). The Town covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Town for the benefit of the holders and beneficial owners of the Certificates and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

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

"*Annual Report*" means any Annual Report provided by the Town pursuant to, and as described in, Sections 3 and 4.

"*Annual Report Date*" means the date that is nine months after the end of the Town's fiscal year (currently March 31 based on the Town's fiscal year end of June 30).

"*Dissemination Agent*" means Willdan Financial Services, or any successor Dissemination Agent designated in writing by the Town and which has filed with the Town a written acceptance of such designation.

"*Listed Events*" means any of the events listed in Section 5(a).

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement dated _____, 2016, executed by the Town in connection with the issuance of the Certificates.

"*Participating Underwriter*" means Stifel, Nicolaus & Company, Inc., as the original underwriter of the Certificates required to comply with the Rule in connection with offering of the Certificates.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Town shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2017, with the report for the 2015-16 fiscal year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. Not later than 15 Business Days prior to the Annual Report Date, the Town shall provide the Annual Report to the Dissemination Agent (if other than the Town). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the Town) has not received a copy of the Annual Report, the Dissemination Agent shall contact the Town to determine if the Town is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the Town may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the Town's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The Town shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the Town hereunder.

(b) If the Town does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the Town shall provide (or cause the Dissemination Agent to provide) to the MSRB and the Participating Underwriter, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

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

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

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

(a) Audited Financial Statements of the Town prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Town's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial

statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not contained in the audited financial statements filed under the preceding clause (a), the Annual Report shall contain information showing the following information for the most recently completed fiscal year, substantially similar to that provided in the following tables of the Official Statement:

(i) Table A-2 - "General Fund - Audited Revenues, Expenditures and Fund Balances."

(ii) Table A-3 - "General Fund Balance Sheet."

(iii) Table A-6 - "General Fund Tax Revenues by Source."

(iv) Table A-8 - "Taxable Retail Sales."

(v) Table A-9 - "Historical Assessed Valuation."

(vi) Table A-10 - "Property Tax Levies and Tax Collections."

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the Town shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Town or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The Town shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

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

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or

determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificate.

(7) Modifications to rights of Certificate holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the Town or the Corporation.

Note: For the purposes of the event identified in subparagraph (12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving the Town or the Corporation or the sale of all or substantially all of the assets of the Town or the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Whenever the Town obtains knowledge of the occurrence of a Listed Event, and, if the Listed Event is described in subsections (a)(2), (a)(6), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13) or (a)(14) above, the Town determines that knowledge of the occurrence of that Listed Event would be material under applicable Federal securities law, the Town shall, or shall cause the Dissemination Agent (if not the Town) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, and the Participating Underwriter in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates under the Trust Agreement.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Town's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the Town shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The Town may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the Town. The initial Dissemination Agent is Willdan Financial Services.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Town may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

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

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

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

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

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to

investors to enable them to evaluate the ability of the Town to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Town chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Town shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the Town fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Town to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the Town or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of the Dissemination Agent. The Dissemination Agent shall be afforded the same rights, protections and immunities afforded to it as Trustee under the Trust Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Town agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, against any losses, expenses, costs, suits, claims, judgments, damages and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of its powers end duties hereunder, including the costs and expenses (including attorneys' fees and expenses) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Town under this Section 12 shall survive resignation or removal of the Dissemination Agent and payment of the Certificates.

It is understood and agreed that any information that the Dissemination Agent may be instructed to file with the MSRB shall be prepared and provided to it by the Town. The Dissemination Agent has undertaken no responsibility with respect to any reports, notices or disclosures provided to it under this Disclosure Certificate, and has no liability to any person, including any holder of Certificates, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the Town shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition except as may be provided by written notice from the Town.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Town, the Dissemination Agent, the Participating Underwriter and the holders and beneficial

owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Section 15. Governing Law. This Disclosure Certificate shall be governed by the laws of the state of California.

Date: _____, 2016

TOWN OF CORTE MADERA

By_____
Director of Administrative Services

ACCEPTED AND AGREED:

WILLDAN FINANCIAL SERVICES,
as Dissemination Agent

By _____
Authorized Representative

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Town of Corte Madera

Name of Issue: $_____ Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

Date of Issuance: _____, 2016

NOTICE IS HEREBY GIVEN that the Town of Corte Madera has not provided an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Certificate dated as of _____, 2016, executed by the Town of Corte Madera. The Town anticipates that the Annual Report will be filed by _____.

Dated:_____

TOWN OF CORTE MADERA

By_____
Name:
Title:

APPENDIX F

BOOK ENTRY PROVISIONS

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

*Neither the issuer of the Certificates (the "**Issuer**") nor the trustee, fiscal agent or paying agent appointed with respect to the Certificates (the "**Agent**") take any responsibility for the information contained in this Appendix.*

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

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

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

a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

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

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

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

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

APPENDIX G

TOWN OF CORTE MADERA STATEMENT OF INVESTMENT POLICY

APPENDIX H

FORM OF CERTIFICATE INSURANCE POLICY

ATTACHMENT #4

SEVERAL OTHER DOCUMENTS
(provided only to Council Members – copies available at Town Hall)

Site Lease
Lease Agreement
Trust Agreement
Escrow Deposit and Trust Agreement
Termination Agreement
Certificate Purchase Contract

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Stephen G. Melikian, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE LEASE

This SITE LEASE (this "Site Lease"), dated as of June 1, 2016, is between the TOWN OF CORTE MADERA, a municipal corporation duly organized and existing under the laws of the State of California (the "Town") and the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, a nonprofit corporation duly organized and existing under the laws of the State of California (the "Corporation").

BACKGROUND:

1. The Town has previously leased certain real property to the Corporation under a Site and Facility Lease, dated as of September 1, 2006 (the "Prior Site Lease"), and the Corporation has concurrently leased such land and improvements back to the Town under a Lease Agreement, dated as of September 1, 2006 (the "Prior Lease").

2. The Town's lease payment obligations under the Prior Lease are evidenced by 2006 Certificates of Participation in the aggregate principal amount of $10,575,000 (the "Prior Certificates") under a Trust Agreement dated as of September 1, 2006, among the Town, the Corporation and The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee (the "Prior Trust Agreement").

3. The Town has determined that it is in the best interests of the Town at this time to refinance its obligations under the Prior Lease which are represented by the Prior Certificates, by exercising its right to prepay its lease payment obligations under the Prior Lease and thereby prepaying the Prior Certificates in full on August 1, 2016.

4. In order to raise funds required for that purpose, the Corporation and the Town have agreed to enter into this Site Lease, and a Lease Agreement dated as of June 1, 2016 (the

"Lease") relating to certain real property described therein (the "Leased Property"), and the Corporation has assigned certain of its rights under the Lease to the Trustee under an Assignment Agreement as described below.

5. The Corporation has assigned certain of its rights in the Lease, including the right to receive lease payments under the Lease, to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") under an Assignment Agreement dated as of June 1, 2016, which has been recorded concurrently herewith (the "Assignment Agreement"), and in consideration of such assignment the Trustee has entered into a Trust Agreement dated as of June 1, 2016 (the "Trust Agreement"), among the Trustee, the Town and the Corporation, under which the Trustee has agreed to execute and deliver $_____ aggregate principal amount of 2016 Federally Taxable Refunding Certificates of Participation (the "Certificates"), each evidencing a direct, undivided fractional interest in the lease payments to be paid by the Town under the Lease.

6. The Town is authorized to enter into lease-leaseback arrangement with the Corporation to provide financing to refinance its obligations under the Prior Lease and to prepay the Prior Certificates under Section 37350 of the California Government Code.

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Town and the Corporation formally covenant, agree and bind themselves as follows:

Section 1. Lease of Property to the Corporation. The Town hereby leases to the Corporation, and the Corporation hereby leases from the Town, the Leased Property, which is described more fully in Appendix A, on the terms and conditions hereinafter set forth.

Section 2. Term; Possession. The term of this Site Lease commences, and the Corporation becomes entitled to possession of the Leased Property, as of the date of execution and delivery hereof. This Site Lease ends, and the right of the Corporation hereunder to possession of the Leased Property thereupon ceases, on the date on which all of the outstanding Certificates are paid in full, or provision is made for such payment in accordance with the Trust Agreement, and the Trust Agreement has been discharged under Section 13.01 thereof, but under any circumstances not later than February 1, 2047.

Section 3. Rental. In consideration of the lease of the Leased Property hereunder, and as rental therefor, the Corporation shall cause the Certificates to be executed and delivered under the Trust Agreement and shall cause the amount of $_____ to be used to pay the Town's lease payment obligations under the Prior Lease and thereby pay and prepay the Prior Certificates in accordance with the Prior Lease and the Prior Trust Agreement.

Section 4. Purpose of Site Lease; Leaseback to Town. The purpose for which the Town agrees to lease the Leased Property to the Corporation hereunder is to enable the Town to refinance its obligations under the Prior Lease and thereby prepay the Prior Certificates from the amounts described in Section 3. The Corporation hereby agrees to lease the Leased Property back to the Town under the Lease.

Section 5. Assignments and Subleases. Unless the Town is in default under the Lease, the Corporation may not assign its rights under this Site Lease or sublet all or any

portion of the Leased Property, except as provided in the Lease, without the prior written consent of the Town.

Section 6. Right of Entry. The Town reserves the right for any of its duly authorized representatives to enter upon the Leased Property, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 7. Termination. The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property in the same good order and condition as the Leased Property was in at the time of commencement of the term hereof, reasonable wear and tear excepted.

Section 8. Default. If the Corporation defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Corporation, the Town may, and at the written direction of the Trustee (which shall only be given subject to its rights and protections under the Trust Agreement), the Town shall, exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease shall be deemed to occur as a result thereof and this Site Lease may not be terminated by the Town as a remedy for such default. Notwithstanding the foregoing, so long as the Lease remains in effect, the Town shall continue to pay the Lease Payments to the Trustee, as assignee of the Corporation under the Assignment Agreement.

Section 9. Amendments. The Corporation and the Town may at any time amend or modify any of the provisions of this Site Lease, but only: (a) with the prior written consents of the Owners of a majority in aggregate principal amount of the Outstanding Certificates; or (b) without the consent of the Trustee or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Town or the Corporation contained in this Site Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Town,

(ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, for the purpose of conforming to the original intention of the Town and the Corporation,

(iii) to amend the description of any component of the Leased Property to reflect accurately the property originally intended to be included therein, or to effectuate any substitution of property as permitted by Section 4.6 of the Lease or any release or property as permitted by Section 4.7 of the Lease, or

(iv) in any other respect whatsoever as the Corporation and the Town deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Certificates.

The Town must obtain and cause to be filed with the Trustee an opinion of Bond Counsel with respect to any amendment or modification hereof, stating that all conditions

precedent to such amendment as set forth in this Section have been satisfied. Promptly following the effective date of any amendment or modification under this Section, the Town must mail written notice thereof to each rating agency that then maintains a rating on the Certificates.

Section 10. Quiet Enjoyment. The Corporation at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, subject to the provisions of the Lease and subject only to Permitted Encumbrances.

Section 11. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Corporation are solely corporate liabilities of the Corporation as a non-profit public benefit corporation, and the Town hereby releases each and every member and officer of the Corporation of and from any personal or individual liability under this Site Lease. No member or officer of the Corporation or its governing board is at any time or under any circumstances individually or personally liable under this Site Lease for anything done or omitted to be done by the Corporation hereunder.

Section 12. Taxes. The Town will pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property (including any improvements thereon).

Section 13. Eminent Domain. If the whole or any part of the Leased Property, or any improvements thereon, are taken by eminent domain proceedings, the interest of the Corporation will be the aggregate amount of the then unpaid principal components of the Lease Payments payable under the Lease and the balance of the award, if any, will be paid to the Town. The Town hereby waives any and all rights that it has or may hereafter have to acquire the interest of the Corporation in and to the Leased Property through the eminent domain powers of the Town.

Section 14. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease are to any extent declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease will be affected thereby, and each provision of this Site Lease will be valid and enforceable to the fullest extent permitted by law.

Section 15. Notices. Any notice, request, complaint, demand or other communication under this Site Lease must be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy, telex or other form of telecommunication, at its number set forth below. Notice will be effective either (a) upon transmission by telecopy, telex or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Town, the Corporation and the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Corporation:	Public Property Financing Corporation of California 23945 Calabasas Road, Suite 103 Calabasas, California 91302 (818) 224-4789 (Fax)
If to the Town:	Town of Corte Madera P.O. Box 159 Corte Madera, California 94976-0159 (415) 927-5087 (Fax)
If to the Trustee:	The Bank of New York Trust Company, N.A. 100 Pine Street, Suite #3150 San Francisco, California 94111 Attention: Corporate Trust Department (415) 399-1647 (fax)

Section 16. Governing Law. This Site Lease is governed by the laws of the State of California.

Section 17. Third Party Beneficiary. The Trustee is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

Section 18. Binding Effect. This Site Lease inures to the benefit of and is binding upon the Corporation and the Town and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 19. Severability of Invalid Provisions. If any one or more of the provisions contained in this Site Lease are for any reason held to be invalid, illegal or unenforceable in any respect, then such provision or provisions will be deemed severable from the remaining provisions contained in this Site Lease and such invalidity, illegality or unenforceability shall not affect any other provision of this Site Lease, and this Site Lease shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Corporation and the Town each hereby declares that it would have entered into this Site Lease and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Site Lease may be held illegal, invalid or unenforceable.

Section 20. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 21. Execution in Counterparts. This Site Lease may be executed in any number of counterparts, each of which is an original but all together constitute one and the same instrument. It is also agreed that separate counterparts of this Site Lease may be separately executed by the Corporation and the Town, all with the same force and effect as though the same counterpart had been executed by each of the Corporation and the Town.

Section 22. Defined Terms. All capitalized terms used herein and not otherwise defined have the respective meanings given those terms in the Trust Agreement.

IN WITNESS WHEREOF, the Town and the Corporation have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

TOWN OF CORTE MADERA, *as lessor*

By_____
Director of Administrative Services/
Town Treasurer

Attest:

_____
Town Clerk

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, *as lessee*

By_____
Secretary/Treasurer

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The property constituting the Leased Property consists of the land located in the Town of Corte Madera, County of Marin, State of California, which is described as follows, including all buildings, improvements and facilities at any time situated thereon:

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Stephen G. Melikian, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX UNDER SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES UNDER SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

LEASE AGREEMENT

Dated as of June 1, 2016

between the

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA
as lessor

and the

TOWN OF CORTE MADERA
as lessee

Relating to

$_____
Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

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LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease"), dated as of June 1, 2016, is between the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, a nonprofit corporation duly organized and existing under the laws of the State of California (the "Corporation"), and the TOWN OF CORTE MADERA, a municipal corporation duly organized and existing under the laws of the State of California (the "Town").

BACKGROUND:

1. The Town has previously leased certain real property to the Corporation under a Site and Facility Lease, dated as of September 1, 2006 (the "Prior Site Lease"), and the Corporation has concurrently leased such land and improvements back to the Town under a Lease Agreement, dated as of September 1, 2006 (the "Prior Lease").

2. The Town's lease payment obligations under the Prior Lease are evidenced by 2006 Certificates of Participation in the aggregate principal amount of $10,575,000 (the "Prior Certificates") under a Trust Agreement dated as of September 1, 2006, among the Town, the Corporation and The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee.

3. The Town has determined that it is in the best interests of the Town at this time to refinance its obligations under the Prior Lease which are represented by the Prior Certificates, by exercising its right to prepay its lease payment obligations under the Prior Lease and thereby prepaying the Prior Certificates in full on August 1, 2016.

4. In order to raise funds required for that purpose, the Corporation and the Town have agreed to enter into a Site Lease dated as of June 1, 2016 (the "Site Lease"), and this Lease relating to certain real property and improvements thereon described therein (the "Leased Property"), and the Corporation has assigned certain of its rights under the Lease to the Trustee under an Assignment Agreement as described below.

5. The Corporation has assigned certain of its rights in the Lease, including the right to receive lease payments under this Lease, to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and in consideration of such assignment the Trustee has agreed to execute and deliver $_____ aggregate principal amount of 2016 Federally Taxable Refunding Certificates of Participation (the "Certificates"), each evidencing a direct, undivided fractional interest in the lease payments to be paid by the Town under this Lease, the proceeds of which will be applied by the Corporation to refinance the Prior Certificates, under a Trust Agreement dated as of June 1, 2016 (the "Trust Agreement"), among the Corporation, the Town and the Trustee.

6. The Town is authorized to enter into lease-leaseback arrangement with the Corporation to provide financing to refinance its obligations under the Prior Lease and to prepay the Prior Certificates under Section 37350 of the California Government Code.

7. The payment of principal and interest represented by the Certificates will be insured by a policy of municipal bond insurance issued by _____ (the "Certificate Insurer").

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Town and the Corporation formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease have the respective meanings specified in the recitals hereof and in Appendix A to the Trust Agreement.

Section 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only 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 do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 2.1. Covenants, Representations and Warranties of the Town. The Town makes the following covenants, representations and warranties to the Certificate Insurer and the Corporation as of the Closing Date:

(a) Due Organization and Existence. The Town is a municipal corporation duly organized and validly existing under the laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into this Lease, the Site Lease and the Trust Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Town has duly authorized the execution and delivery of this Lease, the Site Lease and the Trust Agreement.

(b) Due Execution. The representatives of the Town executing this Lease, the Site Lease and the Trust Agreement have been fully authorized to execute the same under a resolution duly adopted by the Town Council of the Town.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site Lease and the Trust Agreement have been duly authorized, executed and delivered by the Town and constitute the legal, valid and binding agreements of the Town enforceable against the Town in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site Lease and the Trust Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Town is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Town, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease and the Trust Agreement or the financial condition, assets, properties or operations of the Town.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Town or of the voters of the Town, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site Lease and the Trust Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Town after reasonable investigation, threatened against or affecting the Town or the assets, properties or operations of the Town which, if determined adversely to the Town or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease or the Trust

Agreement, or upon the financial condition, assets, properties or operations of the Town, and the Town is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease or the Trust Agreement or the financial conditions, assets, properties or operations of the Town.

(g) Essentiality of Leased Property. The Leased Property is essential to the Town's purposes.

Section 2.2. Covenants, Representations and Warranties of the Corporation. The Corporation makes the following covenants, representations and warranties to the Town as of the Closing Date:

(a) Due Organization and Existence. The Corporation is a nonprofit corporation duly organized and existing under the laws of the State of California, has full legal right, power and authority to enter into this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery of this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement.

(b) Due Execution. The representatives of the Corporation executing this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement are fully authorized to execute the same under official action taken by the Board of Directors of the Corporation.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site Lease, the Trust Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement or the financial conditions, assets, properties or operations of the Corporation.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS; REFUNDING OF PRIOR LEASE OBLIGATIONS

Section 3.1. Deposit of Moneys. On the Closing Date, the Corporation shall cause the proceeds of sale of the Certificates to be deposited with the Trustee. Under Section 4.01 of the Trust Agreement, from the net proceeds of sale of the Certificates, the estimated amount of the Costs of Issuance will be deposited in the Costs of Issuance Fund and the balance of such proceeds will be used to pay the Town's lease payment obligations under the Prior Lease, and thereby prepay the Prior Certificates.

In addition, an amount representing the premiums for the Reserve Policy will be wired to the Reserve Policy Provider by the Original Purchaser.

Section 3.2. Refunding of Prior Lease Obligations. The Corporation covenants that a portion of the proceeds of the Certificates will be applied for the purpose of discharging in full all of the Town's obligations under the Prior Lease and thereby refunding and discharging the Prior Certificates, all as of the Closing Date.

ARTICLE IV

LEASE PAYMENTS; SUBSTITUTION AND RELEASE OF PROPERTY

Section 4.1. Lease of Leased Property. The Corporation hereby leases the Leased Property to the Town, and the Town hereby leases the Leased Property from the Corporation, upon the terms and conditions set forth in this Lease.

Section 4.2. Term. The Term of this Lease commences on the date of execution and delivery hereof and ends on the date on which the Trust Agreement is discharged under Section 13.01 thereof, but under any circumstances not later than February 1, 2047. The provisions of this Section 4.2 are subject to the provisions of Section 4.6 relating to the substitution of property, the provisions of Section 4.7 relating to the release of property, and the provisions of Section 6.2 relating to the taking in eminent domain of the Leased Property or any portion thereof.

Section 4.3. Lease Payments.

(a) Obligation to Pay. Subject to the provisions of Sections 6.2 and 6.3 and the provisions of Article IX, the Town will pay to the Corporation, its successors and assigns, the Lease Payments (denominated into components of principal and interest) in the respective amounts specified in Appendix B hereto, to be due and payable in immediately available funds on the Interest Payment Dates immediately following each of the respective Lease Payment Dates specified in Appendix B, and to be deposited by the Town with the Trustee on each of the Lease Payment Dates specified in Appendix B. Any amount held in the Lease Payment Fund on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole under Article IX and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) will be credited towards the Lease Payment then required to be paid; and no Lease Payment need be deposited with the Trustee on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be deposited with the Trustee. The Lease Payments payable in any Rental Period are for the use of the Leased Property during such Rental Period.

Notwithstanding anything herein or in the Trust Agreement to the contrary, amounts paid by the Certificate Insurer under the Certificate Insurance Policy will not relieve the Town from its obligations hereunder to pay the Lease Payments when due and payable.

(b) Effect of Prepayment. If the Town prepays all Lease Payments in full under Sections 9.2 or 9.3, and if the Town has paid all Additional Payments then due and payable, the Town's obligations under this Section will thereupon cease and terminate. If the Town prepays the Lease Payments in part but not in whole under Sections 9.2 or 9.3, the principal components of the remaining Lease Payments will be reduced in integral multiples of $5,000 among Lease Payment Dates on a basis which corresponds to the principal maturities of the Certificates which are prepaid thereby; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Certificates thereby prepaid under Sections 3.01(a) or 3.01(b) of the Trust Agreement, as the case may be.

(c) Rate on Overdue Payments. If the Town fails to make any of the payments required in this Section 4.3, the payment in default will continue as an obligation of the Town until the amount in default has been fully paid, and the Town agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest rate of interest represented by any Outstanding Certificate.

(d) Fair Rental Value. The Lease Payments and Additional Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and the Town will pay the Lease Payments and Additional Payments in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Rental Period. The Corporation and the Town have agreed and determined that the total Lease Payments represent the fair rental value of the Leased Property. In making that determination, consideration has been given to the estimated value of the Leased Property as of the Closing Date, other obligations of the Town and the Corporation under this Lease, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the Town and the general public.

(e) Source of Payments; Budget and Appropriation. The Lease Payments are payable from any source of available funds of the Town, subject to the provisions of Articles VI and IX. The Town covenants to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due hereunder in each of its final approved budgets. The Town further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the Town for all the actual amount of Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the Town contained herein are duties imposed by law and it is the duty of each and every public official of the Town to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Town to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the Town.

(f) Assignment. The Town acknowledges that all Lease Payments have been assigned by the Corporation to the Trustee in trust under the Assignment Agreement dated as of June 1, 2016 and recorded concurrently herewith, for the benefit of the Owners of the Certificates and the Certificate Insurer, and the Town consents to such assignment. The Corporation directs the Town, and the Town agrees to pay to the Trustee at its Office, all payments payable by the Town under this Section 4.3 and all amounts payable by the Town under Article IX.

Section 4.4. Additional Payments. In addition to the Lease Payments, the Town shall pay when due, as additional rental for the Leased Property hereunder, all costs and expenses incurred by the Town hereunder or under the Trust Agreement, or incurred by the Corporation to comply with the provisions of the Trust Agreement, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, amounts payable to the Certificate Insurer (other than regularly scheduled debt service with respect to the Certificates) and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Corporation or the Trustee in connection with the Leased Property or the performance of their duties hereunder or under the Trust Agreement.

Section 4.5. Title. At all times during the Term of this Lease, the Town will hold title to the Leased Property, subject to the Site Lease and other Permitted Encumbrances, including all additions which comprise fixtures, repairs, replacements or modifications thereto, and subject to the provisions of Section 5.2.

Upon the termination of this Lease (other than under Section 8.2(b) hereof), all right, title and interest of the Corporation in and to the Leased Property will be transferred to and vested in the Town. Upon the payment in full of all Lease Payments allocable to the Leased Property, or upon the deposit by the Town of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Corporation in and to the Leased Property will be transferred to and vested in the Town. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the Town to consummate any such transfer of title.

Section 4.6. Substitution of Property. The Town has the option at any time and from time to time to substitute other real property (the "Substitute Property") for the Leased Property or any portion thereof (the "Former Property"), provided that the Town must satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(a) No Event of Default has occurred and is continuing.

(b) The Town has filed with the Corporation and the Trustee, and has caused to be recorded in the office of the Marin County Recorder sufficient memorialization of, an amendment hereof which adds to Appendix A hereto a description of such Substitute Property and deletes therefrom the description of such Former Property.

(c) The Town has obtained a CLTA policy of title insurance which insures the Town's leasehold estate hereunder in such Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the estimated value thereof.

(d) The Town has certified in writing to the Corporation and the Trustee that such Substitute Property serves the municipal purposes of the Town and constitutes property which the Town is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the Town and to serve an essential governmental function of the Town.

(e) The Substitute Property does not cause the Town to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

(f) The Town has filed with the Corporation and the Trustee an MAI fair market appraisal or other written documentation which establishes that the estimated value and the fair rental value of the Substitute Property are at least equal to the estimated value and the fair rental value, respectively, of the Former Property, and that the useful life of the Substitute Property at least equals the lesser of (i) the useful life of the Former Property, or (ii) the final Lease Payment Date of the Lease Payments allocable thereto.

(g) The Town has mailed written notice of such substitution to each rating agency which then maintains a rating on the Certificates.

(h) The Certificate Insurer has given its prior written consent to such substitution.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The Town is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution. The Corporation and the Town will execute, deliver and cause to be recorded all documents required to discharge this Lease against the Former Property.

Section 4.7. Release of Property. The Town has the option at any time and from time to time to release any portion of the Leased Property from this Lease and the Site Lease (the "Released Property") provided that the Town has satisfied all of the following requirements which are hereby declared to be conditions precedent to such release:

(a) No Event of Default has occurred and is continuing.

(b) The Town has filed with the Corporation and the Trustee, and has caused to be recorded in the office of the Marin County Recorder sufficient memorialization of, an amendment hereof which removes the Released Property from this Lease and the Site Lease.

(c) The Town has certified in writing to the Corporation and the Trustee that the estimated value of the property which remains subject to this Lease and the Site Lease following such removal is at least equal to the aggregate original principal amount of the Certificates, and the fair rental value of the property which remains subject to this Lease and the Site Lease following such removal is at least equal to the Lease Payments thereafter coming due and payable hereunder.

(d) The Town has mailed written notice of such removal to each rating agency which then maintains a rating on the Certificates.

(e) The Town has obtained evidence that the title insurance policy required by Section 5.6 is not adversely affected by the release.

(f) The Certificate Insurer has given its prior written consent to such release.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Released Property. The Town is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Corporation and the Town shall execute, deliver and cause to be recorded all documents required to discharge this Lease and the Site Lease of record against the Released Property.

Section 4.8. No Merger. It is the express intention of the Corporation and the Town that this Lease and the obligations of the parties hereunder are separate and distinct from the Site Lease and the obligations of the parties thereunder, and that during the term of the Site Lease and this Lease no merger of title or interest may occur or be deemed to occur as a result of the respective positions of the Corporation and the Town thereunder and hereunder.

ARTICLE V

MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the sole responsibility of the Town, and the Town will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the Town or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only the Leased Property, as hereinbefore more specifically set forth. The Town waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the Town under the terms of this Lease.

The Town will also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the Town affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Town is obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

The Town may, at the Town's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation notifies the Town that, in its reasonable opinion, by nonpayment of any such items the interest of the Corporation in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the Town shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation and the Trustee.

Section 5.2. Modification of Leased Property. The Town has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of this Lease. Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under this Section, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements. The Town will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the Town under this Section; provided that if any such lien is established and the Town first notifies the Corporation of the Town's intention to do so, the Town may in good faith contest any lien filed or established against the Leased Property,

and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the Town.

Section 5.3. Public Liability and Property Damage Insurance. The Town will maintain or cause to be maintained, throughout the Term of this Lease, comprehensive general insurance in protection of the Corporation, the Town and their respective members, officers, agents, employees and assigns. Such insurance must provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance must provide coverage in such liability limits and be subject to such deductibles as the Town deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of a program of self-insurance by the Town subject to the provisions of Section 5.7, or in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance. The Town shall apply the proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which the net proceeds are paid.

Section 5.4. Casualty Insurance. The Town will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of this Lease, casualty insurance against loss or damage to the insured buildings, facilities and other improvements constituting any part of the Leased Property, in an amount at least equal to the lesser of (a) the replacement value of such buildings, facilities and improvements, or (b) the aggregate principal amount of the Outstanding Certificates. Such insurance must, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and must include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the Town, whose determination is final and conclusive. Such insurance may be subject to such deductibles as the Town deems prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Town in the form of self-insurance. The Town shall apply the Net Proceeds of such insurance as provided in Section 6.1.

Section 5.5. Rental Interruption Insurance. The Town will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of this Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years during the remaining Term of this Lease. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Town, and may be maintained in whole or in part in the form of the participation by the Town in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Town in the form of self-insurance. The Net Proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Lease Payment Fund, and

shall be credited towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Section 5.6. Recordation Hereof; Title Insurance. The Town will, at its expense, cause the Assignment Agreement, the Site Lease and this Lease to be recorded in the office of the Marin County Recorder immediately following the execution and delivery hereof. Concurrently, the Town shall obtain a CLTA title insurance policy insuring the Town's leasehold estate in the Leased Property hereunder, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under such title insurance policy will be deposited with the Trustee in the Lease Payment Fund and credited towards the prepayment of the Lease Payments under Section 9.3.

Section 5.7. Insurance Net Proceeds; Form of Policies. Each policy of insurance maintained under Sections 5.4, 5.5 and 5.6 must name the Trustee as loss payee so as to provide that all proceeds thereunder are payable to the Trustee. The Town shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease. All such policies shall provide that the Trustee is given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee has no responsibility for the sufficiency, adequacy or amount of any insurance or self-insurance herein required and is fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. Annually not later than October 1 in each year during the Term hereof, the Town must furnish or cause to be furnished to the Certificate Insurer and the Trustee evidence of all insurance policies required to be maintained by this Article V, which may consist of a certificate describing material terms of such policies.

If any insurance maintained under Section 5.3 is provided in the form of self-insurance, the Town must file with the Trustee annually, within 90 days following the close of each Fiscal Year, a statement of an independent insurance adviser engaged by the Town identifying the extent of such self-insurance and stating the determination that the Town maintains sufficient reserves with respect thereto. If any such insurance is provided in the form of self-insurance by the Town, the Town is not obligated to make any payment with respect to any insured event except from such reserves.

Section 5.8. Installation of Town's Personal Property. The Town may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Leased Property. All such items will remain the sole property of the Town, in which neither the Corporation nor the Trustee has any interest, and may be modified or removed by the Town at any time, provided that the Town must repair and restore any and all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease prevents the Town from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest attaches to any part of the Leased Property.

Section 5.9. Liens. The Town may not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than as herein contemplated and except for such encumbrances, as the Town certifies in writing to the Trustee, do not materially and adversely affect the leasehold estate in the Leased Property hereunder. Except as expressly provided in this Article, the Town will promptly, at its own expense, take such action as may be necessary to duly discharge or

remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The Town will reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.10. Advances. If the Town fails to perform any of its obligations under this Article V, the Corporation may take any necessary action to cure the failure, including the advancement of money, and the Town shall repay all such advances as additional rental hereunder, with interest at the rate set forth in Section 4.3(c).

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

Section 6.1. Application of Net Proceeds. The Net Proceeds of any insurance award resulting from any damage to or destruction of the Leased Property by fire or other casualty shall be paid to the Trustee, as assignee of the Corporation under the Assignment Agreement, and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 6.01 of the Trust Agreement. The Town shall pay the Net Proceeds of any eminent domain award with respect to the Leased Property resulting from an event described in Section 6.2 to the Trustee for deposit in the Insurance and Condemnation Fund, to be applied as set forth in Section 6.02 of the Trust Agreement.

Section 6.2. Termination or Abatement Due to Eminent Domain. If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease will cease with respect thereto as of the day possession is so taken. If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, (a) this Lease will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be determined by the Town such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property. Notwithstanding the foregoing, the Lease Payments will not be abated under this Section 6.2 to the extent that amounts in the Reserve Fund are available to pay Lease Payments which would otherwise be abated under this Section 6.2, it being hereby declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Section 6.3. Abatement Due to Damage or Destruction. The amount of Lease Payments will be abated during any period in which by reason of damage or destruction (other than by eminent domain which is hereinbefore provided for) there is substantial interference with the use and occupancy by the Town of the Leased Property or any portion thereof. The amount of such abatement shall be determined by the Town such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Leased Property not damaged or destroyed. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Lease shall continue in full force and effect and the Town waives any right to terminate this Lease by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section 6.3 to the extent that the proceeds of hazard insurance, rental interruption insurance or amounts in the Reserve Fund are available to pay Lease Payments which would otherwise be abated under this Section 6.3, it being hereby declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

ARTICLE VII

OTHER COVENANTS

Section 7.1. Disclaimer of Warranties. THE CORPORATION MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE TOWN OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE TOWN ACKNOWLEDGES THAT THE CORPORATION IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE TOWN LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE TOWN. In no event is the Corporation or the Trustee liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease or the Trust Agreement for the existence, furnishing, functioning or the Town's use of the Leased Property.

Section 7.2. Access to the Leased Property. The Town agrees that the Corporation and any Corporation Representative, and the Corporation's successors or assigns, may at all reasonable times enter upon and to examine and inspect the Leased Property or any part thereof. The Corporation and any Corporation Representative have such rights of access to the Leased Property or any component thereof as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the Town to perform its obligations hereunder; *provided, however,* that neither the Corporation nor any of its assigns has any obligation to cause such proper maintenance.

Section 7.3. Release and Indemnification Covenants. The Town shall indemnify the Corporation, the Trustee and the Insurer, and their respective officers, agents, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of any of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property,

(b) any breach or default on the part of the Town in the performance of any of its obligations under this Lease,

(c) any negligence or willful misconduct of the Town or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property,

(d) any intentional misconduct or negligence of any sublessee of the Town with respect to the Leased Property, or

(e) the acceptance and administration of the Trust Agreement and this Lease.

No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Corporation or the Trustee, or their respective officers, agents, employees, successors or assigns. The Trustee's rights under Sections 4.4 and 7.3 survive the defeasance of the Certificates, the termination of this Lease and the resignation or removal of the Trustee.

Section 7.4. Assignment and Subleasing by the Town. This Lease may not be assigned by the Town. The Town may sublease the Leased Property, or any portion thereof, subject to all of the following conditions:

(a) This Lease and the obligation of the Town to make Lease Payments hereunder must remain obligations of the Town.

(b) The Town must, within 30 days after the delivery thereof, furnish or cause to be furnished to the Corporation and the Trustee a true and complete copy of such sublease.

(c) No such sublease by the Town may cause the Leased Property to be used for a purpose which is not authorized under the provisions of the laws of the State of California, as certified by the Town.

Section 7.5. Amendment of Lease Agreement. The Corporation and the Town may at any time amend or modify any of the provisions of this Lease, but only: (a) with the prior written consents of the Certificate Insurer and the Owners of a majority in aggregate principal amount of the Outstanding Certificates; or (b) with the prior written consent of the Certificate Insurer but without the consent of the Trustee or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Town contained in this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Town,

(ii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, for the purpose of conforming to the original intention of the Town and the Corporation,

(iii) to amend the description of any component of the Leased Property to reflect accurately the property originally intended to be included therein, or to effectuate any substitution of property as permitted by Section 4.6 or any release of property as permitted by Section 4.7,

(iv) to obligate the Town to pay additional amounts of rental hereunder for the use and occupancy of the Leased Property or any portion thereof, but only if (A) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which are applied to finance improvements to the Leased Property, and (B) the Town has filed with the Trustee written evidence that the amendments made under this subsection (v) will not of themselves cause a reduction or withdrawal of any rating then assigned to the Certificates, or

(v) in any other respect whatsoever as the Corporation and the Town deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Certificates.

The Town must obtain and cause to be filed with the Trustee an opinion of Bond Counsel with respect to any amendment or modification hereof, stating that all conditions precedent to such amendment as set forth in this Section 7.5 have been satisfied. Promptly following the effective date of any amendment or modification under this Section, the Town must

mail written notice thereof to each rating agency which then maintains a rating on the Certificates.

Section 7.6. Provisions Relating to Reserve Policy. [to come]

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. Each of the following events constitutes an Event of Default hereunder:

(a) Failure by the Town to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.

(b) Failure by the Town to observe and perform any covenant, condition or agreement on its part to be observed or performed herein or in the Trust Agreement, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Town by the Corporation, the Certificate Insurer or the Trustee; provided, however, that if the Town notifies the Corporation, the Trustee and the Certificate Insurer that in the reasonable opinion of the Town the failure stated in the notice can be corrected, but not within such 30 day period, the failure will not constitute an Event of Default if the Town commences to cure the failure within such 30 day period and thereafter diligently and in good faith cures such failure in a reasonable period of time, which period of time shall be no longer than 180 days from the date of delivery of such notice of failure to the Town.

(c) The filing by the Town of a voluntary petition in bankruptcy, or failure by the Town promptly to lift any execution, garnishment or attachment, or adjudication of the Town as a bankrupt, or assignment by the Town for the benefit of creditors, or the entry by the Town into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Town in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

For purposes of determining whether any Event of Default has occurred under and as described in the preceding clause (a), no effect may be given to payments made by the Certificate Insurer under the Certificate Insurance Policy. Additionally, any Event of Default described in the preceding clause (a) will give rise to the exercise of remedies with respect to all of the Leased Property, and the Town shall not have the right to allocate its Lease Payment to a particular portion of the Leased Property.

Section 8.2. Remedies on Default. Whenever any Event of Default has happened and is continuing, the Corporation may exercise any and all remedies available under law or granted under this Lease and the Trustee will have the right to re-enter and re-let the Leased Property and to terminate this Lease. Notwithstanding anything herein or in the Trust Agreement to the contrary, there is no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the Town is expressly made a condition and upon the breach thereof the Corporation may exercise any and all rights granted hereunder; provided, that no termination of this Lease shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Corporation may exercise each and every one of the following remedies, subject in all respects to the limitations set forth in Section 8.3.

(a) Enforcement of Payments Without Termination. If the Corporation does not elect to terminate this Lease in the manner hereinafter provided for in subsection (b) of this Section, the Town agrees to remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Corporation for any deficiency arising out of the re-leasing of the Leased Property, or, if the Corporation is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Corporation.

The Town hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the Town to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place such property in storage or other suitable place in the County of Marin for the account of and at the expense of the Town, and the Town hereby agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The Town agrees that the terms of this Lease constitute full and sufficient notice of the right of the Corporation to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Corporation in effecting such re-leasing constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the Town the right to terminate this Lease shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in subsection (b) of this Section. The Town agrees to surrender and quit possession of the Leased Property upon demand of the Corporation for the purpose of enabling the Leased Property to be re-let under this paragraph. Any rental obtained by the Corporation in excess of the unpaid Lease Payments shall be deposited with the Trustee in the Lease Payment Fund, to be applied as a credit against future Lease Payments.

(b) Termination of Lease. If an Event of Default occurs and is continuing hereunder, the Corporation at its option may terminate this Lease and re-lease all or any portion of the Leased Property. If the Corporation terminates this Lease at its option and in the manner hereinafter provided on account of default by the Town (and notwithstanding any re-entry upon the Leased Property by the Corporation in any manner whatsoever or the re-leasing of the Leased Property), the Town nevertheless agrees to pay to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Payments. Any surplus received by the Corporation from such re-leasing shall be deposited in the Lease Payment Fund. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Corporation shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the Town shall be or become effective by operation of law, or otherwise, unless and until the Corporation has given written notice to the Town of the election on the part of the Corporation to terminate this Lease. The Town agrees that no surrender of the Leased Property, or of the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

(c) Proceedings at Law or In Equity. If an Event of Default occurs and continues hereunder, the Corporation may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

Section 8.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy is cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article VIII it is not necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

Section 8.4. Agreement to Pay Attorneys' Fees and Expenses. If either party to this Lease defaults under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

Section 8.5. No Additional Waiver Implied by One Waiver. If any agreement contained in this Lease is breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not constitute a waiver of any other breach hereunder.

Section 8.6. Application of Proceeds. All net proceeds received from the re-lease of the Leased Property under this Article VIII, and all other amounts derived by the Corporation or the Trustee as a result of the occurrence of an Event of Default, shall be paid to the Trustee and applied in accordance with Section 12.04 of the Trust Agreement.

Section 8.7. Trustee, Certificate Insurer and Certificate Owners to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article VIII have been assigned by the Corporation to the Trustee under the Assignment Agreement for the benefit of the Certificate Insurer and the Certificate Owners, to which assignment the Town hereby consents. The Trustee, the Certificate Insurer and the Certificate Owners shall exercise such rights as provided in the Trust Agreement.

ARTICLE IX

PREPAYMENT OF LEASE PAYMENTS

Section 9.1. Security Deposit. Notwithstanding any other provision of this Lease, the Town may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Trust Agreement, is either:

(a) sufficient to pay such Lease Payments, including the principal and interest

components thereof, in accordance with the Lease Payment schedule set forth in Appendix B, or

(b) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant (which opinion must be addressed and delivered to the Trustee and the Certificate Insurer), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due under Section 4.3(a) as the Town instructs at the time of said deposit.

If the Town posts a security deposit under this Section with respect to all unpaid Lease Payments and if the Town has paid or caused to be paid all Additional Payments then due and payable, and notwithstanding the provisions of Section 4.2, (a) the Term of this Lease will continue, (b) all obligations of the Town under this Lease, and all security provided by this Lease for said obligations, will thereupon cease and terminate, excepting only the obligation of the Town to make, or cause to be made all of the Lease Payments from such security deposit, and (c) under Section 4.5, title to the Leased Property will vest in the Town on the date of said deposit automatically and without further action by the Town or the Corporation. Said security deposit constitutes a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

Payments made by the Certificate Insurer under the Certificate Insurance Policy may not be considered in determining whether the Town has paid and discharged any or all of the Lease Payments under the preceding provisions of this Section 9.1.

Section 9.2. Optional Prepayment. The Town may exercise its option to prepay the principal components of the Lease Payments (as such components are shown in Exhibit B) in whole, or in part in any integral multiple of $5,000, on any date on or after February 1, 20__, by paying a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid, together with the interest component of the Lease Payment required to be paid on such date, without prepayment premium. Such prepayment price shall be deposited by the Trustee upon receipt in the Lease Payment Fund, to be applied to the prepayment of Certificates under Section 3.01(a) of the Trust Agreement. The Town shall give the Trustee written notice of its intention to exercise its option not less than 45 days in advance of the date of exercise.

Section 9.3. Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain. The Town is obligated to prepay the principal components of the Lease Payments, in whole or in part on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Leased Property theretofore deposited in the Lease Payment Fund for such purpose under Article VI hereof and Article VI of the Trust Agreement. The Town and the Corporation hereby agree that such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the Town's obligations under this Section 9.3. Such prepayment price shall be deposited by the Trustee in the Lease Payment Fund to be applied to the prepayment of Certificates under Section 3.01(b) of the Trust Agreement.

Section 9.4. Credit for Amounts on Deposit. If the Town prepays the principal components of the Lease Payments in full under Sections 9.2 or 9.3, such that the Trust

Agreement is discharged by its terms as a result of such prepayment, at the written election of the Town filed with the Trustee any or all amounts then on deposit in the Lease Payment Fund or the Reserve Fund will be credited towards the amounts then required to be so prepaid.

ARTICLE X

MISCELLANEOUS

Section 10.1. Notices. Any notice, request, complaint, demand or other communication under this Lease may be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice is effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 72 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Corporation, the Town, the Trustee or the Certificate Insurer may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Corporation:	Public Property Financing Corporation of California 23945 Calabasas Road, Suite 103 Calabasas, California 91302 (818) 224-4789 (Fax)
If to the Town:	Town of Corte Madera P.O. Box 159 Corte Madera, California 94976-0159 (415) 927-5087 (Fax)
If to the Trustee:	The Bank of New York Trust Company, N.A. 100 Pine Street, Suite #3150 San Francisco, California 94111 Attention: Corporate Trust Department (415) 399-1647 (fax)
If to the Certificate Insurer:	

Section 10.2. Binding Effect. This Lease inures to the benefit of and is binding upon the Corporation, the Town, the Certificate Insurer and their respective successors and assigns.

Section 10.3. Severability. If any provision of this Lease is held invalid or unenforceable by any court of competent jurisdiction, such holding does not invalidate or render unenforceable any other provision hereof.

Section 10.4. Net-net-net Lease. This Lease is a "net-net-net lease" and the Town hereby agrees that the Lease Payments are an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

Section 10.5. Third Party Beneficiary. The Trustee and the Certificate Insurer are hereby made beneficiaries hereunder with all rights of a third party beneficiary.

Section 10.6. Further Assurances and Corrective Instruments. The Corporation and the Town shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

Section 10.7. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.8. Applicable Law. This Lease is governed by and construed in accordance with the laws of the State of California.

Section 10.9. Corporation and Town Representatives. Whenever under the provisions of this Lease the approval of the Corporation or the Town is required, or the Corporation or the Town is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by a Corporation Representative and for the Town by a Town Representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 10.10. Captions. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

IN WITNESS WHEREOF, the Corporation and the Town have caused this Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, *as Lessor*

By _____
Secretary/Treasurer

TOWN OF CORTE MADERA, *as Lessee*

By _____
Director of Administrative Services/Town Treasurer

Attest:

_____
Town Clerk

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The property constituting the Leased Property consists of the land located in the Town of Corte Madera, County of Marin, State of California, which is described as follows, including all buildings, improvements and facilities at any time situated thereon.

APPENDIX B

SCHEDULE OF LEASE PAYMENTS

Lease Payment Date	Principal Component	Interest Component	Aggregate Lease Payment
TOTAL			

* Lease Payments are due no later than the 15th Business Day preceding each of the listed payment dates.

TRUST AGREEMENT

Dated as of June 1, 2016

between

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

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

and the

TOWN OF CORTE MADERA

Relating to

$_____
Town of Corte Madera
2016 Federally Taxable Refunding Certificates of Participation

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TRUST AGREEMENT

This TRUST AGREEMENT (this "Trust Agreement"), dated as of June 1, 2016, is among THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, a nonprofit corporation duly organized and existing under the laws of the State of California (the "Corporation"), and the TOWN OF CORTE MADERA, a municipal corporation duly organized and existing under the laws of the State of California (the "Town").

BACKGROUND:

1. The Town has previously leased certain real property to the Corporation under a Site and Facility Lease, dated as of September 1, 2006 (the "Prior Site Lease"), and the Corporation has concurrently leased such land and improvements back to the Town under a Lease Agreement, dated as of September 1, 2006 (the "Prior Lease").

2. The Town's lease payment obligations under the Prior Lease are evidenced by 2006 Certificates of Participation in the original aggregate principal amount of $10,575,000 (the "Prior Certificates") under a Trust Agreement dated as of September 1, 2006, among the Town, the Corporation and The Bank of New York Trust Company, N.A., now known as The Bank of New York Mellon Trust Company, N.A., as trustee.

3. The Town has determined that it is in the best interests of the Town at this time to refinance its obligations under the Prior Lease which are represented by the Prior Certificates, by exercising its right to prepay its lease payment obligations under the Prior Lease and thereby prepaying the Prior Certificates in full.

4. In order to raise funds required for that purpose, the Corporation and the Town have agreed to enter into a Site Lease dated as of June 1, 2016 (the "Site Lease"), and a Lease Agreement dated as of June 1, 2016 (the "Lease") relating to certain real property as described therein (the "Leased Property"), and the Corporation has assigned certain of its rights under the Lease to the Trustee under an Assignment Agreement dated as of June 1, 2016.

5. In consideration of such assignment the Trustee has agreed to enter into this Trust Agreement under which the Trustee agrees to execute and deliver $_____ aggregate principal amount of 2016 Federally Taxable Refunding Certificates of Participation, each evidencing a direct, undivided fractional interest in the lease payments to be paid by the Town under the Lease, the proceeds of which will be used to pay and prepay the Town's lease payment obligations under the Prior Lease and thereby pay and prepay all of the outstanding Prior Certificates on August 1, 2016.

6. The payment of principal and interest represented by the Certificates will be insured by a policy of municipal bond insurance issued by _____ (the "Certificate Insurer").

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Town, the Corporation and the Trustee formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms used in this Trust Agreement have the meanings given them in Appendix A hereto.

Section 1.02. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution hereof by the officers and persons signing it.

Section 1.03. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and includes 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 do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE CERTIFICATES OF PARTICIPATION

Section 2.01. Authorization. The Trustee is hereby authorized and directed upon written request from the Corporation to register, execute and deliver to the Original Purchaser, the Town of Corte Madera 2016 Federally Taxable Refunding Certificates of Participation in the aggregate principal amount of $_____.

The Certificates evidence direct, undivided fractional ownership interests of the Owners thereof in the Lease Payments. In no event shall the Certificates be deemed an obligation or debt of the Trustee.

Section 2.02. Date. Each Certificate shall be dated as of the date of its execution and interest represented thereby shall be payable from the Interest Payment Date next preceding the date of execution thereof, unless:

(a) it is executed following a Record Date and on or before the next succeeding Interest Payment Date, in which event interest represented thereby shall be payable from such Interest Payment Date,

(b) it is executed on or before the first Record Date, in which event interest represented thereby shall be payable from the Closing Date, or

(c) as of the date of any Certificate, interest represented by such Certificate is in default, in which event interest represented thereby shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate.

Section 2.03. Terms of Certificates. Principal represented by the Certificates is payable on February 1 in each of the respective years and in the respective amounts, and interest represented thereby is computed at the respective rates, as follows:

Maturity Date (February 1)	Principal Amount	Interest Rate

Section 2.04. Fully Registered Form; Interest. The Certificates will be delivered in the form of fully registered Certificates without coupons in the authorized denominations of

$5,000 or any integral multiple thereof, except that no Certificate shall represent principal payable in more than one year. The Trustee shall assign the Certificates such alphabetical and numerical designation as the Trustee deems appropriate.

Interest represented by the Certificates is payable on each Interest Payment Date to and including the date of maturity or prepayment, whichever is earlier, as provided in Section 2.09. Said interest represents the portion of Lease Payments designated as interest and coming due on each of the respective Interest Payment Dates. The share of the portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal represented by such Certificate by the rate of interest represented by such Certificate (on the basis of a 360-day year consisting of twelve 30-day months).

Section 2.05. Book Entry System.

(a) Original Delivery. The Certificates will be initially delivered in the form of a separate single fully registered Certificate (which may be typewritten) for each maturity of the Certificates. Upon initial delivery, the ownership of each such Certificate will be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Certificates shall be registered in the name of the Nominee on the Registration Books.

With respect to Certificates the ownership of which is registered in the name of the Nominee, the Town and the Trustee have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Town holds an interest in the Certificates. Without limiting the generality of the immediately preceding sentence, the Town and the Trustee have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any notice with respect to the Certificates, including any notice of prepayment, (iii) the selection by the Depository of the beneficial interests in the Certificates to be prepaid if the Town elects to prepay the Certificates in part, (iv) the payment to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest represented by the Certificates or (v) any consent given or other action taken by the Depository as Owner of the Certificates. The Town and the Trustee may treat and consider the person in whose name each Certificate is registered as the absolute owner of such Certificate for the purpose of payment of principal, premium, if any, and interest represented by such Certificate, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers of ownership of such Certificate, and for all other purposes whatsoever. The Trustee shall pay the principal, interest and premium, if any, represented by the Certificates only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal, interest and premium, if any, represented by the Certificates to the extent of the sum or sums so paid. No person other than a Certificate Owner may receive a Certificate evidencing the obligation of the Town to make payments of principal, interest and premium, if any, under this Trust Agreement. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Town shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Certificates for the Depository's book-entry system, the Town shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Certificates. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Town or the Trustee any obligation whatsoever with respect to persons having interests in the Certificates other than the Certificate Owners. Upon the written acceptance by the Trustee, the Trustee shall agree to take all action reasonably necessary for all representations of the Town in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of such letter, the Town may take any other actions, not inconsistent with this Trust Agreement, to qualify the Certificates for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. If either (i) the Depository determines not to continue to act as Depository for the Certificates, or (ii) the Town determines to terminate the Depository as such, then the Town shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Town and the Trustee in the issuance of replacement Certificates by providing the Trustee with a list showing the interests of the Depository System Participants in the Certificates, and by surrendering the Certificates, registered in the name of the Nominee, to the Trustee on or before the date such replacement Certificates are to be executed and delivered. The Depository, by accepting delivery of the Certificates, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Town fails to identify another Securities Depository to replace the Depository, then the Certificates shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Certificates shall designate, in accordance with the provisions hereof.

If the Town determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the Town may notify the Depository System Participants of the availability of such certificated Certificates through the Depository. In such event, the Trustee will issue, transfer and exchange Certificates as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Town shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Certificates to any Depository System Participant having Certificates credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Certificates, all at the Town's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Certificate is registered in the name of the Nominee, all payments with respect to principal, interest and premium, if any, represented by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.06. Form and Execution of Certificates. The Certificates shall be substantially in the form set forth in Appendix B hereto. The Trustee shall execute the Certificates with the manual signature of an authorized signatory of the Trustee. If any person whose signature appears on any Certificate ceases to be an authorized signatory before the

date of delivery of said Certificate, such signature shall nevertheless be as effective as if such person had remained an authorized signatory until such date.

Section 2.07. Transfer and Exchange.

(a) Transfer of Certificates. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by duly authorized attorney, upon surrender of such Certificate for cancellation at the Office of the Trustee, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, manually executed. Whenever any Certificate or Certificates shall be surrendered for registration of transfer, the Trustee shall execute and deliver a new Certificate or Certificates representing the same maturity, interest rate and aggregate principal amount, in any authorized denominations. The Town shall pay all costs of the Trustee incurred in connection with any such transfer, except that the Trustee may require the payment by the Certificate Owner of any tax or other governmental charge required to be paid with respect to such transfer.

(b) Exchange of Certificates. Certificates may be exchanged at the Office of the Trustee, for a like aggregate principal amount of Certificates representing other authorized denominations of the same interest rate and maturity. The Town shall pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee shall require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

(c) Limitations on Transfer or Exchange. The Trustee may refuse to transfer or exchange either (i) any Certificate during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) any Certificate which the Trustee has selected for prepayment in whole or in part under the provisions of Section 3.02.

Section 2.08. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate is mutilated, the Trustee, at the expense of the Owner of such Certificate, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity in replacement for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. The Trustee shall cancel and destroy every mutilated Certificate so surrendered to it and shall deliver a certificate of destruction to the Town at the request of the Town. If any Certificate is lost, destroyed or stolen, evidence of such loss, destruction or theft must be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee is given, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity and numbered as the Trustee shall determine in lieu of and in replacement for the Certificate so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each replacement Certificate delivered under this Section 2.08 and of the expenses that may be incurred by the Trustee in carrying out the duties under this Section 2.08. Any Certificate delivered under the provisions of this Section 2.08 in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee is not required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section 2.08, in lieu of delivering a

replacement for a Certificate which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Certificate upon receipt of indemnity satisfactory to the Trustee and the Town.

Section 2.09. Payment. Payment of interest represented by any Certificate on any Interest Payment Date shall be made to the person appearing on the Registration Books as the Owner thereof as of the close of business on the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the applicable Interest Payment Date to such Owner, by first class mail postage prepaid, at such Owner's address as it appears on the Registration Books. At the written request of the Owner of Certificates in an aggregate principal amount of at least $1,000,000, which written request is on file with the Trustee prior to the Record Date preceding any Interest Payment Date, the Trustee shall pay interest represented by such Certificates coming due and payable on such Interest Payment Date by wire transfer in immediately available funds to such account in the United States as is specified in such written request. The principal, interest and prepayment premium, if any, represented by any Certificate at maturity or upon prepayment are payable in lawful money of the United States of America upon surrender of such Certificate at the Office of the Trustee.

Section 2.10. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or any Owner's attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of authority.

(b) The fact of the ownership of Certificates by any person and the amount, the maturity and the numbers of such Certificates and the date of such person's holding the same shall be proved by the Registration Books.

Nothing in this Section 2.10 limits the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Certificate binds every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trustee under such request or consent.

Section 2.11. Registration Books. The Trustee shall keep or cause to be kept sufficient records for the registration and registration of transfer of the Certificates, which shall at

all reasonable times be open to inspection by the Town, the Corporation and the Certificate Insurer upon prior notice, during regular business hours; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as hereinbefore provided.

ARTICLE III

PREPAYMENT OF CERTIFICATES

Section 3.01. Prepayment.

(a) Optional Prepayment. The Certificates maturing on or before February 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after February 1, 20__, are subject to prepayment prior to their respective stated maturities, at the option of the Town, in whole, or in part among maturities on such basis as designated by the Town and by lot within any one maturity, on February 1, 20__ or on any date thereafter, at a prepayment price of 100% the principal amount of Certificates or portions thereof to be prepaid, together with accrued interest represented thereby to the prepayment date.

(b) Prepayment From Net Proceeds of Insurance or Condemnation. The Certificates are subject to mandatory prepayment, in whole or in part on any Business Day, from the Net Proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under Section 9.3 of the Lease and Article VI, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

(c) Sinking Fund Prepayment. The Term Certificates are also subject to mandatory sinking fund prepayment by lot on February 1 in each year as set forth in the following tables, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

Term Certificates Maturing
February 1, 20__

Sinking Fund Prepayment Date (February 1)	Principal Amount To Be Prepaid

Term Certificates Maturing
February 1, 20__

Sinking Fund Prepayment Date (February 1)	Principal Amount To Be Prepaid

Notwithstanding the foregoing provisions of this subsection (c), if some but not all of the Term Certificates are prepaid under any of the preceding provisions of this Section 3.01, the aggregate principal amount of the Term Certificates to be prepaid in each year thereafter under this subsection (c) shall be reduced by the aggregate principal amount of Term Certificates so prepaid, to be allocated among sinking fund installments on a pro rata basis in integral multiples of $5,000 such that the resulting amount of principal represented by the Term Certificates subject to prepayment on any date under this subsection (c) is equal to the aggregate principal components of the Lease Payments coming due and payable on such date. In such instance the Town shall provide the Trustee with a revised sinking fund schedule.

Section 3.02. Selection of Certificates for Prepayment. Whenever provision is made in Section 3.01(a) or (b) for the prepayment of Certificates of more than one maturity, the Certificates to be prepaid shall be selected among maturities on such basis as shall be set forth in a written certificate of the Town filed with the Trustee, and the Trustee shall select the Certificates to be prepaid within any maturity by lot in any manner which the Trustee in its sole discretion shall deem appropriate. For the purposes of such selection, Certificates shall be deemed to be composed of $5,000 portions, and any such portion may be separately prepaid. The Trustee shall promptly notify the Town and the Corporation in writing of the Certificates or portions thereof so selected for prepayment.

Section 3.03. Notice of Prepayment. When prepayment is authorized or required under Section 3.01(a) or (b), the Trustee shall give notice of the prepayment of the Certificates on behalf and at the expense of the Town. Such notice must:

(a) state the prepayment date and prepayment price;

(b) state the numbers or maturities of the Certificates to be prepaid, if less than all of the then Outstanding Certificates are to be called for prepayment;

(c) if a Certificate is to be prepaid only in part, identify the portion of the Certificate which is to be prepaid;

(d) require that such Certificates be surrendered on the prepayment date at the Office of the Trustee for prepayment at said prepayment price;

(e) state that interest represented by the Certificates will not accrue after the prepayment date; and

(f) state that on the prepayment date the principal and premium, if any, represented by each Certificate will become due and payable, together with accrued interest represented thereby to the prepayment date, and that from and after such date interest represented thereby ceases to accrue and be payable; and

(g) state that the prepayment may be conditioned upon the availability of funds on the prepayment date, and that if funds are not available on the prepayment date, the prepayment notice may be rescinded.

The Trustee has no liability for any designation of the CUSIP numbers of the Certificates to be prepaid, and neither the failure to identify the CUSIP numbers of the Certificates to be prepaid nor any incorrect designation of such CUSIP numbers will affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

The Trustee shall mail notice of prepayment by first class mail with postage prepaid, to the Information Services and the Securities Depositories, to the Owners of Certificates designated for prepayment at their respective addresses appearing on the Registration Books, at least 30 days but not more than 60 days prior to the prepayment date. Neither the failure to receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

Section 3.04. Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute, authenticate and deliver to the Owner thereof, at the expense of the Town, a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered and of the same interest rate and the same maturity.

Section 3.05. Effect of Notice of Prepayment. Moneys for the prepayment (including the interest to the applicable date of prepayment) of Certificates having been set aside in the Lease Payment Fund, the Certificates shall become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the Office of the Trustee, said Certificates shall be paid at the unpaid principal amount (or applicable portion thereof) represented thereby plus interest accrued and unpaid to said date of prepayment.

If, on said date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to said date of prepayment, shall be held by the Trustee so as to be available therefor on such date of prepayment, then, from and after said date of prepayment, interest represented by the Certificates shall cease to accrue and become payable. All moneys held by the Trustee for the prepayment of Certificates shall be held in trust for the account of the Owners of the Certificates so to be prepaid, and shall be held by the Trustee in cash uninvested.

All Certificates paid at maturity or prepaid prior to maturity under the provisions of this Article III shall be canceled upon surrender thereof.

Section 3.06. Purchase of Certificates. In lieu of prepayment of Certificates as provided in this Article III, amounts held by the Trustee for such prepayment may, at the written request of the Town Representative received by the Trustee at least 75 days prior to the

selection of Certificates for prepayment, be applied by the Trustee to the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the Town may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid.

ARTICLE IV

DISPOSITION OF PROCEEDS OF SALE

Section 4.01. Application of Proceeds. (a) The proceeds received by the Trustee on the Closing Date from the sale of the Certificates in the amount of $_____ (which is equal to the principal amount of $_____, plus a net original issue premium of $_____, less underwriter's discount of $____, and less the premium ($_____) for the Certificate Insurance Policy and the premium for the Reserve Policy ($_____), which shall both be paid directly by the Underwriter to the Certificate Insurer), and shall be applied by the Trustee as follows:

(i) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund.

(ii) The Trustee shall transfer the amount of $_____ to the 2006 Trustee for deposit and application in accordance with the 2006 Escrow Agreement, to be held and applied for the purpose of prepaying a portion of the Town's lease payment obligations under the Prior Lease and thereby prepaying all of the outstanding Prior Certificates on August 1, 2016.

(b) Reserve Policy. In addition, the Trustee shall credit the Reserve Policy in the amount of the Reserve Requirement to the Reserve Fund.

The Trustee may establish and maintain for so long as is necessary one or more temporary funds and accounts under this Trust Agreement, including but not limited to a temporary fund for holding the proceeds of the Certificates.

Section 4.02. Reserve Fund.

(a) General Provisions. The Trustee shall establish a special fund designated as the "Reserve Fund" to be held by the Trustee in trust for the benefit of the Town and the Owners of the Certificates, and applied solely as provided herein. Moneys and assets in the Reserve Fund shall be held in trust as a reserve for the payment when due of the Lease Payments on behalf of the Town.

The Town will initially fund the Reserve Fund for the Certificates with a municipal bond debt service reserve insurance policy (the "Reserve Policy") issued by the Certificate Insurer.

The amounts available under the Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Lease Payment Fund, in the event of any deficiency at any time in the Lease Payment Fund for its purposes.

The Trustee shall comply with all documentation relating to the Reserve Policy as shall be required to maintain the Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section.

Neither the Town nor the Corporation shall have any obligation to replace the Reserve Policy or to fund the Reserve Fund with cash if, at any time that the Certificates are Outstanding, amounts are not available under the Reserve Policy or the Reserve Policy is no longer in effect. At such time as the Town concludes that the Reserve Policy is no longer in

effect, the Town may direct the Trustee to close the Reserve Fund and to return the Reserve Policy to the Certificate Insurer.

(b) Application of Reserve Fund. If on any Interest Payment Date the moneys available in the Lease Payment Fund do not equal the amount of the Lease Payment then coming due and payable, the Trustee shall apply the moneys available in the Reserve Fund to make such payments on behalf of the Town by transferring the amount necessary for this purpose to the Lease Payment Fund. Upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund, such Lease Payment shall be deposited in the Reserve Fund to the extent of such advance (or used to reimburse the Certificate Insurer for draws on the Reserve Policy).

Section 4.03. Establishment and Application of Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The Trustee shall disburse moneys in the Costs of Issuance Fund to pay the Costs of Issuance upon submission of written requisitions executed by a Town Representative stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On December 1, 2016, the Trustee shall withdraw all remaining moneys in the Costs of Issuance Fund and deposit such moneys in the Lease Payment Fund, and the Trustee shall thereupon close the Costs of Issuance Fund.

ARTICLE V

LEASE PAYMENTS; LEASE PAYMENT FUND

Section 5.01. Assignment of Rights in Lease. Under the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee certain of its rights under the Lease, including but not limited to all of the Corporation's rights to receive and collect all of the Lease Payments and all other amounts required to be deposited in the Lease Payment Fund. The Town shall pay to the Trustee all Lease Payments and other amounts which have been assigned to the Trustee under the Assignment Agreement. Any Lease Payments collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee, and the Corporation shall immediately transfer all such Lease Payments and other amounts to the Trustee.

Section 5.02. Establishment of Lease Payment Fund. The Trustee shall establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Town and the Owners of the Certificates. So long as any Certificates are Outstanding, neither the Town nor the Corporation has any beneficial right or interest in the Lease Payment Fund, or the moneys deposited therein, except only as provided in this Trust Agreement, and the Trustee shall apply the Lease Payment Fund solely as set forth in this Trust Agreement.

Section 5.03. Deposits. The Trustee shall deposit all Lease Payments received by it in the Lease Payment Fund, including any moneys received by the Trustee for deposit therein under Section 5.01 or under Article VI hereof, or Article IX of the Lease, and any other moneys required to be deposited therein under the Lease or under this Trust Agreement.

Section 5.04. Application of Moneys. So long as any Certificates are Outstanding, the Trustee shall apply amounts in the Lease Payment Fund solely for the purpose of paying the principal, interest and prepayment premiums (if any) represented by the Certificates as the same become due and payable, in accordance with the provisions hereof.

Section 5.05. Surplus. Any surplus remaining in the Lease Payment Fund, after prepayment and payment of all Certificates, including premiums and accrued interest (if any) and payment of any applicable fees and expenses to the Trustee and any amounts then due and payable to the Certificate Insurer, or provision for such prepayment or payment having been made to the satisfaction of the Trustee, shall be withdrawn by the Trustee and remitted to the Town.

ARTICLE VI

INSURANCE AND CONDEMNATION FUND

Section 6.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award. Any Net Proceeds of insurance collected by the Town in the event of accident to or destruction of any component of the Leased Property shall be paid to the Trustee under Section 6.1 of the Lease and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trustee shall thereupon establish. If the Town determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interests of the Town, then such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments under Section 9.3 of the Lease and the corresponding prepayment of Certificates under Section 3.01(b), which prepayment shall be made on the first Interest Payment Date for which notice of prepayment can be timely given. Notwithstanding the foregoing provisions of this Section 6.01, the determination of the Town to apply Net Proceeds to the prepayment of Certificates is subject to the following:

(a) if the Leased Property is damaged or destroyed in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments allocable to the Leased Property; and

(b) if the Leased Property is damaged or destroyed in part but not in whole, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if the Lease Payments which result after the corresponding abatement thereof under Section 6.3 of the Lease are sufficient to pay the full amount of principal and interest represented by the Certificates which remain Outstanding after such prepayment.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the Town, upon receipt of written requisitions of the Town stating with respect to each payment to be made (a) the name and address of the person, firm or corporation to whom payment is due, (b) the amount to be paid and (c) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation. Any balance of the Net Proceeds remaining after the Town shall file a written certificate with the Trustee stating that such work has been completed shall, after payment of all amounts then due and owing to the Trustee hereunder, be paid to the Town.

Section 6.02. Deposit and Application of Net Proceeds of Eminent Domain Award. If all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund, under Section 6.1 of the Lease, and shall be applied and disbursed by the Trustee as follows:

(a) If the Town gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the Town has given written notice to the Trustee of such determination, the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.

(b) If the Town gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee shall pay to the Town, or to its order, from said proceeds such amounts as the Town may expend for the repair or rehabilitation of the Leased Property, upon the filing of requisitions of the Town Representative meeting the requirements of Section 6.01.

(c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the Town gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the Town in the Leased Property or the ability of the Town to meet any of its financial obligations under the Lease, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments under Section 9.3 of the Lease and applied to the corresponding prepayment of Certificates under Section 3.01(b), which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under this Section 6.02, the Town may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee and the Certificate Insurer. Any such determination by the Town is final.

ARTICLE VII

MONEYS IN FUNDS; INVESTMENTS

Section 7.01. Held in Trust. The moneys and Permitted Investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Town and the Owners of the Certificates solely for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Corporation, the Trustee, the Town, the Certificate Insurer or the Owner of any Certificates.

Section 7.02. Investments Authorized. Upon the written request of a Town Representative filed with the Trustee from time to time, moneys held by the Trustee in any fund or account hereunder shall be invested and reinvested by the Trustee in Permitted Investments which mature not later than the date such moneys are required or estimated by the Town to be required to be expended hereunder. Permitted Investments may be purchased at such prices as the Town shall determine. All Permitted Investments shall be acquired subject to such limitations or requirements as may be established by the written request of a Town Representative. In the absence of any written request of the Town directing the investment of uninvested moneys held by the Trustee hereunder, the Trustee shall hold such moneys uninvested. Such investments, if registrable, shall be registered in the name of the Trustee, as trustee or in the name of its nominee, and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 7.02. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment. Whenever in this Trust Agreement any moneys are required to be transferred by the Town to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee is not responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Section 7.02. Ratings of Permitted Investments shall be determined at the time of purchase of such Permitted Investments and without regard to ratings subcategories. The Trustee may rely on the investment directions of the Town as to both the suitability and legality of the directed investments.

The Town acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Town the right to receive brokerage confirmations of security transactions as they occur, at no additional cost, the Town specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Town periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

Section 7.03. Accounting. The Trustee shall furnish to the Town, not less than monthly, an accounting (in the form customarily used by the Trustee) of all investments and other transactions made by the Trustee under this Trust Agreement.

Section 7.04. Allocation of Earnings. Any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made; except that all income received on the investment of amounts on deposit in the Reserve Fund shall be applied as set forth in Section 4.02. For the purpose of determining the amount in

any fund, the value of Permitted Investments credited to such fund shall be valued by the Trustee at least quarterly at the market value thereof. The Trustee may sell, or present for prepayment, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from any such Permitted Investment.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Appointment of Trustee. The Bank of New York Mellon Trust Company, N.A. is hereby appointed Trustee by the Corporation and the Town for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Trust Agreement. The Corporation and the Town agree that they will maintain a Trustee having a corporate trust office in the State of California and having a combined capital and surplus (or whose related bank holding company has a combined capital and surplus) of at least $50,000,000, and which shall be subject to supervision or examination by Federal or state authority, so long as any Certificates are Outstanding. If such bank, national banking association or trust company publishes a report of condition at least annually under law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this Section 8.01 the combined capital and surplus of such bank, national banking association or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Town and the Corporation covenant that they will maintain a Trustee acceptable to the Certificate Insurer and qualified under the provisions of the foregoing provisions of this Section 8.01, so long as any Certificates are Outstanding.

The Trustee is hereby authorized to pay or prepay the Certificates when duly presented as provided herein for payment at maturity, or on prepayment, or on purchase by the Trustee as directed by the Town prior to maturity in accordance with Section 3.06, and to cancel all Certificates upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Certificates paid and discharged. The Trustee shall be compensated for its services rendered under the provisions of this Trust Agreement.

Section 8.02. Acceptance of Trusts. The Trustee hereby accepts the express trusts imposed upon it by this Trust Agreement, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement. In case an Event of Default has occurred (which has not been cured or waived) the Trustee may exercise such of the rights and powers vested in it by this Trust Agreement, and shall use the same degree of care and skill in their exercise, as a prudent corporate trustee would exercise or use under the circumstances.

(b) No provision in this Trust Agreement requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if repayment of such funds or indemnity satisfactory to it against such risk or liability is not in the conclusive opinion of the Trustee satisfactorily assured to it.

(c) The Trustee is not responsible or liable for any recital herein, or in the Certificates, or for any of the supplements thereto or instruments of further assurance, or for the validity or sufficiency of the security for the Certificates executed and delivered hereunder or intended to be secured hereby, and the Trustee shall not be bound at any time to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Corporation or the Town under the Lease. The Trustee is not responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VII.

(d) The Trustee is not accountable for the use of any Certificates delivered hereunder or the proceeds thereof. The Trustee may become the Owner of Certificates with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the Town with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Certificates, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Certificates then Outstanding.

(e) The Trustee shall be protected in acting upon any notice, request, requisition, consent, certificate, order, affidavit, letter, telegram, direction, facsimile transmission, electronic mail or other paper or document believed by the trust officer responsible for the administrative of the trusts created hereunder to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith under this Trust Agreement upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Certificate, shall be conclusive and binding upon all future Owners of the same Certificate and upon Certificates delivered in exchange therefor or in place thereof. The Trustee is not bound to recognize any person as an Owner of any Certificate or to take any action at such person's request unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by a Corporation Representative or a Town Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been given notice or is deemed to have notice, as provided in Section 8.02(h), shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of a Corporation Representative or a Town Representative to the effect that an authorization in the form therein set forth has been adopted by the Corporation or the

Town, as the case may be, as conclusive evidence that such authorization has been duly adopted, and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Trust Agreement may not be construed as a duty and the Trustee is not answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee extend to its officers, directors, employees and agents.

(h) The Trustee is not required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the Town to make any of the Lease Payments to the Trustee required to be made by the Town under the Lease or failure by the Corporation or the Town to file with the Trustee any document required by this Trust Agreement or the Lease to be so filed subsequent to the delivery of the Certificates on a date certain, unless the Trustee shall be specifically notified in writing of such default by the Corporation, the Town, the Certificate Insurer or the Owners of at least 25% in aggregate principal amount of Certificates then Outstanding. All notices or other instruments required by this Trust Agreement to be delivered to the Trustee must, in order to be effective, be delivered at the Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, have the right (but not any duty) fully to inspect the Leased Property, including all books, papers and records of the Corporation or the Town pertaining to the Leased Property and the Certificates, and to take such memoranda from and with regard thereto as may be desired.

(j) The Trustee is not required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Trust Agreement with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Trust Agreement, the Trustee has the right, but is not required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, which may be deemed desirable by the Trustee for the purpose of establishing the right of the Corporation or the Town to the execution of any Certificates, the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) Before taking any action referred to in Article XII at the direction of the Certificate Insurer or the Certificate Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Certificate Insurer or the Certificate Owners, or any of them, for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any such action.

(m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The

Trustee has no liability for interest on any moneys received hereunder except such as may be agreed upon, other than interest derived from investments made or required to be made under Section 7.02.

(n) The Trustee is not responsible for the sufficiency of the Lease, its right to receive moneys under the Lease, or the value of or title to the Leased Property.

(o) The Trustee is not liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Certificate Insurer or the Owners of a majority in aggregate principal amount of the Outstanding Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

(p) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers and the Trustee is not responsible for any misconduct or negligence on the part of any attorney, agent, or receiver appointed with due care. The Trustee shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder and shall be protected in any action taken or suffered by it hereunder in reliance on such advice.

(q) The Trustee is not liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(r) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

(s) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Trust Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that, the Town and/or the Corporation, as applicable, shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Town and/or the Corporation, as applicable, whenever a person is to be added or deleted from the listing. If the Town and/or the Corporation, as applicable, elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions,

the Trustee's understanding of such Instructions shall be deemed controlling. The Town and the Corporation understand and agree that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Town and the Corporation shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Town, the Corporation and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Town and/or the Corporation, as applicable. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding the fact that such directions conflict or are inconsistent with a subsequent written instruction. The Town and the Corporation agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that they are fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions that the method(s) selected by the Town and/or the Corporation, as applicable; (iii) that the security procedures (if any) to be followed in connection with their transmission of Instructions provide to them a commercially reasonable degree of protection in light of their particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(t) In acting or omitting to act pursuant to the Lease, the Site Lease, the Assignment Agreement or any other document executed in connection herewith or therewith, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Trust Agreement, including, but not limited to, this Article 8.02. Notwithstanding the effective date of this Trust Agreement or anything to the contrary in this Trust Agreement, the Trustee shall have no liability or responsibility for any act or event relating to this Trust Agreement which occurs prior to the date the Trustee formally executes this Trust Agreement and commences acting as Trustee hereunder.

(u) The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Certificates.

(v) The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

Section 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement by the Town for reasonable fees for its services rendered hereunder and all advances, agent and counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee has a first lien with right of payment prior to payment on account of principal, premium, if any, and interest represented by any Certificate upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively. The Trustee shall be entitled to interest on all moneys advanced by it in the performance of its duties hereunder at the maximum legal rate allowable. The Town's obligation to compensate the Trustee under this

Section 8.03 survives the maturity and payment or discharge of the Certificates and the resignation or removal of the Trustee.

When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency arrangement, moratorium, reorganization or other debtor relief law.

Section 8.04. Notice to Certificate Owners of Default. If an Event of Default occurs of which the Trustee has been given or is deemed to have notice, as provided in Section 8.02(h), then the Trustee shall promptly give written notice thereof (a) to the Certificate Insurer by telephone confirmed in writing, and (b) by first class mail, postage prepaid, to the Owner of each Outstanding Certificate, unless such Event of Default has been cured before the giving of such notice; *provided, however* that unless such Event of Default consists of the failure by the Town to make any Lease Payment when due, the Trustee may elect not to give such notice to the Certificate Owners if and so long as the Trustee in good faith determines that it is in the best interests of the Certificate Owners not to give such notice.

Section 8.05. Removal of Trustee. The Town may remove the Trustee upon thirty (30) days prior notice, unless an Event of Default has occurred and is continuing, and shall remove the Trustee (a) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Certificate Insurer or (with the prior written consent of the Certificate Insurer) by the Owners of a majority in aggregate principal amount of the Certificates then Outstanding (or their attorneys duly authorized in writing) or (b) if at any time the Trustee ceases to be eligible in accordance with Section 8.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of 30 days' prior written notice of such removal by the Town to the Trustee, whereupon the Town shall appoint a successor Trustee in accordance with Section 8.07. However, no removal shall become effective until a successor Trustee, acceptable to the Certificate Insurer, has been appointed.

Section 8.06. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign by giving written notice by registered or certified mail to the Town and the Certificate Insurer. Upon receiving such notice of resignation, the Town shall promptly appoint a successor Trustee in accordance with Section 8.07. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such acceptance, the Town shall mail notice thereof to the Certificate Insurer and to the Certificate Owners at their respective addresses set forth on the Registration Books. However, no resignation shall become effective until a successor Trustee, acceptable to the Certificate Insurer, has been appointed.

Section 8.07. Appointment of Successor Trustee. If the Trustee resigns or is removed under Sections 8.06 or 8.05, respectively, with the prior written consent of the Certificate Insurer the Town shall promptly appoint a successor Trustee. If the Town for any reason whatsoever fails to appoint a successor Trustee within 30 days following the delivery to the Trustee of the instrument described in Section 8.05 or within 30 days following the receipt of notice by the Town under Section 8.06, the Certificate Insurer or the Trustee may apply to any federal or state court for the appointment of a successor Trustee meeting the requirements of Section 8.01. Any such successor Trustee appointed by such court will become the successor

Trustee hereunder notwithstanding any action by the Town purporting to appoint a successor Trustee following the expiration of such 30 day period.

Section 8.08. Merger or Consolidation. Any company or association into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company or association shall be eligible under Section 8.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 8.09. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Certificate Insurer, the Corporation and the Town an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Town, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Town be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Town. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII, shall be filed or recorded by the successor Trustee in each recording office where the Assignment Agreement has been filed or recorded.

Section 8.10. Non-Liability of Trustee. The recitals, statements and representations by the Town and the Corporation contained in this Trust Agreement or in the Certificates shall be taken and construed as made by and on the part of the Town and the Corporation, as the case may be, and not by the Trustee, and the Trustee has no responsibility, obligation or liability for the correctness of any thereof.

The Trustee makes no representation or warranty, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the Town or the Corporation of the Leased Property. In no event shall the Trustee be liable for special or consequential damages in connection with or arising from the Lease for the existence, furnishing or use of the Leased Property.

The Trustee is not: (a) responsible for the sufficiency or enforceability of the Lease or the assignment under the Assignment Agreement of its rights to receive Lease Payments; (b) deemed to have knowledge of any Event of Default unless and until it has received written notice thereof or, with respect to Section 8.1(a) of the Lease, has actual knowledge thereof or except as provided in Section 8.02(h); or (c) accountable for the use or application by the Town or the Corporation of any funds which the Trustee has released under this Trust Agreement.

Section 8.11. Actions Through Agents. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Trustee is not answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee is not answerable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with the funds and accounts established hereunder, except only for its own negligence or willful misconduct.

Section 8.12. Nature of Trust Engagement. The Trustee undertakes to perform such duties and only such duties as are expressly and specifically set forth in the Trust Agreement and no implied covenants or obligations whatsoever shall be read into the Trust Agreement against the Trustee. In accepting the trusts hereby created, the Trustee acts solely as Trustee and not in its individual capacity. All persons, including without limitation the Owners, the Certificate Insurer, the Town and the Corporation having any claim against the Trustee arising from the Trust Agreement shall look only to the funds and accounts hereunder for payment except as otherwise provided herein; *provided, however*, that nothing in this sentence is intended or shall be construed to apply to, or limit the source of payment of, claims against the Trustee arising from the negligence or willful misconduct of the Trustee. Under no circumstances is the Trustee liable in its individual capacity for payment of the obligations represented by the Certificates.

Section 8.13. Certificate Insurer's Exercise of Rights Relating to the Trustee. the Certificate Insurer is deemed to be the sole holder of the Certificates insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners are entitled to take under this Article VIII.

ARTICLE IX

MODIFICATION OR AMENDMENT

Section 9.01. Amendments Permitted. This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the Certificate Insurer and of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 13.04, has been filed with the Trustee. No such modification or amendment may (a) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate represented thereby or extending the time of payment of interest, or reducing the amount of principal represented thereby or reducing any premium payable upon the prepayment thereof, without the express consent of the Certificate Insurer and Owner of such Certificate, or (b) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification hereof, or (c) modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental agreement shall become effective as provided in Section 9.02.

This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement, with the prior written consent of the Certificate Insurer but without the consent of any Certificate Owners, but only to the extent permitted by law and only:

(a) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the Town,

(b) to cure, correct or supplement any ambiguous or defective provision contained herein,

(c) in regard to questions arising hereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not, in the opinion of Bond Counsel, materially adversely affect the interests of the Owners of the Certificates, or

(d) to conform to any amendments of the Lease which are permitted to be made under Section 7.5 thereof.

Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto.

Section 9.02. Procedure for Amendment with Written Consent of Certificate Owners. If the consents of the Certificate Insurer and the Owners of the Certificates are required to any amendment hereof under Section 9.01, such amendment shall be required to comply with the provisions of this Section 9.02. A copy of such supplemental agreement, together with a request to the Certificate Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Certificate at such Owner's address as set forth on the Registration Books, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as provided in this Section.

Such supplemental agreement may not become effective unless there shall be filed with the Trustee the written consents of the Certificate Insurer and the Owners of a majority in

aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 13.04) and a notice has been mailed as hereinafter provided in this Section. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.10. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Certificate Insurer and the Owners of the required percentage of Certificates have filed their consents to such supplemental agreement, the Trustee shall mail a notice to the Owners of the Certificates in the manner hereinbefore provided in this Section for the mailing of such supplemental agreement of the notice of adoption thereof, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60 day period.

Section 9.03. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective under this Article IX, this Trust Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto, and the rights of the Certificate Insurer and the affected Certificate Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement for any and all purposes.

Section 9.04. Endorsement or Replacement of Certificates Delivered After Amendments. The Trustee may determine that Certificates delivered after the effective date of any action taken as provided in this Article IX shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand on the Owner of any Certificate Outstanding at such effective date and presentation of such Owner's Certificate for the purpose at the Office of the Trustee, a suitable notation shall be made on such Certificate. The Trustee may determine that the delivery of substitute Certificates, so modified as in the opinion of the Trustee is necessary to conform to such Certificate Owners' action is necessary or desirable, which substitute Certificates shall thereupon be prepared, executed and delivered. In that case, upon demand on the Owner of any Certificate then Outstanding, such substitute Certificate shall be exchanged at the Office of the Trustee, without cost to such Owner, for a Certificate of the same character then Outstanding, upon surrender of such Outstanding Certificate.

Section 9.05. Amendatory Endorsement of Certificates. The provisions of this Article IX shall not prevent any Certificate Owner from accepting any amendment as to the

particular Certificates held by him, provided that proper notation thereof is made on such Certificates.

Section 9.06. Opinion of Counsel. Prior to executing any supplemental Trust Agreement, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such supplemental Trust Agreement under this Trust Agreement have been satisfied and such supplemental Trust Agreement is authorized and permitted under this Trust Agreement.

Section 9.07. Notice to Rating Agencies. The Town shall send copies of any proposed amendment or modification hereof to each rating agency which then maintains a rating on the Certificates, at least 10 days prior to the effective date of any such amendment or modification.

ARTICLE X

OTHER COVENANTS

Section 10.01. Compliance With and Enforcement of Lease. The Town covenants to perform all obligations and duties imposed on it under the Lease. The Corporation covenants and agrees with the Certificate Insurer and the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease.

The Town will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Lease by the Corporation thereunder. The Corporation and the Town, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Leased Property, which may or can in any manner affect such estate of the Town, will deliver the same, or a copy thereof, to the Certificate Insurer and the Trustee.

Section 10.02. Observance of Laws and Regulations. The Town will keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Town, including its right to exist and carry on business as a public agency, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 10.03. Prosecution and Defense of Suits. The Town shall promptly, upon request of the Trustee, the Certificate Insurer or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Leased Property, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee, the Certificate Insurer and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section 10.04. Recordation and Filing. The Town shall record and file the Lease or a memorandum thereof, the Site Lease, the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee, which has no duty to make such request), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee, the Certificate Insurer and the Certificate Owners.

Section 10.05. Continuing Disclosure. The Town shall comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the Town as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with its terms. Notwithstanding any other provision of this Trust Agreement, failure of the Town to comply with such Continuing Disclosure Certificate does not constitute an Event of Default; except that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Certificates may take such

actions as may be necessary and appropriate to compel performance by the Town of its obligations under this Section, including seeking mandate or specific performance by court order.

Section 10.06. Further Assurances. The Corporation and the Town will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Lease, and for the better assuring and confirming unto the Owners of the Certificates the rights and benefits provided herein.

Section 10.07. Rights Under Certificate Insurance Policy. So long as the Certificate Insurance Policy remains in force and effect, the Trustee shall comply with all of the provisions thereof which are required to be complied with to ensure timely payment of the principal and interest with respect to the Certificates when due.

Section 10.08. Provisions Relating to the Reserve Policy. As long as the Reserve Policy shall be in full force and effect, the Town and the Trustee agree to comply with the following provisions:

Section 10.09. Other Provisions Relating to the Certificate Insurer. The following provisions shall govern, notwithstanding anything to the contrary set forth in this Trust Agreement:

ARTICLE XI

LIMITATION OF LIABILITY

Section 11.01. Limited Liability of Town. Except for the payment of Lease Payments when due in accordance with the Lease and the performance of the other covenants and agreements of the Town contained in the Lease and this Trust Agreement, the Town has no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee, except as expressly set forth herein.

Section 11.02. No Liability of the Corporation for Trustee Performance. Neither the Town nor the Corporation has any obligation or liability to any of the other parties or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 11.03. Indemnification of Trustee. The Town shall indemnify and save the Trustee, its directors, officers, agents and employees harmless from and against (whether or not litigated) all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of any of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on, the Leased Property by the Corporation or the Town,

(b) any breach or default on the part of the Corporation or the Town in the performance of any of their respective obligations under this Trust Agreement and any other agreement made and entered into for purposes of the Leased Property,

(c) any act of negligence of the Corporation or the Town or of any of their respective agents, contractors, servants, employees, licensees with respect to the Leased Property,

(d) any act of negligence of any assignee of, or purchaser from the Corporation or the Town or of any of its or their respective agents, contractors, servants, employees or licensees with respect to the Leased Property,

(e) the application of the proceeds of the Certificates,

(f) the actions of any other party, including but not limited to the ownership, operation or use of the Leased Property by the Corporation or the Town, or

(g) the Trustee's exercise and performance of its powers and duties hereunder and under the Assignment Agreement, the Site Lease, the Lease Agreement and any document executed or contemplated herewith or therewith.

No indemnification is made under this Section 11.03 or elsewhere in this Trust Agreement for willful misconduct or negligence under this Trust Agreement by the Trustee, its officers, agents, employees, successors or assigns. The Corporation's and the Town's obligations hereunder will remain valid and binding notwithstanding maturity and payment or discharge of the Certificates and notwithstanding any resignation or removal of the Trustee.

Section 11.04. Opinion of Counsel. Before being required to take any action, the Trustee may, at the expense of the Town, require an opinion of counsel acceptable to the Trustee, or an opinion of Bond Counsel acceptable to the Trustee, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, Trustee shall be absolutely protected in relying on any such opinion or certificate obtained by the Trustee.

Section 11.05. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the Town, the Corporation, the Trustee, the Certificate Insurer and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the Town, the Corporation, the Trustee, the Certificate Insurer and said Owners.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.01. Assignment of Rights. Under the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee certain of the Corporation's rights in and to the Lease (excepting only the Corporation's rights under Sections 4.4, 5.10, 7.3 and 8.4 thereof), including without limitation all of the Corporation's rights to exercise such rights and remedies conferred on the Corporation under the Lease as may be necessary or convenient (a) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (b) otherwise to exercise the Corporation's rights and take any action to protect the interests of the Trustee, the Certificate Insurer or the Certificate Owners in an Event of Default.

Section 12.02. Events of Default Defined. As provided in Section 8.1 of the Lease, any one or more of the following events constitutes an Event of Default:

(a) Failure by the Town to pay any Lease Payment or other payment required to be paid hereunder at the time specified in the Lease.

(b) Failure by the Town to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Lease or in this Trust Agreement, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Town by the Corporation, the Certificate Insurer or the Trustee; *provided, however*, that if in the reasonable opinion of the Town the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the Town commences to cure the failure within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time, such period of time to be no longer than 180 days after such default notice has been given to the Town.

(c) The filing by the Town of a voluntary petition in bankruptcy, or failure by the Town promptly to lift any execution, garnishment or attachment, or adjudication of the Town as a bankrupt, or assignment by the Town for the benefit of creditors, or the entry by the Town into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Town in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

For purposes of determining whether any Event of Default has occurred under and as described in the preceding clause (a), no effect may be given to payments made by the Certificate Insurer under the Certificate Insurance Policy.

Section 12.03. Remedies. If an Event of Default happens, then and in each and every such case during the continuance of such Event of Default, with the prior written consent of the Certificate Insurer the Trustee may, and at the written direction of the Certificate Insurer or (with the prior written consent of the Certificate Insurer) at the written direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding the Trustee shall, exercise any and all remedies available under law or granted under the Lease; *provided,*

however, that notwithstanding anything herein or in the Lease to the contrary, there shall be no right under any circumstances to accelerate the maturities of the Certificates or otherwise to declare any Lease Payment not then in default to be immediately due and payable.

Section 12.04. Application of Funds. All moneys received by the Trustee under any right given or action taken under the provisions of this Article XII or Article VIII of the Lease, or held under this Trust Agreement shall be applied by the Trustee in the order following upon presentation of the several Certificates, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid -

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in taking any remedial action with respect thereto, including reasonable compensation to its agents, attorneys and counsel, and including such other necessary costs incurred in connection with the performance of its powers and duties under this Trust Agreement;

Second, to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the rate set forth in Section 4.3(c) of the Lease (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and

Third, to the payment of any amounts owed to the Certificate Insurer.

Section 12.05. Institution of Legal Proceedings. If one or more Events of Default occur and are continuing, with the prior written consent of the Certificate Insurer the Trustee in its discretion may, and upon the written request of the Certificate Insurer or (with the prior written consent of the Certificate Insurer) upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Certificate Insurer or the Owners of Certificates by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties hereunder.

Section 12.06. Non-waiver. Nothing in this Article XII or in any other provision of this Trust Agreement or in the Certificates, affects or impairs the obligation of the Town, which is absolute and unconditional, to pay or prepay the Lease Payments as provided in the Lease. No delay or omission of the Trustee, the Certificate Insurer or any Certificate Owner to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XII to the Trustee, the Certificate Insurer or the Certificate Owners may be exercised from time to time and as often as shall be deemed expedient by the Trustee, the Certificate Insurer or the Certificate Owners.

Section 12.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee, the Certificate Insurer or the Certificate Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section 12.08. Power of Trustee to Control Proceedings. If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, under its duties hereunder, whether upon its own discretion, or upon the direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, it has full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Certificate Insurer or (with the prior written consent of the Certificate Insurer) by the Owners of a majority in aggregate principal amount of the Outstanding Certificates opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 12.09. Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate delivered hereunder may institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner has previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of a majority in aggregate principal amount of all the Certificates then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee has refused or omitted to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates has any right in any manner whatever by its or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Certificate Insurer and all Owners of the Outstanding Certificates.

Section 12.10. Possession of Certificates by Trustee Not Required. All rights and remedies granted to or exercisable by the Trustee hereunder or under the Lease may be exercised by the Trustee without possession of any of the Certificates or the production thereof at the trial or other proceeding relative thereto, and any suit, action or proceeding instituted by the Trustee hereunder or under the Lease shall be brought in its name for the benefit of the Certificate Insurer and all the Owners of such Certificates, subject to the provisions of this Trust Agreement.

Section 12.11. Rights of Certificate Insurer. Anything in this Trust Agreement to the contrary notwithstanding, upon the occurrence and continuation of an Event of Default, the Certificate Insurer is entitled to control and direct the enforcement of all rights and remedies

granted hereunder to the Certificate Owners, or to the Trustee for the benefit of the Certificate Owners, including but not limited to the right to approve all waivers of any Events of Default. The rights granted to the Certificate Insurer hereunder may not be exercised by the Certificate Insurer during any period in which the Certificate Insurer is in payment default under the Certificate Insurance Policy.

ARTICLE XIII

DISCHARGE; ADMINISTRATIVE PROVISIONS

Section 13.01. Discharge Hereof. If and when the obligations represented by any Outstanding Certificates shall be paid and discharged in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal, interest and prepayment premiums (if any) represented by such Certificates Outstanding, as and when the same become due and payable, or

(b) by depositing with the Trustee or any other fiduciary, under an escrow deposit and trust agreement, security for the payment of Lease Payments relating to such Certificates as more particularly described in Section 9.1 of the Lease, said security to be held by the Trustee on behalf of the Town to be applied by the Trustee or by such other fiduciary to pay or prepay such Lease Payments as the same become due, under Section 9.1 of the Lease,

then notwithstanding that such Certificates have not been surrendered for payment, all rights hereunder of the Owners of such Certificates and all obligations of the Corporation, the Trustee and the Town with respect to such Certificates shall cease and terminate, except only the obligations of the Corporation and the Town under Section 11.03 and the obligations of the Trustee under Sections 2.07 and 2.08, and the obligation of the Trustee to pay or cause to be paid, from Lease Payments paid by or on behalf of the Town from funds deposited under paragraph (b) of this Section, to the Owners of such Certificates not so surrendered and paid all sums represented thereby when due and in the event of deposits under paragraph (b), and such Certificates shall continue to represent direct, undivided fractional interests of the Owners thereof in the Lease Payments.

Any funds held by the Trustee, at the time of discharge of the obligations represented by all Outstanding Certificates as a result of one of the events described in paragraphs (a) or (b) of this Section, which are not required for the payment to be made to Owners, shall, upon payment in full of all fees and expenses of the Trustee (including attorneys' fees and expenses) then due, be paid over to the Town.

Notwithstanding the foregoing provisions of this Section 13.01, if the principal, interest and premium (if any) represented by the Certificates are paid by the Certificate Insurer, the obligations of the Trustee, the Corporation and the Town will continue in full force and effect and the Certificate Insurer will be fully subrogated to the rights of all Owners of the Certificates so paid. In addition, the obligations of the Trustee, the Corporation and the Town hereunder, will continue in full force and effect, and shall not be terminated, until such time as there has paid all amounts (if any) due and owing to the Certificate Insurer under the Reserve Policy; and the Trustee will not distribute any funds to the Town under the preceding paragraph unless the Corporation has certified to the Trustee that there are no obligations then due and owing to the Certificate Insurer.

Section 13.02. Records. The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Trust Agreement, which shall be available for inspection by the Town, the Corporation, the Certificate Insurer and any Owner, or the agent of any of them, at any reasonable time during regular business hours upon prior notice.

Section 13.03. Notices. Any notice, request, complaint, demand or other communication under this Trust Agreement shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 72 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Corporation, the Town, the Trustee or the Certificate Insurer may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Corporation:	Public Property Financing Corporation of California 23945 Calabasas Road, Suite 103 Calabasas, California 91302 (818) 224-4789 (Fax)
If to the Town:	Town of Corte Madera P.O. Box 159 Corte Madera, California 94976-0159 (415) 927-5087 (Fax)
If to the Trustee:	The Bank of New York Trust Company, N.A. 100 Pine Street, Suite #3150 San Francisco, California 94111 Attention: Corporate Trust Department (415) 399-1647 (fax)
If to the Certificate Insurer:	

So long as the Certificate Insurance Policy remains in effect, the Trustee shall furnish to the Certificate Insurer a copy of any notice required to be given hereunder to the Certificate Owners and any certification required to be given hereunder relating to the security for the Certificates or the Lease Payments.

Section 13.04. Disqualified Certificates. In determining whether the Owners of the requisite aggregate principal amount of Certificates have concurred in any demand, request, direction, consent or waiver under this Trust Agreement, Certificates which are owned or held by or for the account of the Town (but excluding Certificates held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, *provided, however*, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Certificates which the Trustee actually knows to be so owned or held shall be disregarded, unless all such Certificates are so owned, in which case all such Certificates shall be deemed Outstanding. Upon request of the Trustee, the Town shall specify in a certificate to the Trustee

those Certificates disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

Section 13.05. Payment of Certificates After Discharge of Trust Agreement. Notwithstanding any provisions of this Trust Agreement, but subject to any applicable laws of the State of California relating to the escheat of funds or property, any moneys held by the Trustee in trust for the payment of the principal or interest represented by any Certificates and remaining unclaimed for 2 years after the principal represented by all of the Certificates has become due and payable (whether at maturity or upon call for prepayment or by acceleration as provided in this Trust Agreement), if such moneys were so held at such date, or 2 years after the date of deposit of such moneys if deposited after said date when all of the Certificates became due and payable, shall be repaid (without liability for interest) to the Town free from the trusts created by this Trust Agreement, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the Town as aforesaid, the Trustee shall (at the request of and at the cost of the Town) mail, by first class mail postage prepaid, to the Owners of Certificates which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Certificates so payable and not presented and with respect to the provisions relating to the repayment to the Town of the moneys held for the payment thereof.

Section 13.06. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 13.07. Binding Effect; Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Corporation, the Town, the Certificate Insurer or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Corporation, the Town, the Certificate Insurer or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 13.08. Corporation and Town Representatives. Whenever under the provisions of this Trust Agreement the Corporation or the Town is required or permitted to take some action, including but not limited to the giving of any approval or the execution of some request, direction or other instrument, such action shall be made on behalf of the Corporation by a Corporation Representative and on behalf of the Town by a Town Representative, and any party hereto shall be fully authorized to rely upon any such action by a Corporation Representative or a Town Representative.

Section 13.09. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 13.10. Delivery of Canceled Certificates. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee of any Certificates, the Trustee shall cancel and, unless directed in writing by the Town Representative, destroy such Certificates and, upon the Town's request, shall deliver a certificate of destruction with respect thereto to the Town.

Section 13.11. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement.

Section 13.12. Third-Party Beneficiary. The Certificate Insurer is made a third-party beneficiary of this Trust Agreement, with all rights of a third-party beneficiary.

Section 13.13. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice are not conditions precedent to the validity of any action taken in reliance upon such waiver.

Section 13.14. Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Corporation and the Town hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

IN WITNESS WHEREOF, the parties have executed this Trust Agreement as of the date and year first above written.

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

By: _____
Authorized Officer

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA

By _____
Secretary/Treasurer

TOWN OF CORTE MADERA

By _____
Director of Administrative Services/Town Treasurer

Attest:

_____
Town Clerk

APPENDIX A

DEFINED TERMS

Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms defined in this Appendix A have the respective meanings given them in this Appendix when used in this Trust Agreement and when used in the Lease.

"Additional Payments" means the amounts payable by the Town under Section 4.4 of the Lease.

"Assignment Agreement" means the Assignment Agreement, dated as of June 1, 2016, between the Corporation as assignor and the Trustee as assignee, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys of nationally recognized expertise with respect to legal matters relating to obligations issued by states and local governments.

"Business Day" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State of California, or in any state in which any Office of the Trustee is located.

"Certificate Insurance Policy" means the _____ issued by the Certificate Insurer, insuring payment when due of principal and interest represented by the Certificates.

"Certificate Insurer" means _____, and its successors and assigns, as issuer of the Certificate Insurance Policy.

"Certificates Proceeds Fund" means the fund established and held by the Trustee pursuant to Section 4.01(a).

"Certificates" means $_____ aggregate principal amount of Town of Corte Madera 2016 Federally Taxable Refunding Certificates of Participation, executed and delivered and at any time Outstanding hereunder

"Closing Date" means the day when the Certificates, duly executed by the Trustee, are delivered to the Original Purchaser.

"Corporation" means the Public Property Financing Corporation of California, a nonprofit corporation duly organized and existing under the laws of the State of California.

"Corporation Representative" means the President, Vice President, Treasurer or Secretary of the Corporation, or any other person authorized by resolution of the Board of Directors of the Corporation to act on behalf of the Corporation under or with respect to this Trust Agreement.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Town or the Corporation relating to the execution and delivery of the Certificates, including but not limited to filing and recording costs, settlement costs, printing

costs, reproduction and binding costs, initial fees and charges of the Trustee (which shall include legal fees and the first annual administration fee of the Trustee), financing discounts, legal fees and charges, insurance fees and charges (including premium for the Policy and the Reserve Policy), financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Certificates, and any charges and fees in connection with the foregoing.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee under Section 4.03.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.05.

"Depository System Participant" means any participant in the Depository's book-entry system.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Event of Default" means an event of default under the Lease, as defined in Section 8.1 thereof.

"Federal Securities" means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or (b) any obligations the timely payment of principal of and interest on which are fully and unconditionally guaranteed by the United States of America.

"Fiscal Year" means the twelve-month period beginning on July 1 of any year and ending on June 30 of the next succeeding year, or any other twelve-month period by the Town as its fiscal year under written notice filed with the Trustee.

"Information Services" the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or any successor system.

"Insurance and Condemnation Fund" means the fund by that name to be established and held by the Trustee under Section 6.01.

"Interest Payment Date" means each February 1 and August 1, commencing February 1, 2017, to and including the final date of maturity of the Certificates.

"Lease" means the Lease Agreement dated as of June 1, 2016, between the Corporation as lessor and the Town as lessee, as originally executed or as thereafter amended under any duly authorized and executed amendments and supplements thereto.

"Lease Payment Date" means, with respect to any Interest Payment Date, the 15th Business Day preceding such Interest Payment Date.

"Lease Payment Fund" means the fund by that name established and held by the Trustee under Section 5.02.

"Lease Payments" means all payments required to be paid by the Town under Section 4.3(a) of the Lease, including any prepayment thereof under Article IX of the Lease.

"Leased Property" means all of the land which is more particularly described in Appendix A attached to the Lease. If the Town exercises its option under Section 4.6 of the Lease with respect to the substitution of property or its option under Section 4.7 of the Lease Agreement with respect to the release of property, the term "Leased Property" will thereupon be modified accordingly.

"Moody's" means Moody's Investors Service, its successors and assigns.

"Net Proceeds" means any insurance proceeds or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Leased Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"Nominee" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.05(a).

"Office" means the corporate trust office of the Trustee in San Francisco, California, except that with respect to presentation of Certificates for payment or for registration of transfer and exchange such term shall mean the office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted.

Any such office or offices may be re-designated by the Trustee from time to time pursuant to written notice filed with the Town and the Corporation.

"Original Purchaser" means Stifel, Nicolaus & Company, Incorporated, as original purchaser of the Certificates.

"Outstanding", when used as of any particular time with respect to Certificates, means (subject to the provisions of Section 13.04) all Certificates theretofore executed and delivered by the Trustee under this Trust Agreement except (a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Certificates deemed to have been paid under Section 13.01; and (c) Certificates in lieu of or in exchange for which other Certificates have been executed and delivered by the Trustee under Section 2.08.

"Owner", when used with respect to a Certificate, means the person in whose name the ownership of such Certificate shall be registered on the Registration Books.

"Permitted Encumbrances" means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the Town may permit to remain unpaid under Article V of the Lease; (b) the Site Lease, the Lease and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor which is secured by a lien on the Leased Property; (d) the exceptions disclosed in the title insurance policy with respect to the Leased Property issued following the Closing Date; and (e) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the Town certifies in writing will not materially impair the use of the Leased Property for its intended purposes.

"Permitted Investments" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

1. Federal Securities.

2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

a. Farmers Home Administration (FmHA)
Certificates of beneficial ownership

b. Federal Housing Administration Debentures (FHA)

c. General Services Administration
Participation certificates

d. Government National Mortgage Association (GNMA or "Ginnie Mae")
GNMA - guaranteed mortgage-backed bonds
GNMA - guaranteed pass-through obligations (participation certificates) (not acceptable for certain cash-flow sensitive issues.)

e. U.S. Maritime Administration
Guaranteed Title XI financing

f. U.S. Department of Housing and Urban Development (HUD)
Project Notes
Local Authority Bonds

3. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):

a. Federal Home Loan Bank System
Senior debt obligations (Consolidated debt obligations)

b. Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac")
Participation Certificates (Mortgage-backed securities)
Senior debt obligations

c. Federal National Mortgage Association (FNMA or "Fannie Mae")
Mortgage-backed securities and senior debt obligations (excluded are stripped mortgage securities which are valued greater than par on the portion of unpaid principal.)

d. Student Loan Marketing Association (SLMA or "Sallie Mae")
Senior debt obligations

e. Resolution Funding Corp. (REFCORP) Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

f. Farm Credit System
Consolidated systemwide bonds and notes

4. Money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of "AAAm-G"; "AAAm"; or "AA-m" and if rated by Moody's rated "Aaa", "Aa1" or "Aa2" (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries receives and retains a fee for services provided to the fund, including investment advisory, transfer agency, custodial or other management services).

5. Certificates of deposit secured at all times by collateral described in (1) and/or (2) above. CD's must have a one-year or less maturity. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks whose short term obligations are rated "A-1+" or better by S&P and "Prime-1" by Moody's and may include the Trustee and its affiliates.

The collateral must be held by a third party and the bondholders must have a perfected first security interest in the collateral.

6. Certificates of deposit (including those placed by a third party pursuant to an agreement between the Town and the Trustee), bank deposit products, time deposits, demand deposits, trust funds, trust accounts, overnight bank deposits, interest bearing deposits, interest bearing money market accounts, banker's acceptances, savings accounts, deposit accounts or money market deposits (including those of the Trustee or any of its affiliates) which are fully insured by FDIC, including BIF and SAIF.

7. Commercial paper rated at the time of purchase "Prime-1" by Moody's and "A-1+" or better by S&P.

8. Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest long-term rating categories assigned by such agencies.

9. Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's and "A-1+" by S&P.

10. Repurchase or reverse repurchase agreements (including those of the Trustee or any of its affiliates) that provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee (buyer/lender), and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date.

Repurchase or reverse repurchase agreements ("Repos") must satisfy the following criteria:

a. Repos must be between the municipal entity and a dealer bank or securities firm

(1) Primary dealers on the Federal Reserve reporting dealer list which fall under the jurisdiction of the SIPC and which are rated "A" or better by Standard & Poor's Ratings Group and "A2" or better by Moody's, or

(2) Banks rated "A" or above by Standard & Poor's Ratings Group and Moody's Investor Services.

b. The written repo contract must include the following

(1) Securities which are acceptable for transfer are:

(a) Direct U.S. governments

(b) Federal agencies backed by the full faith and credit of the U.S. government (and FNMA & FHLMC)

(2) The term of the repo may be up to 30 days

(3) The collateral must be delivered to the municipal entity, Trustee or third party acting as agent for the Trustee before/simultaneous with payment (perfection by possession of certificated securities).

(4) The Trustee has a perfected first priority security interest in the collateral.

(5) Collateral is free and clear of third-party liens and in the case of SIPC broker was not acquired pursuant to a repo or reverse repo.

(6) Failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate collateral.

(7) Valuation of Collateral

(a) The securities must be valued weekly, marked-to-market at current market price plus accrued interest

(b) The value of collateral must be equal to 104% of the amount of cash transferred by the municipal entity to the dealer bank or security firm under the repo plus accrued interest. If the value of securities held as collateral slips below 104% of the value of the cash transferred by municipality, then additional cash and/or acceptable securities must be transferred. If, however, the securities used as collateral are FNMA or FHLMC, then the value of collateral must equal 105%.

c. Legal opinion which must be delivered to the municipal entity: Repo meets guidelines under state law for legal investment of public funds.

12. Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P. If, however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

13. The Local Agency Investment Fund established pursuant to section 16429.1 of the California Government Code, to the extent the Trustee may deposit and withdraw funds directly, provided that the Trustee may restrict such investment if required to keep moneys available for the purposes of this Trust Agreement.

"Record Date" means the close of business on the 15th day of the month preceding each Interest Payment Date, whether or not such 15th day is a Business Day.

"Registration Books" means the records maintained by the Trustee under Section 2.11 for the registration of the ownership and transfer of ownership of the Certificates.

"Rental Period" means each period during the Term of the Lease commencing on and including August 2 in each year and extending to and including the next succeeding February 1, except that the first Rental Period begins on the Closing Date and ends on February 1, 2017.

"Reserve Fund" means the fund by that name established and held by the Trustee under Section 4.02.

"Reserve Policy" means _____.

"Reserve Requirement" means, as of the date of calculation thereof, an amount equal to the lesser of (a) 10% of the original principal amount of the Certificates, or (b) the maximum amount of Lease Payments (excluding Lease Payments with respect to which the Town shall have posted a security deposit pursuant to Section 9.1 of the Lease) coming due in the current or any future Fiscal Year, or (c) 125% of average annual Lease Payments. The Reserve Requirement shall initially be met by the deposit of the Reserve Policy.

"Securities Depositories" means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Town designates in written notice filed with the Trustee.

"Site Lease" means the Site Lease dated as of June 1, 2016, between the Town and the Corporation, as originally executed or as thereafter amended under any duly authorized and executed amendments and supplements thereto.

"S&P" means Standard & Poor's Rating Services, Standard & Poor's Financial Services LLC business, of New York, New York, its successors and assigns.

"Term Certificates" means the Certificates maturing on February 1, 20__ and February 1, 20__.

"Term of the Lease" means the time during which the Lease is in effect, as provided in Section 4.2 thereof.

"Town" means the Town of Corte Madera, a municipal corporation duly organized and existing under the laws of the State of California.

"Town Representative" means the Town Manager, the Director of Finance of the Town or any other person authorized by resolution of the Town Council of the Town to act on behalf of the Town under or with respect to this Trust Agreement and the Lease.

"Trust Agreement" means this Trust Agreement, as originally executed or as thereafter amended under any amendments or supplements hereto which are permitted to be made hereunder.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., or any successor thereto acting as Trustee hereunder.

"2006 Escrow Agreement" means the Escrow Deposit and Trust Agreement, dated as of June 1, 2016, by and between the Town and The Bank of New York Mellon Trust Company, N.A., as 2006 Trustee and escrow agent.

"2006 Trustee" means The Bank of New York Mellon Trust Company, N.A., as trustee for the Prior Certificates.

APPENDIX B

FORM OF CERTIFICATE OF PARTICIPATION

No. R-_____ ***$_____***

TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATE OF PARTICIPATION

Evidencing the Direct, Undivided Fractional Interest of the
Owner Thereof in Lease Payments to be Made by the

TOWN OF CORTE MADERA

RATE OF INTEREST:	MATURITY DATE:	DATED DATE:	CUSIP:
____%	FEBRUARY 1, _____	____, 2016	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

THIS IS TO CERTIFY THAT the Registered Owner identified above, or registered assigns, as the registered owner (the "Registered Owner") of this Certificate of Participation (this "Certificate") is the owner of a direct, undivided fractional interest in Lease Payments (the "Lease Payments") payable under a Lease Agreement dated as of June 1, 2016 (the "Lease"), between the Public Property Financing Corporation of California, a nonprofit corporation duly organized and existing under the laws of the State of California (the "Corporation") and the Town of Corte Madera, a municipal corporation duly organized and existing under the laws of the State of California (the "Town"), which Lease Payments and certain other rights and interests under the Lease have been assigned to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), having a corporate trust office in San Francisco, California (the "Office"), or such other or additional offices as the Trustee may designate from time to time as the corporate trust office.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Lease, on the Maturity Date identified above, or any earlier prepayment date, the Principal Amount identified above representing a direct, undivided fractional share of the portion of the Lease Payments designated as principal, and to receive on February 1, 2017, and semiannually thereafter on August 1 and February 1 of each year (the "Interest Payment Dates") until payment in full of said principal, the Registered Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the period immediately preceding each of the Interest Payment Dates.

Interest represented hereby shall be payable from the Interest Payment Date next preceding the date of execution of this Certificate unless (a) this Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment

Date, or (b) unless this Certificate is executed on or before January 15, 2017, in which event interest is payable from the Dated Date identified above. The Registered Owner's share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid share of the portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above, calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal represented hereby is payable in lawful money of the United States of America, upon presentation and surrender hereof at the Office of the Trustee, and interest represented hereby is payable by check mailed by first class mail by the Trustee on each Interest Payment Date to the Registered Owner at such Owner's address as it appears on the registration books of the Trustee as of the close of business on the 15th day of the month preceding such Interest Payment Date.

This Certificate has been executed and delivered by the Trustee under the terms of a Trust Agreement dated as of June 1, 2016, between the Trustee, the Corporation and the Town (the "Trust Agreement").

The Town has certified that it is authorized to enter into the Lease and the Trust Agreement under the laws of the State of California, for the purpose of leasing certain real property (the "Leased Property") used for the municipal purposes of the Town. Reference is hereby made to the Lease and the Trust Agreement (copies of which are on file at the Trust Office of the Trustee) for a description of the terms on which the Certificates are delivered, the rights thereunder of the owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the Town under the Lease, to all of the provisions which the Registered Owner of this Certificate, by acceptance hereof, assents and agrees.

The Town is obligated under the Lease to pay the Lease Payments for the Leased Property from any source of available funds, subject to certain exceptions as set forth in the Lease. As more fully described in the Lease, the Lease Payments are subject to abatement during any period in which by reason of damage or destruction to the Leased Property in whole or in part, or by reason of eminent domain proceedings with respect to the Leased Property in whole or in part, there is substantial interference with the use and occupancy by the Town of the Leased Property or any portion thereof; such abatement shall be in an amount agreed upon by the Town and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining portions of the Leased Property. The obligation of the Town to pay the Lease Payments does not constitute an obligation of the Town for which the Town is obligated to levy or pledge any form of taxation or for which the Town has levied or pledged any form of taxation. The obligation of the Town to pay the Lease Payments does not constitute a debt of the Town, the State of California or any of its political subdivisions, and does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Certificates maturing on or before February 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after February 1, 20__, are subject to prepayment prior to their respective stated maturities, at the option of the Town, in whole, or in part among maturities on such basis as designated by the Town and by lot within any one maturity, on February 1, 20__ or on any date thereafter, at a prepayment price of 100% the principal amount of Certificates or portions thereof to be prepaid, together with accrued interest represented thereby to the prepayment date.

The Certificates are subject to mandatory prepayment, in whole or in part, on any business day, from certain proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease and the Trust Agreement, at a

prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

As provided in the Trust Agreement, the Trustee shall mail notice of prepayment of the Certificates by first class mail, postage prepaid, not less than 30 nor more than 60 days before the prepayment date, to the registered owners of the Certificates to be prepaid, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for prepayment or the cessation of accrual of interest represented thereby. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest represented hereby shall cease to accrue from and after the date fixed for prepayment. The notice may be conditional as described in the Trust Agreement.

This Certificate is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, of authorized denomination or denominations, representing the same aggregate principal amount and representing the same rate of interest, will be delivered to the transferee in exchange herefor. The Town, the Corporation and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Certificate shall be overdue, and the Town, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Trustee is not required to register the transfer or exchange of any Certificate during the period in which the Trustee is selecting certificates for prepayment or any Certificate selected for prepayment.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consent of the owners of a majority in aggregate principal amount of the Certificates then outstanding, and may be amended without such consent under certain circumstances; provided that no such amendment shall extend the fixed maturity of any Certificate or reduce the interest or principal represented thereby, without the express consent of the owner of such Certificate.

The Trustee has no obligation or liability to the owners of the Certificate to make any payment of the interest, principal or premium (if any) represented by the Certificates, other than as provided in the Trust Agreement from the Lease Payments and amounts credited thereto received or held by the Trustee. The recitals herein shall be taken as statements of the Corporation and the Town and not of the Trustee. The Trustee has executed this Certificate solely in its capacity as Trustee under the Trust Agreement and not in its individual or personal capacity.

Unless this Certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Trustee for registration of transfer, exchange or payment, and any Certificate executed and delivered is registered in the name of Cede & Co. or such other name as 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 since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, this Certificate has been executed and delivered by The Bank of New York Mellon Trust Company, N.A., as Trustee, acting under the Trust Agreement.

Execution Date: _____

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

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

_____

_____

_____

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within registered Certificate and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an eligible guarantor institution (banks, stockbrokers, saving and loan associations and credit unions with membership in an approved signature medallion program) pursuant to Securities and Exchange Commission Rule 17Ad-15.

_____

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

[Statement of Insurance]

ESCROW DEPOSIT AND TRUST AGREEMENT

Relating to

$10,575,000
Town of Corte Madera
2006 Certificates of Participation

This ESCROW DEPOSIT AND TRUST AGREEMENT (this "**Agreement**"), dated as of June 1, 2016, is between the TOWN OF CORTE MADERA, a municipal corporation organized and existing under the Constitution and laws of the State of California (the "**Town**"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, acting as escrow agent for the 2006 Certificates described below (the "**Escrow Agent**") and as trustee (the "**2006 Trustee**") for the 2006 Certificates.

BACKGROUND:

1. The Town previously entered into a Lease Agreement, dated as of September 1, 2006 (the "**2006 Lease Agreement**") with the Public Property Financing Corporation of California (the "**Corporation**"), pursuant to which the Town agreed to make certain lease payments in the aggregate principal amount of $10,575,000 (the "**2006 Lease Payments**") and caused execution and delivery of Town of Corte Madera 2006 Certificates of Participation (the "**2006 Certificates**"), pursuant to a Trust Agreement, dated as of September 1, 2006 (the "**2006 Trust Agreement**"), among the Town, the Corporation and the 2006 Trustee.

2. The Town caused the 2006 Certificates to be executed and delivered for the purpose of financing the acquisition of certain real property located within the Town.

3. In order to take advantage of prevailing bond market conditions, the Town wishes to refinance the 2006 Certificates.

4. In order to refinance the 2006 Lease Payments and prepay the 2006 Certificates, the Town has caused The Bank of New York Mellon Trust Company, N.A., as trustee (the "**2016 Trustee**") under a Trust Agreement, dated as of June 1, 2016, by and among the Town, the Corporation and the 2016 Trustee (the "**2016 Trust Agreement**"), to execute and deliver Town of Corte Madera 2016 Federally Taxable Refunding Certificates of Participation (the "**Refunding Certificates**").

5. The Town wishes to appoint the Escrow Agent for the purpose of establishing an irrevocable escrow fund to be funded, invested, held and administered for the purpose of providing for the prepayment in full of the 2006 Lease Payments and the prepayment in full of the principal and interest and premium (if any) with respect to the outstanding 2006 Certificates, and to provide certain directions to the 2006 Trustee with respect to the 2006 Certificates.

6. As a result of the deposit and investment of funds in accordance with this Agreement, the 2006 Lease Payments will be deemed paid and prepaid under Sections 9.1 and 9.2 of the 2006 Lease Agreement, and the 2006 Certificates will be discharged and defeased in accordance with the provisions of Section 13.01 of the 2006 Trust Agreement and prepaid in accordance with the provisions of Section 3.01(a) of the 2006 Trust Agreement.

AGREEMENT:

In consideration of the premises and the material covenants contained herein, the Town and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent and 2006 Trustee, hereby agree as follows:

Section 1. Appointment of Escrow Agent; Establishment of Escrow Fund. The Town hereby appoints the Escrow Agent to act as escrow agent for purposes of administering the funds required to prepay the 2006 Lease Payments and defease and prepay the 2006 Certificates in accordance with the 2006 Trust Agreement. The Escrow Agent is directed to establish an escrow fund (the "**Escrow Fund**") to be held by the Escrow Agent in trust as an irrevocable escrow securing the payment of the 2006 Lease Payments and the 2006 Certificates as set forth below. All cash and securities in the Escrow Fund are hereby irrevocably pledged as a special fund for the payment of the 2006 Lease Payments in accordance with the 2006 Lease Agreement and the payment of the principal of and interest and premium (if any) with respect to the 2006 Certificates in accordance with the 2006 Trust Agreement.

If at any time the Escrow Agent receives actual knowledge that the cash and securities in the Escrow Fund will not be sufficient to make any payment required by Section 4 in respect of the 2006 Certificates, the Escrow Agent shall notify the Town of such fact and the Town shall immediately cure such deficiency from any source of legally available funds. The Escrow Agent has no liability for any such insufficiency.

Section 2. Deposit and Investment of Amounts in Escrow Fund. On June __, 2016 (the "**Closing Date**"), the Town will cause to be transferred to the Escrow Agent for deposit into the Escrow Fund the amount of $_____ in immediately available funds, to be derived from the proceeds of the Refunding Certificates.

In addition, the Town hereby directs the 2006 Trustee to transfer to the Escrow Agent for deposit into the Escrow Fund the amount of $_____, to be derived from moneys related to the 2006 Certificates that are available as a result of the defeasance of the 2006 Certificates.

On the Closing Date, the Escrow Agent shall invest $_____ of the amounts deposited in the Escrow Fund in the federal securities listed on Exhibit A; the federal securities listed on Exhibit A are non-callable "Federal Securities" as defined in the 2006 Trust Agreement. The Escrow Agent shall hold the remaining $_____ amounts on deposit in the Escrow Account in cash, uninvested.

Section 3. Application of Amounts in Escrow Fund. The Escrow Agent is hereby instructed to withdraw from the Escrow Fund and transfer to the 2006 Trustee an amount required to pay the principal of and interest and prepayment premium (if any) on the 2006 Certificates, in accordance with the schedule attached as Exhibit B hereto, which payment shall also constitute payment of the 2006 Lease Payments.

Following the payment and prepayment of the 2006 Lease Payments and the 2006 Certificates in full, the Escrow Agent shall transfer any amounts remaining on deposit in the Escrow Fund to the 2016 Trustee for deposit in the Lease Payment Fund established under the 2016 Trust Agreement, to be applied to pay interest next coming due and payable with respect to the Refunding Certificates.

Section 4. Irrevocable Election to Prepay 2006 Certificates; Defeasance Notice. The Town has irrevocably elected to pay and prepay all of the unpaid 2006 Lease Payments and all of the outstanding 2006 Certificates on the date set forth in Exhibit B, in accordance with the provisions of the 2006 Trust Agreement. The Town hereby directs the 2006 Trustee to give notice of the prepayment of the 2006 Certificates in accordance with the requirements of the 2006 Trust Agreement, at the expense of the Town, using the form set forth in Exhibit C.

The Town further hereby directs the 2006 Trustee to file on the Closing Date the notice attached as Exhibit D on the Municipal Securities Rulemaking Board's EMMA system. The sole remedy for failure to file such notice on EMMA shall be an action by the holders of the 2006 Certificates in mandamus for specific performance or similar remedy to compel performance.

Section 5. Compensation to Escrow Agent. The Town shall pay the Escrow Agent full compensation for its services under this Agreement, including out-of-pocket costs such as publication costs, prepayment expenses, legal fees and other costs and expenses relating hereto and, in addition, all fees, costs and expenses relating to the purchase or withdrawal of any securities after the date hereof. Under no circumstances shall amounts deposited in or credited to the Escrow Fund be deemed to be available for said purposes. The Escrow Agent has no lien upon or right of set off against the cash and securities at any time on deposit in the Escrow Fund.

Section 6. Immunities and Liability of Escrow Agent. The Escrow Agent undertakes to perform only such duties as are expressly set forth in this Agreement and no implied duties, covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent shall not have any liability hereunder except to the extent of its negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages. The Escrow Agent shall not be liable for any loss from any investment made by it in accordance with the terms of this Agreement. The Escrow Agent may consult with legal counsel of its own choice and the Escrow Agent shall not be liable for any action taken or not taken by it in good faith in reliance upon the opinion or advice of such counsel. The Escrow Agent shall not be liable for the recitals or representations contained in this Agreement and shall not be responsible for the validity of this Agreement, the sufficiency of the Escrow Fund or the moneys and securities to pay the principal, interest and prepayment premium with respect to the 2006 Certificates.

Whenever in the administration of this Agreement the Escrow Agent deems it necessary or desirable that a matter be proved or established prior to taking or not taking any action, such matter may be deemed to be conclusively proved and established by a certificate of an authorized representative of the Town and shall be full protection for any action taken or not taken by the Escrow Agent in good faith reliance thereon.

The Escrow Agent may conclusively rely as to the truth and accuracy of the statements and correctness of any opinions or calculations provided to it in connection with this Agreement and shall be protected in acting, or refraining from acting, upon any notice, instruction, request, certificate, document, opinion or other writing furnished to the Escrow Agent in connection with this Agreement and believed by the Escrow Agent to be signed by the proper party, and it need not investigate any fact or matter stated therein.

None of the provisions of this Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Escrow Agent may execute any of the trusts or powers

hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care.

The Escrow Agent may at any time resign by giving 30 days written notice of resignation to the Town. Upon receiving such notice of resignation, the Town shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Agent from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to the resigning Escrow Agent and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

The Town shall indemnify, defend and hold harmless the Escrow Agent and its officers, directors, employees, representatives and agents, from and against and reimburse the Escrow Agent for any and all claims, obligations, liabilities, losses, damages, actions, suits, judgments, reasonable costs and expenses (including reasonable attorneys' and agents' fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the Escrow Agent directly or indirectly relating to, or arising from, claims against the Escrow Agent by reason of its participation in the transactions contemplated hereby except to the extent caused by the Escrow Agent's negligence or willful misconduct. The provisions of the foregoing sentence shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

The Escrow Agent shall have the right to accept and act upon instructions, including funds transfer instructions ("**Instructions**") given pursuant to this Agreement and delivered using Electronic Means ("**Electronic Means**" means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Agent, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder); provided, however, that the Town shall provide to the Escrow Agent an incumbency certificate listing officers with the authority to provide such Instructions ("**Authorized Officers**") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Town, whenever a person is to be added or deleted from the listing. If the Town elects to give the Escrow Agent Instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such Instructions, the Escrow Agent's understanding of such Instructions shall be deemed controlling. The Town understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such Instructions and that the Escrow Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Town shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Agent and that the Town and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable

user and authorization codes, passwords and/or authentication keys upon receipt by the Town. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such Instructions notwithstanding the fact that such directions conflict or are inconsistent with a subsequent written instruction. The Town agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Town; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

Section 7. Termination of Agreement. Upon payment in full of the principal of and interest and prepayment premium on the 2006 Certificates and all fees, expense and charges of the Escrow Agent as described above, this Agreement shall terminate and the Escrow Agent shall be discharged from any further obligation or responsibility hereunder.

Section 8. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 10. Amendments. This Agreement may not be amended except in writing by the parties hereto and with an opinion of nationally recognized bond counsel to the effect that the amendment will not result in loss of the exemption from federal income taxes of interest on any of the 2006 Certificates or the Refunding Certificates.

TOWN OF CORTE MADERA

By:_____
Director of Administrative Services/Town Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Escrow Agent and as 2006 Trustee

By _____
Authorized Officer

EXHIBIT A

ESCROW SECURITIES

Type of Security	Purchase Date	Maturity Date	First Interest Payment Date	Par Amount	Rate

EXHIBIT B

ESCROW REQUIREMENTS

Payment Date	Interest Payment	Principal Payment Due	Principal Redeemed	Total Payment
8/1/16				

EXHIBIT C

FORM OF NOTICE OF PREPAYMENT

$10,575,000
Town of Corte Madera
2006 Certificates of Participation

NOTICE IS HEREBY GIVEN, by the Town of Corte Madera (the "Town") that all of the captioned certificates of participation (the "2006 Certificates") have been defeased and discharged under and within the meaning of the Trust Agreement, dated as of September 1, 2006, relating to the 2006 Certificates (the "2006 Trust Agreement"), and that the Town has irrevocably elected to prepay the outstanding 2006 Certificates on August 1, 2016, at a prepayment price equal to the par amount thereof together with accrued interest thereon to the prepayment date, without premium.

The 2006 Certificates consist of the following:

Maturity Date October 1	Principal Amount	Interest Rate	CUSIP
2021	$1,270,000	5.807%	220508 BA2
2037	7,730,000	6.091	220508 BB0

On August 1, 2016, there will become due on each of the 2006 Certificates the prepayment price thereof, with accrued and unpaid interest thereof to August 1, 2016, and after August 1, 2016, interest thereon shall cease to accrue. Funds for the payment of the 2006 Certificates have been deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent, and the sufficiency of the funds and investments for the purpose of paying the principal of and interest on the 2006 Certificates has been verified by Grant Thornton LLP, certified public accountants.

Holders of the 2006 Certificates are requested to present their 2006 Certificates at the following addresses:

First Class/Registered/Certified	Express Delivery Only	By Hand Only
The Bank of New York Mellon Global Corporate Trust P.O. Box 396 East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust 111 Sanders Creek Parkway East Syracuse, New York 13057	The Bank of New York Mellon Global Corporate Trust Corporate Trust Window 101 Barclay Street 1st Floor East New York, New York 10286

Additional information regarding the foregoing actions may be obtained from The Bank of New York Mellon Trust Company, N.A., Corporate Trust Department, Bondholder Relations, telephone number (800) 254-2826.

Payment of interest on the 2006 Certificates shall be made by check or, at the option of any owner of at least $1,000,000 aggregate principal amount of 2006 Certificates, by wire transfer to a bank account in the United States of America.

**Note: The Town and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to the correctness of the CUSIP numbers indicated in the notice or as printed on any 2006 Certificate. They are included solely for the convenience of the holders.*

Dated: June __, 2016

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent

EXHIBIT D

FORM OF NOTICE OF DEFEASANCE

$10,575,000
Town of Corte Madera
2006 Certificates of Participation

NOTICE IS HEREBY GIVEN, by the Town of Corte Madera (the "Town") that the captioned certificates of participation (the "2006 Certificates") have been defeased and discharged under and within the meaning of the Trust Agreement, dated as of September 1, 2006, relating to the 2006 Certificates (the "2006 Trust Agreement"). Funds for the payment of the 2006 Certificates have been deposited with The Bank of New York Mellon Trust Company, N.A., as escrow agent, and the sufficiency of the funds and investments for the purpose of paying the principal of and interest on the 2006 Certificates has been verified by Grant Thornton LLP, certified public accountants.

As a consequence of the foregoing actions and in accordance with the 2006 Trust Agreement, all obligations of The Bank of New York Mellon Trust Company, N.A., as trustee for the 2006 Certificates, the Public Property Financing Corporation of California and the Town with respect to the 2006 Certificates has ceased and terminated, except the obligation to use moneys set aside in escrow as described above and, if necessary, from other legally available funds of the Town.

The outstanding 2006 Certificates consist of the following:

Maturity Date October 1	Principal Amount	Interest Rate	CUSIP
2021	$1,270,000	5.807%	220508 BA2
2037	7,730,000	6.091	220508 BB0

The Town has irrevocably elected to prepay all of the outstanding 2006 Certificates on August 1, 2016, at a prepayment price equal to the par amount thereof together with accrued interest thereon to the prepayment date, without premium.

Additional information regarding the foregoing actions may be obtained from The Bank of New York Mellon Trust Company, N.A., Corporate Trust Department, Bondholder Relations, telephone number (800) 254-2826.

**Note: The Town and the Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to the correctness of the CUSIP numbers indicated in the notice or as printed on any 2006 Certificate. They are included solely for the convenience of the holders.*

Dated: _____, 2016

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Escrow Agent

George Warman

From: James Wawrzyniak <jwawrzyniak@joneshall.com>
Sent: Tuesday, May 10, 2016 10:57 AM
To: George Warman; Jonna Intoschi
Cc: Steve Melikian; Chris Lynch
Subject: 2016 Federally Taxable Ref COPs - Legals for Agenda Package
Attachments: 05-10-16 2016 Lease Agreement.docx; 05-10-16 2016 Site lease.docx; 05-10-16 2016 TrustAgmnt.docx; 05-10-16 Escrow Agreement - 2006 Refunding.docx; 05-10-16 Termination Agreement.docx; 05-10-16 Town Council Res.docx; Certificate Purchase Contract 05-09-16.DOCX

Hi George and Jonna,

Please find attached each of the legal documents to be approved at next week's Town Council meeting. Chris will separately circulate the Preliminary Official Statement (POS).

1. Resolution of the Town Council
2. Site Lease
3. Lease Agreement
4. Trust Agreement
5. Escrow Deposit and Trust Agreement
6. Termination Agreement
7. Certificate Purchase Contract

As a reminder, due to a prior conflict, Steve won't be able to attend next week's meeting but I will fill-in for him. Look forward to meeting you then!

Best,
James

JH JONES HALL

James A. Wawrzyniak, Jr.
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Tel: (415) 391-5780
http://www.joneshall.com

AFTER RECORDATION RETURN TO:

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Stephen G. Melikian, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

TERMINATION AGREEMENT

This TERMINATION AGREEMENT (this "Agreement") is dated as of June 1, 2016, and is by and among (i) the TOWN OF CORTE MADERA (the "Town"), a municipal corporation and charter law city duly organized and existing under the laws of the State of California, (ii) the PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, a nonprofit corporation duly organized and existing under the laws of the State of California (the "Corporation"), and (iii) THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America (the "2006 Trustee").

WITNESSETH:

WHEREAS, in connection with the execution and delivery of $10,575,000 initial principal amount of Town of Corte Madera 2006 Certificates of Participation (the "2006 Certificates"):

(i) the Town and the Corporation previously entered into a Lease Agreement, dated as of September 1, 2006 (the "2006 Lease Agreement"), relating to the real property described in Exhibit A hereto (which Exhibit A is incorporated herein), which 2006 Lease Agreement September 28, 2006, as Instrument No. 2006-0061007, in the Office of the Recorder of the County of Marin,

(ii) the Town and the Corporation previously entered into a Site and Facility Lease, dated as of September 1, 2006 (the "2006 Site Lease"), relating to the real property described in Exhibit A hereto, which was recorded on September 28, 2006, as Instrument No. 2006-0061006, in the Office of the Recorder of the County of Marin; and

(iii) the Town, the Corporation and the 2006 Trustee previously entered into a Trust Agreement, dated as of September 1, 2006 (the "2006 Trust Agreement"), and

(iv) the Corporation assigned certain of its rights under the 2006 Lease Agreement to the 2006 Trustee, pursuant to an Assignment Agreement, dated as of September 1, 2006 (the "2006 Assignment Agreement"), by and between the

Corporation and the 2006 Trustee, which was recorded on September 28, 2006, as Instrument No. 2006-0061008, in the Office of the Recorder of the County of Marin; and

WHEREAS, concurrently herewith, the 2006 Certificates are being defeased as a result of the execution and delivery of the $_____ Town of Corte Madera 2016 Federally Taxable Refunding Certificates of Participation (the "2016 Refunding Certificates of Participation");

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Section 1. Termination Related to 2006 Certificates.

(a) As a result of the defeasance of the 2006 Certificates and the execution and delivery of the 2016 Refunding Certificates of Participation, (i) all obligations of the Town, the Corporation and the 2006 Trustee under the 2006 Assignment Agreement, the 2006 Site Lease and the 2006 Lease Agreement have ceased and terminated and (ii) the rights of the 2006 Trustee to receive lease payments under the 2006 Assignment Agreement and the 2006 Trust Agreement have terminated.

(b) In accordance with the foregoing, the 2006 Site Lease, the 2006 Lease Agreement, the 2006 Trust Agreement and the 2006 Assignment Agreement are hereby terminated and are of no further force or effect.

(c) From and after the date hereof, none of the parties shall have any further rights or obligations under the 2006 Site Lease, the 2006 Lease Agreement, the 2006 Trust Agreement and the 2006 Assignment Agreement.

Section 2. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

TOWN OF CORTE MADERA

By: _____
Director of Administrative Services/Town Treasurer

PUBLIC PROPERTY FINANCING CORPORATION OF CALIFORNIA, *as Lessor*

By _____
Secretary/Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., *as 2006 Trustee*

By: _____
Authorized Officer

(Acknowledgement)

EXHIBIT A

REAL PROPERTY DESCRIPTION

The property constituting the Leased Property consists of the land located in the Town of Corte Madera, County of Marin, State of California, which is described as follows, including all buildings, improvements and facilities at any time situated thereon:

$_____
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

CERTIFICATE PURCHASE CONTRACT

June __, 2016

Town of Corte Madera
P.O. Box 159
Corte Madera, California 94976-0159
Attention: Town Manager

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**") offers to enter into this Certificate Purchase Contract (this "**Purchase Contract**") with the Town of Corte Madera (the "**Town**"). This offer is made subject to the Town's acceptance by execution of this Purchase Contract and delivery of the same to the Underwriter on or before 11:59 p.m. on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Town at any time prior to such acceptance. Upon the Town's acceptance hereof, the Purchase Contract will be binding upon the Town and the Underwriter. Capitalized terms used in this Purchase Contract and not otherwise defined have the meanings set forth in the Trust Agreement (as such term is defined herein).

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriter agrees to purchase, and the Town agrees to cause to be sold and delivered to the Underwriter, all (but not less than all) of the $_____ 2016 Federally Taxable Refunding Certificates of Participation (the "**Certificates**") at a purchase price of $_____ (being an amount equal to the principal amount of the Certificates, plus/less a net original issue premium/discount of $_____ and less an Underwriter's discount of $_____). The obligations of the Underwriter to purchase, accept delivery of and pay for the Certificates shall be conditioned on the sale and delivery of all of the Certificates by the Public Property Financing Corporation of California (the "**Corporation**") to the Underwriter at Closing (as such term is defined herein).

Section 2. Certificate Terms; Authorizing Instruments.

(a) The Certificates shall be dated their date of delivery and shall mature and bear interest as shown on Exhibit A. The Certificates shall be as described in, and shall be executed and delivered and secured under, the Trust Agreement, dated as of June 1, 2016 (the "**Trust Agreement**"), by and among the Town, the Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"). The Certificates are payable and subject to prepayment as provided in the Trust Agreement.

(b) The Certificates will be secured by Lease Payments (as such term is defined in the Trust Agreement) to be made by the Town to the Corporation pursuant to a Lease Agreement, dated as of June 1, 2016 (the "**Lease**"), by and between the Town and the Corporation.

(c) The net proceeds of the sale of the Certificates will be used: (i) to prepay all amounts due under the Lease Agreement, dated as of September 1, 2006 (the "**Prior Lease**"), by and between the Town and the Corporation, and thereby to cause the prepayment in full of the Town of Corte Madera 2006 Certificates of Participation (the "**Prior Certificates**"); (ii) [to purchase a municipal bond insurance policy (the "**Policy**") from _____ (the "**Insurer**") to guarantee the payment of principal of and interest on the Certificates; (iii) to purchase a municipal bond debt service reserve insurance policy (the "**Reserve Policy**") from the Insurer for deposit in the Reserve Fund for the Certificates; and] (iv) to pay the costs incurred in connection with the execution and delivery of the Certificates.

Section 3. Public Offering. The Underwriter agrees to make an initial bona fide public offering of all of the Certificates, at not in excess of the initial public offering yields or prices set forth on Exhibit A. Following the initial public offering of the Certificates, the offering prices may be changed from time to time by the Underwriter. The Town acknowledges and agrees that: (i) the purchase and sale of the Certificates pursuant to this Purchase Contract is an arm's-length commercial transaction between the Town and the Underwriter, and the only obligations that the Underwriter has to the Town with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal, and is not acting as a Municipal Advisor (as such term is defined in Section 15B of The Securities Exchange Act of 1934, as amended) to the Town; (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Town with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Town on other matters); (iv) the Underwriter has financial and other interests that may differ from and be adverse to those of the Town; and (v) the Town has consulted its own legal, financial, accounting, tax and other advisors to the extent that it has deemed appropriate.

Section 4. Official Statement; Continuing Disclosure.

(a) The Town has delivered to the Underwriter the Preliminary Official Statement dated May __, 2016 relating to the Certificates (the "**Preliminary Official Statement**") and will deliver to the Underwriter the final Official Statement dated the date of this Purchase Contract (as amended and supplemented from time to time pursuant to Section 5(i), the "**Official Statement**") within seven business days.

(b) The Town hereby authorizes the use of the Official Statement and the information contained therein by the Underwriter in connection with the public offering and the sale of the Certificates. The Town consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Certificates. The Underwriter hereby agrees that it will not send any confirmation requesting payment for the purchase of any Certificates unless the confirmation is accompanied by or preceded by the delivery of a copy of the Official Statement. The Underwriter agrees: (1) to provide the Town with final pricing information on the Certificates on a timely basis prior to the Closing; and (2) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission ("**SEC**") rules and Municipal Securities Rulemaking Board (the "**MSRB**") rules governing the offering, sale and delivery of the Certificates to ultimate purchasers.

(c) In connection with the execution and delivery of the Certificates, and in order to assist the Underwriter in complying with the provisions of SEC Rule 15c2-12 ("**Rule 15c2-12**"), the Town will execute a Continuing Disclosure Certificate (the "**Continuing Disclosure Undertaking**") dated the date of the Closing, under which the Town will undertake to provide certain financial and operating data as required by Rule 15c2-12. The form of the Continuing Disclosure Undertaking is attached as an appendix to the Preliminary Official Statement.

Section 5. Representations, Warranties and Covenants of the Town. The Town hereby represents, warrants and agrees with the Underwriter that:

(a) The Town Council (the "**Town Council**") of the Town has taken official action by Resolution (the "**Town Resolution**") adopted by a majority of the members of the Town Council at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout, authorizing: (i) the execution, delivery and due performance of; (A) the Lease; (B) the Trust Agreement; (C) the Site Lease; (D) the Continuing Disclosure Undertaking; (E) the 2006 Escrow Agreement; (F) the Termination Agreement, dated as of June 1, 2016 (the "**Termination Agreement**"), by and among the Town, the Corporation and the Trustee; and (G) this Purchase Contract (collectively, the "**Town Agreements**") and the Official Statement; and (ii) the taking of any and all such actions as may be required on the part of the Town to carry out, give effect to and consummate the transactions contemplated hereby.

(b) The Town is a municipal corporation and general law city duly organized and existing under the laws of the State of California (the "**State**") and has all necessary power and authority to adopt the Town Resolution and to enter into and perform its duties under the Town Agreements.

(c) By all necessary official action, the Town has: (i) duly adopted the Town Resolution; (ii) duly authorized the preparation and delivery of the Preliminary Official Statement; (iii) duly authorized the preparation, execution and delivery of the Official Statement; (iv) duly authorized and approved the execution and delivery of, and the performance of its obligations under, the Town Agreements; and (iv) duly authorized the consummation by the Town of all other transactions contemplated by the Town Resolution, the Town Agreements, the Preliminary Official Statement and the Official Statement. When executed and delivered, the Town Agreements (assuming due authorization, execution and delivery by and enforceability against the other parties thereto, as applicable) will be in full force and effect and will each constitute the legal, valid and binding agreement or obligation of the Town, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

(d) At the time of the Town's acceptance hereof and at all times subsequent thereto up to and including the time of the Closing, the information and statements in the Official Statement (other than under the captions "THE TOWN AND THE CORPORATION—The Corporation" and "CERTIFICATE INSURANCE") do not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no representation is made with respect to information relating to DTC, DTC's book-entry system, [the Insurer, the Policy or the Reserve Policy]).

(e) As of the date hereof, except as described in the Preliminary Official Statement, there is no action, suit, proceeding or investigation before or by any court, public board or body pending against, and notice of which has been served on and received by, the Town or, to the best knowledge of the Town, threatened, wherein an unfavorable decision, ruling or finding would: (i) affect the creation, organization, existence or powers of the Town, or the titles of its members or officers; (ii) in any way question or affect the validity or enforceability of Town Agreements or the Certificates; (iii) in any way question or affect the Purchase Contract or the transactions contemplated by the Purchase Contract, the Official Statement or any other agreement or instrument to which the Town is a party relating to the Certificates; or (iv) have a material adverse effect on the ability of the Town to make Lease Payments when due.

(f) There is no consent, approval, authorization or other order of, or filing or registration with, or certification by, any regulatory authority having jurisdiction over the Town required for the execution and delivery of this Purchase Contract and the Town Agreements or the consummation by the Town of the other transactions contemplated by the Official Statement or the Town Agreements.

(g) Any certificate signed by any official of the Town authorized to do so shall be deemed a representation and warranty by the Town to the Underwriter as to the statements made therein.

(h) The Town is not in default, and at no time has the Town defaulted in any material respect, on any bond, note or other obligation for borrowed money or any agreement under which any such obligation is or was outstanding.

(i) If any event occurs of which the Town has knowledge between the date of this Purchase Contract and the date of the Closing that might or would cause the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Town shall notify the Underwriter and, if in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Town will cooperate with the Underwriter in causing the Official Statement to be amended or supplemented in a form and in a manner approved by the Underwriter. All expenses thereby incurred will be paid by the Town, and the Underwriter will file, or cause to be filed, the amended or supplemented Official Statement with the MSRB's Electronic Municipal Market Access system.

(j) Except as set forth in the Official Statement under the caption "CONTINUING DISCLOSURE," the Town has complied in all material respects with its continuing disclosure undertakings in the past five years.

(k) The Town will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order: (i) to qualify the Certificates for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) to determine the eligibility of the Certificates for investment under the laws of such states and other jurisdictions. The Town will not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(l) The Town is not in any material respect in breach of or default under: (i) any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either; (ii) any applicable judgment or decree; or (iii) any loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Town is a party which breach or default has or may have an adverse effect on the ability of the Town to perform its obligations under the Town Agreements, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the adoption, execution and delivery of the Town Agreements, if applicable, and compliance with the provisions on the Town's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Town is a party, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Town or under the terms of any such law, regulation or instrument, except as may be provided by the Town Agreements.

(m) The financial statements relating to the receipts, expenditures and cash balances of the Town as of June 30, 2015 attached as an appendix to the Official Statement fairly represent the receipts, expenditures and cash balances of the Town as of such date. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the Town or in its operations since June 30, 2015 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

Section 6. The Closing.

(a) At 8:00 A.M., Pacific Standard Time, on June __, 2016, or on such earlier or later time or date as may be agreed upon by the Underwriter and the Town (the "**Closing**"), the Town shall deliver or cause to be delivered to the Trustee, the Certificates in definitive form, registered in the name of Cede & Co., as the nominee of DTC (so that the Certificates may be executed and delivered by the Trustee and credited to the account specified by the Underwriter under DTC's FAST procedures). Prior to the Closing, the Town shall deliver, at the offices of Jones Hall, A Professional Law Corporation ("**Special Counsel**") in San Francisco, California, or such other place as is mutually agreed upon by the Underwriter and the Town, the other documents described in this Purchase Contract. On the date of the Closing, the Underwriter shall pay the purchase price of the Certificates as set forth in Section 1 in immediately available funds to the order of the Trustee.

(b) The Certificates shall be executed and delivered in fully registered form and shall be prepared and delivered as one Certificate for each maturity registered in the name of a nominee of DTC. It is anticipated that CUSIP identification numbers will be inserted on the Certificates, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriter to accept delivery of the Certificates in accordance with the terms of this Purchase Contract.

Section 7. Conditions to Underwriter's Obligations. The Underwriter has entered into this Purchase Contract in reliance upon the representations and warranties of the Town contained herein and to be contained in the documents and instruments to be delivered on the date of the Closing, and upon the performance by the Town of its obligations to be performed hereunder and the

performance by the Town and the Corporation of their respective obligations to be performed under the documents and instruments to be delivered at or prior to the date of the Closing. The Underwriter's obligations under this Purchase Contract are and shall also be subject to the following conditions:

(a) The representations and warranties of the Town contained in this Purchase Contract shall be true and correct in all material respects on the date of this Purchase Contract and on and as of the date of the Closing as if made on the date of the Closing.

(b) The covenants, representations and warranties of the Corporation contained in the Lease, the Trust Agreement, the Site Lease, the Termination Agreement and the Assignment Agreement (collectively, the "**Corporation Agreements**") shall be true and correct in all material respects on and as of the date of the Closing.

(c) As of the date of the Closing, the Official Statement shall have been delivered within the time period set forth in Section 4 and shall not have been amended, modified or supplemented, except in any case as may have been agreed to by the Underwriter.

(d) (i) As of the date of the Closing: (A) the Town Resolution; (B) the Town Agreements; (C) the resolution of the Corporation approving and authorizing the execution of the Corporation Agreements (the "**Corporation Resolution**"); and (D) the Corporation Agreements shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to by the Town and the Underwriter; (ii) the Town shall perform or shall have performed all of its obligations required under or specified in the Town Resolution and the Town Agreements to be performed at or prior to the date of the Closing; and (iii) the Corporation shall perform or shall have performed all of its obligations required under or specified in the Corporation Resolution and the Corporation Agreements to be performed at or prior to the date of the Closing.

(e) As of the date of the Closing, all necessary official action of the Town relating to the Town Agreements, the Town Resolution and the Official Statement, and all necessary official action of the Corporation relating to the Corporation Agreements and the Corporation Resolution, shall have been taken, shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect.

(f) Subsequent to the date of this Purchase Contract, up to and including the date of the Closing, there shall not have occurred any change in the financial affairs of the Town or the Corporation, as described in the Official Statement, the Town Agreements and the Corporation Agreements, which in the reasonable professional judgment of the Underwriter materially impairs the investment quality of the Certificates.

(g) As of or prior to the date of the Closing, the Underwriter shall have received each of the following documents:

(A) Certified copies of the Town Resolution and the Corporation Resolution.

(B) Duly executed copies of the Town Agreements and the Corporation Agreements.

(C) The Preliminary Official Statement and the Official Statement, with the Official Statement duly executed on behalf of the Town.

(D) An approving opinion of Special Counsel, dated as of the Closing, as to the validity of the Certificates and the exclusion of interest on the Certificates from State income taxation, addressed to the Town substantially in the form attached as an appendix to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriter.

(E) A supplemental opinion of Special Counsel, addressed to the Underwriter, to the effect that:

(1) The Purchase Contract has been duly executed and delivered by the Town and is valid and binding upon the Town, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally and to the application of equitable principles;

(2) The Certificates are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(3) The statements contained in the Official Statement on the cover and under the captions "INTRODUCTION" (excluding therefrom the statements pertaining to DTC or its book-entry system, "THE CERTIFICATES" (excluding therefrom the statements pertaining to DTC or contained under the subcaption "—Book-Entry System"), "SECURITY FOR THE CERTIFICATES" and "TAX MATTERS," and in Appendices B and D, excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of certain of the Town Agreements and the form and content of Special Counsel's final approving opinion, are accurate in all material respects.

(F) An opinion of the Town Attorney, dated as of the Closing addressed to the Town and the Underwriter, substantially in the form attached hereto as Exhibit E.

(G) An executed Rule 15c2-12 certificate of the Town, dated as of the date of the Preliminary Official Statement, in the form attached hereto as Exhibit B.

(H) An executed closing certificate of the Corporation, dated as of the Closing, in the form attached hereto as Exhibit C.

(I) An executed closing certificate of the Town, dated as of the Closing, in the form attached hereto as Exhibit D.

(J) The opinion of counsel of the Trustee, dated as of the Closing, addressed to the Corporation, the Town and the Underwriter to the effect that:

(1) The Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America, having full powers and authority and being qualified to enter into, accept and administer the trust created under the Trust Agreement and to enter into the Trust Agreement, the Assignment Agreement, the 2006 Escrow Agreement and the Termination Agreement (collectively, the "**BNY Documents**"); and

(2) The BNY Documents have been duly authorized, executed and delivered by the Trustee, and, assuming due authorization, execution and delivery by the other parties thereto, the BNY Documents constitute legal, valid and binding agreements of the Trustee enforceable in accordance with their respective terms, subject to laws relating in bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

(K) A certificate or certificates, dated as of the Closing, in form and substance acceptable to the Underwriter, of an authorized officer of officers of the Trustee to the effect that the Trustee: (i) has accepted the duties imposed by the BNY Documents; (ii) is authorized to carry out such duties in its capacities as Trustee, escrow agent and trustee for the Prior Certificates; and (iii) has executed and delivered the Certificates in its capacity as Trustee.

(L) Evidence of required filings with the California Debt and Investment Advisory Commission.

(M) A copy of the executed Blanket Issuer Letter of Representations by and between the Town and/or the Corporation and DTC relating to the book-entry system.

(N) A title insurance policy insuring the Leased Property.

(O) Evidence (or a certificate of an appropriate official of the Town) that the Town maintains property, casualty and rental interruption insurance for the Leased Property meeting the requirements set forth in the Lease.

(P) Evidence that the ratings assigned to the Certificates as of the date of the Closing are as set forth in the Official Statement.

(Q) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the BNY Documents and the execution and delivery of the Certificates by the Trustee.

(R) An opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriter, addressed to the Underwriter and in form and substance satisfactory to the Underwriter.

(S) A report of Lumesis as to compliance by the Town and related entities with their respective continuing disclosure undertakings.

(T) [The Policy and the Reserve Policy, each duly executed by the Insurer].

(U) [A closing certificate of the Insurer, in form and substance satisfactory to the Underwriter and Special Counsel].

(V) [A closing opinion of the Insurer, in form and substance satisfactory to the Underwriter and Special Counsel].

(W) [The Insurance Agreement, dated the date of the Closing, duly executed by the Insurer and the Town (the "**Insurance Agreement**")].

(X) A certificate of Willdan Financial Services, as dissemination agent under the Continuing Disclosure Undertaking, in form and substance satisfactory to the Underwriter and Bond Counsel.

(Y) A verification report of _____ with respect to the Prior Certificates, in form and substance satisfactory to the Underwriter and Bond Counsel.

(Z) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Special Counsel may reasonably request to evidence compliance by the Corporation and the Town with legal requirements, the truth and accuracy, as of the date of the Closing, of the representations of the Town herein contained and of the Official Statement and the due performance or satisfaction by the Corporation and the Town at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Corporation and the Town.

All of the opinions, letters, certificates, instruments and other documents mentioned in this Purchase Contract shall be deemed to be in compliance with the provisions of this Purchase Contract if, but only if, they are in form and substance satisfactory to the Underwriter. If the Town and the Corporation are unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Certificates contained in this Purchase Contract, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Certificates shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the Town shall be under further obligations hereunder, except that the respective obligations of the Underwriter and the Town set forth in Section 11 of this Purchase Contract shall continue in full force and effect.

Section 8. Conditions to Town's Obligations. The performance by the Town of its obligations under this Purchase Contract is conditioned upon: (i) the performance by the Underwriter of its obligations hereunder; and (ii) receipt by the Town of opinions addressed to the Town, receipt by the Underwriter of opinions addressed to the Underwriter, and the delivery of certificates being delivered on the date of the Closing by persons and entities other than the Town.

Section 9. Termination Events. The Underwriter shall have the right to terminate the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Certificates by notifying the Town of its election to do so if, after the execution hereof and prior to the Closing, any of the following events occurs:

(A) the marketability of the Certificates or the market price thereof, in the reasonable opinion of the Underwriter, has been materially and adversely affected by any decision issued by a court of the United States (including the United States Tax Court) or of the State, by any ruling or regulation (final, temporary or proposed) issued by or on behalf of the Department of the Treasury of the United States, the Internal Revenue Service, or other governmental agency of the United States, or any governmental agency of the State, or by a tentative decision or announcement by any member of the House Ways and Means Committee, the Senate Finance Committee, or the Conference Committee with respect to contemplated legislation or by legislation enacted by, pending in, or favorably reported to either the House of Representatives or either House of the Legislature of the State, or formally proposed to the Congress of the United States by the President of the United States or to the Legislature of the State by the Governor of the State in an executive communication, affecting the tax status of the Corporation or the Town, their property or income, their debt or

contractual obligations (including the Certificates) or the interest thereon or any tax exemption granted or authorized by the Internal Revenue Code of 1986, as amended;

(B) the United States becomes engaged in hostilities that result in a declaration of war or a national emergency, or any other outbreak of hostilities occurs, or a local, national or international calamity or crisis occurs, financial or otherwise, the effect of such outbreak, calamity or crisis being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Certificates;

(C) there occurs a general suspension of trading on the New York Stock Exchange or the declaration of a general banking moratorium by the United States, New York or State authorities;

(D) a stop order, ruling, regulation or official statement by, or on behalf of, the SEC is issued or made to the effect that the issuance, offering or sale of the Certificates is or would be in violation of any provision of the Securities Act of 1933, as then in effect, the Securities Exchange Act of 1934, as then in effect, or the Trust Indenture Act of 1939, as then in effect;

(E) legislation is enacted by the House of Representatives or the Senate of the Congress of the United States of America, or a decision by a court of the United States of America is rendered, or a ruling or regulation by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter is made or proposed to the effect that the Certificates are not exempt from registration, qualification or other similar requirements of the Securities Act of 1933, as then in effect, or the Trust Indenture Act of 1939, as then in effect;

(F) in the reasonable judgment of the Underwriter, the market price of the Certificates, or the market price of obligations of the general character of the Certificates, might be materially and adversely affected because additional material restrictions that are not in force as of the date hereof are imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(G) the Office of the Comptroller of the Currency, The New York Stock Exchange, or other national securities exchange, or any governmental authority, imposes, as to the Certificates or obligations of the general character of the Certificates, any material restrictions not now in force, or increases materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, or financial responsibility requirements of the Underwriter;

(H) a general banking moratorium is established by federal, New York or State authorities;

(I) any legislation, ordinance, rule or regulation is introduced in or enacted by any governmental body, department or agency in the State or a decision of a court of competent jurisdiction within the State is rendered, which, in the reasonable opinion of the Underwriter, after consultation with the Town, materially adversely affects the market price of the Certificates;

(J) any federal or State court, authority or regulatory body takes action materially and adversely affecting the collection of Lease Payments under the Trust Agreement; or

(K) any rating of the Certificates is downgraded, suspended or withdrawn by a national rating service, which, in the reasonable opinion of the Underwriter, materially adversely affects the marketability or market price of the Certificates;

(L) an event occurs which in the reasonable opinion of the Underwriter requires a supplement or amendment to the Official Statement and: (i) the Town refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Underwriter, the occurrence of such event materially and adversely affects the marketability of the Certificates or renders the enforcement of the sale contracts of the Certificates impracticable;

(M) an order, decree or injunction issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication issued or made by or on behalf of the SEC, or any other governmental authority having jurisdiction of the subject matter, to the effect that: (i) obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended; or (ii) the issuance, offering or sale of obligations of the general character of the Certificates, or the execution, offering or sale of the Certificates, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect;

(N) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any domestic governmental authority or by any domestic national securities exchange, which are material to the marketability of the Certificates; or

(O) the commencement of any action, suit or proceeding described in Section 5(e).

Section 10. Changes in Official Statement. After the Closing, the Town will not adopt any amendment of or supplement to the Official Statement to which the Underwriter shall reasonably object in writing. Within 90 days after the Closing or within 25 days following the "end of the underwriting period" (as such term is defined herein), whichever occurs first, if any event relating to or affecting the Certificates, the Trustee, the Town or the Corporation shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Town will forthwith prepare and furnish to the Underwriter an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time that the Official Statement is delivered to a purchaser, not misleading. The Town shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the MSRB. As used herein, the term "**end of the underwriting period**" means the later of such time as: (i) the Town causes the Certificates to be delivered to the Underwriter; or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Certificates for sale to the public. Notwithstanding the foregoing, unless the Underwriter gives notice to the contrary, the "end of the underwriting period" shall be the date of the Closing. Any notice delivered pursuant to this provision shall be written notice delivered

to the Town at or prior to the date of the Closing and shall specify a date (other than the date of the Closing) to be deemed the "end of the underwriting period."

Section 11. Payment of Expenses.

(a) The Underwriter shall be under no obligation to pay, and the Town shall pay the following expenses incident to the performance of the Corporation's and the Town's obligations hereunder:

(i) the fees and disbursements of Special Counsel;

(ii) the cost of printing and delivering the Certificates, the Preliminary Official Statement and the Official Statement (and any amendment or supplement prepared pursuant to Section 10 of this Purchase Contract);

(iii) the fees and disbursements of accountants, advisors and any other experts or consultants retained by the Corporation or the Town, including the Town Attorney; and

(iv) any other expenses and costs of the Corporation and the Town incident to the performance of their respective obligations in connection with the authorization, execution and sale of the Certificates, including out-of-pocket expenses and regulatory expenses, reimbursement to the Underwriter for any meals and travel for Town or Corporation employees or officers that were paid for by the Underwriter and any other expenses agreed to by the parties.

(b) The Underwriter shall pay all expenses incurred by it in connection with the public offering and distribution of the Certificates including, but not limited to:

(i) all advertising expenses in connection with the offering of the Certificates; and

(ii) all out-of-pocket disbursements and expenses incurred by the Underwriter in connection with the offering and distribution of the Certificates (including without limitation the fees and expenses of its counsel and the MSRB, CUSIP Bureau, California Debt and Investment Advisory Commission and California Public Securities Association fees, if any), except as provided in clause (a) above or as otherwise agreed to by the Underwriter and the Town.

Section 12. Notices. Any notice or other communication to be given to the Town under this Purchase Contract may be given by delivering the same in writing to the Town at the addresses set forth on the first page of this Purchase Contract, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to:

Stifel, Nicolaus & Company, Incorporated
One Montgomery Street, 35th Floor
San Francisco, California 94104
Attention: Guillermo Garcia

Section 13. Survival of Representations, Warranties, Agreements. All of the Town's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect regardless of: (a) any investigations made by or on behalf of the

Underwriter; or (b) delivery of and payment for the Certificates pursuant to this Purchase Contract. The agreements contained in this Section and in Section 11 shall survive any termination of this Purchase Contract.

Section 14. Benefit; No Assignment. This Purchase Contract is made solely for the benefit of the Town and the Underwriter (including its successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. The rights and obligations created by this Purchase Contract are not subject to assignment by the Underwriter or the Town without the prior written consent of the other party.

Section 15. Severability. In the event that any provision of this Purchase Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Purchase Contract.

Section 16. Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

Section 17. Governing Law. This Purchase Contract shall be governed by the laws of the State.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Section 18. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by an authorized officer of the Town, and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Title: Authorized Officer

Accepted:

TOWN OF CORTE MADERA

By:_____
Town Manager

Time of Execution: _____ California Time

EXHIBIT A

$_____
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

MATURITY SCHEDULE

Principal Payment Date (February 1)	***Principal***	***Coupon***	***Yield***	***Price***
	$	%	%	

* Term Certificate.

EXHIBIT B

$_____*
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he or she is the duly appointed and acting representative of the Town of Corte Madera (the "**Town**") and is duly authorized to execute and deliver this certificate on behalf of the Town, and further hereby certifies and reconfirms on behalf of the Town as follows:

(1) This certificate is delivered in connection with the offering and sale of the above captioned certificates of participation (the "**Certificates**") in order to enable the underwriter of the Certificates to comply with Securities and Exchange Commission Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "**Rule**").

(2) In connection with the offering and sale of the Certificates, there has been prepared a Preliminary Official Statement, setting forth information concerning the Certificates and the Town (the "**Preliminary Official Statement**").

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

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

Dated: May __, 2016

TOWN OF CORTE MADERA

By:_____
Town Manager

* *Preliminary; subject to change.*

EXHIBIT C

$_____
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

CLOSING CERTIFICATE OF THE CORPORATION

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the Public Property Financing Corporation of California (the "**Corporation**") and is duly authorized to execute and deliver this certificate and further hereby certifies and reconfirms on behalf of the Corporation as follows:

(i) The covenants, representations and warranties of the Corporation contained in the Lease Agreement, dated as of June 1, 2016 (the "**Lease**"), by and between the Corporation and the Town of Corte Madera, are true and correct in all material respects on and as of the date hereof, with the same effect as if made on the date hereof.

(ii) The resolution of the Corporation approving and authorizing the execution of the Lease, among other documents, was duly adopted at a meeting of the Corporation at which a quorum was present and acting throughout, is in full force and effect as of the date hereof and has not been amended, modified or supplemented, except as agreed to by the Underwriter.

(iii) The Corporation has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied on or prior to the date hereof relating to the above-captioned certificates of participation (the "**Certificates**").

(iv) The statements and descriptions pertaining to the Corporation in the Official Statement dated June __, 2016 relating to the Certificates (the "**Official Statement**") do not contain any untrue or misleading statement of a material fact and do not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(v) No event affecting the Corporation has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the date hereof the statements or information regarding the Corporation contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein regarding the Corporation not misleading in any material respect.

Dated: June __, 2016

PUBLIC PROPERTY FINANCING
CORPORATION OF CALIFORNIA

By:_____
Authorized Signatory

EXHIBIT D

$_____
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

CLOSING CERTIFICATE OF THE CITY

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the Town of Corte Madera (the "**Town**") and is duly authorized to execute and deliver this certificate and further hereby certifies and reconfirms on behalf of the Town as follows:

(i) The representations, warranties and covenants of the Town contained in the Certificate Purchase Contract, dated as of June __, 2016 (the "**Purchase Contract**"), by and between the Town and Stifel, Nicolaus & Company, Incorporated, as underwriter, are true and correct and in all material respects on and as of the date of the Closing, with the same effect as if made on the date of the Closing.

(ii) The Town Resolution is in full force and effect at the date of the Closing and has not been amended, modified or supplemented, except as agreed to by the Underwriter.

(iii) The Town has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied on or prior to the date of the Closing relating to the Certificates.

(iv) Subsequent to the date of the Official Statement and on or prior to the date of this certificate, there has been no adverse change in the condition (financial or otherwise) of the Town, whether or not arising in the ordinary course of operations, as described in the Official Statement, that would materially and adversely affect the Certificates or the Town's performance under the Town Agreements.

(v) The Official Statement (other than under the captions "THE TOWN AND THE CORPORATION—The Corporation" and "CERTIFICATE INSURANCE" does not contain any untrue or misleading statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading.

Capitalized terms used but not defined herein have the meanings given to such terms in the Purchase Contract.

Dated: June __, 2016

TOWN OF CORTE MADERA

By:_____
Town Manager

EXHIBIT E

June __, 2016

Town of Corte Madera
P.O. Box 159
Corte Madera, California 94976-0159

Stifel, Nicolaus & Company, Incorporated
One Montgomery Street, 35th Floor
San Francisco, California 94104

Public Property Financing Corporation of California
23945 Calabasas Road, Suite 103
Calabasas, California 91302

[INSURER]

Opinion of Town Attorney

with reference to

$_____
TOWN OF CORTE MADERA
2016 FEDERALLY TAXABLE REFUNDING CERTIFICATES OF PARTICIPATION

Ladies and Gentlemen:

In my capacity as the Town Attorney of the Town of Corte Madera (the "**Town**"), in connection with the execution and delivery of the above-referenced certificates of participation (the "**Certificates**"), I have examined such documents, certificates and records as I have deemed relevant and necessary as the basis for the opinion set forth herein. Capitalized terms used and not otherwise defined herein shall have the same meanings as assigned to them in the Certificate Purchase Contract, dated June __, 2016 (the "**Purchase Contract**"), by and between Stifel, Nicolaus & Company, Incorporated, as underwriter, and the Town.

Relying on my examination described above and pertinent law and subject to the limitations and qualifications set forth hereinafter, I am of the following opinion:

1. The Town is a municipal corporation and general law city organized and validly existing under the laws of the State of California.

2. The resolution of the Town Council of the Town (the "**Town Resolution**") relating to the Certificates has been duly adopted at a meeting of such Town Council that was duly called and held on [May 17], 2016 pursuant to law, with all required public notice and at which a quorum was present and acting throughout. The Town Resolution is in full force and effect and has not been amended or repealed.

3. The Town has duly authorized, executed and delivered the Town Agreements. Assuming due authorization, execution and delivery by the other parties thereto, as necessary, the Town Agreements constitute legal, valid and binding agreements of the Town enforceable against the

Town in accordance with their terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, debt adjustment, fraudulent conveyance or transfer, moratorium, reorganization or other laws affecting the enforcement of creditors' rights generally and equitable remedies if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and limitations on remedies against public agencies.

4. Except as disclosed in the Official Statement, there is no action, suit or proceeding before or by any court, public board or body pending (with service of process having been accomplished on the Town) or, to the best of my knowledge, threatened wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence or powers of the Town or the titles of its officers to their respective offices; (b) in any way question or affect the validity or enforceability of the Town Agreements or the Certificates; (c) find illegal, invalid or unenforceable the Town Agreements or the transactions contemplated thereby, or any other agreement or instrument related to the execution and delivery of the Certificates to which the Town is a party; or (d) have a material adverse effect on the ability of the Town to make Lease Payments when due.

5. The execution and delivery of the Town Agreements and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States or any department, division, agency or instrumentality of either thereof, or any applicable court or administrative decree or order or any loan agreement, note, resolution, indenture, trust agreement, contract, agreement or other instrument to which the Town is a party or is otherwise subject or bound in a manner which would materially adversely affect the Town's performance under the Town Agreements.

6. The Certificates are payable from and secured by a valid lien on and pledge of the Lease Payments and Additional Payments and other amounts in the manner and to the extent provided in the Trust Agreement. The Town is duly authorized to make such Lease Payments and Additional Payments and other amounts, and no further action of the part of the Town or any other party is required to perfect the same or the interest of the Certificate Owners therein.

The opinion is based on such examination of the laws of the State of California as I deemed relevant for the purposes of this opinion. I have not considered the effect, if any, of the laws of any other jurisdiction upon matters covered by this opinion. I have assumed the genuineness of all documents and signatures, presented to me. I have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in such documents. I express no opinion as to the status of the Certificates, the interest thereon or the Town Agreements under any federal securities laws, any state securities or "Blue Sky" law or any federal, state or local tax law. Without limiting any of the foregoing, I express no opinion as to any matter other than as expressly set forth above.

I am furnishing this opinion as Town Attorney to the Town. Except for the Town, no attorney-client relationship has existed or exists between me and the addressees hereof in connection with the Certificates or by virtue of this opinion. This opinion is rendered solely in connection with the financing described herein, and may not be relied upon by you for any other purpose. I disclaim any obligation to update this opinion. This opinion shall not extend to, and may not be used, quoted,

referred to, or relied upon by any other person, firm, corporation or other entity without my prior written consent.

Respectfully submitted,

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER

_____

CORTE MADERA TOWN COUNCIL
TRANSMITTAL REPORT

Report Date: May 10, 2016
Meeting Date: May 17, 2016

TO: TOWN MANAGER, MAYOR AND TOWN COUNCIL

FROM: GEORGE T. WARMAN, JR., DIRECTOR OF ADMINISTRATIVE SERVICES/TOWN TREASURER AND JONNA L. INTOSCHI, FINANCIAL ANALYST II

SUBJECT: TRANSMITTAL OF MARCH 31, 2016 SUMMARY FINANCIAL REPORT (INTERIM REPORTS ON CASH BASIS)

****

BACKGROUND

Attachment #1 contains the Summary Financial Report for the period July 1, 2015 through March 31, 2016. Interim Financial Reports are on a cash basis. After fiscal year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis. This report includes payrolls through March 27th, cash receipts through March 31st, cash disbursements through March 30th, and journal entries through March 31st.

The Summary Financial Report summarizes the accounting system's "General Ledger Trail Balance Report" (presently 75 pages), the "Revenue Status Report" (presently 38 pages), and the "Expenditure Status Report" (presently 94 pages). The Report is referenced in the Audited Financial Statements (present references on pages 121, 125, and 127 of June 30, 2015 Audited Financial Statements).

ORGANIZATION OF REPORT

The Report is divided into six sections as follows:

General Fund Grouping (Pages 1-3)

This includes all funds that close at year end to the General Fund.

Capital Projects Fund Grouping (Pages 4-6)

This includes all Capital Project Funds except Sewer Fund Capital Projects and projects that include General Fund Street Impact Fees, Park & Recreation Capital Fees, and Sales Tax Override projects.

Corte Madera Sales Tax Override Fund (Page 7)

This page shows detail on the Sales Tax Override which closes to the General Fund.

Sewer Fund Grouping (Pages 8-9)

This includes all Sewer Funds.

Other Funds Grouping (Pages 10-11)

This includes the Corte Madera Chamber of Commerce Transient Tax, the Park Madera Center Funds, The Age-Friendly Corte Madera Independent Activity, and the Self-Insurance Funds.

Reconciliation Section (Pages 12-14)

This section reconciles the Summary Report to the Revenue Status Report (page 12), the Expenditure Status Report (Page 13), and the Opening Fund Balances to Closing Fund Balances (page 14).

ORGANIZATION WITHIN FUND GROUPING

Each fund grouping begins with "Opening Fund Balance" which is followed by "Revenues", then "Expenditures", then "Transfers & Adjustments" and finally "Closing Fund Balance". The detail of both Opening and Closing Fund Balances is shown in each grouping.

ANALYSIS OF OPENING FUND BALANCES

The FY 2015-2016 and FY 2016-2017 Adopted Operating Budgets estimate the Operating Budgets Opening Fund Balances for FY 2015-2016 on Pages S2 & S3. These estimates are based on the worksheet on Page S6. The Adopted Capital Projects Budgets for FY 2015-2016 and FY 2016-2017 estimate the Capital Projects Opening Fund Balances on Page 11 of the Capital Projects Budget for FY 2015-2016. Below is the comparison between estimates and actual opening balances.

	Estimate	Actual	Variance
General Fund Grouping	5,891,000	6,602,688	711,688
Capital Projects Fund Grouping	1,484,000	1,552,759	68,759
Sewer Fund Grouping	4,820,000	4,497,856	(322,144)
All Other Funds Grouping	(1,845,000)	(1,806,676)	38,324
TOTAL	10,350,000	10,846,627	496,627

The new Sales Tax Override, the improving economy and associated development projects are the primary cause of the improving fund balances of the General Fund Grouping. The June 30, 2015 Summary Financial Report is on the website if one wishes to examine the variances.

ANALYSIS OF REVENUES

	Original Budget	Adjusted Budget	Total Received	% Received	Remaining Balance
General Fund Grouping	20,174,000	21,371,000	12,639,206	59.1	8,731,794
Capital Projects Fund Grouping	2,021,100	2,026,600	593,346	29.3	1,433,254
Sewer Fund Grouping	5,908,000	7,483,200	4,836,786	64.6	2,646,414
All Other Funds Grouping	1,366,500	1,375,000	1,022,238	74.3	352,762
TOTAL	29,469,600	32,255,800	19,091,576	59.2	13,164,224

Only the first installment of Property Taxes, Special Taxes and the Sewer Service Charge have been received from the County of Marin as of March 31st. Three more installments are due. Sales Taxes received are through December 31st or one-half of the year. Both sources appear "OK". The lag in the Capital Projects Fund Grouping reflects grant funded projects that are pending.

ANALYSIS OF EXPENDITURES

	Original Budget	Adjusted Budget	Total Expended/ Encumbered	% Expended	Remaining Balance
General Fund Grouping	19,346,600	20,055,000	14,229,026	71.0	5,825,974
Capital Projects Fund Grouping	1,895,100	1,900,600	340,996	17.9	1,559,604
Sewer Fund Grouping	4,368,300	6,388,900	3,178,671	49.8	3,210,229
All Other Funds Grouping	1,483,100	1,593,400	1,130,650	71.0	462,750
TOTAL	27,093,100	29,937,900	18,879,343	63.1	11,058,557

The Capital Projects Budget was adopted on October 6th and the loading into the Accounting System was done on October 28th. This, in part, explains why few transactions are reflected in those items shown in the Capital Projects sections. The other factor is the lack of staffing in Engineering to get projects processed and out to bid. Engineering staffing was drastically reduced during the economic downturn and has not been restored to the pre-recession level.

ANALYSIS OF TRANSFERS & ADJUSTMENTS

	Original Budget	Adjusted Budget	Total Transferred	% Transferred	Remaining Balance
From General Fund					
To Capital Improvement Fund	145,000	145,000	0	0.0	145,000
From General Fund					
To Park Madera Center Fund	138,600	240,400	240,400	100.0	0
TOTAL	283,600	385,400	240,400	62.4	145,000

The $101,800 addition is primarily related to the refinance of the Park Madera Center bonds.

ANALYSIS OF CLOSING FUND BALANCE

Page 14 of the Report shows the Total Fund Balance increasing from $10,846,627 to $11,058,860 or by $212,233.

BUDGET ADJUSTMENTS

Item	Amounts
Marin Audubon Society Land Acquisition July 7th	
Expenditures:	10,000
Reed School District Bussing August 18th	
Expenditures:	25,000
Battalion Chief's Compensation Increase August 18th	
Expenditures:	13,000
Town Manager Compensation Increase September 15th	
Expenditures:	15,500
Department Heads Compensation Increase October 20th	
Expenditures:	14,900
Mid-Management Compensation Increase December 1st	
Expenditures:	31,500
Part-time Employees of Fire & Recreation Departments Compensation Increase December 1st	
Expenditures:	5,000
Fire Association Compensation Increase December 15th	
Expenditures:	44,500
Staff Report of March 1st	
Revenue:	2,684,200
Expenditures:	2,615,900
Staff Report of May 3rd	
Revenue:	102,000
Expenditures:	69,500
Totals:	
Revenue Increase (Page 12):	2,786,200
Expenditure Increase (Page 13):	2,844,800

CLOSING COMMENT

Attachment #2 contains brief explanations by the six Department Heads.

This transmittal and Report are also on the Town website.

George T. Warman, Jr.
Director of Administrative Services/Town Treasurer

ATTACHMENT:

1. Summary Financial Report March 31, 2016

2. Reports of Department Heads
   a. Director Administrative Services
   b. Director of Emergency Services
   c. Director of Planning & Building
   d. Director of Public Works (Engineering & Administration)
   e. Director of Public Works (Field Maintenance & Operations)
   f. Director of Recreation & Leisure Services

ATTACHMENT #1

Summary Financial Report March 31, 2016

6

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
GENERAL FUND

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPENING BALANCE							
July 1, 2015	5,891,000	6,602,700	6,602,688	0	6,602,688	100.0	12
TOTAL REVENUES	20,174,000	21,371,000	12,639,206	0	12,639,206	59.1	8,731,794
TOTAL EXPENDITURES	(19,346,600)	(20,055,000)	(14,064,889)	(164,137)	(14,229,026)	71.0	(5,825,974)
TRANSFERS & ADJUSTMENTS							
To Capital Improve Fund	(145,000)	(145,000)	0	0	0	0.0	(145,000)
To Park Madera Center Fund	(138,600)	(240,400)	(240,400)	0	(240,400)	100.0	0
Inventory Adjustment	0	0		0	0	0.0	0
ACTUAL CLOSING BALANCE March 31, 2016	6,434,800	7,533,300	4,936,605	(164,137)	4,772,468	63.4	2,760,832

COLUMN III + IV = V: 4,936,605 + (164,137) = 4,772,468 COLUMN V + VII = COLUMN II: 4,772,468 + 2,760,832 = 7,533,300

SEGREGATION OF TOTAL FUND BALANCE

FUND #	FUND TITLE	AT 07/01/15	AT 03/31/16
101	General Fund Reserve	1,500,000	1,500,000
101	General Fund-Operations	(3,875,863)	(6,425,970)
101	Inventories & Cash On Hand	3,556	3,556
104	Equipment Replacement	4,686,436	4,591,294
104	Encumbrances	0	(9,314)
120	Sales Tax Override	3,065,872	3,812,024
120	Encumbrances	0	(154,822)
188	Street Impact Fees	415,066	552,162
303	Park & Recreation Capital Fees	807,621	903,538
		6,602,688	4,772,468

FUND #			
101	(5,978,046.04)	Open Balance	(3,875,862.47)
105	0.00	Revenue Control	10,099,715.10
111	(20,008.03)	Expend Control	(11,961,498.67)
115	1,276.01	Trans Equip	0.00
116	(10,310.78)	Trans Park Madera	(240,400.00)
301	(226,733.94)		
401	8,085.53		
501	(84,999.63)		
601	(53,518.56)		
701	(61,711.15)		
	(6,425,966.59)		(5,978,046.04)

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
GENERAL FUND

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
REVENUES							
Property Taxes	4,510,000	4,570,000	2,557,404	0	2,557,404	56.0	2,012,596
Swapped MVLF Backfill	837,000	887,000	443,701	0	443,701	50.0	443,299
Sales Taxes	6,300,000	6,500,000	3,237,892	0	3,237,892	49.8	3,262,108
Sales Tax Override	2,500,000	2,500,000	1,556,420	0	1,556,420	62.3	943,580
Transient Occupancy Taxes	737,000	771,000	545,723	0	545,723	70.8	225,277
Franchise Taxes	1,106,000	1,106,000	464,158	0	464,158	42.0	641,842
Business License Taxes	515,000	515,000	522,559	0	522,559	101.5	(7,559)
Real Property Transfer Taxes	90,000	90,000	92,664	0	92,664	103.0	(2,664)
Paramedic Special Tax	496,000	496,000	265,838	0	265,838	53.6	230,162
Fines	30,000	30,000	18,927	0	18,927	63.1	11,073
Interest Earnings	0	0	0	0	0	0.0	0
Leases	49,000	49,000	37,027	0	37,027	75.6	11,973
State Property Tax Relief	22,000	22,000	11,166	0	11,166	50.8	10,834
State Mandated Cost Reimb	0	12,000	12,226	0	12,226	101.9	(226)
State Excess MVLF'S	0	4,000	3,829	0	3,829	95.7	171
State Gas Tax 2107 & 2107.5	72,000	72,000	52,603	0	52,603	73.1	19,397
State Public Safety Sales Tax	81,000	81,000	60,664	0	60,664	74.9	20,336
State Disability Access Fee	3,000	3,000	1,493	0	1,493	49.8	1,507
State Fire Disaster Reimb	0	627,000	626,858	0	626,858	100.0	142
Building Charges	404,000	404,000	332,749	0	332,749	82.4	71,251
Engineering Charges	125,000	125,000	81,759	0	81,759	65.4	43,241
Planning Charges	120,000	120,000	91,109	0	91,109	75.9	28,891
Recreation Charges	868,000	868,000	604,601	0	604,601	69.7	263,399
Park/Rec Facilities Capital Fees	150,000	150,000	112,127	0	112,127	74.8	37,874
Fiscal Services - Sewer Fund	50,000	50,000	37,503	0	37,503	75.0	12,497
Ambulance Charges	820,000	820,000	500,280	0	500,280	61.0	319,720
Fire Charges	50,000	50,000	19,529	0	19,529	39.1	30,471
Other Service Charges	0	0	1,500	0	1,500	0.0	(1,500)
Finance Cost Recovery	6,000	6,000	4,930	0	4,930	82.2	1,070
Finance Assessment Districts	7,000	7,000	6,875	0	6,875	98.2	125
Public Works Cost Recovery	0	0	6,050	0	6,050	0.0	(6,050)
Parks Maintenance & Operation	15,000	15,000	11,027	0	11,027	73.5	3,973
Street Impact Fees	200,000	200,000	137,292	0	137,292	68.7	62,708
Other Revenue	11,000	221,000	180,723	0	180,723	81.8	40,277
Annual Adjust Compensated Absences	0	0		0	0	0.0	0
Marking Investments to Market (Paper Transaction Only)	0	0		0	0	0.0	0
TOTAL GENERAL FUND REVENUES	20,174,000	21,371,000	12,639,206	0	12,639,206	59.2	8,731,794

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
GENERAL FUND

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
EXPENDITURES							
Mayor & Council	(92,500)	(127,500)	(112,870)	0	(112,870)	88.5	(14,630)
Legal Services	(130,000)	(160,000)	(86,408)	0	(86,408)	54.0	(73,592)
Administration	(538,100)	(555,700)	(414,541)	0	(414,541)	74.6	(141,159)
Administrative Services	(722,800)	(730,000)	(544,262)	0	(544,262)	74.6	(185,738)
Property Tax Collection	(57,000)	(53,000)	(26,693)	0	(26,693)	50.4	(26,308)
"OPEB" Liability	(930,000)	(930,000)	(797,558)	0	(797,558)	85.8	(132,442)
Marin Emergency Radio Authority	(62,500)	(62,500)	(62,427)	0	(62,427)	99.9	(73)
Marin Telecommunications Agency	(24,000)	(28,000)	(21,789)	0	(21,789)	77.8	(6,211)
Transportation Authority of Marin	(16,000)	(20,000)	(19,973)	0	(19,973)	99.9	(27)
Marin LAFCO	(10,000)	(10,600)	(10,563)	0	(10,563)	99.7	(37)
Marin General Services Authority	(10,000)	(8,500)	(8,529)	0	(8,529)	100.3	29
Marin Housing Authority	(22,000)	(18,500)	(18,507)	0	(18,507)	100.0	7
Animal Control Services	(85,000)	(84,000)	(83,852)	0	(83,852)	99.8	(148)
Police Services	(3,003,000)	(3,003,000)	(2,252,250)	0	(2,252,250)	75.0	(750,750)
Police Facility Land	(79,400)	(79,400)	(79,413)	0	(79,413)	100.0	13
4th of July Program	(11,000)	(11,000)	(10,351)	0	(10,351)	94.1	(649)
100th Town Anniversary	(50,000)	(50,000)	(26,566)	0	(26,566)	53.1	(23,434)
Fire Department	(4,995,300)	(5,561,700)	(4,430,184)	0	(4,430,184)	79.7	(1,131,516)
Disaster Preparedness	(30,800)	(30,800)	(14,211)	0	(14,211)	46.1	(16,589)
Planning	(605,600)	(617,000)	(428,510)	0	(428,510)	69.5	(188,490)
Building Regulation	(484,600)	(505,300)	(348,359)	0	(348,359)	68.9	(156,941)
Engineering & Public Works Admin	(491,300)	(497,500)	(350,778)	0	(350,778)	70.5	(146,722)
Flood Control & Storm Drainage	(719,600)	(723,800)	(526,985)	0	(526,985)	72.8	(196,815)
Parks & Beautification	(1,129,000)	(1,129,600)	(782,224)	0	(782,224)	69.2	(347,376)
Street Maintenance	(630,300)	(630,900)	(415,079)	0	(415,079)	65.8	(215,821)
Traffic Signals, Signs, Stripping	(121,000)	(121,000)	(66,007)	0	(66,007)	54.6	(54,993)
Street Sweeping	(88,400)	(88,400)	(64,701)	0	(64,701)	73.2	(23,699)
Street Lighting	(80,600)	(80,600)	(47,819)	0	(47,819)	59.3	(32,781)
NPDES	(81,200)	(81,200)	(67,969)	0	(67,969)	83.7	(13,231)
State Disability Access Fee	0	(3,000)	(217)	0	(217)	7.2	(2,783)
Community Center	(634,600)	(641,500)	(433,991)	0	(433,991)	67.7	(207,509)
Outdoor Facilities	(222,500)	(222,500)	(220,004)	0	(220,004)	98.9	(2,496)
Neil Cummins Gym	(135,700)	(135,700)	(91,889)	0	(91,889)	67.7	(43,811)
Afterschool Program	(124,800)	(124,800)	(95,592)	0	(95,592)	76.6	(29,208)
Summer Program	(257,700)	(257,700)	(182,003)	0	(182,003)	70.6	(75,697)
Equipment & Machinery Replacement	(170,000)	(170,000)	(95,143)	(9,314)	(104,457)	61.4	(65,543)
Street Impact Fees		0	0	0	0	0.0	0
Surface Repairs	0	0	0	0	0	0.0	0
Overlays 15-005 (110,000 in CP)	(435,000)	(435,000)	(197)	0	(197)	0.0	(434,803)
Slurry Seals	0	0	0	0	0	0.0	0
GIS	0	0	0	0	0	0.0	0
Pavement Management Update	0	0	0	0	0	0.0	0
Park & Recreation Capital Fees	(265,000)	(265,000)	(16,209)	0	(16,209)	6.1	(248,791)
Sales Tax Override	(1,800,300)	(1,800,300)	(810,267)	(154,823)	(965,090)	53.6	(835,210)
TOTAL GENERAL FUND EXPENDITURES	(19,346,600) 0	(20,055,000) 0	(14,064,889)	(164,137)	(14,229,026)	71.0	(5,825,974)

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
CAPITAL PROJECTS (EXCLUDES SEWER FUND CAPITAL PROJECTS)

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPENING BALANCE							
July 1, 2015	1,484,000	1,552,800	1,552,759	0	1,552,759	100.0	41
REVENUES							
Interest Earnings**	2,500	2,500	3,606	0	3,606	144.2	(1,106)
Gas Tax 2103	135,000	135,000	38,473	0	38,473	28.5	96,527
Gas Tax 2105	60,000	60,000	39,604	0	39,604	66.0	20,396
Gas Tax 2106	50,000	50,000	30,756	0	30,756	61.5	19,244
TAM Sales Tax Override	110,000	110,000	108,972	0	108,972	99.1	1,028
Affordable Housing Fees	0	0	0	0	0	0.0	0
Storm Drainage Special Tax	640,000	640,000	347,414	0	347,414	54.3	292,586
Safe Pathways To School (10) (TAM)	244,000	244,000	0	0	0	0.0	244,000
San Clemente Access (SF Bay Trail) (TAM)	128,000	128,000	0	0	0	0.0	128,000
State Bike Transportation	170,000	170,000	0	0	0	0.0	170,000
State Beverage Container	5,000	5,000	5,000	0	5,000	100.0	0
Zero Waste Marin County	14,000	14,000	14,021	0	14,021	100.2	(21)
Safe Pathways to School (15) (TAM)	90,000	90,000	0	0	0	0.0	90,000
Marin Parks Measure "A"	70,000	70,000	0	0	0	0.0	70,000
Entry Sign Donation	30,000	30,000	0	0	0	0.0	30,000
P G & E Rebate Funding	272,600	272,600	0	0	0	0.0	272,600
Westside Park-In-Lieu Fees	0	5,500	5,500	0	5,500	100.0	0
Traffic Mitigation Fees	0	0	0	0	0	0.0	0
TOTAL CAPITAL PROJECTS REVENUES	2,021,100	2,026,600	593,346	0	593,346	29.3	1,433,254

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

** INTEREST BREAKOUT			
#108	0	0	365.13
#140	2,500	2,500	3,240.68
TOTAL	2,500	2,500	3,605.81

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
CAPITAL PROJECTS (EXCLUDES SEWER FUND CAPITAL PROJECTS)

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
EXPENDITURES							
Slurry Seal 15-026	(80,000)	(80,000)	0	0	0	0.0	(80,000)
Overlay 15-005 (435,000 In SIF)	(110,000)	(110,000)	(39,842)	(50,755)	(90,597)	82.4	(19,403)
Barrier Removal Implementation 15-022	(35,000)	(35,000)	(4,728)	0	(4,728)	13.5	(30,273)
Sidewalk, Curb & Gutter Repairs 15-808	(50,000)	(50,000)	(9,475)	0	(9,475)	19.0	(40,525)
High Canal Bridge Pathway 14-003	(170,000)	(170,000)	0	0	0	0.0	(170,000)
Street Repairs 15-809	(75,000)	(75,000)	(44,125)	0	(44,125)	58.8	(30,875)
Guard Rail Replacements 15-810	(20,000)	(20,000)	0	0	0	0.0	(20,000)
Pedestrian Stairs & Pathways 15-811	(25,000)	(25,000)	0	0	0	0.0	(25,000)
CM Ave Path Improve 15-010	(20,000)	(20,000)	0	0	0	0.0	(20,000)
FEMA Loma Out Mailer 15-704	(7,500)	(7,500)	0	0	0	0.0	(7,500)
Mariner Cove/Marina Village 15-001	0	0	(30,000)	0	(30,000)	0.0	30,000
33-42 El Camino St Dr Repl 15-020	(60,000)	(60,000)	0	0	0	0.0	(60,000)
Golden Hind/Ebbtide Gate 13-002	(10,000)	(10,000)	0	0	0	0.0	(10,000)
Golden Hing/Cay Psg Imp 15-014	(25,000)	(25,000)	(20,607)	0	(20,607)	82.4	(4,393)
Corrugated Metal Pipe Replacement 15-807	(50,000)	(50,000)	0	0	0	0.0	(50,000)
Flood Hazard Mailer 15-705	(5,000)	(5,000)	(5,557)	0	(5,557)	111.1	557
Infrastructure Management-GIS 15-706	(5,000)	(5,000)	0	0	0	0.0	(5,000)
Emergency Drainage Repairs 15-801	(65,000)	(65,000)	(44,423)	0	(44,423)	68.3	(20,577)
Paradise Dr Bike Way 15-025	(244,000)	(244,000)	0	0	0	0.0	(244,000)
General Plan Maint. Fee 15-410	(15,000)	(15,000)	0	0	0	0.0	(15,000)
Tamal Vista East Corridor Study 15-408	(75,000)	(75,000)	(30,986)	0	(30,986)	41.3	(44,014)
Zero Waste Cycle 1-4 15-002	(56,000)	(56,000)	(35,757)	(20,456)	(56,213)	100.4	213
Zero Waste Cycle 5 15-018	(14,000)	(14,000)	0	0	0	0.0	(14,000)
Beverage Container 15-017	(10,000)	(10,000)	0	0	0	0.0	(10,000)
Tamalpais Dr Ped Cross 15-003	(90,000)	(90,000)	0	0	0	0.0	(90,000)
LED Lighting Conversion 14-006	(272,600)	(272,600)	0	0	0	0.0	(272,600)
Long Term Financial Plan	(25,000)	(25,000)	0	0	0	0.0	(25,000)
Entry Sign at Town Center	(30,000)	(30,000)	0	0	0	0.0	(30,000)
Town Park Irrigation Control 15-805	(30,000)	(30,000)	0	0	0	0.0	(30,000)
Pixley Lagoon Restore 15-012	(15,000)	(15,000)	0	0	0	0.0	(15,000)
Green Room Stairs 15-806	(15,000)	(15,000)	(4,285)	0	(4,285)	28.6	(10,715)
Water Fountains 15-403	(8,000)	(8,000)	0	0	0	0.0	(8,000)
Skate Park Improve 15-407	(25,000)	(25,000)	0	0	0	0.0	(25,000)
Paradise Dr Sidewalk 15-007	(128,000)	(128,000)	0	0	0	0.0	(128,000)
Transportation Impact Fee Update 15-409	(30,000)	(30,000)	0	0	0	0.0	(30,000)
Westside Park-In-Lieu	0	(5,500)	0	0	0	0.0	(5,500)
TOTAL CAPITAL PROJECTS EXPENDITURES	(1,895,100)	(1,900,600)	(269,785)	(71,211)	(340,996)	17.9	(1,559,604)

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
CAPITAL PROJECTS (EXCLUDES SEWER FUND CAPITAL PROJECTS)

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
TRANSFERS & ADJUSTMENTS							
To Capital Improve Fund From General Fund	145,000	145,000	0	0	0	0.0	145,000
ACTUAL CLOSING BALANCE March 31, 2016	1,755,000	1,823,800	1,876,320	(71,211)	1,805,109	99.0	18,691

COLUMN III + IV = V: 1,876,320 + (71,211) = 1,805,109 COLUMN V + VII = COLUMN II: 1,805,109 + 18,691 = 1,823,800

SEGREGATION OF TOTAL FUND BALANCE

FUND #	FUND TITLE	AT 07/01/15	AT 03/31/16
108	Gas Tax 2103	105,566	100,278
109	Gas Tax 2105	0	34,877
110	Gas Tax 2106	0	21,281
114	TAM Sales Tax Override	0	69,130
114	Encumbrances	0	(50,755)
124	Affordable Housing Fund	165,391	165,391
140	Storm Drainage Tax Fund	1,060,245	1,310,312
170	Capital Improvement Fund	61,213	13,492
170	Encumbrances	0	(20,456)
176	Westside Park-In-Lieu Fund	0	5,500
178	Traffic Improvement Fund	(49,524)	(49,524)
179	Village Traffic Improvement Fund	133,000	133,000
304	Marin Parks Measure "A"	76,868	72,583
	TOTAL FUND BALANCE	1,552,759	1,805,109

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the CASH Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
CORTE MADERA SALES TAX OVERRIDE FUND

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPENING BALANCE (In General Fund)							
JULY 1, 2015	3,000,000	3,065,900	3,065,872	0	3,065,872	100.0	28
REVENUE							
Corte Madera Sales Tax Override	2,500,000	2,500,000	1,556,420	0	1,556,420	62.3	943,580
EXPENDITURES							
Casa Buena St Imp 15-021	(50,000)	(50,000)	0	0	0	0.0	(50,000)
High Canal Bridge Path 14-003	(30,000)	(30,000)	0	0	0	0.0	(30,000)
Pedestrian Cross Time 15-019	(6,000)	(6,000)	(5,000)	0	(5,000)	83.3	(1,000)
Paradise/Golden Hind Turn 15-006	(110,000)	(110,000)	(39,831)	0	(39,831)	36.2	(70,169)
Paradise/Prince Royal Cross 15-024	(30,000)	(30,000)	0	0	0	0.0	(30,000)
Pave Manage Plan 16-002	(4,000)	(4,000)	(3,000)	0	(3,000)	75.0	(1,000)
Push Button LED Red Sign 15-019	(13,300)	(13,300)	(13,800)	0	(13,800)	103.8	500
Paradise/El Camino/Seawolf 15-019	(10,000)	(10,000)	(10,000)	0	(10,000)	100.0	0
Tamalpais/Sanford Traffic 15-015	(20,000)	(20,000)	0	0	0	0.0	(20,000)
Tamalpais Ped Cross Enhance 15-003	(30,000)	(30,000)	(2,693)	(2,133)	(4,826)	16.1	(25,174)
AQMD Bike Rack Install 15-030	(20,000)	(20,000)	0	0	0	0.0	(20,000)
Cap Proj Develop/Review 15-028	(75,000)	(75,000)	0	0	0	0.0	(75,000)
Fire Dept Vehicle Replacements	(480,000)	(480,000)	(448,745)	0	(448,745)	93.5	(31,255)
Disaster Preparedness	(20,000)	(20,000)	0	0	0	0.0	(20,000)
Robin Dr Gate Replace 15-802	(25,000)	(25,000)	0	0	0	0.0	(25,000)
Pump Station Lighting 15-803	(7,000)	(7,000)	(9,382)	0	(9,382)	134.0	2,382
Tamalpais/Pixley St Light 15-804	(20,000)	(20,000)	0	0	0	0.0	(20,000)
Flood Control Machinery Replace	(460,000)	(460,000)	(20,579)	0	(20,579)	4.5	(439,421)
Parks Vehicle Replacements	(105,000)	(105,000)	0	(88,712)	(88,712)	84.5	(16,288)
Streets Vehicle Replacements	(85,000)	(85,000)	0	(63,978)	(63,978)	75.3	(21,022)
Street Sweeper Replacement	(200,000)	(200,000)	(257,237)	0	(257,237)	128.6	57,237
TOTAL EXPENDITURES	(1,800,300)	(1,800,300)	(810,267)	(154,823)	(965,090)	53.6	(835,210)
ACTUAL CLOSING BALANCE March 31, 2016 (In General Fund)	3,699,700	3,765,600	3,812,024	(154,823)	3,657,202	97.1	108,398
TRANSFERS TO GENERAL FUND							
Revenue	(2,500,000)	(2,500,000)	(1,556,420)	0	(1,556,420)	62.3	(943,580)
Expenditures	1,800,300	1,800,300	810,267	154,823	965,090	53.6	835,210

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
SEWER FUND (INCLUDES SEWER FUND CAPITAL PROJECTS)

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPENING BALANCE							
July 1, 2015	4,820,000	4,497,900	4,497,856	0	4,497,856	100.0	44
REVENUES							
Property Taxes	2,753,000	2,824,000	1,586,837	0	1,586,837	56.2	1,237,163
Interest Earnings	15,000	15,000	13,157	0	13,157	87.7	1,843
Property Tax Relief	15,000	15,000	7,335	0	7,335	48.9	7,665
Sewer Service Charges	3,104,000	3,104,000	1,703,755	0	1,703,755	54.9	1,400,245
Other Service Charges	21,000	21,000	21,495	0	21,495	102.4	(495)
Legal Settlement	0	1,500,000	1,500,001	0	1,500,001	100.0	(1)
Sewer Connection Fees	0	4,200	4,206	0	4,206	100.1	(6)
TOTAL SEWER FUND REVENUES	5,908,000	7,483,200	4,836,786	0	4,836,786	64.6	2,646,414
TOTAL SEWER EXPENDITURES	(4,368,300)	(6,388,900)	(3,141,889)	(36,782)	(3,178,671)	49.8	(3,210,229)
ACTUAL CLOSING BALANCE March 31, 2016	6,359,700	5,592,200	6,192,753	(36,782)	6,155,971	110.1	(563,771)

COLUMN III + IV = V: 6,192,753 + (36,782) = 6,155,971 COLUMN V + VII = COLUMN II: 6,155,971 + (563,771) = 5,592,200

SEGREGATION OF TOTAL FUND BALANCE

FUND #	FUND TITLE	AT 07/01/15	AT 03/31/16
201	Sewer Operating Fund	0	0
201	Sewer Capital Equipment Replacement	315,002	315,002
260	Sewer Capital Projects Fund	4,182,854	5,877,751
260	Encumbrances	0	(36,782)
270	Sewer Connection Fee Project Fund	0	0
	TOTAL FUND BALANCE	4,497,856	6,155,971

Open Balance	4,497,855.57
Revenue Control	4,832,579.88
Expend Control	(2,477,923.60)
Expend Control	(659,758.72)
Expend Control	0.00
Encumbrances	(36,782.00)
	6,155,971.13

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
SEWER FUND (INCLUDES SEWER FUND CAPITAL PROJECTS)

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPERATIONAL EXPENDITURES							
Property Tax Collection	(38,000)	(35,000)	(17,511)	0	(17,511)	50.0	(17,489)
Administration	(386,800)	(388,800)	(162,472)	0	(162,472)	41.8	(226,328)
Maintenance	(1,198,500)	(1,199,100)	(853,624)	(36,782)	(890,406)	74.3	(308,694)
Central Marin Sanitation Agency		0					
Pump Station Maintenance	(300,000)	(300,000)	(221,808)	0	(221,808)	73.9	(78,192)
Treatment & Disposal	(825,000)	(825,000)	(675,382)	0	(675,382)	81.9	(149,618)
Debt Service-WWIP	(650,000)	(650,000)	(541,441)	0	(541,441)	83.3	(108,559)
"FOG" Source Control	(10,000)	(10,000)	(5,685)	0	(5,685)	56.9	(4,315)
SUB-TOTAL	(3,408,300)	(3,407,900)	(2,477,924)	(36,782)	(2,514,706)	73.8	(893,194)
CAPITAL PROJECTS							
Paradise West Sewer Improvement	(100,000)	(2,121,000)	(19,735)	0	(19,735)	0.9	(2,101,265)
CCTV Inspection Sewer Mains	(100,000)	(100,000)	(47,628)	0	(47,628)	47.6	(52,372)
Assessment/Master Plan Updates	(50,000)	(50,000)	(49,032)	0	(49,032)	98.1	(968)
Infrastructure Management-GIS	(10,000)	(10,000)	0	0	0	0.0	(10,000)
Emergency Repairs	(200,000)	(200,000)	0	0	0	0.0	(200,000)
Panagotacos Litigation	0	0	(155,010)	0	(155,010)	0.0	155,010
CCTV Inspection Emergency Repairs	(500,000)	(500,000)	(392,560)	0	(392,560)	78.5	(107,440)
SUB-TOTAL	(960,000)	(2,981,000)	(663,965)	0	(663,965)	22.3	(2,317,035)
TOTAL SEWER FUND EXPENDITURES	(4,368,300)	(6,388,900)	(3,141,889)	(36,782)	(3,178,671)	49.8	(3,210,229)

* Subsequent to year end, conversion to the Modified Accrual Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
ALL OTHER FUNDS

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
OPENING BALANCE							
July 1, 2015	(1,845,000)	(1,806,700)	(1,806,676)	0	(1,806,676)	100.0	(24
REVENUES							
Chamber Transient Taxes	184,000	192,500	136,338		136,338	70.8	56,162
Interest Earnings **	0	0	1,063		1,063	0.0	(1,063
Leases - Park Madera Center	755,500	755,500	564,587		564,587	74.7	190,913
Age-Friendly Corte Madera	0	0	0		0	0.0	0
Allocation To Self-Insurance Funds	427,000	427,000	320,250		320,250	75.0	106,750
TOTAL ALL OTHER FUNDS REVENUES	1,366,500	1,375,000	1,022,238	0	1,022,238	74.4	352,762
** INTEREST BREAKOUT							
#810	0	0	245.02				
#820	0	0	817.67				
TOTAL	0	0	1,062.69				

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.
Excludes debt service and operational funds of assessment districts.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
ALL OTHER FUNDS

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
EXPENDITURES							
Chamber Of Commerce	(184,000)	(192,500)	(136,524)	0	(136,524)	70.9	(55,976)
Park Madera Center-Debt Service	(775,000)	(807,300)	(526,997)	0	(526,997)	65.3	(280,303)
Park Madera Center-Property Manager	(119,100)	(188,600)	(169,407)	0	(169,407)	89.8	(19,193)
Age-Friendly Corte Madera	0	0	0	0	0	0.0	0
Workers' Comp Self-Insurance	(155,000)	(155,000)	(125,138)	0	(125,138)	80.7	(29,862)
General & Auto Liability		0					
Self-Insurance	(219,000)	(219,000)	(143,644)	0	(143,644)	65.6	(75,356)
Property & Vehicle Damage		0					
Self-Insurance	(31,000)	(31,000)	(28,940)	0	(28,940)	93.4	(2,060)
TOTAL ALL OTHER FUNDS EXPENDITURES	(1,483,100)	(1,593,400)	(1,130,650)	0	(1,130,650)	71.0	(462,750)
TRANSFERS & ADJUSTMENTS							
To Park Madera Center Fund							
From General Fund	138,600	240,400	240,400	0	240,400	100.0	0
ACTUAL CLOSING BALANCE March 31, 2016	(1,823,000)	(1,784,700)	(1,674,688)	0	(1,674,688)	93.8	(110,012)

COLUMN III + IV = V: (1,674,688) + 0 = (1,674,688) COLUMN V + VII = COLUMN II: (1,674,688) + (110,012) = (1,784,700)

SEGREGATION OF TOTAL FUND BALANCE

FUND #	FUND TITLE	AT 07/01/15	AT 03/31/16
102	Chamber of Commerce	0	(186)
106	Park Madera Center (Modified Accrual Basis)	(2,235,800)	(2,127,216)
305	Age-Friendly Corte Madera	2,083	2,083
810	Workers' Comp. Self-Insure (Modified Accrual Basis)	101,431	104,038
820	Gen. & Auto Liability Self-Insure (Modified Accrual Basis)	314,704	344,377
830	Property & Vehicle Self-Insure (Modified Accrual Basis)	10,906	2,216
	TOTAL FUND BALANCE	(1,806,676)	(1,674,688)

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis. Excludes debt service and operational funds of assessment districts.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
REVENUE REPORT RECONCILIATION

	I Original Budget	II Adjusted Budget	III Received Or Expended	IV Encumbered	V Total Received/ Expend/Encum	VI Percentage Received Or Used	VII Remaining Balance
Period 09-MARCH, 2016	29,469,600	32,255,800	19,185,252.65		19,185,252.65	59.5	13,070,547.35
REVENUE STATUS REPORT							
Less Shoreline Debt Service	0	0	(59,930.98)	0	(59,930.98)	0.0	59,930.98
Less Shoreline Maintenance	0	0	(5,500.00)	0	(5,500.00)	0.0	5,500.00
Less Old Landing Road Debt Service	0	0	(28,244.35)	0	(28,244.35)	0.0	28,244.35
TOTAL REVENUE PER LEDGER	29,469,600	32,255,800	19,091,577.32	0	19,091,577.32	59.2	13,164,222.68
Period 09-MARCH, 2016 SUMMARY FINANCIAL REPORT REVENUE							
General Fund	20,174,000	21,371,000	12,639,206	0	12,639,206	59.1	8,731,794
Capital Projects	2,021,100	2,026,600	593,346	0	593,346	29.3	1,433,254
Sewer Fund	5,908,000	7,483,200	4,836,786	0	4,836,786	64.6	2,646,414
All Other Funds	1,366,500	1,375,000	1,022,238	0	1,022,238	74.3	352,762
TOTAL REVENUE PER SUMMARY FINANCIAL REPORT	29,469,600	32,255,800	19,091,576	0	19,091,576	59.2	13,164,224

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis. Excludes debt service and operational funds of assesment districts.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
EXPENDITURE REPORT RECONCILIATION

	I Original	II Adjusted	III Received	IV	V Received/	VI Received	VII Remaining
Period 09-MARCH 2016							
EXPENDITURE STATUS REPORT	(28,574,100)	(31,418,900)	(18,760,714.86)	(272,129.74)	(19,032,844.60)	60.6	(12,386,055.40)
Less Park Madera Center							
Depreciation	138,000	138,000	0.00	0	0.00	0.0	138,000.00
Less Shoreline Debt Service	0	0	103,873.09	0	103,873.09	0.0	(103,873.09)
Less Shoreline Maintenance	0	0	53.74	0	53.74	0.0	(53.74)
Less General Fixed Assets							
Depreciation	0	0	0.00	0	0.00	0.0	0.00
Less Sewer Fund							
Depreciation	1,300,000	1,300,000	0.00	0	0.00	0.0	1,300,000.00
Less Old Landing Road							
Debt Service	0	0	49,575.10	0	49,575.10	0.0	(49,575.10)
Less Recreation Center							
Depreciation	26,000	26,000	0.00	0	0.00	0.0	26,000.00
Less Neil Cummings Gym							
Depreciation	17,000	17,000	0.00	0	0.00	0.0	17,000.00
Less Self Insurance Funds							
Actuarial Adjustments	0	0	0.00	0	0.00	0.0	0.00
TOTAL EXPENDITURES PER LEDGER	(27,093,100)	(29,937,900)	(18,607,212.93)	(272,129.74)	(18,879,342.67)	63.1	(11,058,557.33)
Period 09-MARCH 2016 SUMMARY FINANCIAL REPORT EXPENDITURES							
General Fund	(19,346,600)	(20,055,000)	(14,064,889)	(164,137)	(14,229,026)	71.0	(5,825,974)
Capital Projects	(1,895,100)	(1,900,600)	(269,785)	(71,211)	(340,996)	17.9	(1,559,604)
Sewer Fund	(4,368,300)	(6,388,900)	(3,141,889)	(36,782)	(3,178,671)	49.8	(3,210,229)
All Other Funds	(1,483,100)	(1,593,400)	(1,130,650)	0	(1,130,650)	71.0	(462,750)
TOTAL EXPENDITURES PER SUMMARY FINANCIAL REPORT	(27,093,100)	(29,937,900)	(18,607,213)	(272,130)	(18,879,343)	63.1	(11,058,557)

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis. Excludes debt service and operational funds of assessment districts.

TOWN OF CORTE MADERA
SUMMARY FINANCIAL REPORT
CASH ACCOUNTING BASIS *
Period 09
March 2016
FUND BALANCE RECONCILIATION

SEGREGATION OF TOTAL FUND BALANCE

FUND#	FUND TITLE	AT 07/01/15	AT 03/31/16
101	General Fund Reserve	1,500,000	1,500,000
101	General Fund - Operations	(3,875,863)	(6,425,970)
101	Inventories & Cash On Hand	3,556	3,556
104	Equipment Replacement	4,686,436	4,591,294
104	Encumbrances	0	(9,314)
120	Corte Madera Sales Tax Override	3,065,872	3,812,024
120	Encumbrances	0	(154,822)
188	Street Impact Fees	415,066	552,162
303	Park & Recreation Capital Fees	807,621	903,538
108	Gas Tax 2103	105,566	100,278
109	Gas Tax 2105	0	34,877
110	Gas Tax 2106	0	21,281
114	TAM Sales Tax Override	0	69,130
114	Encumbrances	0	(50,755)
124	Affordable Housing Fund	165,391	165,391
140	Storm Drainage Tax Fund	1,060,245	1,310,312
140	Encumbrances	0	0
170	Capital Improvement Fund	61,213	13,492
170	Encumbrances	0	(20,456)
176	Westside Park-In-Lieu Fund	0	5,500
178	Traffic Improvement Fund	(49,524)	(49,524)
179	Village Traffic Improvement Fund	133,000	133,000
304	Marin Parks Measure "A"	76,868	72,583
201	Sewer Operating Fund	0	0
201	Sewer Capital Equipment Replacement	315,002	315,002
260	Sewer Capital Projects Fund	4,182,854	5,877,751
260	Encumbrances	0	(36,782)
270	Sewer Connection Fee Project Fund	0	0
102	Chamber of Commerce	0	(186)
106	Park Madera Center	(2,235,800)	(2,127,216)
305	Age-Friendly Corte Madera	2,083	2,083
810	Workers' Comp. Self-Insure	101,431	104,038
820	Gen. & Auto Liability Self-Insure	314,704	344,377
830	Property & Vehicle Self-Insure	10,906	2,216
	TOTAL FUND BALANCE	10,846,627	11,058,860

RECONCILIATION OF TOTALS

TOTAL OPENING BALANCE	10,846,627
TOTAL REVENUES	19,091,576
TOTAL EXPENDITURES	(18,879,343)
TOTAL CLOSING BALANCE	11,058,860

* Subsequent to year end, conversion to the Modified Accrual Accounting Basis is done. The Budget is presented on the Modified Accrual Accounting Basis.
Excludes debt service and operational funds of assessment districts.

ATTACHMENT #2

Reports of Department Heads

a. Director Administrative Services
b. Director of Emergency Services
c. Director of Planning & Building
d. Director of Public Works (Engineering & Administration)
e. Director of Public Works (Field Maintenance & Operations)
f. Director of Recreation & Leisure Services

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MEMORANDUM

TO: Town Manager, Mayor and Town Council

FROM: George T. Warman, Jr., Director of Administrative Services/Town Treasurer

DATE: May 10, 2016

SUBJECT: Status of Finance Department Budget Activities As of March 31, 2015 (Cash Basis)

* * * * * * * * * *

Mayor & Council – 88.5%
Appears OK at this time.

Legal Services – 54.0%
Appears OK at this time.

Administration – 74.6%
Appears OK at this time.

Administrative Services – 74.6%
Appears OK at this time.

Town Property Tax Collection – 50.4%
Appears OK at this time.

"OPEB" Liability – 85.8%
Appears OK at this time.

Marin Emergency Radio Authority – 99.9%
Total amount due for the fiscal year has been paid.

Marin Telecommunications Agency – 77.8%
Appears OK at this time.

Transportation Authority of Marin – 99.9%
Total amount due for the fiscal year has been paid.

Marin LAFCO – 99.7%
Total amount due for the fiscal year has been paid.

Marin General Services Authority – 100.3%
Total amount due for the fiscal year has been paid.

Marin Housing Authority – 100.0%
Total amount due for the fiscal year has been paid.

Animal Control Services – 99.8%
Total amount due for the fiscal year has been paid.

Police Services – 75.0%
Nine months of the amount due for the fiscal year has been paid.

Police Facility Land – 100.0%
Total amount due for the fiscal year has been paid.

4th of July Program – 94.1%
Total amount due for the fiscal year has been paid.

100th Town Anniversary – 53.1%
Appears OK at this time.

State Disability Access Fee – 7.2%
Appears OK at this time.

Equipment & Machinery Replacement – 61.4%
Appears OK at this time.

Long-Term Financial Plan – 0.0%
Study began in January, 2016.

Sanitary District Property Tax Collection – 50.0%
Appears OK at this time.

Sanitary District Wet Weather Improvement Project Debt Service – 83.3%
Appears OK at this time.

Chamber of Commerce – 70.9%
A year end budget adjustment will put this at 100% of the 2% received and due to the Chamber of Commerce.

Park Madera Center – Debt Service – 65.3%
Appears OK at this time.

Park Madera Center – Property Manager – 89.8%
Appears OK at this time.

Age-Friendly Corte Madera – 0.0%
A year end budget adjustment will put this at 100% of the organization's activities. Age-Friendly Corte Madera operates separately from the Town's fiscal office. To put itself in a far better position to qualify for grants, the organization should completely divorce itself from the Town and reorganize as a non-profit. It is presently a governmental activity which limits its ability to qualify for grants.

Workers' Compensation Self-Insurance– 80.7%
Appears OK at this time.

General & Auto Liability Self-Insurance– 65.6%
Appears OK at this time.

Property & Vehicle Damage Self-Insurance– 93.4%
Appears OK at this time.

George T. Warman, Jr.
Director of Administrative Services/
Town Treasurer

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MEMORANDUM

TO: Town Manager, Mayor and Town Council

FROM: George T. Warman, Jr., Director of Administrative Services/Town Treasurer

DATE: May 10, 2016

SUBJECT: Status of Fire Department Budget Activities As of March 31, 2016 (Cash Basis)

* * * * * * * * * *

Fire Department – 79.7%

The CalPERS Unfunded Pension Liability payment for FY 2015-2016 was paid in July of 2015 for the fiscal year totaling $615,097, which overstates the percentage. Budget appears OK at this time.

Disaster Prepardedness – 46.1%

Appears OK at this time.

George T. Warman Jr.

George T. Warman, Jr.
Director of Administrative Services/
Town Treasurer

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MEMORANDUM

TO: Town Manager, Mayor and Town Council

FROM: Adam Wolff, Director of Planning and Building

DATE: May 11, 2016

SUBJECT: 2015-2016 Third Quarter Summary Financial Report (through March 31, 2015)

DEPARTMENT EXPENDITURES

Building Department - Account 101-512

Total Department Expenditure Accounts 68.9% expended
($505,300 adjusted)

Planning Department - Account 101-511

Total Department Expenditure Accounts 69.5% expended
($617,000 adjusted)

CAPITAL PROJECTS

Tamal Vista Corridor Study 41.3% expended

FY 15-16 budget of $75,000

DEPARTMENT REVENUE

Building Charges

$332,749 82.4%

Planning Charges

$91,109 75.9%

PUBLIC WORKS
ENGINEERING
MEMORANDUM

THE TOWN OF CORTE MADERA
MARIN COUNTY CALIFORNIA

To: David Bracken, Town Manager

From: Nisha Patel, P.E., Senior Civil Engineer

Date: 5/11/16

Subject: PWE FY 2015-16 Q3 Finance Notes

The Public Works Engineering and Sanitary District 2 costs listed in the Summary Financial Report on pages 3, 5 (Town) and 9 (SD2) are at levels expected with the third quarter of the fiscal year. The following table includes the operational (Engineering Public Works Administration and Sewer District Administration) and capital line items for the Town and the Sanitary District 2 with notes regarding their respective expenditure levels and status.

PG#	Item	%	Notes
3	Engineering & Public Works Administration	70.5	A reduction in staffing has kept expenditure amounts at or slightly below expected amounts for mid-fiscal year.
5	Slurry Seal (15-026)	0.0	Construction will follow Larkspur's Doherty Drive Improvements Project. Larkspur's project just went out to at the end of April.
3 & 5	Overlay (15-005) ($90,794/ $545,000=16.7%)	16.7	Design is underway and is 85% complete to date. Bidding is planned for July/August 2016, and bid award and construction will be in Q1 FY16-17.
5	Barrier Removal Implementation Plan Improvement Projects (15-022)	13.5	Accessibility locations have been prioritized. Work will coordinate with the Tamalpais Drive Pedestrian Crossing Improvements. Final design is underway. Bidding will be in late July. Construction is scheduled for early September.
5	Sidewalk, Curb & Gutter Repairs (15-808)	19.0	A few minor repairs were performed.
5 & 7	High Canal Bridge Pathway (14-003)	0.0	Scope change to submit for approval by the funding agency (the State) is under discussion.
5	Street Repairs (15-809)	58.8	Several pavement repairs were performed.
5	Guard Rail Replacements (15-810)	0.0	Guard Rail Replacements have not yet been needed.
5	Pedestrian Stairs & Pathways (15-811)	0.0	Repairs are made as needed.
5	Corte Madera Ave. Pathway Improvements Project (15-010)	0.0	A prelim. conceptual plan has been developed by a consultant.
5	FEMA LOMA Out as Shown Mailer (15-704)	0.0	Mailer was sent Q2. Expenses were paid out of 15-705.
5	Mariner Cove/ Marina Village Drainage Improvements (15-001)	0.0	Design is 100% complete. Bidding is planned for next week, and bid award and construction will be in Q4 FY. We have incurred design consultant services expenses, but in error, were not budgeted for this fiscal year. A pending budget amendment would transfer the funds from the project budget of FY 16-17.
5	33-42 El Camino Storm Drain Replacement (15-020)	0.0	Staff investigations were performed. Operations and Maintenance will lead this project.
5	Golden Hind/Ebbtide Gate (13-002)	0.0	Staff is analyzing the situation.

5	Golden Hind/ Cay Passage Improvement-Curb Drains & Pump Station (15-014)	82.4	Design and construction is complete.
5	Corrugated Metal Pipe Replacement (15-807)	0.0	Corrugated metal pipe replacements will be replaced as needed as part of the current 2015/ 2016 Pavement Improvements Project.
5	Flood Hazard Mailer (15-705)	111.1	Flood Hazard Mailer was sent out Q2 FY 15-16.
5	Flood Control Infrastructure Management-GIS Management (15-706)	0.0	None required in Q1.
5	Emergency Drainage Repairs (15-801)	68.3	Major repairs were constructed. This effort was managed by Operations and Maintenance staff.
5	Paradise Drive Bikeway Extension-Westward Drive to Upland Circle (15-025)	0.0	Preparing proposal for design consultant services.
5	Zero Waste Implementation Plan (Cycle 1-4) (15-002)	100.4	Under contract with R3. Encumbrance (PO issued) shows as 100% expended. Development of the plan is 95% complete to date.
5	Zero Waste Projects (Cycle 5) (15-018)	0.0	Work was completed in early May 2016.
5	Beverage Container Recycling (15-017)	0.0	Received grants in the amount of $10,000. Staff has collected invoices to submit to CalRecycle to confirm compliance and perform reporting as required by the grant requirement. Staff is continuing to purchase eligible items from the grant funds. Some of the expenditures (by the Parks Dept.) were made out of a different account, so they'll need to be transferred to this project account.
5 & 7	Tamalpais Drive Pedestrian Crossing Enhancements (15-003)	16.1	Concept plan work was completed by Parisi in Q3. A PO was issued for final design in early April 2016. Final design is underway. The project will be bid in July/ August 2016. Construction will commence in September.
5	LED Lighting Conversion Project (14-006)	0.0	Fixtures required and locations have been identified. Cost Estimate has been performed. Staff is working on the plans and specs.
5	Pixley Lagoon Restoration (15-012)	0.0	Plans and specs. were approved by Council. MOU was executed with the Beautification Committee (BC). The Parks Dept. provided $15,000 to BC for the project, but there is question whether the Beautification Committee would like to execute this project afterall.
5	Paradise Drive Sidewalk Replacement- San Clemente to Seawolf Passage (15-007)	0.0	Transfer of Measure A funds from the Bay Trail project were applied for and approved by TAM. A RFP for design services is being developed. OBAG funds were applied for in early May 2016.
7	Casa Buena Street Improvements (15-021)	0.0	A preliminary conceptual plan has been prepared by a consultant.
7	Modification of Pedestrian Crossing Timing (15-019)	83.3	The calculations to update the timing at 14 intersections was completed and reviewed by Town staff, and implemented in Q2. The billing and payment was made in Q3. This project is complete.
7	Paradise Drive at Golden Hind Left Turn and Pedestrian Crossing Improvements (15-006)	36.2	This project was constructed in the end of Q1 and completed in Q2. Permanent thermoplastic striping may

			be installed when the area is paved or slurry sealed later in the year.
7	Paradise at Prince Royal Pedestrian Crossing Enhancements (15-024)	0.0	This work needs further analysis and input from the BPAC before design can initiated.
7	Pavement Management Plan (16-002)	75.0	A grant application for the Pavement Management Plan (16-002) was submitted, and funding for 80% of the consultant costs was approved. The Town paid for 20% of the consultant costs in Q3. The consultant work is underway.
7	Removal/ Replacement of Push Buttons, and Installation of LED Countdown Signs (15-019)	103.8	The LED countdown signs have been installed. Most of the push buttons were replaced by Q2. The remaining ones were replaced in Q3. The project is now complete.
7	Replacement of Old Signal Head and Framework on Paradise/ El Camino/ Seawolf (15-019)	100.0	The equipment was installed in February 2016 (Q3). The project is now complete.
7	Tamalpais at Sanford (Casa Buena and Meadowsweet) Traffic Congestion Relief Improvements (15-015)	0.0	Project has not started because of staff availability.
7	AQMD Bike Rack Installation (15-030)	0.0	Staff is looking for more useful and feasible bike rack locations than the originally planned locations.
7	Capital Project Development and Review (15-028)	0.0	Conceptual plans to add bike lanes on Tamal Vista from Madera to Fifer were prepared in Q3, but paid for in April. OBAG Funding applications were prepared last week for the project and others.
7	Tamalpais at Pixley Avenue Electric Replacement (15-804)	0.0	A contract has been executed with DC Electric. Investigation and design/ solution have been performed by staff and the consultant/ contractor. This work will be done at the same time as the replacement of the curb ramp at the northeast corner of Pixley and Tamalpais in early June (separate and before the Tamalpais Pedestrian Improvement Project.
9	Sewer Administration	41.8	A reduction in staffing has kept expenditure amounts at or below expected amounts for the quarter.
9	Paradise West Sewer Improvements (13-201)	0.9	Plans and specs. have been completed by the consultant. Staff has reviewed them, and the project is scheduled to go out to bid next week. Bid award will be in mid-June. Construction will commence in early July 2016.
9	CCTV Inspection Sewer Mains	47.6	5% of the Town's sewer lines were inspected this FY.
9	Assessment/ Master Plan Updates	98.1	Assessment and draft Master Plan were completed in Q2. Final Sewer Master Plan will go to Council in Q4.
9	Infrastructure Management- GIS	0.0	GIS services are used as needed.
9	Emergency Repairs	0.0	Repairs are made as needed.
9	CCTV Inspection Emergency Repairs	78.5	Repairs identified through CCTV Inspection were constructed.

TOWN of CORTE MADERA
Department of Public Works:
Field Maintenance & Operations

MEMORANDUM

DATE: 12 May 2016

TO: Town Manager, Mayor and Town Council

FR: Kevin G. Kramer, Director of Public Works: Field Maintenance and Operations

RE: Status of Public Works Field Maintenance and Operations Activities Ending 31 March 2016

- Flood Control & Storm Drain Maintenance: 72.8% OK
- Parks; Landscaping Maintenance & Beautification: 69.2% OK
- Street Maintenance: 65.8%
- Traffic Signals, Signs & Roadway Striping: 54.6% OK
- Street Sweeping: 73.2% OK
- Street Lighting: 59.3% OK
- NPDES (National Pollution Discharge Elimination System): 83.7% OK, but, expect continual increase in cost of this item as regulation enforcement rises steadily
- Sanitary Sewer Maintenance: 74.3% OK

THE TOWN OF
CORTE MADERA
MARIN COUNTY CALIFORNIA

CORTE MADERA
RECREATION AND LEISURE SERVICES
QUARTERLY FINANCIAL UPDATE

TO: TOWN MANAGER, MAYOR AND TOWN COUNCIL

FROM: MARIO FIORENTINI – DIRECTOR OF RECREATION LEISURE SERVICES

DATE: MAY 12, 2016

SUBJECT: STATUS OF RECREATION AND LEISURE SERVICES BUDGET AS OF MARCH 31, 2016

RECREATION CHARGES (REVENUE) **PAGE -2-**

REVENUE SO FAR RECEIVED IS 69.7% OF PROJECTED TOTAL.

PARK/REC FACILITIES CAPITAL FEES **PAGE -2-**

MONEY IS ACCUMULATED IN THIS ACCOUNT OVER THE YEAR AND TRANSFERRED IN TWICE A YEAR (JANUARY AND JUNE). IT FLUCTUATES WITH REVENUE. CURRENTLY AT 74.8%, AS THE FIRST TRANSFER OF THE YEAR HAS BEEN DONE.

COMMUNITY CENTER EXPENDITURES **PAGE-3-**

EXPENDITURE ARE LOWER AT THE BEGINNING OF THE FISCAL YEAR, AS MOST OF OUR ACTIVITY IN THE SUMMER IS CONTAINED TO SUMMER PLAYGROUND AND OUTDOOR ACTIVITIES CURRENTLY AT 67.7% OF TOTAL.

OUTDOOR FACILITIES EXPENDITURES **PAGE -3-**

OUTDOOR EXPENDITURES ARE HIGHER THIS YEAR BECAUSE OF NEW PROGRAMING NEEDS AND CENTENNIAL ACTIVITIES PLANNED, CURRENTLY AT 98.9% OF TOTAL EXPECTED.

NEIL CUMMINS GYM EXPENDITURES **PAGE-3-**

CURRENTLY ON PACE AT 67.7%

AFTERSCHOOL PROGRAM EXPENDITURES **PAGE -3-**

CURRENTLY ON PACE AT 76.6%

SUMMER PROGRAM **PAGE-3-**

CURRENTLY ON PACE AT 70.6%, WILL STAY ROUGHLY AT THIS LEVEL UNTIL THE BEGINNING OF APRIL / MAY OF 2016 WHEN PLANNING FOR THE UPCOMING SESSION IS WELL UNDER WAY.

PARK & RECREATION CAPITAL FEES **PAGE-3-**

CURRENTLY AT 6.1%

DIGITAL MARQUEE – NEED TO GO TO PLANNING COMMISSION FOR FINAL APPROVAL

GENERAL MAINTENANCE - PROJECTS HAVE BEEN IDENTIFIED FOR CURRENT FISCAL YEAR BUDGET AND SEVERAL WILL BE FINISHED BY THE END OF CURRENT FISCAL YEAR. OTHERS WILL CARRY OVER INTO NEXT FISCAL YEAR.

MARIN PARKS MEASURE "A" **PAGE -4 AND 5-**

CURRENTLY AT 0% MEASURE "A" MONEY WILL BE USED FOR UPCOMING PROJECTS IDENTIFIED IN THE CAPITAL BUDGET. SOME PROJECTS INCLUDE: IRRIGATION CONTROLLERS, GREEN ROOM STAIRS, WATER FOUNTAINS, AND SKATE PARK IMPROVEMENTS. 2016 ALLOCATIONS HAVE NOT BEEN RECEIVED DUE TO THE CURRENT AUDIT PROCESS OF THE COUNTY.

TOWN OF CORTE MADERA

RATIFICATION AND APPROVAL OF
PAYROLL AND DEMANDS (ACCOUNTS PAYABLE)
PERIOD 04/28/16 – 05/10/16

Submitted herewith are the Payroll and Demands (Accounts Payable) paid during the period of 04/28/16 through and including 05/10/16 in accordance with Corte Madera Municipal Code Section 2.12.145 and Chapter 2.28(Statutory provisions contained in Government Code Sections 37202 through 37209 and Sections 40802 through 40805 and Section 40805.5).

Payroll (04/25/16-05/08/16)			
Payroll Check Numbers	5200 – 5206	$	17,805.01
Payroll Direct Deposit Numbers	29441 – 29515		161,127.68
Payroll Wire Transfer Numbers	2006 – 2009		86,957.85
Total Payroll		$	265,890.54
Warrant Check Numbers	213550 – 213630	$	226,055.68
Wire- Central Marin Police Monthly Payment (06/01/16)			250,250.00
Wire- CalPERS Fire Classic Annual Unfunded Liability Payment (00/00/00)			0.00
Wire- CalPERS Misc. Classic Annual Unfunded Liability Payment (00/00/00)			0.00
Wire- MERA Annual Bond Payment (00/00/00)			0.00
Wire- Park Madera Semi-Annual Debt (00/00/00)			0.00
Total Demands (Accounts Payable)		$	476,305.68
TOTAL PAYROLL AND DEMANDS		**$**	**742,196.22**

David James Bracken
Town Manager

Date

George T. Warman Jr. 05/10/16
George T. Warman, Jr.
Director of Administrative Services/
Town Treasurer

Date

APPROVED AT MEETING OF 05/17/16

SLOAN C. BAILEY, MAYOR

DIANE FURST, VICE MAYOR

JAMES ANDREWS, COUNCIL MEMEBER

CARLA CONDON, COUNCIL MEMBER

MICHAEL LAPPERT, COUNCIL MEMBER

*Checks listed do not correspond to a month or an accounting period because of overlap between months and accounting periods. Questions oncerning the check register should be directed to George Warman at 927-5055. In his absence, ask for Jonna Intoschi or Lina Azevedo.

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Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213550	5/4/2016	an106c A N WEST INC., CONSULTING ENGINEEF	INV 594101-1		APRIL 2016 - ASSIT WITH FINANCI/	
					APRIL 2016 - ASSIT WITH FINANCI/	7,730.00
					Total :	**7,730.00**
213551	5/4/2016	at111c AT & T MOBILITY - 436050713282	03/25/16-04/24/16		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	217.70
					Total :	**217.70**
213552	5/4/2016	at114c AT & T MOBILITY-876700579	03/16/16-04/15/16		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	69.70
					UTILITIES - TELEPHONE	73.00
					UTILITIES - TELEPHONE	73.00
					UTILITIES - TELEPHONE	73.00
					UTILITIES - TELEPHONE	73.00
					Total :	**361.70**
213553	5/4/2016	at050c ATHENS ADMINISTRATORS, WORKERS' (	05/03/2016STMT		W.C. CLAIM PAYMENT EXPENSE	
					W.C. CLAIM PAYMENT EXPENSE	4,565.76
					Total :	**4,565.76**
213554	5/4/2016	br134c BRADLEY, CURLEY, ASIANO, ABEL	64997		LIABLITY CLAIM PAYMENT EXPENS	
					LIABLITY CLAIM PAYMENT EXPENS	3,212.96
					Total :	**3,212.96**
213555	5/4/2016	ch250c CHEVRON & TEXACO BUSINESS CARD	04/22/2016STMT		FUEL - GASOLINE	
					FUEL - GASOLINE	54.24
					FUEL - GASOLINE	328.88
					FUEL - GASOLINE	46.57
					FUEL - GASOLINE	453.13
					FUEL - GASOLINE	1,263.11
					FUEL - GASOLINE	247.21
					FUEL - GASOLINE	718.88
					FUEL - GASOLINE	65.22
					FUEL - GASOLINE	470.74

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213555	5/4/2016	ch250c CHEVRON & TEXACO BUSINESS CARD	(Continued)			
					FUEL - DIESEL	550.45
					FUEL - DIESEL	50.02
					FUEL - DIESEL	54.24
					TAX FEE	43.03
					CREDIT FROM LATE FEE	-972.24
					Total :	**3,373.48**
213556	5/4/2016	co008c COASTLAND CIVIL ENG., INC.	39219		FY 2015-16 PAVEMENT REHABILITA	
				1866	ENGINEERING DESIGN SERVICES-	4,641.43
					Total :	**4,641.43**
213557	5/4/2016	co121c COMCAST- 028617, 0208847, 5594, 0010(	04/11/2016STMT		CABLE TV	
					CABLE TV	132.86
					Total :	**132.86**
213558	5/4/2016	co111c COMET BUILDING MAINTENANCE	117291		SERVICES RENDERED - MARCH 28	
					SERVICES RENDERED - MARCH 28	625.00
					Total :	**625.00**
213559	5/4/2016	su103c DANIEL MUTISO MUITHYA	1529		JANITORIAL SVCS.	
					JANITORIAL SVCS.	2,200.00
					Total :	**2,200.00**
213560	5/4/2016	da120c DAVID KEANE	05/02/2016STMT		GENERAL ENG.	
					GENERAL ENG.	2,750.00
					GENERAL SANITARY	725.00
					PLAN CHECK	7,550.00
					SANITARY PLAN CHECK	675.00
					Total :	**11,700.00**
213561	5/4/2016	fe500c FERGUSON ENTERPRISES,INC. #795	4721060		FLUSH LEVER	
					FLUSH LEVER	42.51
					Total :	**42.51**
213562	5/4/2016	fi047c FISHMAN SUPPLY CO. - (P/P/B)	1029522		OFFICE SUPPLIES	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213562	5/4/2016	fi047c FISHMAN SUPPLY CO. - (P/P/B)	(Continued)			
					OFFICE SUPPLIES	40.13
			1029526		OFFICE SUPPLIES	
					OFFICE SUPPLIES	19.29
			1029529		OFFICE SUPPLIES	
					OFFICE SUPPLIES	170.60
			1029529.1		OFFICE SUPPLIES	
					OFFICE SUPPLIES	31.60
			1032337		OFFICE SUPPLIES	
					OFFICE SUPPLIES	75.06
					Total :	**336.68**
213563	5/4/2016	fi046c FISHMAN SUPPLY CO. (REC-7856)	1032741		JANITORIAL SUPPLIES	
					JANITORIAL SUPPLIES	205.27
					Total :	**205.27**
213564	5/4/2016	ha050c HAGEL SUPPLY COMPANY	352106		JANITORIAL SUPPLIES	
					JANITORIAL SUPPLIES	357.85
					Total :	**357.85**
213565	5/4/2016	he125c HEPPNER RISK MGMT., DARRELL	APRIL 2016		RISK MGMT - HEPPNER	
					RISK MGMT - HEPPNER	1,731.50
					RISK MGMT - HEPPNER	1,731.00
					RISK MGMT - HEPPNER	385.00
					RISK MGMT - HEPPNER	243.20
					RISK MGMT - HEPPNER	244.00
					RISK MGMT - HEPPNER	54.00
					Total :	**4,388.70**
213566	5/4/2016	ja025c JACKSON'S HARDWARE, INC.	04/28/2016STMT		SAFETY & PROTECTIVE ITEMS	
					SAFETY & PROTECTIVE ITEMS	29.55
					HAND TOOLS & MINOR EQUIPMEN	468.60
					WET WELL CLEANING	110.33
					Total :	**608.48**
213567	5/4/2016	kb100c KBA DOCUSYS	INV430564		CYAN TONER FOR PLANNING	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213567	5/4/2016	kb100c KBA DOCUSYS	(Continued)			
					CYAN TONER FOR PLANNING	12.95
					Total :	**12.95**
213568	5/4/2016	ln075c L.N. CURTIS & SONS	1391245-07		CLOTHING, UNIFORMS	
					CLOTHING, UNIFORMS	128.84
					Total :	**128.84**
213569	5/4/2016	la325c LARKS.-CORTE MADERA SCH'L DIST	43		DISTRICT MAINTENANCE OPER.	
					DISTRICT MAINTENANCE OPER.	3,811.90
					Total :	**3,811.90**
213570	5/4/2016	ma177c MARIN TROPHIES	16		NAME PLATE FOR ROBERT BUNDY	
					NAME PLATE FOR ROBERT BUNDY	14.68
					Total :	**14.68**
213571	5/4/2016	mc145c MC MAHON PLUMBING	4798		WATER FOUNTAIN REPAIRS	
					WATER FOUNTAIN REPAIRS	5,600.00
					Total :	**5,600.00**
213572	5/4/2016	ne040c NELSON PERSONNEL SERVICES	6117111		PART TIME HELP - LISA HARPER	
					PART TIME HELP - LISA HARPER	1,017.06
					PART TIME HELP - LISA HARPER - /	2.30
					Total :	**1,019.36**
213573	5/4/2016	pa175c PACIFIC GAS & ELECTRIC	04/21/2016STMT		UTILITIES-ELECTRICITY	
					UTILITIES-ELECTRICITY	591.91
					UTILITIES-ELECTRICITY	536.22
					UTILITIES-ELECTRICITY	369.33
					UTILITIES-ELECTRICITY	3,496.37
					UTILITIES-ELECTRICITY	219.27
					UTILITIES-ELECTRICITY	433.00
					UTILITIES-ELECTRICITY	713.29
					UTILITIES-ELECTRICITY	4,497.94
					UTILITIES-ELECTRICITY	2,343.40
					UTILITIES-ELECTRICITY	588.56

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213573	5/4/2016	pa175c PACIFIC GAS & ELECTRIC	(Continued)			
					UTILITES-NATURAL-GAS	87.64
					UTILITES-NATURAL-GAS	124.76
					UTILITES-NATURAL-GAS	68.35
					UTILITES-NATURAL-GAS	223.85
					UTILITES-NATURAL-GAS	24.07
					UTILITES-NATURAL-GAS	179.59
					MARIN CLEAN ENERGY	313.20
					MARIN CLEAN ENERGY	301.49
					MARIN CLEAN ENERGY	182.75
					MARIN CLEAN ENERGY	1,696.28
					MARIN CLEAN ENERGY	78.17
					MARIN CLEAN ENERGY	204.35
					MARIN CLEAN ENERGY	342.84
					MARIN CLEAN ENERGY	2,242.22
					MARIN CLEAN ENERGY	2,196.78
					MARIN CLEAN ENERGY	304.39
					CREDIT	-88.01
					Total :	**22,272.01**
213574	5/4/2016	pr111c PROTECTION ONE ALARM MON., INC	109097812		UTILITIES - WIRE SYSTEMS	
					UTILITIES - WIRE SYSTEMS	41.81
					Total :	**41.81**
213575	5/4/2016	r3100c R3 CONSULTING GROUP, INC.	7805		ZERO WASTE IMPLEMENTATION PI	
				1853	DEVELOP ZERO WASTE IMPLEMEI	2,105.00
					Total :	**2,105.00**
213576	5/4/2016	sh100c SHAMROCK MATERIALS, INC. 11735	912958		PLAYGROUND FIBER	
					PLAYGROUND FIBER	441.89
			912958-DISC		DISCOUNT TAKEN	
					DISCOUNT TAKEN	-8.09
			912959		PLAYGROUND FIBER	
					PLAYGROUND FIBER	441.89
			912959-DISC		DISCOUNT TAKEN	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213576	5/4/2016	sh100c SHAMROCK MATERIALS, INC. 11735	(Continued)			
					DISCOUNT TAKEN	-8.09
			912960		OLY 1 SAND	
					OLY 1 SAND	407.07
			912960-DISC		DISCOUNT TAKEN	
					DISCOUNT TAKEN	-7.45
			912961		OLY 1 SAND	
					OLY 1 SAND	452.92
			912961-DISC		DISCOUNT TAKEN	
					DISCOUNT TAKEN	-8.29
					Total :	**1,711.85**
213577	5/4/2016	th036c THE PONY EXPRESS EQUIRE	R-35054		POINES -FOR TEA PARTY	
					POINES -FOR TEA PARTY	500.00
					Total :	**500.00**
213578	5/4/2016	us126c U.S. POSTMASTER	R-35052		BULK MAIL PERMIT #17	
					BULK MAIL PERMIT #17	600.00
					Total :	**600.00**
213579	5/4/2016	jo135c VICTOR M. ROJAS, DBA JON'S BUILDING	APRIL 2016-ENG		JANITORIAL SERVICE	
					JANITORIAL SERVICE	750.00
			APRIL 2016-TH		JANITOIRAL SERVICE	
					JANITOIRAL SERVICE	1,600.00
					Total :	**2,350.00**
213580	5/4/2016	wa135c WALTER & PISTOL, LAW OFFICE OF	04/21/2016STMT		LEGAL SERVICES - NON-LITIGATIO	
					LEGAL SERVICES - NON-LITIGATIO	583.63
					Total :	**583.63**

31 Vouchers for bank code : bom **Bank total : 85,452.41**

31 Vouchers in this report **Total vouchers : 85,452.41**

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213581	5/10/2016	aa101c A & S LANDSCAPE MATERIALS, INC	1052205		SUNBURST PEBBLES	
					SUNBURST PEBBLES	125.64
					Total :	**125.64**
213582	5/10/2016	aa100c A AND P MOVING, INC.	4045681		MONTHLY RECORD STORAGE FEE	
					MONTHLY RECORD STORAGE FEE	35.00
					Total :	**35.00**
213583	5/10/2016	ad026c ADCO MARKETING	81346		FLYERS	
					FLYERS	1,128.43
					Total :	**1,128.43**
213584	5/10/2016	am114c AMERICAN MESSAGING	W4-101516		RADIO MAINTENANCE	
					RADIO MAINTENANCE	119.08
					Total :	**119.08**
213585	5/10/2016	am500c AMERICAN POWER CORP.	5222		BLACK KETTLE P.S./SHOREBIRD P	
					BLACK KETTLE P.S./SHOREBIRD P	410.34
			5224		FIRE STATION 13/14 SERVICE	
					FIRE STATION 13/14 SERVICE	2,258.00
					SOTRM WATER PUMP STAIONS GE	2,259.00
					Total :	**4,927.34**
213586	5/10/2016	at075c AT & T - CALNET 3	000008019935		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	126.46
			9391023426		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	247.15
					UTILITIES - TELEPHONE	50.39
					UTILITIES - TELEPHONE	45.06
					UTILITIES - TELEPHONE	14.18
					UTILITIES - TELEPHONE	14.34
					UTILITIES - TELEPHONE	144.25
			9391023427		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	0.47
					UTILITIES - TELEPHONE	0.66

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213586	5/10/2016	at075c AT & T - CALNET 3	(Continued)			
			9391023428		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	717.20
			9391023429		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	9.07
					UTILITIES - TELEPHONE	6.46
			9391026356		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	18.05
					UTILITIES - TELEPHONE - CREDIT	-53.86
			9391033626		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	10.27
					UTILITIES - TELEPHONE	7.69
					UTILITIES - TELEPHONE - CREDIT	-35.87
			9391033627		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	10.27
					UTILITIES - TELEPHONE	7.69
					UTILITIES - TELEPHONE - CREDIT	-53.86
			9391033628		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	25.56
					UTILITIES - TELEPHONE	22.67
					UTILITIES - TELEPHONE - CREDIT	-144.78
			9391033629		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	32.06
					UTILITIES - TELEPHONE	97.58
					UTILITIES - TELEPHONE	50.90
					UTILITIES - TELEPHONE	-0.20
					UTILITIES - TELEPHONE	85.08
					UTILITIES - TELEPHONE - CREDIT	-469.10
			9391033630		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	252.37
					UTILITIES - TELEPHONE	18.12
					UTILITIES - TELEPHONE	18.72
					Total :	**1,275.05**
213587	5/10/2016	ba168c BATTERIES PLUS	308-356870		12V SLA CHARGER	

Bank code : bom

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
213587	5/10/2016	ba168c	BATTERIES PLUS	(Continued)			
						12V SLA CHARGER	16.69
						Total :	**16.69**
213588	5/10/2016	ba550c	BAY AREA BARRICADE SERVICE,INC	0336875-IN		SOLAR PWRD-FLASHER	
						SOLAR PWRD-FLASHER	459.56
						Total :	**459.56**
213589	5/10/2016	bo105c	BOUND TREE MEDICAL, LLC	82131484		MEDICAL SUPPLIES	
						MEDICAL SUPPLIES	492.52
						Total :	**492.52**
213590	5/10/2016	bu050c	BUCK'S SAW SERVICE	04/30/2016STMT		EQUIPMENT & MACHINERY MAINTI	
						EQUIPMENT & MACHINERY MAINTI	776.25
						EQUIPMENT & MACHINERY MAINTI	653.25
						EQUIPMENT & MACHINERY MAINTI	750.00
						Total :	**2,179.50**
213591	5/10/2016	ch150c	CHANNING L. BETE CO., INC.	53143089		ACLS PROVIDER MANUAL AND DVI	
						ACLS PROVIDER MANUAL AND DVI	358.44
						Total :	**358.44**
213592	5/10/2016	co136c	CODE SOURCE	8788		FIELD INSPECITON APRIL 15-31, 2C	
						FIELD INSPECITON APRIL 15-31, 2C	460.00
				8789		FIELD INSPECTION SERVICES - AP	
						FIELD INSPECTION SERVICES - AP	4,660.00
						Total :	**5,120.00**
213593	5/10/2016	co165c	COMCAST - 0208565, 0055313, FIRE DEF	05/06/16-06/05/16		FIRE STATION #13 "DSL" LINE	
						FIRE STATION #13 "DSL" LINE	111.20
						Total :	**111.20**
213594	5/10/2016	co173c	COMCAST - 0209597, 0209571 &, 005632	05/01/16-05/31/16		CORP. YARD "DSL" LINE	
						CORP. YARD "DSL" LINE	227.15
						Total :	**227.15**
213595	5/10/2016	co630c	CORPORATE MEDIA SYSTEMS, INC.	24293		SERVICE REQUEST/COUNCIL CHA	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213595	5/10/2016	co630c CORPORATE MEDIA SYSTEMS, INC.	(Continued)			
					SERVICE REQUEST/COUNCIL CHA	150.00
					Total :	**150.00**
213596	5/10/2016	co800c CORTE MADERA COMM. FOUNDATION	05/01/2016STMT		DONATION OF COMMISSIONER ST	
					DONATION OF COMMISSIONER ST	100.00
					Total :	**100.00**
213597	5/10/2016	co131c COUNTY OF MARIN	R-33859		ANNUAL ENCROCHMENT PERMIT	
					ANNUAL ENCROCHMENT PERMIT	490.00
					Total :	**490.00**
213598	5/10/2016	da025c D & K AUTO SERVICES	50388		BATTERY	
					BATTERY	158.74
			50433		FUEL FILTER	
					FUEL FILTER	105.07
			50437		HANDLE	
					HANDLE	53.61
			50457		ELECTRICAL CONNECTORS AND L	
					ELECTRICAL CONNECTORS AND L	181.01
					Total :	**498.43**
213599	5/10/2016	de230c DEPT. OF JUSTICE ACCT. OFFICE	164631		FINGERPRINT	
					FINGERPRINT	32.00
					FINGERPRINT - FBI	98.00
					Total :	**130.00**
213600	5/10/2016	fa110c FASTENAL	CASAR19058		HAND TOOLS, MINOR EQUIPMENT	
					HAND TOOLS, MINOR EQUIPMENT	110.30
					Total :	**110.30**
213601	5/10/2016	fe500c FERGUSON ENTERPRISES,INC. #795	4744991		GALV T&C PIPE.	
					GALV T&C PIPE.	59.74
					Total :	**59.74**
213602	5/10/2016	fo185c FORSTER & KROEGER LANDSCAPE, MA	5421		APRIL 2016 - FLOOD CONTROL	
					APRIL 2016 - FLOOD CONTROL	8,675.00

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213602	5/10/2016	fo185c FORSTER & KROEGER LANDSCAPE, MA	(Continued)			
					APRIL 2016 - FLOOD CONTROL	7,000.00
					APRIL PARKS	17,100.00
					APRIL SEWER/SANITARY	11,000.00
					APRIL SEWER/ SANITARY	4,675.00
					APRIL STREETS	10,000.00
					APRIL WEEDS	7,100.00
					Total :	**65,550.00**
213603	5/10/2016	ge120c GEORGE HILLS COMPANY, INC.	INV1010497		MONTHLY LIAB. CLAIMS ADMIN. FE	
					MONTHLY LIAB. CLAIMS ADMIN. FE	833.00
					Total :	**833.00**
213604	5/10/2016	gl102c GLOBALSTAR USA	1000000007271299		UTILIITES - TELEPHONE	
					UTILIITES - TELEPHONE	44.91
					Total :	**44.91**
213605	5/10/2016	go410c GOLDEN STATE CHEMICAL & SUPPLY	888849		KLEENEX BOUTIQUE TISSUE	
					KLEENEX BOUTIQUE TISSUE	214.11
			888853		MISC. SUPPLIES	
					MISC. SUPPLIES	2,564.82
					JANITORIAL SUPPLIES	1,000.00
			888855		TYVEK COVER ALLS	
					TYVEK COVER ALLS	1,503.64
					Total :	**5,282.57**
213606	5/10/2016	go425c GOV'T. FINANCE OFFICERS ASSN.	0153001		MEMBERSHIP RENEWAL	
					MEMBERSHIP RENEWAL	170.00
					Total :	**170.00**
213607	5/10/2016	he105c HERTZ EQUIPMENT RENTAL	28606836-001		EQUIPMENT & MACHINERY RENTA	
					EQUIPMENT & MACHINERY RENTA	66.70
					Total :	**66.70**
213608	5/10/2016	hi090c HILTI INC	4607535334		EQUIPMENT, MACHINERY REPLAC	
					EQUIPMENT, MACHINERY REPLAC	230.73

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213608	5/10/2016	hi090c hi090c HILTI INC.	(Continued)		Total :	230.73
213609	5/10/2016	ir020c IRON MOUNTAIN	MNC8125		RECORD STORAGE	
					RECORD STORAGE	157.00
					Total :	157.00
213610	5/10/2016	ji101c JIM CORBET'S ACE HARDWARE	660805		BUILDING MAINT. SUPPLIES	
					BUILDING MAINT. SUPPLIES	11.98
					Total :	11.98
213611	5/10/2016	ln075c L.N. CURTIS & SONS	1391280-04		CLOTHING, UNIFORMS	
					CLOTHING, UNIFORMS	271.41
			1393926-00		CLOTHING, UNIFORMS	
					CLOTHING, UNIFORMS	416.92
					Total :	688.33
213612	5/10/2016	la034c LAK ASSOCIATES, LLC	2-1407		PROJECT BUDGET INN	
					PROJECT BUDGET INN	437.50
					Total :	437.50
213613	5/10/2016	la275c LARKSPUR, CITY OF	05/02/2016STMT		FUEL - DIESEL	
					FUEL - DIESEL	471.95
					Total :	471.95
213614	5/10/2016	ma208c MARIN INDEPENDENT JOURNAL	04/30/2016STMT		NOTICE OF ADOPTED ORDINANCE	
					NOTICE OF ADOPTED ORDINANCE	134.00
					Total :	134.00
213615	5/10/2016	ma550c MARIN MUNICIPAL WATER DISTRICT	05/04/16STMT		WATER	
					WATER	141.27
					WATER	211.90
			05/04/16STMT1		WATER	
					WATER	158.25
					WATER	237.38
					Total :	748.80
213616	5/10/2016	no130c NOR-CAL TRUCKBODIES, INC.	7092		SIDES FOR 12' FLATBED 2 BOARDS	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213616	5/10/2016	no130c NOR-CAL TRUCKBODIES, INC.	(Continued)			
					SIDES FOR 12' FLATBED 2 BOARDS	1,485.80
					Total :	**1,485.80**
213617	5/10/2016	oh100c O'HEHIR, JOANNE	NO 7		255 SAUSALITO	
					255 SAUSALITO	183.00
					145 GROVE	281.25
					30 MOHAWK AND REMAINDER OF	475.50
			NO 8		145 GROVE	
					145 GROVE	130.00
					82 SONORA	183.00
					516 CHAPMAN DR	520.00
					CORTE MADERA INN	162.50
					REMAINDER OF EVENING	43.00
					Total :	**1,978.25**
213618	5/10/2016	pe140c PEROZZI, CARLO	6132		APRIL MAINTENANCE	
					APRIL MAINTENANCE	400.00
					APRIL MAINTENANCE	200.00
					Total :	**600.00**
213619	5/10/2016	ro005c ROUND STAR WEST, LLC	11365		CONTRACT INSTRUCTOR WINTER	
					CONTRACT INSTRUCTOR WINTER	317.75
					Total :	**317.75**
213620	5/10/2016	ro450c ROY'S SEWER SERVICE, INC.	193443		VARIOUS LOCATIONS RODDER AN	
					VARIOUS LOCATIONS RODDER AN	25,025.00
					Total :	**25,025.00**
213621	5/10/2016	sa500c SAN RAFAEL, CITY OF	R-35862		MCCMC DINNER FOR MAY 25, 2016	
					MCCMC DINNER FOR MAY 25, 2016	220.00
					Total :	**220.00**
213622	5/10/2016	so063c SONIC.NET, INC.	8579234		TOWN 'DSL' LINE	
					TOWN 'DSL' LINE	530.85

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213622	5/10/2016	so063c so063c SONIC.NET, INC.	(Continued)		Total :	**530.85**
213623	5/10/2016	sp109c SPARK	05/09/16STMT		TOM MCHUGH - DONATION OF COI	
					TOM MCHUGH - DONATION OF COI	300.00
					Total :	**300.00**
213624	5/10/2016	ta180c TAMALPAIS PAINT & COLOR-TOWN	04/30/2016STMT		MISC. SUPPLIES	
					MISC. SUPPLIES	148.45
					MISC. SUPPLIES	125.36
					Total :	**273.81**
213625	5/10/2016	te104c TEAM GHILOTTI, INC.	130802		EMERGENCY WORK - CM PARADIS	
					EMERGENCY WORK - CM PARADIS	8,580.00
					Total :	**8,580.00**
213626	5/10/2016	te030c TERRILL LAY PAINTING	05/09/2016STMT		PUMP STATION	
					PUMP STATION	2,730.00
					Total :	**2,730.00**
213627	5/10/2016	ti124c TIFCO INDUSTRIES	71145555		MISC. SUPPLIES	
					MISC. SUPPLIES	423.56
					Total :	**423.56**
213628	5/10/2016	tr050c TRANSBAY SECURITY SERVICE, INC	63409		GATES - LABOR	
					GATES - LABOR	709.50
					Total :	**709.50**
213629	5/10/2016	we275c WEST END NURSERY, INC.	04/30/2016STMT		PLANT MAINTENANCE	
					PLANT MAINTENANCE	78.56
					PLANT MAINTENANCE	204.38
					PLANT MAINTENANCE	220.00
					PLANT MAINTENANCE	320.00
					PLANT MAINTENANCE	222.29
					PLANT MAINTENANCE	489.17
					PLANT MAINTENANCE	251.81
					PLANT MAINTENANCE	300.50

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213629	5/10/2016	we275c WEST END NURSERY, INC.	(Continued)			
					PLANT MAINTENANCE	300.50
					Total :	**2,387.21**
213630	5/10/2016	sm105c WORLD TREE SERVICE, INC.	6065		TREE MAINTENANCE - TOWN PARI	
					TREE MAINTENANCE - TOWN PARI	2,100.00
					Total :	**2,100.00**

50 Vouchers for bank code : bom **Bank total : 140,603.27**

50 Vouchers in this report **Total vouchers : 140,603.27**

This material has been reviewed
by the Town Manager

AW MEYING

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 12, 2016
Meeting Date: May 17, 2016

TO: TOWN MANAGER, MAYOR AND TOWN COUNCIL

FROM: ADAM WOLFF, PLANNING DIRECTOR

SUBJECT: POSSIBLE DETERMINATION OF A PUBLIC NUISANCE AT 14 LAKESIDE DRIVE AND CONSIDERATION OF OPTIONS FOR ABATEMENT

* * * * * * * * *

RECOMMENDATION:

To determine that the site conditions at 14 Lakeside Drive constitute a public nuisance, subject to an order of abatement, and provide direction to staff regarding any additional time granted to the property owner for abatement prior to adoption of a resolution on the matter. Consideration of any further Town legal action may be advanced in closed session at another Town Council meeting.

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendations.

FISCAL IMPACTS:

Town costs associated with abating the public nuisance may be recovered through the placement of a lien or special assessment on the subject property at the discretion of the Town Council, pursuant to Corte Madera Municipal Code Sections 9.04.090, 9.04.100 and 9.04.110. Recovery of these costs is subject to a separate and subsequent procedure undertaken once the nuisance has been abated. If staff is required to coordinate and supervise abatement work, a significant amount of staff time would be required. It estimated that the range of costs to abate the nuisance is $30,000 to $35,000 based on an estimate from an experienced local contractor.

ENVIRONMENTAL IMPACT:

Staff has determined the action before the Town Council is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15321, Enforcement Actions by Regulatory Agencies, since the Town seeks to take enforcement action pursuant to the public nuisance ordinance, Section 9.04 of the Corte Madera Municipal Code.

BACKGROUND:

For the 14 Lakeside background and history, refer to Attachment #1, *Property History Building and Fire.* The *Notice to Abate*, which includes a detailed assessment of the current property conditions, is included in this report as Attachment #2, and was issued on March 29, 2016. Attachment 3 includes the public nuisance ordinance, Chapter 9.04 of the Municipal Code. The following code sections apply:

Section 9.04.020- Nuisance Generally.

Subsection A. Anything that is injurious to health, is indecent or offensive to the senses…

Section 9.04.030- Nuisances Designated.

Subsection A. Any violation of the municipal code constitutes a public nuisance and may be abated in the manner provided for in this chapter. This section supplements and is in addition to, other regulatory codes, statues and ordinances enacted by the town, the state or any other legal entity or agency having jurisdiction.

Subsection B. It is a public nuisance for any person, firm, or entity owning, leasing, occupying, or having charge or possession of any private property within town, to maintain such property in such a manner that any of the conditions listed below are found to exist:

1. Any property, or any building or structure thereon, maintained in a condition that is so defective, unsightly or in such condition of deteriorate or disrepair as to be:

   (a) A health, fire or safety hazard to occupant of the property, adjacent or nearby properties or the general public; or

   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the use and enjoyment of

that adjoining or nearby property from which such condition is visible.

DISCUSSION:

Staff has put forth considerable time and energy with the owner in trying to resolve the building and debris issues at the property in response to neighborhood complaints. The property owner initially was responsive to staff, but has since broken all contact. Neighborhood complaints continue.

Town staff believes the conditions at 14 Lakeside Drive are a potential threat to the occupant of the property, and potentially to adjoining neighbors, given existing building code violations at the site and the lack of minimum fire prevention and safety measures, and requires the Town to address these issues at this point in time. Staff recommends that the nuisance process be utilized to resolve the building code and safety issues noted in the *Notice to Abate* (Attachment 2).

The property owner is currently living in the dwelling in defiance of a Building Department Limited Entry posting that occurred on June 4, 2005. Regardless of the outcome of nuisance abatement proceedings, the Town may initiate steps to vacate and secure the property for health and safety concerns. Staff has reached out to the Marin County Human Services division to attempt to find assistance for temporary housing and financial assistance for the owner, but was not able to locate assistance programs that might be available for the owner.

CONCLUSION:

Staff recommends that a determination is made that a public nuisance exists at 14 Lakeside Drive based on the existing condition of the residential structure, the potential safety hazards to occupants and neighbors, and the general maintenance of the property, in accordance with Corte Madera Municipal Code, Section 9.04.020 and 9.04.030. Staff also requests the Council fashion an order abating the nuisance in a way that is most likely to ensure the voluntary abatement of the nuisance conditions, with the understanding that further Town action, including potential abatement by the Town, may be necessary. Consideration of any further Town legal action may be advanced at another Town Council meeting

OPTIONS:

Below are several possible options for the Town Council to consider after hearing testimony and considering the other evidence presented during the public hearing:

1. The Town may consider the site as a Nuisance and require the repairs to be implemented within a certain time period, allowing the owner to complete the minimum requested work as stated in the *Notice to Abate* accordance with the current adopted Building Codes Standards and Health and Safety Codes (recommended by Staff).

2. Direct staff to prepare a resolution declaring that a nuisance exists and making appropriate findings, deny the property owner any additional time to voluntarily abate the public nuisance, and authorize staff to undertake abatement proceeding on behalf of the Town, pursuant to Section 9.04 of the Municipal Code. This will involve court authorization to obtain access to the property and, has significant financial implications. Such work could potentially cost around 30,000 to 35,000 thousand dollars, and could be more if more problems are discovered during the discovery phase of construction.

3. Direct staff to take appropriate action to secure the property in the interest of public safety, including shutting off electricity and power and preventing access, until such time as code violations have been abated. This would require court authorizations and would require expenditure of Town funds for enforcement action.

4. Determine the property conditions do not constitute a public nuisance.

ATTACHMENTS:

1: Property History Building and Fire
2: Notice to Abate
3: Corte Madera Municipal Code Section 9.04
4: Draft Town Council Resolution XX/2016

ATTACHMENT 1

BUILDING AND FIRE DEPARTMENT PROPERTY LOG

Attachment #1

14 Lakeside Dr.

Property History Building and Fire

10/23/03	Complaint received/signed by 8 neighbors regarding blight at property.
03/24/04	Letter sent by Marin County Environmental Health Department regarding lack of garbage services.
03/24/04	Registered letter sent by Walt Groditski (previous Building Official) regarding storage in front and rear yards (registered mail returned undeliverable).
04/27/04	Marin County Environmental sent letter regarding an attempt to inspect the property on 04/23/04.
06/13/05	Attic Fire
06/14/05	Notice of "Limited Entry" posted at property by Walt Groditski (previous Building Official).
08/23/05	Vegetation Violation by the Fire Department. Hazard mitigated 09/06/05.
12/28/05	Permit #05Ro-07318 issued for fire damage repairs. Reframe roof, electrical, plumbing, mechanical, and sheetrock repairs as applicable. Install new shingle roof.
01/06/06	Letter sent by Roger Sprehn (Fire Chief) regarding fire damage repairs and requirement for fire sprinklers.
06/19/07	Vegetation Violation by the Fire Department. Hazard mitigated 07/03/07.
06/22/07	Letter sent by Marin County Environmental Health regarding solid waste accumulation.
03/17/08	Registered letter sent by Walt Groditski (previous Building Official) regarding the expiration of fire damage permit #05Ro-07318 (letter returned undeliverable).
12/19/08	Letter sent by Walt Groditski (previous Building Official) regarding unhealthy conditions at the property. Letter states that a joint inspection by the Building Department and Marin County Health was performed on 11/12/08. Following conditions were sited at inspection: 1. Wall and ceiling fire-damage has not been repaired; 2. There is no functional permanent heating equipment installed in the house; 3. The house is not provided with necessary electrical power and illumination and there are numerous wires and wiring connections that are exposed; 4. There is extensive garage and debris remaining in most of the rooms and outside covered areas.
12/23/08	Registered letter sent by Walt Groditski (previous Building Official) requiring the property owner to apply for a new permit to complete the unfinished fire damage repairs.
08/10/11?	Fire visited property with Walt Groditski (previous Building Official), Health Department and the Mosquito/Vector District.
08/10/11	Vegetation Violation by the Fire Department. Hazard mitigated 08/18/11.

05/18/15	Note to file by Tracy Hegarty, Public Works, for complaint from neighbors regarding lack of garbage services.
05/15/15	Letter sent by Nisha Patel, Public Works, regarding lack of garbage service.
08/21/15	Roger Sprehn (Fire Chief) and Mark Flatter (Building Official) attempted to visit the property. No one was home.
10/09/15	Roger Sprehn (Fire Chief) visited house and spoke with Shirley Gatlin (co-owner).
10/15/15	Building Department wrote letter requesting entry for inspection.
10/29/15	Shirley Gatlin called at 9:00 a.m. Would be available until 10:00 a.m. Building Department called at 9:15 and 9:52 and left messages.
10/29/15	Shirley Gatlin called at 10:15 with excuses for not being able to set date. Mark Flatter (Building Official) offered to meet after work at 8:00 p.m.
10/29/15	Mark Flatter (Building Official) spoke with Shirley Gatlin on the phone and scheduled an inspection for 11/10/15
11/09/15	Shirley Gatlin called and had to reschedule for 11/16/15.
11/16/15	Shirley Gatlin called and requested alternative person on site to meet. Building Department was ok with written approval from Shirley Gatlin.
11/22/15	Received approval for alternative onsite representative.
12/01/15	Requested and received email address from Shirley Gatlin as phone calls were not working.
12/07/15	Confirmed email and discussed proposed observation report.
12/07/15	Building Department not ready for observation letter due to Town Attorney review.
12/31/15	Shirley Gatlin checked in for status on observation letter.
01/05/16	Shirley Gatlin request to avoid enforcement by email and opted for preemptive letter method.
01/20/16	Building Department follows up on receiving Preemptive Letter.
01/22/16	Shirley Gatlin requested a 7 day extension.
01/22/16	Building accepts 7 day extension.
02/01/16	Shirley Gatlin emails with attached proposed schedule
02/03/16	Building Department states it looks reasonable with corrections.
02/03/16	Shirley Gatlin will review and revise in evening.
02/03/15	Building Department accepts proposed timeline and explains to Shirley Gatlin what the building permits would be covering.

02/03/16	Shirley Gatlin submits an amended timeline.
02/05/16	Building Department approves updated timeline with written expectations.
02/08/16	Building Department request confirmation for 2-5-16 approved timeline and expectations.
02/16/16	Shirley Gatlin requests more time by phone.
02/19/16	Shirley Gatlin left phone message saying she needs more time. Unable to get contractor
02/22/16	Building Department extends timeline by email to 2-29-16 and offers to work with contractor to understand the issues. Not able to get contractor...hesitant to take on job. I requested contractor contact information and I would explain and assist. No information left for me.
02/25/16	Building Department emailed Shirley Gatlin. No contact. Not able to confirm new deadline. Still offered to help with contractor coordination.
03/02/16	Complaint from Marin-Sonoma Vector Control from MCEHS. Possible hoarder, garbage bill overdue.
03/11/16	Town starts abatement process.
03/29/16	Notice to abate and posting on residence with mailing.
05/05/16	Site posted for Notice of Hearing.

ATTACHMENT 2

14 LAKESIDE NOTICE TO ABATE PUBLIC NUISANCE

ATTACHMENT #2

THE TOWN OF
CORTE MADERA
MARIN COUNTY CALIFORNIA

300 TAMALPAIS DRIVE
CORTE MADERA, CA
94925-1418

www.ci.corte-madera.ca.us

TOWN MANAGER
TOWN COUNCIL
415-927-5050

TOWN CLERK
415-927-5086

FINANCE / BUS. LICENSE
415-927-5055

FIRE DEPARTMENT
415-927-5077

PLANNING / ZONING
415-927-5064

BUILDING INSPECTOR
415-927-5062

TOWN ENGINEER
PUBLIC WORKS
415-927-5057

RECREATION DEPARTMENT
415-927-5072

SANITARY DISTRICT NO. 2
415-927-5057

TWIN CITIES POLICE AUTHORITY
415-927-5150

Recording Requested By:

Town of Corte Madera

When Recorded Return to:
Rebecca Vaughn
Town Clerk
Town of Corte Madera
300 Tamalpais Dr.
Corte Madera, CA 94925

==========

Space Above For Recorder's Use
Recorded Pursuant to Gov't Code section 38773.5(e)

APN: 024-152-04
ADDRESS: 14 Lakeside Drive,
Corte Madera, CA

DATE: March 29, 2015

NOTICE OF ABATEMENT OF PUBLIC NUISANCE

March 29, 2016

Ms. Shirley Gatlin/ETAL
Mr. Johnnie Gatlin/ETAL
14 Lakeside Dr.
Corte Madera, CA 94925

Dear Mr. and Ms. Gatlin:

This Notice to Abate is provided to notify you that the Town has determined the conditions at the residence located at 14 Lakeside Drive in Corte Madera is a Nuisance as defined in Corte Madera Municipal Code (CMMC) Section 9.04.020 and 9.04.030 based upon site observations on 11-24-2015 (Part 1, listed below), and citizen complaints with photo documentation (Part 2, see below).

In accordance with CMMC Section 9.04.040 and this Notice to Abate, the Town herby issues and orders that the conditions set forth below are abated within 30 days from the date of this letter. Failure or refusal to comply with the Notice to Abate shall cause a Notice of Public Hearing before the Town Council as set forth in CMMC Section 9.04.050.

Part 1: Building Code Violations

As described in detail below, action areas are identified as being in need of abatement. Within each action area, a statement called *Solution for CO* was inserted with a description of the work needed to take place to eliminate the life/safety hazard or nuisance. Correction and inspection approval of all identified *Solution for CO* items is required for occupancy of the dwelling.

Subject property:
The subject property is located at 14 Lakeside Drive. The structure is a wood frame, Type V-N (UBC Legacy Code) construction and the Occupancy is R-3. The structure was built in 1951 as a single family residence. Building Official Mark Flatter and Fire Chief Kenny Prete went onsite on 11/24/2015 and observed current interior status.

Current Status:

The roof frame fire damaged area has been repaired and the roofing material installed. The electrical meter approval was approved on 06/29/2006 with the condition of only one circuit being energized in the garage for construction power. A letter from the electrician (copy attached) was provided to the previous Building Official certifying the construction power status. The inspection on 06/29/2006 was the last one on file. As of 11/24/2015, it appears that a new subpanel has been installed in the garage without benefit of permit and inspection. Building permit #05Ro-07318 has expired due to no activity or inspections. Documents exist on file from previous Building Official (dated 03/17/2008) attempting to reinstate or renew the permit. Other than the new electrical subpanel in the garage (work without permit or inspected), no further work appears to have been performed past this date as is evident in the photos below.

Inspection observation:
The Town of Corte Madera Building and Fire Departments were on site by appointment on 11/24/2015. The owner, Shirley Gatlin was not on site (according to Ms. Gatlin, this was due to job commitments) but appointed her cousin, Halsey Dunman to represent Ms. Gatlin in her absence (11/22/2015 letter of authorization).

The Codes referenced below are for the 2013 California Building Code (CBC), 2013 California Residential Code, (CRC), 2013 California Electrical Code (CEC), 2013 California Plumbing Code (CPC), 2013 California Mechanical Code (CMC), 2013 California Fire Code (CFC), the Town of Corte Madera Municipal Code (TCMMC), the 2006 International Code Council Electrical Code Administrative Provisions (ICCEC), and the California Health and Safety Code (CHSC). The following photos and documents as a result of the Town's observations:

11

Two bedrooms have ceiling penetrations as a result of Fire Department action in putting out the fire (occurred in 2005) which still remain open to the roof attic. The photo with the plastic cover is currently used as a bedroom. The other bedroom is used for substantial storage purposes. Based upon language in CHSC section 17920.3, subsection (a), items (6) for lack of heating and (13) for general dilapidation, this condition would be defined as a substandard building. Additionally, the CBC in Section 116 stipulates criteria that deem a structure unsafe. Having no heat and open ceilings, lacking smoke and carbon monoxide detection, and using spaces not approved for sleeping purposes are dangerous to human life and constitute as an unsafe structure.

Solution for Abatement and CO:

- ***Repair damaged gyp board with new gyp board and tape in bedroom ceilings.***
- ***Install smoke and carbon monoxide detectors in bedrooms and hallway as required in the 2013 California Residential Code.***
- ***Restore existing heating system and ductwork to functionality.***
- ***Remove storage in bedrooms, hallways and other habitable spaces per Fire Chief Requirements.***

This area appears to be possibly a dining area in the original floor plan. Currently, there is a bed placed here and the space is used for sleeping purposes. Due to the lack/inaccessibility of electrical receptacle outlets, there are electrical outlet strips being used to cover a multitude of electrical appliances and devices. Based upon language in CHSC section 17920.3, subsection (a), item (6) for lack of heating, item (13) for general dilapidation and, subsection (d) wiring not in safe condition, the conditions described above would be defined as a substandard building. The CBC in Section 116 stipulates criteria that deem a structure unsafe. Lacking a source of heat, smoke and carbon monoxide detection, using spaces not approved for sleeping purposes and having unsafe electrical wiring conditions create a situation which is dangerous to human life and constitute as an Unsafe Structure. In the CFC, Section 605.5 Extension Cords, extension and flexible cords shall not be a substitute for permanent wiring. The 2006 ICCECC, Chapter 901 states that an electrical system that is unsafe, constitutes a fire or health hazard, or is otherwise dangerous to human life is declared as un unsafe electrical system and is declared a public nuisance.

Solution for Abatement and CO:

- ***Cease using dining area as a sleeping room, and remove excessive cords and receptacle strips.***

Severe water damage and dry rot occurred to the floor as a result of firefighting activities. The floor finish materials and subfloor are completely damaged and does not appear structurally sound. Based upon language in CHSC section 17920.3, subsection (a), item (13) for general dilapidation and subsection (b), item (2) for defective flooring and structural support, this condition is defined as a Substandard Building. The CBC in Section 116 stipulates criteria that deem a structure unsafe. Having rotten flooring and subfloor is unsanitary, improperly maintained and possibly of structural concern creates a situation which is dangerous to human life and constitutes as an Unsafe Structure. The current fire/fuel load is considered by the Fire Chief to be an excessive fuel load, creating a fire hazard, and must be removed. From each and every room in the residence, the accumulated goods, including but not limited to, all newspapers, paper shopping bags, mail, books, food cartons, plastic utility containers, clothing and other miscellaneous materials, must be removed such that there is a minimum of 24 inches clear from the ceiling to the storage goods, 36 inches clear path to all doors, rooms and emergency egress windows.

Solution for Abatement and CO:

- ***Repair damaged subfloor in the hallway (and joist if affected).***
- ***Repair hallway finish flooring to avoid trip hazard.***
- ***Remove storage in hallway and bedrooms per Fire Chief requirements.***

The fire damaged roof above the living room area has been rebuilt under building permit #05Ro-07318 (issued for complete fire repairs), and appears to be substantially complete and sound. This permit expired due to incomplete activity (see letter dated 12/23/2008). The previous Building Official attempted to have the owner obtain another building permit to complete the work being done (see inspection report dated 12/19/2008 and letter dated 12/23/2008), but the owner did not follow through. In the ceiling, the copper water pipes and gas lines are cut and capped off, leaving the back bathroom and furnace inoperable. Based upon language in CHSC section 17920.3, subsection (a), items (6) for lack of heating and (13) for general dilapidation, this condition would be defined as a Substandard Building. Additionally, the CBC in Section 116 stipulates criteria that deem a structure unsafe. Having no heat and open ceilings to the rafter system are dangerous to human life and constitute as an Unsafe Structure.

Solution for Abatement and CO:

- ***Complete water and gas lines to bathroom and furnace. Note, second bathroom is not mandatory for CO, but all wiring and piping necessary for the future function of the bathroom would be required to be run to the bathroom and capped off in an approved fashion.***

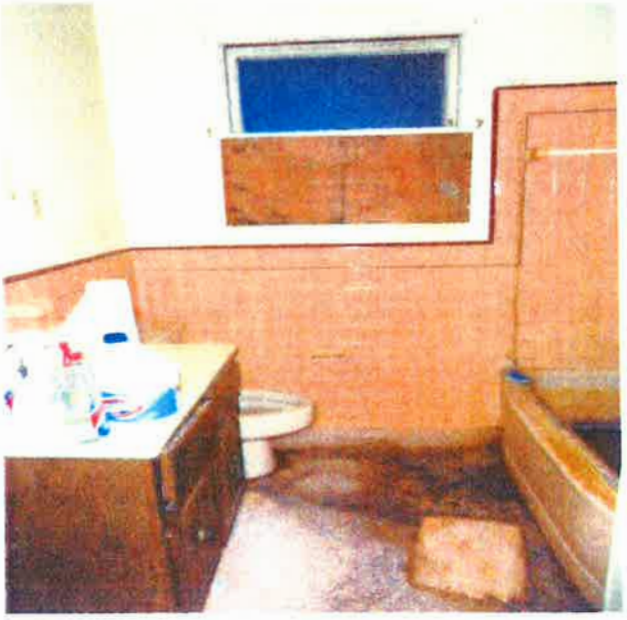
- ***Install insulation, gyp board and tape on ceiling of living room area (note: frame was previously approved under permit #05Ro-07318).***

Observed a multitude of dangerous and unsafe electrical wiring conditions: exposed wiring, open junction boxes, live and/or potentially live wires not terminated in a safe or code approved condition, inadequate wire support with strain on certain conductors, improper grounding and bonding, to just mention a few CEC violations. Additionally, there were no visible signs of either smoke or CO detectors. Based upon language in CHSC section 17920.3, subsection (a), item (6) for lack of heating, item (13) for general dilapidation and, subsection (d) wiring not in safe condition, this condition would be defined as a Substandard Building. The CBC in Section 116 stipulates criteria that deem a structure unsafe. Lacking a source of heat, smoke and carbon monoxide detection, and having unsafe electrical wiring conditions create a situation which is dangerous to human life and constitute as an Unsafe Structure. The CFC Section 605.6 Unapproved Conditions, states that open junction boxes and open-wiring splices shall be prohibited. In the 2006 ICCECC, Chapter 901 states that an electrical system that is unsafe, constitutes a fire or health hazard, or is otherwise dangerous to human life is declared as un unsafe electrical system and are declared a Public Nuisance. Note for smoke alarms: All smoke alarms must display the date of manufacture, provide a place on the device where the date of installation can be written, and incorporate a hush feature. All smoke alarms required for the dwelling unit are devices approved and listed by the Office of the State Fire Marshal pursuant to Health and Safety Code Section 13114. Both smoke alarms and carbon monoxide alarms shall be direct wired, interconnected, and with battery backup and located in accordance with the CRC

Solution for Abatement and CO:

- ***Complete wiring installation and repair where this has been modified in accordance with the CEC. Remove old abandoned wiring; install readily accessible junction boxes at wire splices, smoke and co detectors, lighting, switches, power to furnace, etc.***

- ***Install insulation, gyp board and tape joints on hallway ceiling.***

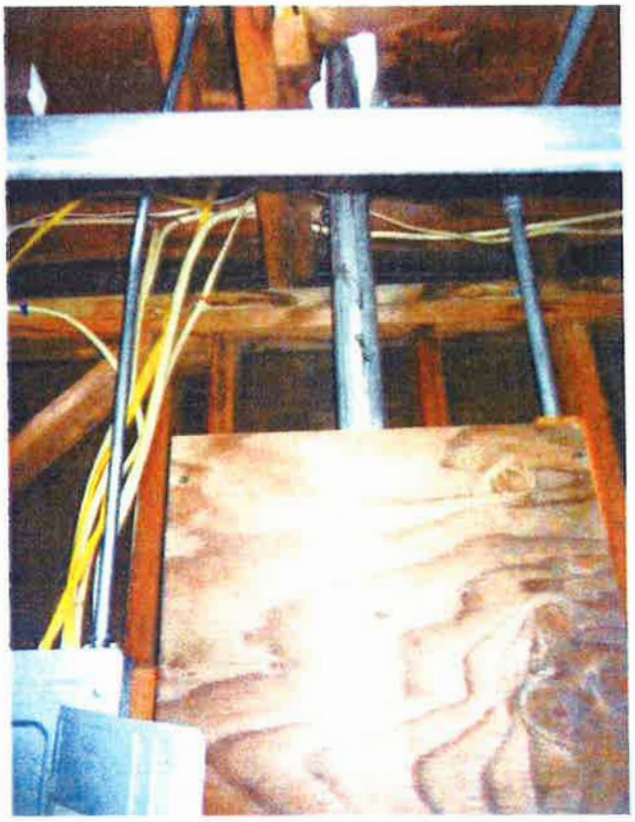


This is one of two bathrooms. This bathroom is not functional due to the water pipes being cut and capped off after the fire in the fire damage area ceiling. A very strong smell of sewer gas was present, most likely from the traps drying up and the owner not maintaining the trap seal. Mr. Dunman was made aware of how to reset the trap seal by the Building Official. Severe water damage is visible from the toilet flowing towards the tub. It is noted that there is one functional bathroom in the residence. Based upon language in CHSC section 17920.3, subsection (a), item (13) for general dilapidation would define this as a Substandard Building.

Solution for Abatement and CO:

- ***A second functioning bathroom is not mandatory for a CO. However, any water leakage or dry rot damage to the frame or subfloor due to water infiltration must be addressed and repaired.***

- ***If this bathroom is temporarily not intended to be used, occupant must maintain fixture trap seals to avoid sewer gas intrusion.***



There is a direct open hole to the elements allowing water and roof debris to enter through the hole and onto/into the main electrical meter. While on site, rain was falling directly onto the panel enclosure and also into the garage. Some damage is noted to the plywood roof sheathing at the roof penetration. This most likely is affecting the subpanel also. Based upon language in CHSC section 17920.3, subsection (a), item (13) for general dilapidation, subsection (d) wiring not in safe condition, and subsection (g) for faulty weather protection, this condition would be defined as a Substandard Building. The CBC in Section 116 stipulates criteria that deem a structure unsafe having unsafe electrical wiring conditions create a situation which is dangerous to human life and constitute as an Unsafe Structure. In the 2006 ICCECC, Chapter 901 states that an electrical system that is unsafe, constitutes a fire or health hazard, or is otherwise dangerous to human life is declared as un unsafe electrical system and are declared a Public Nuisance.

Solution for Abatement and CO:

- ***Complete wiring in an approved manner and in accordance with the CEC. All exposed wiring shall be protected.***

- ***The roof shall be watertight and not allow water to penetrate. Provide approved flashing system for main service panel riser conduit where penetrating roofing.***

Part 2: Excessive Debris

The Town has received numerous citizen complaints pertaining to excessive trash, junk, refuse and debris being stored on your property. The following photo documentation demonstrates current site conditions. In accordance with CMMC Section 9.04.030 (B)(8)(c) and (11), this type of condition is designated as a Nuisance for the following reasons:

- Visible from an adjoining or nearby property;
- Tend to be materially detrimental to the value of nearby or adjoining property;
- Detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible;
- Safety hazard to occupants of property, adjacent or nearby properties or the general public;
- By reason of location, size, or character may constitute a threat to the life, health or safety of the occupants of the property, adjacent or nearby properties, or the general public.

Remedy Part 1:

The dwelling is currently is being occupied contrary to the Notice of Limited Entry posted on the property by the previous Building Official (copy attached) on 06/14/2005, thus the occupancy of the dwelling must be immediately ceased. Additionally, you shall obtain proper building permits, initiate the work, request the required inspections, abate all Part 1 Nuisance items listed above for Solutions for Abatement and CO, and obtain approval from the Fire Chief and Building Official for the CO and occupation of the dwelling.

Remedy Part 2:

You must remove all exterior trash, junk, refuse and debris on your property to the satisfaction of the Planning Director. All disposal, recycling, storage or other means of removal shall comply with applicable State laws.

If Part 1 or Part 2 remedies are not completed within 30 days from the date of this letter, the Town shall cause Notice of a Public Hearing before the Town Council in accordance with CMMC 9.04.050 and 9.04.070.

If you have any further questions, please feel free to contact the Building Official.

Sincerely,

Mark Flatter

Mark Flatter
Building Official
Town of Corte Madera
(415)-927-5062
mflatter@tcmmail.org

CC: Randy Riddle – Town Attorney
David Bracken – Town Manager
Adam Wolff – Director of Planning & Building
Pete Davis – Acting Fire Chief

Attachments: Limited Entry Notice dated 06/14/05, Letter from Electrician dated 07/27/06,

Inspection Report dated 12/19/08 & Administrative Notice dated 01/23/08

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of MARIN)

On March 29, 2016 before me, REBECCA VAUGHN, NOTARY PUBLIC,
Date *Here Insert Name and Title of the Officer*

personally appeared MARK FLATTER
Name(s) of Signer(s)

,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

REBECCA VAUGHN
Commission # 2082385
Notary Public - California
Marin County
My Comm. Expires Sep 20, 2018

Signature
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Notice of Abatement of Public Nuisance Document Date: March 29, 2016
Number of Pages: 16 Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name:
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:
Signer Is Representing:

Signer's Name:
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:
Signer Is Representing:

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File

DISASTER PREPAREDNESS PROGRAM
BUILDING DEPARTMENT

TOWN OF CORTE MADERA

Jurisdiction

LIMITED ENTRY

OWNER MAY ENTER AT OWN RISK TO REMOVE PROPERTY

NO. 05-001

Building official or disaster coordinator _____ SIGNATURE Date JUNE 14, 2005

Inspector _____ SIGNATURE Address or lot number 14 LAKESIDE DR.

Building occupancy class and description R3 - DWELLING

LAP ELECTRIC INC.
377 Mandarin Dr Suite 306
Daly City CA, 94015
415-748-0758
Fax: 650-992-4906

July 27,2006

CORTE MADERA
300 Tamalpais Dr, 94925

Construction permit division.
Permit No 05Ro -07318.
Job address : 14 Lakeside Dr.
Corte Madera.

Mr Inspector..

In response to your request , I hereby affirm that all wires in house has been disconnected and that only circuit that will be energized will be two circuit witch are in a GFI protected located in the garage.

Please call me at 415-748-0758 if you have any questions or require further information.

Respectfully,

LUIS PINCILOTTI

AUTHORIZED REPRESENTATIVE.

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MARIN COUNTY CALIFORNIA

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RECREATION DEPARTMENT
415-927-5072

SANITARY DISTRICT NO. 2
415-927-5057

TWIN CITIES POLICE AUTHORITY
415-927-5150

December 19, 2008

INSPECTION REPORT

Betty Gatlin
Johnnie Gatlin
Shirley Gatlin
14 Lakeside Drive
Corte Madera, CA 94925

RE: 14 Lakeside Drive, Corte Madera, CA, Post-Fire Building Conditions

Since March of 2008 the Town has received a number of complaints regarding unhealthy conditions existing at the property of 14 Lakeside Drive and the use of the residence for occasional residing and sleeping.

A joint inspection of your property was conducted by the Corte Madera Building Division and Marin County Environmental Health Services Department on November 12, 2008 with Shirley Gatlin present. The following conditions were witnessed at the residence during the inspection:

1. Wall and ceiling fire-damage has not been repaired;
2. There is no functional permanent heating equipment installed in the house;
3. The house is not provided with necessary electrical power and illumination and there are numerous wires and wiring connections that are exposed;
4. There is extensive garbage and debris remaining in most of the rooms and outside covered areas.

Please be advised that the conditions observed in and around the subject dwelling on November 12, 2008 (as listed above), and as defined under California Health and Safety Code Section 17920.3, subsections (a)(6) [lack of adequate heating]; (a)(10) [Lack of required electrical lighting]; (a)(13) [General dilapidation or improper maintenance]; and (j) [Those premises on which an accumulation of weeds, vegetation, junk, dead organic matter, debris, garbage, offal, rodent harborages, stagnant water, combustible materials, and similar materials or conditions constitute fire, health, or safety hazards], constitute conditions that could, if not mitigated, result in the subject structure being declared a "substandard building" and, in accordance with the provisions of Section 115 of Appendix Chapter 1 of the 2007 California Building Code (as adopted by the Town of Corte Madera), require that all unsafe conditions be mitigated before re-occupancy of the structure can occur.

Please be advised that the removal of debris, flooring, and carpeting does not constitute construction work pursuant to an issued building permit. The work remaining to be accomplished at the subject property involves repair of all damaged electrical, plumbing and mechanical systems as well as complete repair of all damaged wall and ceiling areas. In addition to the required construction

repair work, it is also imperative that the extensive amounts of trash and debris situated throughout the dwelling be removed.

Failure to diligently pursue action to correct the conditions listed in this report may result in further administrative action to cause correction of the substandard conditions that were observed within the dwelling.

If you have questions or concerns I can be reached at (415) 927-5046.

Respectfully,

Walter Groditski
Building Official

cc: Town Attorney
R. Pendoley, Planning Director
permit address file

THE TOWN OF
CORTE MADERA
MARIN COUNTY CALIFORNIA

300 TAMALPAIS DRIVE
CORTE MADERA, CA
94925-1418

www.ci.corte-madera.ca.us

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415-927-5057

RECREATION DEPARTMENT
415-927-5072

SANITARY DISTRICT NO. 2
415-927-5057

TWIN CITIES POLICE AUTHORITY
415-927-5150

December 23, 2008

ADMINISTRATIVE NOTICE

Betty Gatlin
Johnnie Gatlin
Shirley Gatlin
14 Lakeside Drive
Corte Madera, CA 94925

RE: Unfinished Fire Repair Work at 14 Lakeside Drive

Dear Betty, Johnnie and/or Shirley Gatlin:

This is to inform you that you are required to make application for a new building permit in order to facilitate completion of fire repair work at the subject structure at 14 Lakeside Drive. Failure to complete the remaining fire repair work will result in the continuing existence of substandard building conditions (as outlined in the enclosed Inspection Report) in violation of the California Health & Safety Code.

Building Permit No. 05Ro-07318 for fire repair work at the residential house at 14 Lakeside Drive was issued by the Town of Corte Madera to Johnnie Gatlin on December 28, 2005. The last official inspection conducted under this building permit was performed on June 29, 2006. A notice was sent to Johnnie H. and Betty Gatlin on March 17, 2008 advising you of the expiration of the subject building permit if the Town did not receive a response to this notice within 30 days of its date. No response was received in a timely manner. Therefore, your building permit expired on or about April 17, 2008. No application has been made for a new building permit since the expiration of permit 05Ro-07318. A copy of the March 17, 2008 notice is attached for your reference.

In response to complaints regarding the condition of your unfinished repair work, an inspection was conducted by the Corte Madera Building Division and the Marin County Environmental Health Services Department on November 12, 2008 with Shirley Gatlin present. During this inspection it was apparent that the repair work has not been completed or prosecuted in a diligent manner. I am enclosing with this letter an Inspection Report of the substandard conditions that were observed during the November 12, 2008 inspection and which require immediate correction.

Repair work at 14 Lakeside Drive cannot be completed without the issuance of a new building permit. In order to perform any repair work on this residential house you will need to contact the Corte Madera Building Division and submit a new building permit application for the remaining repair work.

The performance of fire repair work without a permit constitutes a violation of Section 15.01.010 of the Corte Madera Municipal Code and Section 108.4.1 of the California Building Code. A violation of these sections is punishable as a misdemeanor and subject to a $500 fine and/or 6 months imprisonment, pursuant

THE TOWN OF
CORTE MADERA
MARIN COUNTY CALIFORNIA

300 TAMALPAIS DRIVE
CORTE MADERA, CA
94925-1418

www.ci.corte-madera.ca.us

TOWN MANAGER
TOWN COUNCIL
415-927-5050

TOWN CLERK
415-927-5086

FINANCE / BUS. LICENSE

December 23, 2008

ADMINISTRATIVE NOTICE

Betty Gatlin
Johnnie Gatlin
Shirley Gatlin
14 Lakeside Drive
Corte Madera, CA 94925

RE: Unfinished Fire Repair Work at 14 Lakeside Drive

Dear Betty, Johnnie and/or Shirley Gatlin:

This is to inform you that you are required to make application for a new building permit in order to facilitate completion of fire repair work at the subject structure at 14 Lakeside Drive. Failure to complete the remaining fire repair work will result in the continuing existence of substandard building conditions (as outlined in the enclosed Inspection Report) in violation of the California Health & Safety Code.

Building Permit No. 05Ro-07318 for fire repair work at the residential house at 14 Lakeside Drive was issued by the Town of Corte Madera to Johnnie Gatlin on

Search Results: 70063450000355996619

UNITED STATES POSTAL SERVICE

HOME | HELP | SIGN IN

7006 3450 0003 5599 6619

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com®

Postage	$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 5.49

Postmark Here
DEC 23 2008
USPS CORTE MADERA CA 94925

Sent To
Betty Gatlin, Johnnie Gatlin, Shirley Gatlin
Street, Apt. No.; or PO Box No. 14 Lakeside Drive
City, State, ZIP+4 Corte Madera, CA 94925

PS Form 3800, August 2006 See Reverse for Instructions

Search Results

70063450000355996619 Search >

Search all USPS.com Search publications only Search administr

Search results for: "70063450000355996619"

Recommended Links:
Track & Confirm ID#: 7006 3450 0003 5599 6619

Search Results Summary

Your search for "70063450000355996619" retrieved 0 results.
Please try another search.

Suggestions:

- Check the spelling of your keywords.
- Enter keywords that are more general.
- Try different keywords.

Narrow your search

No narrowing is possible for this search query.

ATTACHMENT 3

SECTION 9.04 OF THE CORTE MADERA MUNICIPAL CODE

ATTACHMENT #3

Chapter 9.04 - NUISANCES[1]

Sections:

Footnotes:
--- (1) ---
***Editor's note**—Ord. No. 928, § 1, adopted May 3, 2011, repealed Ch. 9.04, in its entirety and enacted new provisions to read as herin set out. Prior to this amendment, Ch. 9.04 pertained to similar subject matter. See Disposition of Ordinance Table for derivation.*

9.04.010 - Purpose.

A. This chapter is enacted in order to define the conditions that constitute a public nuisance and provide procedures for the abatement of such nuisances. Nothing contained in this chapter is intended to preclude the town from pursuing any other lawful civil or criminal remedies in the place of or in addition to the remedies provided in this chapter.

B. Nothing contained in this chapter shall prevent the town council from ordering the town attorney to commence a civil or criminal proceeding to abate a public nuisance in any manner authorized by state or local law as an alternative to, or in conjunction with, the remedies provided in this chapter.

C. In any administrative, civil or special proceeding to abate a public nuisance, the prevailing party shall be entitled to reasonable attorneys' fees if the town elects, at the initiation of the administrative, civil or special proceeding to seek recovery of its own attorneys' fees.

D. This chapter is intended as a remedy available to the town for enforcement of violations which may be the same or similar to violations that have also been the subject of administrative citation proceedings under Chapter 9.05 prior to the commencement of proceedings under this chapter.

E. No provisions establishing appeal rights or appeal procedures that are contained within any other chapter of this Code shall be applicable to proceedings under this chapter.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.020 - Nuisance generally.

A. Anything that is injurious to health, is indecent or offensive to the senses, obstructs the free use of property so as to interfere with the comfortable enjoyment of life or property, or obstructs the free passage or use in the customary manner of any public park, square, street or highway, is a public nuisance.

B. A public nuisance further includes any unlawful obstruction or encroachment upon any public property, including but not limited to any public street, highway, right-of-way, park, building or any other condition that is injurious of the health, safety or general welfare.

C. Every day a public nuisance continues to exist shall be regarded as a new and separate offense.

(Ord. No. 932, 1, 5-1-2012)

9.04.030 - Nuisances designated.

A. Any violation of the municipal code constitutes a public nuisance and may be abated in the manner provided for in this chapter. Therefore, this section is not the exclusive definition of what constitutes a public nuisance. This section supplements and is in addition to, other regulatory codes, statutes and ordinances enacted by the town, the state or any other legal entity or agency having jurisdiction.

B.

It is a public nuisance for any person, firm, or entity owning, leasing, occupying, or having charge or possession of any private property within the town, to maintain such property in such a manner that any of the conditions listed below are found to exist:

1. Any property, or any building or structure thereon, maintained in a condition that is so defective, unsightly, or in such condition of deterioration or disrepair as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible.
2. Building exteriors, roofs, landscaping, grounds, walls, retaining and crib walls, fences, gates, driveways, parking lots, planters, sidewalks, or walkways which are maintained in a condition that is so defective, unsightly, or in such condition of deterioration or disrepair as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible.
3. Any building or structure with broken, cracked or missing windows or doors, or which is partially destroyed, damaged, abandoned, boarded up, or otherwise dilapidated, as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible; or any building or structure which is permitted to remain in a state of partial or unfinished construction for more than sixty days without a valid building permit being in effect.
4.

Any vacant or abandoned building or structure in which doorways, windows or other openings are not secured or maintained in a manner that would prevent access to the building or structure by members of the public.

5. Building materials, lumber used in construction, rubble, broken asphalt, concrete or similar construction materials visible from a public street, highway, or private roadway or an adjacent or nearby property, which remains for a period of more than sixty days without a valid building permit being in effect so as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible.
6. Except when lawfully stored or displayed in connection with a valid and licensed business, salvage materials, scrap metals, sinks, fixtures, abandoned refrigerators or other appliances that are so defective, unsightly, or in such a condition of deterioration or disrepair as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c) Visible from an adjoining or nearby property, and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible.
7. Abandoned, broken, unused, neglected, or unprotected equipment or machinery, remaining on the property for more than thirty days and visible from the public street, highway, or private roadway.
8. The stockpiling of dirt (except as permitted by a grading permit issued under Chapter 15.20) or accumulation of litter, trash, junk, feces or debris on any portion of the property that is unenclosed or semi-enclosed as to be:
   (a) A health, fire or safety hazard to occupants of the property, adjacent or nearby properties or the general public; or
   (b) Visible from a public street, highway or private roadway and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property or materially detrimental to the use and enjoyment of an adjoining or nearby property; or
   (c)

Visible from an adjoining or nearby property and of such a nature or character that it may reasonably be concluded that such condition would tend to be materially detrimental to the value of nearby or adjoining property, or materially detrimental to the use and enjoyment of that adjoining or nearby property from which such condition is visible.

9. Construction debris boxes placed on a public street (except when allowed by an encroachment permit issued pursuant to Chapter 12.08) or on private property when visible from a public street, highway, or private roadway for more than fifteen days while no construction is occurring under a valid permit.
10. Dead, decayed, diseased or hazardous trees, weeds or vegetation which constitute a fire hazard or threat to the life, health, or safety of the occupants of the property, adjacent or nearby properties, or the general public.
11. Refuse, debris, and waste materials which by reason of location, size, or character may constitute a fire hazard or threat to the life, health or safety of the occupants of the property, adjacent or nearby properties, or the general public.
12. Any condition of vegetation overgrowth (including weeds, trees or brush) which:
    (a) Encroaches into, over, or upon any public right-of-way including, without limitation, streets, alleys, or sidewalks, so as to constitute either a danger to public safety or property or an impediment to public travel; or
    (b) Because of its size, location, or character constitutes a fire hazard or other threat to the life, health, or safety of the occupants of the property, adjacent or nearby properties, or the general public.
13. Any property with accumulations of grease, oil or hazardous material on paved or unpaved surfaces, driveways, buildings, walls or fences, or from which any such material flows or seeps onto any public street or other public or private property, or which is likely to seep or migrate into any water body or into the underground water table.

C. It is the policy of the town that when there are special situations as described by this subsection which may cause or contribute to any of the conditions described by subsection 9.04.030(B) that the town give special consideration to the circumstances surrounding the violation in its abatement and administrative fines proceedings in accordance with the guidelines set forth by this subsection:

1. Definitions. As used by this subsection the following shall apply:
    (a) "Elderly individual" shall mean an individual over the age of sixty-five (65) years old, and who does not reside with a person that has the physical and/or mental capability to maintain the property where the elderly individual resides in a condition that is not described by subsection 9.04.030(B) of this section.
    (b) "Disabled individual" shall mean an individual that meets the definition of a person having a physical or mental disability under the California Fair Employment and Housing Act set forth by Part 2.8 of Division 3 of Title 2 of the California Government Code (Government Code Section 12900 et seq.), as it may be amended from time to time, and because of which disability experiences great difficulty in keeping the individual's property free from any condition that is in violation of any of the provisions of subsection 9.04.030(B) of this section.
    (c) "Low income individual" shall mean, an individual who both owns and occupies a residence that is deemed or alleged to be in violation of any condition described by subsection 9.04.030(B) of this section, and has an income below the highest level of lower income and

contained within, or incorporated by, the Corte Madera Housing Element of the general plan, as it may be amended or modified from time to time.

(d) "Enforcement officer" shall mean the town manager or designee for proceedings under this chapter, and the citation officer for proceedings under Chapter 9.05.

(e) "Hearing board" shall mean the town council for proceedings under this chapter, and the planning commission for proceedings under Chapter 9.05.

2. Upon any person who is in violation of any of the conditions in subsection 9.04.030(B), or any person upon that person's behalf, establishing to the satisfaction of the enforcement officer that he/she is an elderly individual, disabled individual or a low income individual, the town may afford the violator an additional period of time or additional notice to the time and notice provisions established by this chapter or Chapter 9.05 that the officer deems appropriate to remove or correct the conditions that the officer believes to be violated. It is the intent of the town council in adopting this ordinance that the enforcement officer provide a violator that is covered by this section with guidance, suggestions, and an additional opportunity to implement such guidance or suggestions which may better enable the violation to be removed or corrected by the responsible party at its own expense without the need for coercive action to be taken by the town.

3. If, despite the efforts made by the Enforcement Officer under this subsection 9.04.030(C), the violation continues, then the enforcement officer shall have the discretion to consider the special circumstances giving rise to the violation and its continued existence in determining the fine to be imposed under Chapter 9.05. The enforcement officer shall also have the discretion to waive the deposit of the administrative penalty required by Section 9.05.070(B) if the elderly individual, disabled individual, or low income individual demonstrates a financial hardship in making the deposit.

4. If the violation becomes a subject of a public hearing under this Chapter or an appeal hearing under Chapter 9.05, and an elderly individual, disabled individual, or low income individual is the owner or other person alleged to be responsible for the violation, the hearing board shall have the discretion to take into consideration the special circumstances giving rise to the violation and its continued existence, in making its determination and abatement orders under this chapter, or reducing or waiving any fines under Chapter 9.05.

5. The authority provided by this subsection 9.04.030(C) shall be entirely discretionary with the enforcement officer or hearing board, whichever may be applicable. Nothing in this subsection 9.04.030(C) shall create any rights not already provided under any other provision of this chapter, Chapter 9.05, or as may otherwise be provided by state law. Nothing in this subsection 9.04.030(C) shall require the enforcement officer or hearing board, whichever may be applicable, to perform any inquiry or investigation to determine whether a person is qualified under this subsection, and nothing in this subsection is intended to compel any person to provide any information regarding age, disability, or income that the person chooses not to release or volunteer to any member of the town.

6. Nothing in this subsection 9.04.030(C) is intended to apply to a violation that is deemed or alleged by the town to be a fire, health, or safety hazard to the occupants of the property, adjacent or nearby properties, or the general public.

7.

This subsection 9.04.030(C) is merely a statement of policy. Nothing in this subsection is intended to create a mandatory duty upon the town or any of its members or create a right of action against the town or any of its members.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.040 - Notice to abate.

Whenever it is determined that any property within the town is being maintained in a manner that constitutes a public nuisance, the town manager or designee may send written notice to the owner of the property ordering the owner to abate the public nuisance. The written notice shall provide the property owner 30 days to abate the nuisance. A shorter time period may be provided if the nuisance condition represents an immediate threat to the health or safety of the public or to the residents of the property. Service shall be deemed complete at the time notice is personally served or deposited in the mail by first class mail, postage prepaid. Notice shall be mailed to the property address and to the owner and other responsible persons at the address that appears on the last equalized assessment roll, or the supplemental roll, of the county, whichever is more current. Failure of any person to receive notice shall not affect the validity of any proceedings taken hereunder. The town manager or designee may grant extensions of time to complete the abatement if the town manager or designee determines that good cause exists for an extension and such extension will not create or perpetuate a situation imminently dangerous to life or property. Reasonable restrictions may be placed on any extension.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.050 - Notice of hearing before the town council.

A. If the owner of the property fails or refuses to comply with the notice to abate the public nuisance within the time provided by such notice, the town manager or designee shall cause notice of a public hearing before the town council to be given in the manner provided for in this chapter. The hearing date shall be no less than ten days after service of the notice.

B. The notice shall inform the property owner of the date, time and location of the hearing and shall be substantially in the following form:

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on the _____ day of _____, at the hour of _____, the Town Council of the Town of Corte Madera shall hold a public hearing in the council chambers located at _____ _____.

The purpose of the hearing is to determine whether the property located at _____ constitutes a public nuisance subject to abatement. You are hereby ordered to appear to show cause why this property should not be declared a public nuisance and the conditions abated in accordance with Chapter 9.04 of the Corte Madera Municipal Code. Failure to appear shall constitute a waiver of your rights to appear and present evidence.

The conditions constituting the nuisance are: _____.

The methods of abatement available are: _____.

If you voluntarily abate the conditions described above, you must advise the Town Manager in writing of the date of completion of such abatement and arrange for an inspection of the property by the town. You may request a continuance of the hearing in writing if, for good cause, the voluntary abatement cannot be completed prior to the hearing date.

If the property is found to constitute a public nuisance, you shall be ordered to abate the conditions constituting the public nuisance by rehabilitation, removal, repair, demolition, or by some other appropriate method.

If the conditions constituting the public nuisance are not abated by the time established by order of the town council, such nuisance may be abated by town authorities and the cost of such abatement made a lien or special assessment on the property.

The hearing procedures and provisions applicable to this nuisance abatement proceeding are set forth by Chapter 9.04 of the Corte Madera Municipal Code which is attached to this notice for your reference.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.060 - Posting and service of notice.

The town clerk, or such other town official as may be designated by the town manager, shall serve a copy of the notice of public hearing in the manner and method set forth by Section 9.04.040 and shall cause a copy of the notice to be conspicuously posted on the property. The notice shall be posted and served at least ten days before the date fixed for the public hearing. Proof of posting and service of such notices shall be made by declaration under penalty of perjury filed with the town clerk.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.070 - Hearing by the town council.

A. At the time stated in the notice, the town council shall hear and consider all relevant evidence, objections or protests, and shall receive testimony from owners, witnesses, persons who reside at the property, town personnel and other interested persons relative to the alleged public nuisance and the abatement of the public nuisance. The hearing may be continued from time to time by the town council.
B. As soon as practicable following the close of the hearing, the town council shall render a decision by resolution supported by findings. If the town council finds that a public nuisance exists, and there is sufficient cause to order abatement, the town council shall order the abatement of the public nuisance within the time and in the manner set forth in the decision.
C. The resolution of the town council shall inform the property owner that the time for judicial review is governed by Section 1094.6 of the state Code of Civil Procedure. The resolution and order of the town council shall be final.
D. A copy of the town council resolution shall be posted on the property and served upon the owner or owners of the property in accordance with the provisions of Section 9.04.040. Upon abatement in full by the owner, confirmation by the town, and the owner's payment of all ordered costs and expenses, the proceedings hereunder shall terminate.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.080 - Abatement by the town.

A. If the nuisance is not abated in the time and manner set forth in the resolution ordering abatement, the town manager or designee shall cause the nuisance to be abated by town forces or by private contractor. The town attorney is authorized to take such action as may be necessary to gain entry upon the property for purposes of abating the public nuisance.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.090 - Confirmation of abatement costs

A. The town manager or designee shall keep an itemized report showing the full costs of abatement. Such costs shall include the cost of identifying, declaring and abating the public nuisance and shall include inspection costs, investigation costs, costs to repair and abate the conditions constituting the public nuisance and the costs of levying an abatement lien or special assessment on the property. The costs shall also include attorneys' fees if elected by the town as provided for in Section 9.04.010C.

B. The town manager or designee may invoice the property owner for the full costs of abatement. If full payment is not received within fifteen days of the date the invoice was mailed to the property owner, the town manager or designee shall forward an itemized report in writing to the town clerk specifying the full costs of abatement. The town clerk shall set a hearing before the town council so that the council can determine the correctness and reasonableness of the abatement costs. The town clerk shall cause a copy of the itemized report, with notice of the town council hearing, to be posted on the property and served on the owner of the property in the manner required by Section 9.04.040, at least ten days before the date set for the hearing.

C. At the time and place fixed for the hearing, the town council shall consider the itemized report together with any objections or protests. The town council may revise, correct or modify the itemized report, and shall confirm the itemized report as revised, corrected or modified, by resolution. The decision of the town council shall be final and conclusive.

D. The town may collect its full costs of abatement as set forth in the itemized report confirmed by council resolution from the responsible person or persons identified in the resolution in any manner authorized by law including: (1) recording a nuisance abatement lien against the property on which the public nuisance was maintained; or (2) imposing a special assessment against the property on which the public nuisance was maintained.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.100 - Nuisance abatement lien.

A. Before recording a nuisance abatement lien against the property on which the public nuisance was maintained, the town manager or designee shall give notice to the owner of record. The notice of lien shall be served on the owner at the address that appears on the last equalized assessment roll, or the supplemental roll, whichever is more current. The notice shall be served in the same manner as a summons in a civil action in accordance with sections 415.10 et seq. of the state Code of Civil Procedure. If the owner of record after diligent search cannot be found, notice may be served by posting a copy thereof in a conspicuous place upon the property for a period of ten days, and by publication thereof in a newspaper of general circulation published in Marin County, pursuant to Government Code section 6062.

B. The nuisance abatement lien shall be recorded in the Marin County Recorder's Office and from the date of recording shall have the force, effect and priority of a judgment lien.

C. The nuisance abatement lien shall specify the amount of the lien; that the lien is imposed on behalf of the Town of Corte Madera; the date of the abatement order as set by the town council; the street address, legal description and assessor's number of the parcel on which the lien is imposed; and the name and address of the recorded owner of the parcel.

D. In the event the lien is discharged, released or satisfied, either through payment or foreclosure, the town shall record a notice of discharge containing the information specified in subparagraph C above.

E.

The nuisance abatement lien may be foreclosed by the town in an action for a money judgment. As part of its foreclosure action, the town may recover its costs incurred in processing and recording the lien and in providing notice to the property owner.

(Ord. No. 928, § 1(Exh.A), 5-3-2011)

9.04.110 - Special assessment.

A. As an alternative to recording a nuisance abatement lien, the town may make the cost of abatement a special assessment against the property on which the nuisance was maintained. After adoption of the resolution by the town council pursuant to Section 9.04.090, a copy of the resolution shall be transmitted to the tax collector. It shall be the duty of the tax collector to add the full amount of the abatement costs to the next regular bill of taxes levied against the property. The abatement costs shall be collected at the same time and same manner as ordinary municipal taxes and shall be subject to the same penalties and procedure for foreclosure and sale in case of delinquency as provided for ordinary municipal taxes. All laws applicable to the levy, collection and enforcement of municipal taxes shall be applicable to the special assessment.

B. Notice shall be given by certified mail to the property owner if the property owner's identity can be determined from county assessor or county recorder records. Notice shall be given at the time of imposing the assessment and shall specify that the property may be sold after three years by the tax collector for unpaid delinquent assessments. The tax collector's power of sale shall not be affected by the failure of the property owner to receive notice.

(Ord. No. 928, § 1(Exh. A), 5-3-2011)

9.04.120 - Order for treble costs of abatement.

Upon entry of a second or subsequent civil or criminal judgment within a two year period finding that an owner of property is responsible for a condition that may be abated in accordance with this chapter, except conditions abated pursuant to Health and Safety Code section 17980, the court may order the owner to pay treble the costs of the abatement.

(Ord. No. 928, § 1(Exh. A), 5-3-2011)

9.04.130 - Summary abatement.

A. Notwithstanding the provisions of this chapter, whenever the town manager or designee determines that a public nuisance as defined in this chapter or in any other applicable law, constitutes an immediate threat or hazard or danger to persons or property, the town manager or designee may institute the following procedures.

B. The town manager or designee shall attempt to make contact by personal interview, telephone or any other manner with the owner of the property or the person occupying or otherwise in real or apparent charge and control of the property. If such contact is made, the town manager or designee shall notify such person of the danger involved and require that such condition be immediately abated so as to prevent harm to persons and property.

C. In the event the town manager or designee is unable to make contact, or if after notification, the person or persons contacted do not take the action specified by the town manager or designee to abate the public nuisance in the period provided by the town manager or designee, then the town manager or designee shall abate the public nuisance with the use of town forces or a contractor retained by the town.

D.

The town manager or designee shall keep an itemized account of the costs incurred by the town in abating the public nuisance. Such costs may be recovered by the town as provided for in Section 9.04.090D.

(Ord. No. 928, § 1(Exh. A), 5-3-2011)

ATTACHMENT 4

DRAFT TOWN COUNCIL RESOLUTION XX/2016

RESOLUTION NO. XX/2016

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA DETERMINING THAT THE PROPERTY CONDITIONS LOCATED AT 14 LAKESIDE DRIVE CONSTITUTE A PUBLIC NUISANCE PURSUANT TO SECTION 9.04 OF THE CORTE MADERA MUNICIPAL CODE

WHEREAS, in 2005 a fire occurred at 14 Lakeside Drive resulting in significant structural damage that has not been fully repaired; and

WHEREAS, the Town notified the property owners of the code violations and have made numerous attempts to obtain voluntary compliance to correct the violations

WHEREAS, on November 24, 2015, the Town of Corte Madera inspected the property located at 14 Lakeside Drive. Based on the current condition of the property located at 14 Lakeside Drive, staff made a determination that the conditions constitute a Nuisance as defined in the Corte Madera Municipal Code Section 9.04.020, Nuisance Generally and in Subsection (A) and Section 9.04.030 Subsection (B) (1)(a) and (c); and

WHEREAS, conditions on the premises are considered as an Unsafe Structure as defined in Section 103 of the 2013 California Building Code and amended by Corte Madera Municipal Code Chapter 15.01.130; and

WHEREAS, the Town has given the owner opportunity to abate nuisance items, and the conditions have not been corrected; and

WHEREAS, the Town posted a Notice of Abatement of Public Nuisance on March 29, 2016, requesting the abatement within 30 days. Property owners have failed to contact the Town or caused the abatement of items noted in the Notice of Abatement of Public Nuisance; and

WHEREAS, the Town Council conducted a hearing on May 17, 2016, to consider whether a public nuisance exists at 14 Lakeside Drive in accordance with Section 9.04.070 of the Corte Madera Municipal Code. Town Council considered all of the evidence presented by Town Staff, the Staff report (including Attachments 1 - 3), photos of the property, and other evidence and comments made at the hearing and based on that evidence, determined that a public nuisance exists at 14 Lakeside Drive; and

NOW, THEREFORE, BE IT RESOLVED that the Town Council for the Town of Corte Madera hereby finds and declares that 14 Lakeside is a Nuisance and authorizes the Director of Planning and Building Departments to initiate the enforcement of the nuisance abatement process as allowed for in Corte Madera Municipal Code Section 9.04.

PASSED AND ADOPTED at a regular meeting of the Town Council held on this 17th day of May, 2016, by the following vote:

AYES:

NOES:

ABSENT:

Mayor:

_____

ATTEST:

TOWN CLERK:

_____

_____

Placing an item on the agenda: An item may be placed on the agenda by submitting a request to the Town Clerk or the Town Manager, or their designee, by Tuesday at 5p.m. 21 days prior to the Council meeting during which the item is sought to be considered. If such item requires staff investigation or if it will be considered at a future date in the normal course of business (e.g., planning and budget matters), it may be deferred to a later date with concurrence of the person submitting the item. Staff will accommodate submissions after the deadline whenever practical. (Town Council Rules and Procedures, Section 7.5)

THE TOWN OF CORTE MADERA
MARIN COUNTY CALIFORNIA

www.townofcortemadera.org

DRAFT AGENDA

PROPOSED ITEMS, AND ORDER, ARE SUBJECT TO CHANGE

CORTE MADERA TOWN COUNCIL AND SANITARY DISTRICT NO. 2 BOARD TOWN HALL COUNCIL CHAMBERS 300 TAMALPAIS DRIVE

MONDAY, JUNE 6, 2016

(Note Change of Date, which is tentative, pending Town Council approval)

7:30 P.M.

DRAFT

1. CALL TO ORDER, SALUTE TO THE FLAG, ROLL CALL

2. PRESENTATION: NONE

3. OPEN TIME FOR PUBLIC DISCUSSION

Please confine your comments during this portion of the agenda to matters not already on this agenda. Speakers will be limited to three (3) minutes unless otherwise specified by the Mayor or the Presiding Officer.

The public will be given an opportunity to speak on each agenda item at the time it is called. The Council may discuss and/or take action regarding any or all of the items listed below. Once the public comment portion of any item on this agenda has been closed by the Council, no further comment from the public will be permitted unless authorized by the Mayor or the council and if so authorized, said additional public comment shall be limited to the provision of information not previously provided to the Council or as otherwise limited by order of the Mayor or Council.

4. COUNCIL AND TOWN MANAGER REPORTS

- Town Manager Report
- Director of Planning & Building Report on Tamal Vista East Corridor Study
- Council Reports

5. CONSENT CALENDAR

The purpose of the Consent Calendar is to group items together which are routine or have been discussed previously and do not require further discussion. They will be approved by a single motion. Any member of the Town Council, Town Staff, or the Public may request removal of an item for discussion. Rescheduling of the item(s) will be at the discretion of the Mayor and Town Council

5.I Waive Further Reading and Authorize Introduction and/or Adoption of Resolutions and Ordinances by Title Only. (Standard procedural action – no backup information provided)

5.II Consideration of Approval of the Plans and Specifications and Authorization to Bid- 2015 Pavement Rehabilitation Project
(Report from Kelly Crowe, Associate Civil Engineer)

5.III Receive and File Investment Transactions Monthly Report
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.IV Approve Warrants and Payroll for the Period __/__/16 through __/__/16:
Warrant Check Numbers _____ through _____, Payroll Check Numbers _____ through _____, Payroll Direct Deposit Numbers _____ through _____, Payroll Wire Transfer Numbers _____ through _____, and Wire Transfer of __/__/__.
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

6. **PUBLIC HEARINGS:**

6.I *SANITARY DISTRICT ITEMS:*

6.I.i Adoption of Proposed Resolution No. 01/2016 Establishing the Appropriation Limit For 2016-2017
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

6.II *TOWN ITEMS:*

6.II.i Adoption of Proposed Resolution No. 18/2016 Establishing the Appropriation Limit For 2016-2017
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

6.II.ii Introduction of Proposed Flood Plain Ordinance Revisions
(Report from Kelly Crowe, Associate Civil Engineer)

7. **BUSINESS ITEMS:**

7.I *SANITARY DISTRICT ITEMS:*

7.I.i Consideration of a Supplemental Appropriation of Funds to the Adopted Sanitary District 2 FY 2015-2016 Budget for Flow Meter and Isolation Valve Replacement
(Report from Nisha Patel, Senior Civil Engineer)

DRAFT

7.I.ii Consideration of a Supplemental Appropriation of Funds to the Adopted Sanitary District 2 FY 2015-2016 Budget for Trinidad II Pump Station Rehabilitation
(Report from Nisha Patel, Senior Civil Engineer)

7.II *TOWN ITEMS:*

7.II.i Consideration and Possible Action to Adopt Resolution 17/2016 Approving a Complete Streets Policy, in Accordance with Requirements from the Metropolitan Transportation Commission (MTC)
(Report from Nisha Patel, Senior Civil Engineer)

7.II.ii Response to Grand Jury Report on Website Transparency
(Report from Rebecca Vaughn, Town Clerk)

7.II.iii Review of Draft June 21, 2016 Town Council Agenda

7.II.iv Approval of Minutes of June 6, 2016 Town Council Meeting

8. ADJOURNMENT

TOWN COUNCIL STAFF REPORTS ARE USUALLY AVAILABLE BY 5:00 P.M., FRIDAY PRIOR TO THE COUNCIL MEETING, AND MAY BE OBTAINED AT THE CORTE MADERA TOWN HALL, OR BY CALLING 927-5050. AGENDA ITEMS ARE AVAILABLE FOR REVIEW AT CORTE MADERA LIBRARY, FIRE STATION 13 (5600 PARADISE DRIVE) AND THE TOWN HALL. IF YOU CHALLENGE THE ACTION OF THE TOWN COUNCIL IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE PUBLIC HEARING DESCRIBED IN THIS AGENDA, OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE TOWN CLERK, AT OR PRIOR TO THE PUBLIC HEARING.

Any member of the public may request placement of an item on the agenda by submitting a request to the Town Clerk. The public is encouraged to contact the Town Manager at 415-927-5050 for assistance on any item between Council meetings.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at 415-927-5086. For auxiliary aids or services or other reasonable accommodations to be provided by the Town at or before the meeting please notify the Town Clerk at least 3 business days (the Thursday before the meeting) in advance of the meeting date. If the town does not receive timely notification of your reasonable request, the town may not be able to make the necessary arrangements by the time of the meeting.

DRAFT

DRAFT

MINUTES OF MAY 3, 2016

REGULAR MEETING
OF THE
CORTE MADERA TOWN COUNCIL

Mayor Bailey called the Regular Meeting to order at Town Hall Council Chambers, 300 Tamalpais Drive, Corte Madera, CA on May 3, 2016 at 7:30 p.m.

1. ROLL CALL

Councilmembers Present: Mayor Bailey, Vice Mayor Furst and Councilmembers Andrews, Condon and Lappert

Councilmembers Absent: None

Staff Present: Acting Town Manager/Director of Planning and Building Adam Wolff
Director of Administrative Services/Town Treasurer George T. Warman, Jr.
Town Attorney Randle Riddle
Senior Planner Phil Boyle
Senior Civil Engineer Nisha Patel
Director of Recreation and Leisure Services Mario Fiorentini
Police Chief Todd Cusimano, CMPA
Town Clerk/Assistant to the Town Manager Rebecca Vaughn

SALUTE TO THE FLAG: Mayor Bailey led in the Pledge of Allegiance.

Mayor Bailey announced that the Council received a request to switch the order of Item 6.II and hear it at the end of the meeting. A speaker requested this not be done and Councilmembers concurred.

Mayor Bailey announced that the Council also received a request to switch the order of Item 6.I. He stated that the Council will address this continuance request when the matter comes up on the agenda.

Mayor Bailey reported on the Closed Session the Town Council held at the last Town Council meeting of April 19th regarding the following matter:

PUBLIC EMPLOYEE APPOINTMENT [Govt. Code Sec. 54957]
Title: Town Manager

7.II

He said it was announced by the Town Manager David Bracken that he will not renew his contract as the Town Manager which expires in September. Police Chief Todd Cusimano is currently in discussions regarding the Town Manager position with the Town Council and any decision and/or agreement will be available and provided to the public, as necessary. He invited the public to provide comments at any time and said the matter will be agendized.

Mayor Bailey reported that the Town Council will hold a Closed Session item at the end of this meeting, which he will report out after the item has concluded.

2. PRESENTATION

2.I Resolution 13/2016 In Support of Public Service Recognition Week, May 1-7, 2016

Mayor Bailey read the resolution into the record in support of Public Service Recognition Week, May 1-7, 2016.

MOTION: Moved by Condon, seconded by Andrew, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To adopt Resolution 13/2016 in support of Public Service Recognition Week, May 1-7, 2016

3. OPEN TIME FOR PUBLIC DISCUSSION

PETER ORTH, Meadowcrest Drive, questioned the nomination process for recommendation of the Police Chief to replace the Town Manager and suggested consideration be given to advertise the position and provide more information as to the Council's confidence in having the Chief move forward as the Town Manager.

Mayor Bailey noted that the Council agendizes its two upcoming draft Council agendas in advance and the topic can be considered to be placed on a future agenda.

JANE LEVINSOHN, Tamal Vista, reported last week there was a message on Next Door that a 3rd grader from Cove School was doing a report on San Quentin Prison. She has volunteered at the prison for over 14 years and will retire this September. This Friday night at 8PM on CNN will be a one-hour documentary of San Quentin Prison, written by author W. Kamau Bell, *The United Shades of America*. At 9PM, CNN will play his experience visiting a KKK cross burning which she hoped people will be able to see. She said as awful and old as the prison is, it is one of the few that has many wonderful programs.

4. COUNCIL AND TOWN MANAGER REPORTS

- Acting Town Manager/Director of Planning & Building Report on Tamal Vista East Corridor Study

  - The Planning Commission ratified their decision to recommend approval of the Corte Madera Inn rebuild project and certified and adopted the EIR on April 26th. The public hearing has been deferred after having received information from the Regional Water Quality Control Board regarding the biological resources that exist at the pond on the site, which may change how the pond is described in the EIR. As a result, staff is evaluating the need to revise the analysis and will update the Council when more information is received.
  - There is no report on the Tamal Vista East Corridor Study as staff is working on drafting the report which will return to the Planning Commission. Staff is still on track before the moratorium expires.

- Council Reports

Councilmembers Andrews and Lappert had no reports.

Councilmember Condon gave the following report:

- On May 22nd, as part of the centennial celebrations, over 60 cars will be exhibited at the Vintage Car Show at Marin Luxury Cars.
- June 10-12th will be Weekend 100, the centennial birthday weekend. Starting on Friday night there will be a family fun night, activities all day Saturday, live concert in the Village on Saturday evening, followed by fireworks presented by the same outfit that presented the Super Bowl's fireworks. On Sunday, a Police vs. Fire Softball game will be held.

Vice Mayor Furst gave the following report:

- She attended the Central Marin Police Authority Police Council meeting:
  - The Authority Board discussed the CMPA budget.
  - Police statistics and citations have doubled from 2 years ago.
  - Information can be found on CMPA's website for the April 21st meeting packet.
  - CMPA's budget is $11.4 million. Corte Madera's share is $ 3.095 million which is up $93,000 from last year. However, it is not up appreciably from what it was several years ago.
  - CMPA has found identified and implemented many efficient measures such as moving dispatch to the County Sheriff's Office saving about $500,000.
  - The Police Council will be working with the Management group consisting of the City Managers from Corte Madera, Larkspur and San Anselmo to

determine a process to choose a new Police Chief. They will be discussing this more at the next Police Council meeting on June 2nd at 6PM.

- Tomorrow is Bike to School Day.
- She attended the TAM meeting and reported the following:
  - TAM will have a table at the new bicycle pedestrian crossing over Sir Francis Drake Boulevard.
  - The official ribbon-cutting for that bridge will be May 20th at 1PM on the north end of the bridge.
  - Larkspur is in the middle of a road project on Magnolia from the southern boundary to King Street and King Street north. People should expect delays or consider taking alternate routes. The project will last Wednesday through Friday, 7AM to 6PM.
  - Regarding the third lane on the Richmond San Rafael Bridge, the planned completion is September 2017.
  - TAM has a couple of projects they are seeking funding for which will help traffic move onto the bridge. This includes improvements on East Sir Francis Drake as it approaches I-580 and also at the Bellam exit. It would include re-striping and changing the turn lanes. TAM's Executive Director attended the MTC meeting to try and get funding for this and was turned down. TAM is still seeking funding at a cost of $3.5 million to make all improvements to ensure that when the third lane opens, they can be as efficient as possible in moving cars onto that third lane.
  - TAM has a program for electric vehicle rebates for fleet purchases. If the Town or the Sanitary District is going to be replacing any electric vehicles, rebates can be received from TAM.
- ABAG is holding a special General Assembly meeting on May 19th from 12 noon to 2:30 p.m. at the Alameda County Administration Building to discuss the potential merger with MTC.
- ABAG is also holding a series of open houses around the Bay Area to discuss Planned Bay Area II. They have scheduled the Marin Open House in Corte Madera at the Community Center on Saturday, June 4th. She thanked Mr. Fiorentini for making these arrangements.

Mayor Bailey gave the following report:

- He represents the Town on the Marin County Council of Mayors and Councilmembers' (MCCMC) Legislative Committee and will report at the next meeting on bills going through in Sacramento.
- He represents the Town on the Marin Clean Energy Board of Directors and MCE has absorbed 7 new communities.

5. CONSENT CALENDAR

Mayor Bailey requested removal of Item 5.II.

5.I Waive Further Reading and Authorize Introduction and/or Adoption of Resolutions and Ordinances by Title Only. (Standard procedural action – no backup information provided)

5.III Adoption of Proposed Resolution No. 10/2016 Adopting the ICMA Retirement Corporation VantageCare Retirement Health Savings (RHS) Plan Number 803626 Corte Madera Department Heads and Town Manager Employees
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.IV Adoption of Proposed Resolution No. 11/2016 Adopting the ICMA Retirement Corporation VantageCare Retirement Health Savings (RHS) Plan Number 803627 Fire Mid-Management Employees
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.V Adoption of Proposed Resolution No. 12/2016 Adopting the ICMA Retirement Corporation VantageCare Retirement Health Savings (RHS) Plan Number 803628 Mid-Management Employees
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.VI Approval of Amendments to Adopted Town Budget for FY 2015-2016
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.VII Receive and File Investment Transactions Monthly Report for March 2016
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.VIII Approve Warrants and Payroll for the Period 4/14/16 through 4/27/16: Warrant Check Numbers 213436 through 213549, Payroll Check Numbers 5186 through 5199, Payroll Direct Deposit Numbers 29315 through 29440, Payroll Wire Transfer Numbers 1998 through 2005 and Wire Transfer of 4/26/16.
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

MOTION: Moved by Andrews, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes:

None)

To approve the Town Consent Calendar Items 5.I, 5.III, 5.IV, 5.V, 5.VI, 5.VII and 5.VIII

Item Removed from Consent Calendar:

5.II Approval of Transfer of Appropriated Funds from Green Room Remodel Project ($40,000) to Skate Park Fencing Project ($15,000) and Town Park Field Irrigation Valve Relocation Project ($25,000).
(Report from Mario Fiorentini, Director of Recreation and Leisure Services)

Mayor Bailey said the Town has had complaints about the Skate Park's hot metal railings and asked if this will be addressed as part of the remodel.

Director of Recreation and Leisure Services Mario Fiorentini stated the fencing and gate project are in direct response to how easily it is for younger children to access the park on their own without parental supervision. The Town has another $25,000 set aside in the capital project to improve the ramps, but these funds are specifically for the fences.

MOTION: Moved by Lappert, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To approve the Town Consent Calendar Item 5.II

6. PUBLIC HEARINGS

6.I Appeal of the Planning Commission's Approval of Resolution 16-009 that Approved with Modifications Design Review Permit No. 15-019, Which Allowed an Approximately 465 sq. ft. Addition to the Existing Residence at 359 Chapman Drive. The Modifications Approved by the Commission Included Reducing the Roof Height of the Addition, Reducing the Size of the Addition, Installing Landscape Screening and at the Applicant's Discretion Modifying the Windows on the North Elevation of the Addition, PL-2016-0023-APTC.
(Report from Phil Boyle, Senior Planner)

Mayor Bailey stated the Town received a request received earlier in the week to continue the hearing and he asked if this was still the case.

ANDREW AUGUST, attorney speaking on behalf of Jennifer Larson, appellant, stated they had asked for continuance in order for the Town Council to be able to view the mass of the addition. He asked if this Council has the ability to request the applicant erect or allow

them to erect a mock-up of the addition and would like to continue the appeal hearing until this is done. However, they are prepared to proceed this evening.

Town Attorney Randy Riddle stated he had a discussion with the appellant's attorney regarding this. His view is that absent consent by the property owner, the Town Council has no power to mandate that the other property owner allow the appellant onto their property and construct a mock-up of the addition.

MICHAEL CHAMMOUT, property owner/applicant, objected to erecting a structure on the property.

Mr. August responded to the Town Attorney's point, stating he is not asking to enter onto the property but rather that the Council allow the appellant to pay for the erected structure much the way the Council enforces story poles and install what should have been a more robust shielding on the story poles.

Mr. Chammout said he thinks the protocol is to ask homeowners to erect story poles which he already complied with. He thought this will open up a new precedent moving forward and will allow the process to stall and add more requests onto applicants.

Mayor Bailey asked if members of the public wished to address the request for a continuance, and there were none.

Councilmember Andrews said he reviewed the story poles on Saturday, April 23rd and thinks they were changed on April 24th but he has not been able to view them from Ms. Larson's property. He asked if any Councilmembers had visited the property which might affect the determination one way or the other.

Mayor Bailey asked and confirmed with Councilmembers that they did not wish to continue the matter.

Councilmember Lappert stated the hearing is a de novo hearing where the Council will be presented with every bit of factual information germane to its decision-making.

Vice Mayor Furst asked and confirmed with Senior Planner Phil Boyle that the Council will be seeing photographs from the appellant's property; that photographs show the old story pole layout as well as the new story pole layout, and further that the change of the story poles was approximately a 7-inch reduction in the height of the addition from pre-Planning Commission to post-Planning Commission.

The other change directed by the Planning Commission was a reduction of the west wall which was moved approximately 1 foot to reduce the size. He suggested Mr. Chammout clarify the date the story poles were changed.

Mr. Chammout said he changed the story poles one week prior to Councilmember Andrews' visit, and therefore, Councilmember Andrews did see the story poles as revised.

Councilmember Condon asked, and Town Attorney Riddle provided, a summary of the de novo hearing process stating that the Council will hear all evidence anew and is not bound by the actions of the Planning Commission.

Senior Planner Phil Boyle gave the staff report, stating the matter is an appeal of the Planning Commission's decision regarding 359 Chapman Drive design review application. He displayed a PowerPoint presentation, gave the staff report and described the scope, layout, and key elements of the proposed addition for a master suite bedroom.

He said relocation of the addition had been considered but a variance would be required due to encroachment into the setback area. He presented views from the appellant's living room prior to the Planning Commission meeting, stated the story pole height was verified, and provided a summary of the planning process and work to find a compromise with both the applicant and appellant which did not result in mutual agreement.

In February, staff was able to make all findings for design review and believed the addition did not have a significant impact on views, sunlight and privacy. An appeal was filed which was heard by the Planning Commission. Mr. Boyle described the grounds of the appeal which include: 1) the approval omitted sections of the General Plan dealing with views; 2) that there were no metrics, facts or analysis used; 3) that the addition would eliminate views; and 4) the addition had a negative impact on the home's value and quality of life. Staff responded in detail to the appeal grounds which he said are outlined in the staff report.

Mr. Boyle stated that on March 8, 2016, the Planning Commission modified the project approval by:

- Reducing the size from 465 square feet to 450 square feet;
- Required the applicant to reduce the height not to exceed 12'6";
- Directed the applicant to plant vegetative screening, and;
- At the applicant's discretion modify the windows on the north elevation to reduce privacy impacts

The applicant agreed to all conditions.

On March 18, 2016 the same appellant appealed the Planning Commission's decision to the Town Council with concerns that 1) the addition negatively alters the relationship of the appellant's house and property to its natural surroundings; 2) that the Town process was unfair and the Commission's proceedings were a breach of protocol and due process; and 3) that community members at the hearing submitted letters and support the appellant's

reasoning.

Mr. Boyle stated he has addressed and provided an explanation for each concern as outlined in the staff report. The Council's options this evening are to affirm, reverse or modify the decision of the Planning Commission, and staff recommends that the Council adopt the resolution which affirms the Planning Commission's decisions.

Mayor Bailey called upon the appellant and asked that the appellant assume that the Town Council has read the staff report and packet materials and that the Council has been given the opportunity to visit the site.

JENNIFER LARSON, appellant, thanked the Council for visiting her home and thanked those in support of her position. She turned over the presentation to Andrew August.

ANDREW AUGUST, attorney at Brown, George Ross on behalf of Jennifer Larson, appellant, provided an overview of his review of the record and agreed to take on the appeal, stating that he would like the Council to 'right a wrong' rather than 'perpetuate a wrong.' He said the issue is not about the metrics of the size of the addition but all about visuals and referred to a case: Citron vs. Town of Corte Madera 2002, which is an unpublished decision but very instructive which involved a similar situation.

He asked that the Town Council ask itself whether the findings are in compliance with all statutory and regulatory criteria and requirements, and whether they bridge the analytical gap between the raw evidence and the Council's ultimate decision.

Mr. August then referred to the Section 5 of the General Plan; Design Review and quoted, "Affirmative findings must be made by the Zoning Administrator or the Planning Commission that the project is in scale and harmonious with the area and that the project will not significantly or adversely affect views, sunlight or privacy of nearby residences."

Under the implementing Municipal Code which he said is in conflict with the General Plan, under general findings, findings are identified which must be made: "1) the project conforms with the General Plan and that the project will not significantly and adversely affect the views, sunlight or privacy of any nearby residences."

Mr. August then presented Exhibit B from the Municipal Code which talks about the purposes of the design review; that, "Design review for enlargement of existing residences must occur in a manner which is consistent with the policies of the General Plan." He said if the project is either significantly and/or adversely impacted the Town cannot approve it. He quoted, "It must be harmoniously with surrounding sites and structures and must not unnecessarily block scenic views from other buildings."

He then referred to Section 8.03.020 and said with respect to number 1 it states, "with

particular attention to view considerations."

Mr. August then referred to Exhibit C which he said is unlike the photograph of the Planning Department's presentation. The photograph includes foliage in the spring and no foliage in the winter, and story poles can be seen showing the "dental floss" marks of the lines. He then presented a rendering of what the addition was going to look like prior to modifications. He noted that Mr. Chammout and Ms. Larson had been previously married and he felt it was unusual that windows of the addition were positioned to look into Ms. Larson's home. He said modifications include lowering the roofline by 7" and shortening the extension of the addition by 1 foot, and he presented a photograph of the modified view from Ms. Larson's property taken from a rock statue.

Mr. August stated there was discussion by the Planning Commission to possibly eliminate the windows. He displayed what a rendering would look like by removing the windows which shows a blank wall. The Commission recognized the privacy impact and suggested the applicant install a fence and install plantings that would grow up to the eave line of the new roof, but he said the appeal is about Ms. Larson's view and not about the applicant's ability to develop his property, as Mr. Chammout could apply for a variance.

Regarding the story poles, he presented the lines as seen by Ms. Larson's architect who stated the story poles and stringing were inaccurate. His understanding is that Mr. Chammout erected the story poles himself. He then presented the roof/eave line based on incorrect story pole height and the existing story pole at building corner which states, "incorrect height shown; "Projecting the side wall height using the top of the existing story pole as a guide, the interior ceiling in the proposed addition would be less than 6'6". The string line of the roof eave from the story pole to the existing house is not properly shown on the site. Existing story pole is inaccurate and set too low."

Mr. August said the architect created a correct story pole which he displayed which states, "Corrected perspective of actual roof eave line." The Council will see on the rendering that the roof matches the architect's red lines. The left story pole states, "Line of string line at site slopes down out of level. The story pole at building corner is the same. Corrected heights: Roofline show perspective corrected actual heights of addition wall and roof eave and the slopes of the roofline above. Actual height and impact will be 'significantly greater' than shown by the existing story poles on site. This corrected view assumes interior floor is level with the existing house and interior ceiling height of the addition is 8'0"."

Mr. August noted that when standing on the property he noticed a slight incline from the Larson property to the Chammout property which is approximately 16" higher than the Larson property. He also understands there has been some commentary by Mr. Chammout that Ms. Larson did not know about the addition when they bought the house and were married. He said there were plans with her name on it from 2008 and those plans do not show this addition.

Lastly, Mr. August displayed the minutes from the Planning Commission and pointed to comments by Commissioners. He deleted their names and displayed one Commissioner's quote. Commissioners 1, 3 and 4 all commented that the visual impact was very significant and he asked the Council to decide whether the addition is an impact. He quoted his own comments as to Finding #3, which states "no effect on privacy of nearby neighbors, single story."

MICHAEL CHAMMOUT, property owner/applicant, displayed the proposed addition and noted it was actually 1,323 square feet. Regarding approving design review as Mr. Boyle pointed out, the first criteria is conformance with the General Plan; "Compatible with existing neighborhood character, structures and encourage property owner reinvestment and upgrades to existing residences and related property improvements." The proposed remodel and additions will be an improvement to his property which is consistent with the General Plan.

The second criteria under R-1 zoning reads, "conformation with the zoning ordinance to preserve appropriately located areas for family living in a variety type of dwellings at a reasonable range." Regarding sunlight and shade which has been brought up repeatedly, the initial objections were, "His addition will completely obliterate my view" yet Planning professionals opined that "the project will not significantly and adversely affect the views."

Mr. Chammout noted that his home is a patio home with two short wings and a central area. The component of the home in contention and adjacent to Ms. Larson's property is the north wing which constitutes the master bedroom. Ms. Larson's home is 90 degrees clocked to his home so this area is behind her back fence. There is a 5 foot previous code setback to his fence and a 25 to 30 foot setback to where her home is located.

He presented a photo looking out across to Ms. Larson's backyard over her back fence. He said on the backside of her fence is his front yard which currently looks like a park with expansive landscaping. According to the code, he can expand 30% of his lot size and up to 30 feet. The current home is about 8 ½ feet of flat, sagging, leaking tar and gravel roof. The area originally proposed in contention was to go up about 1 foot. The Planning Department and Planning Commission reduced it to 12 ½ feet which is 1'6" higher than it currently is.

He said he was asked to install story poles which he did and said it took from July to December to get through the process. Staff visited the property and surrounding neighborhood several times before and after story poles were installed. Staff visited both properties multiple times and took multiple pictures. They visited the sites because of the sunlight and referred to Ms. Larson's grandiose statement, "This will block 80% of my sunlight" yet staff's assessment is that at dusk when the sun is at its lowest angle, they observed there were no shadows cast onto the yard or residence of Ms. Larson's home.

Mr. Chammout said the next part of the review process was structure and site plan and he said the proposal is very modest. He is taking a 1320 square foot home with one full bath and increasing it by 400 square feet. The overall height is 1 foot which is nominal. His lot to home square footage ratio is currently at 16% and he can go up to 30%. This increase will bring the FAR up to almost 22% of this lot size. Lastly, staff looks at appropriate landscaping.

He said Ms. Larson appealed the decision of the Planning Department with the argument that "the Town chose not to include key elements of the General Plan. This suggests bias." He believes the staff report is very objective and indicates the project conforms to the General Plan, given reinvestment of upgrades to older homes, bringing them up to code. Staff's opinion is that the "remodel addition is an improvement to the property and consistent with the General Plan."

He said Ms. Larson's next argument is that "it will not only eliminate my short and long-term views, but does so by constructing a massive wall in the foreground that drastically, negatively and forever alters the relationship of my home." Mr. Chammout said Planning staff responded that staff looked closely at the potential view impacts and in their opinion found they were not significant enough to warrant denying the project especially with compromises agreed to.

Regarding argument 3 which states, "None of the General Plan policies focused on the view and preservation", he feels this is redundant and dogmatic. Regarding argument 4, "the addition does not conform to the zoning ordinance", there is no explanation as to why Ms. Larson thinks it does not conform, and staff responds by stating it is appropriately located.

Regarding argument 5 regarding lack of information in the General Plan, staff responds that the guiding principle of the General Plan acknowledges that all Corte Madera neighborhoods are nearly built out so the focus turns to improving the neighborhood character of areas, and the General Plan states, "Growing families add to an ever increasing pressure to expand the size of our existing homes and improve an aging housing stock. Proper design can enhance the character when existing homes are expanded and otherwise remodeled." Mr. Chammout said his home was built in 1949 for returning G.I.s and there is no insulation in the home. There are single pane galvanized windows and he has one bath and two tiny bedrooms. The General Plan encourages residents to bring homes up to code and improve them for the growing demographic of the Town.

Mr. Chammout said the General Plan then outlines an implementation program which states "support upgrades to existing residential structures when consistent with the General Plan and ordinance." He then stated that Ms. Larson continued and got more offensive to the Planning Department staff's statements and recommendations and stated, "The Town seems to not have the bandwidth or direction to do the right thing" and that at the Commission meeting "it was a dog and pony show." She refers to those who supported

her opposition that the addition is not conforming, and that every statement is incorrect or inaccurate.

Mr. Chammout said what this comes down to is credibility and integrity. He said the pictures presented by Ms. Larson are not accurate of his home, noting there is 50 feet from her property line and another 14 feet beyond. He noted that the house will be pushed back an additional 1 foot and the height is the same. Her view clocks out to the southwest and he said the views shown were not accurate.

He concluded, stating there are 3 windows on the side of the addition which will look out to her fence and the bamboo vegetation area which will extend down the fence.

Mayor Bailey opened the public comment period.

PETER ORTH, Meadowcrest, said he does not accept staff's rationale and recommendation and supported Ms. Larson's position. He said the Planning Commission declared that the decision was a "qualitative one" and therefore metrics were not necessary which he questioned as part of the assessment. He estimated there will be 80% view blockage and said a qualitative description of the impact would still be that it was totally disruptive and no longer gave any feeling of connection to the ridge to the south. He said his comments at the Commission hearing related to his experience of importance of views in working with his mother's estate in Santa Barbara and he then described a series of dramatic events that occurred at the Planning Commission hearing involving the applicant. He asked that the Council direct staff to apply view metrics and hoped the Council will support the maintenance of the Town's quality of life.

Mayor Baily stated there have been occasional personal peppering and commentary of people's integrity and he asked speakers to refrain from this.

ANDRE PESSIS agreed that the matter should be based on fact and it seems reasonable that it is improper when someone buys a house with a view and then a neighbor wants to build and remove that view. He said the applicant's descriptions of bringing the home up to code and renovating it has no relevance to the fact that the applicant loses her view. He thought the simple solution was a variance for another space on the property, noting that 75% of renovations in the Christmas Tree Hill area have had variances, and he asked why the addition cannot simply be moved.

TINA MCCARTHER, Pacific Union Real Estate, said if the view is taken away the reduction of her home's value is at least $100,000 or more. The property is predicated on the view corridor and it would be a travesty if she lost it.

PETER HENSEL, Willow Avenue, said the General Plan is the blueprint for development of the Town. All of its elements must be internally consistent and likewise the Municipal Code

must conform to the General Plan or be amended. Town planners should view each section within the broad framework of the whole and there cannot be selection application of code to enable a homeowner's expansion project to go forward especially if it impacts a neighbor's view. He believes the playing field has been tilted to allow one neighbor's development rights to overpower another neighbor's right to preservation of a long-range view of an historic, protected open hillside.

He said the applicable section of the General Plan that should have been applied is in Chapter 5.3; "Views from residential properties add to property values and enhance quality of life. At the same time such viewsheds can also create conflicts for owners seeking to develop or construct additions to their homes when construction may impact views from nearby properties. This issue will be regulated with standards that allow for a reasonable amount of development while minimizing significant negative impacts to neighbors' views." Ms. Larson is willing to compromise on the height of the addition over her kitchen which does remove sunlight, but she does not want what will be a visually bulky extension seen through her bay window.

Lastly, Mr. Hensel said the mitigating conditions the Planning Commission placed on this project are so miniscule as to verge on the absurd. He said if this project goes forward, Ms. Larson's sole view from her bay window will be largely eliminated and the end result will be significant loss of value of her home. He asked that the Council uphold Ms. Larson's appeal.

KARIN VOVOGIC said she is a neighbor and not impacted by the project. She submitted a letter on April 6th which was the day she looked at the story poles which she read into the record which cites blockage of 90% of the view of the preserved ridge, blockage of southern exposure of the house and yard, changed garden environment and house heating, reduction of property values, setting a precedent, creation of distrust and anger for not adhering to the General Plan. She suggested directing the applicant to use the opportunity to construct the same structure at the north side of the house.

STEVE KAPETSKY, Chapman, said he lives directly adjacent to Mr. Chammout and forwarded a short letter on April 28th. He has been friends with both the applicant and appellant for over 10 years and is fond of them both. He does not want to take positions and to him it is about principles and facts involved. He acknowledged that Mr. Chammout's plans are within regulations under the R-1 zoning district, that the addition does not include a second story, that the claims in the appeal are significantly overstated and not based on fact, and he voiced his support of the applicant with what he sees as a reasonable request which has been approved on two occasions with due diligence.

SAMUEL GARSON SANJOBERG said he knows both groups brought up the question about how much percentage of view is obstructed and he asked if there was a way using math to get the actual percentage. In using that percentage, he said an accurate decision could be

obtained of what percentage is allowed to be obstructed by increase in house development size.

Councilmember Lappert commented that all of this is dependent upon where one is standing.

RICHARD WILLIS, El Camino, stated Ms. Larson asked him for his observations and he has a similar circumstance in that his backyard, deck, lawn and garden are the focal point of his home. If he were to lose that area and outlook he would think this is worth $100,000 or more and thinks Ms. Larson's situation is similar. Most all of his neighbors have added to their homes but there has never been a problem because of consideration. However, his backyard neighbor in 1989 tried to expand his house without permits and he had to present to the Council who concluded that this was outside of the General Plan, red tagged the building and his neighbor left town. He thinks the applicant is trying to expand his property at the expense of the appellant and he asked that this be denied.

PHYLLIS METCALFE, Parkview Circle, Vice Chair of the Planning Commission, stated that part of what was presented tonight was incorrect by staff. What the Commission voted on was that the maximum height of the addition was not to exceed 12'6" and this is not the height at the eave but the height of the highest point of the peak. She believes the slide showed 17'. Therefore, all drawings presented are not correct. She distributed copies of photographs as taken by the Planning Commission Chair Chase who drew in what the extensions would be, which are far different and 5 feet less.

Mayor Bailey asked Mr. Boyle for the approved height of the new work done by the applicant.

Mr. Boyle said the approved height per the Planning Commission's modifications of the project is shown the addition at not to exceed 12'6" to the ridge of the addition or top of the addition. He confirmed that the tallest part of the building is in the middle of the building, and not the addition, and this is approximately 17' high. He stated that the tallest part of the addition shall not exceed 12'6".

Mr. Boyle also said he failed to mention that the Council has several pages of letters that were submitted to the Town after distribution of the Council packet.

Vice Mayor Furst said the roofline or edge to the right is at an angle. At the top it is 12'6" and she clarified with Mr. Boyle that it is a hip roof which slants down.

Vice Mayor Furst asked for the height at the bottom of the hip, and Mr. Boyle said finished floor level to plate level is 8'3".

Vice Mayor Furst asked and confirmed that an 8' fence would start a bit lower than the

foundation and come to the top of the windows. With the hip roof, she asked if this would allow for some view of the ridgeline given that it is not 12'6" straight up all the way at the end of the addition. Mr. Boyle said yes and he pointed to resultant views.

Councilmember Lappert asked for the reasons given why the applicant wanted to have this particular layout versus other locations on the property. Mr. Boyle deferred to the applicant for response.

Mayor Bailey called on Mr. Chammout to the podium to respond to questions.

MICHAEL CHAMMOUT, applicant, said the angle of the hip roof slopes away and upwards and the fence is 8' high. The top peak is 12'6" which is what the story poles depict and the entire southwest view is still available. With a 6' setback from the fence and 7 ½' to the peak, plus the 30' setback from Ms. Larson's backyard there still is still a tremendous amount of view. It is a matter of geometry to calculate the blockage and he noted their houses are more like 100 degrees oriented. Ms. Larson's home is clocked more towards the west so her view is looking away, and he pointed to the amount of view still available to the ridge.

Councilmember Lappert asked about why Mr. Chammout he did not agree to locate the house in the back of the property. Mr. Chammout said all of the real estate is located in the area proposed for his addition. The variance would actually extend into Town easements. He pointed to the existing bathroom, heating and air conditioning, and said the plumbing would tandem nicely to the bathroom and closet. He noted Ms. Larson has a 2,000 square foot, 3 bedroom/2 bath home and she now encroaches on Town land with a driveway and parking area. Everybody on Tunnel Lane has small, 2 bedroom, 1 bath post WWII homes and they are trying to improve them.

Regarding the reason not to fill in another area, Mr. Chammout said this is the entrance to the house which is awkward. He noted that the addition will provide him with room for a small dining area and it maintains the original patio home configuration, it is consistent with surrounding homes. By positioning the addition in this way, it allows him to widen the bedroom as well and he could actually get a proper sized bed, a closet and a second bathroom so guests can use the existing bathroom.

Councilmember Andrews pointed to the plan and suggested relocating the bedroom in another area.

Mr. Chammout identified the location of the kitchen, the original one-car garage which is below grade, and the mud room. Part of the plan is to make the whole room contiguous with a proper roof, drainage, solar, and he said it would be very difficult to install heating and air conditioning given the garage is on the original slab. He said he spent 10 years and thousands of dollars on architectural plans, structural engineering and how the house

would best be built out in the most congruent and economical and it would be weird to go from the kitchen, walk through another room to get to the master bedroom.

Councilmember Andrews suggested the windows and doors open to the patio which would create a courtyard effect with the bedroom in another location.

Mr. Chammout pointed to the location of Mr. Kapetsky's home and while he recognized the suggestion, he has had two different architects who believe the current proposal is the best layout.

Councilmember Condon said she did not want to get into redesigning the project, but she visited the site and asked about setbacks. She asked if Mr. Chammout would apply for a variance, continue with the 5 foot setback and consider reducing the addition at the end.

Mr. Chammout said to eliminate the need for a variance he would have to reduce the addition, which he said would not accomplish what he needs for a master bedroom. He said he appreciates trying to propose a compromise. His compromise in the beginning was to design a modest addition. His right would have been to use up his entire lot size or 2,470 square feet. He is simply trying to add 450 square feet for a total of 1700 square foot house. It is within the spirit and integrity of the neighborhood and he is being asked to continue decreasing the square footage which would not address his needs and push it closer to Ms. Larson's house. While he could have a beautiful park like lot, he is only asking to use a portion of his property to add a modest addition and there is already a large green barrier.

Councilmember Condon noted that the General Plan and design guidelines outline broad regulations and she thinks that everybody needs to understand that this does not mean there is an entitlement.

Mr. Chammout reiterated that he and his neighbors believe that the addition is very modest.

Mayor Bailey said the Council appreciates the amount of time Mr. Chammout put in since submitting the application, the amount of effort in thinking through the process and said the Council is not insensitive to things such as cost and removal of work done before, as well as changes. One of the refrains he mentioned a couple of times and now is the difficulty in trying to place part of the structure in the backyard because of the setback issue of 20 feet and the need for a variance. Hypothetically, he asked if Mr. Chammout had confidence that the variance would be granted, would it change his opinion as to whether he would relocate the structure to the back or whether the cost is so significant it would no longer be something he would consider.

Mr. Chammout said this has always been a consideration and several people on his block have extended their dining rooms into their backyards, but none have extended their living

quarters in the backyard. He already built hardscape in that location and would have to jackhammer out a flagstone patio and a deck and he did not want to consider this an option.

Vice Mayor Furst asked the Town Attorney and staff if there was any factual information to support allegations made by the appellant regarding inconsistencies with the General Plan.

Mayor Bailey suggested the Council undertake rebuttal by the appellant and thereafter, the public comment period would close and the Council would opine on the matter.

Rebuttal – Appellant

Andrew August stated the reason why Ms. Larson hired a lawyer is because this is a legal issue. This involves the interpretation of the General Plan and Municipal Code and said perhaps Vice Mayor Furst's comment is something a judge needs to decide. The reality is that the Council needs to be able to say this is not a significant or adverse impact on Ms. Larson's view.

He pointed to the rendering which was taken off of the story poles and said if there is something wrong about this then there is something wrong with the story poles. And again, he said it is all about the words "significant or adverse". To address Vice Mayor Furst's point, it is used in the disjunctive in the General Plan and used in the conjunctive in the Municipal Code.

Mayor Bailey asked for clarification of disjunctive versus conjunctive.

Mr. August said the Council would have to make an affirmative finding that the project will not significant or adversely affect the views, sunlight, or privacy of nearby residences. The Municipal Code states that the finding that needs to be made is that "the project will not significantly and adversely affect the views, sunlight or privacy of the nearby residences." Having said that, the answer is that this means both so perhaps the Council does not have to wrestle with this potential inconsistency.

Mayor Bailey asked if there were questions for the appellant.

Councilmember Condon asked what Mr. August's reference was at the beginning of his presentation regarding Citron vs. Town of Corte Madera.

Mr. August replied that Citron vs. Corte Madera is a published but not yet citable case to a court. It was a 2002 decision upholding the Town of Corte Madera's Town Council's decision to deny an appeal of an appellant of a variance request. In the course of that case the court laid out essentially the directives that a municipality needs to follow. One is whether the findings are in compliance with all statutory and regulatory criteria and requirements and second, whether the findings bridge the analytical gap between the raw

evidence and the Council's ultimate decision. This is the guidance the court gave.

Councilmember Condon said while she is not an attorney, but she thinks with that case Ms. Larson would automatically lose her appeal. She said the issue was view blockage.

Mr. August suggested the Council consult with the Town Attorney about this case.

Mayor Bailey said something Mr. August correctly pointed out is that the decision is not cited and cannot be relied upon as precedent. The reason he said he believes he uses it is while it can be considered as a persuasive description of the way someone else looked at a problem and addressed it, but it is not intended to be something to control the Council's decision but simply guidance in the Council's decision-making process. Mr. August confirmed and said it is a standard and it is all it does.

Vice Mayor Furst asked staff for comment about the alleged inconsistency between the General Plan and the Town's Municipal Code and whether that means the Council needs to approach the matter from a slightly different perspective.

Director of Planning and Building Adam Wolff said he does not believe there is any inconsistency. He said he was unsure of what section or chapter was cited by the appellant, but page 4 of the staff report discusses in detail the policies in the General Plan related to views. In addition, staff also discussed this as well in the last Planning Commission hearing as well. He thinks it is very clear in the Municipal Code that views, whether it is 'and' or 'or' shall be considered as part of the findings that the Commission and in this case, the Council, should be considering. He does not find any inconsistency between the two, but asked for what section of the General Plan was being referred to.

Vice Mayor Furst suggested Mr. August provide the section to the Council. She stated that in Mr. Boyle's original presentation he said that the story pole placement was verified. She asked when this occurred, who verified it and whether the story poles are accurate.

Mr. Boyle presented a photo of him checking the story poles on April 29th. He checked the height of the vertical poles but said he did not check the height of the strings or confirm that the strings were the absolute correct pitch per the plans.

Vice Mayor Furst stated if they are straight from pole to pole, she asked and confirmed with Mr. Boyle that they should be accurate, recognizing that there is a slight bow.

Mr. August said he handed Mr. Wolff the section of the General Plan Section 5.0. In juxtaposing this with the Municipal Code section on the board, there is a discrepancy between the word 'and' in one place and 'or'.

Mr. Wolff stated the entire section discusses the existing regulatory framework that already

exists in the Town. It talks about the Town's existing design review process as of 2009 which has not changed. The section simply explains what is already in the Municipal Code.

Councilmember Andrews said not being a lawyer and having taken college logic and having to program computers on occasion, as he understands the use of 'or', if it is significant then the finding can be made. If it is adverse, then the finding can be made. If it is 'and' both significant and adverse must be true in order to make the finding. Therefore, he is not certain which criteria the Council would like to use.

Mayor Bailey said given a legal interpretation, hypothetically if the Council were to find that there is a significant and adverse impact on a view but that every other part of Finding 3 under 18.30.070 is met and that all other items are met, he asked Town Attorney Riddle if this requires the Council to grant the appeal and deny the underlying application.

Mr. Wolff further clarified the question, stating that if one of the findings cannot be made but all of the other findings can be made, did this trump the other findings.

Town Attorney Riddle said at the beginning of Section 18.30.070, it states, "on the basis of the application the Planning Commission makes all of the following findings". It appears that all findings would have to be made in order for the Council to approve the application.

Mayor Bailey closed the public comment period and returned discussion to the Council.

Councilmember Andrews said having visited the property and being corrected in terms of him looking at the adjusted story poles which were verified on April 29th, he believes the addition has a significant impact on view and it is adverse, noting that he could stand in Ms. Larson's living room, look out the window and think it is significant and adverse. Therefore, he does not need to worry that the conjunction is 'or' or 'and'. He suggested either applying for a variance and expanding the addition towards Chapman Avenue or building the addition on the southern side of the property.

Councilmember Lappert said he did visit the property, although no one was home. Having sat on the Council he has reviewed a few appeals from the Planning Commission and believes the Council has never referred something back to the Commission. This is to say it is a testament to the Planning Commission's work. The Council spends a lot of time selecting Planning Commissioners and they work tirelessly to review projects. He gives them full credibility for their positions and the Commission is supported by an able staff and not given misinformation. They come to proper decisions which are balanced, given there are problems and they are resolved.

He thinks the problem is that this is a situation which has other facets to it and consequently the parties were not able to reach a compromise which is not surprising. He understands views and generally when the Council hears appeals he believes in defending

views but also balancing rights of other people to develop their property. This is not a court in the sense decisions must be made based on what something looks like, its color, whether it is in keeping with Corte Madera's small town character and other variations.

Councilmember Lappert said his opinion is that the view involved is affected from a particular point and photos provided show a view from a sofa and a living room. This is not the only view and by going to another part of the house or yard, the view is completely different. When he looked at the view he saw a gigantic palm tree and not the hill. By moving to another area something else can be seen.

He understands the appellant's desire to retain the full view when she purchased the home, but the Council wrestled with the WinCup project which is the result of people moving into town and as a result, homes getting developed and also getting bigger. Most homes in the town were constructed as summer cottages for San Francisco residents. They have no insulation, and they are being improved which is part of the Town's General Plan. The applicant has proven to him that he wants to make a modest addition to a home which he could propose as a much, much larger home with full FAR and no variances.

In this case, Councilmember Lappert said he thinks the appellant is lucky and he finds that the addition is perfectly within the scope of the Town's General Plan and code, thinks the views impacted are not significant and thinks this is part of modern life in the suburbs.

Vice Mayor Furst said she agrees with part of what Councilmember Lappert stated and said she visited the property twice; once into Ms. Larson's home and once in the backyard to see the views. She took a picture and her picture does not look like the picture that the appellant's attorney provided. Above the story poles and lines she can see the ridge. There are many trees and it seems to her that the view that will be lost from the vantage point of where she was standing when taking the photo is of trees close to the fence line. It is not the ridgeline of the view lost. She presented the photograph and pointed to where the line is and said the entire view of the ridge is preserved except for a few areas where there are shrubs and trees.

Vice Mayor Furst said there will certainly be a building there and when standing in certain locations it will affect certain view corridors, but in her opinion this is not significant. She believes that the applicant is making a modest addition to the home. She also reviewed the floor plans and tried to consider how else the addition might be situated and the way he is proposing it onto an existing bedroom is logical. Therefore, she said she believes she can uphold the findings of the Planning Commission.

Councilmember Condon stated she sat on the Planning Commission and one thing that the Commission was always urged to remember was that they were considering the property, the impacts on the property around it and they had to separate themselves from the homeowners, and it made decisions much easier. However, she found this decision was

difficult for her knowing the homeowner.

She referred to the picture and said as beautiful as it was, it showed a lot of blockage but it did not show everything to the right where there was still sweeping views of the ridge, the palm tree and the fact that the roof is sloped where there will still be views. She felt that the addition had an impact on the neighboring house but did not find that it was that significant. She impressed on the fact that she is sensitive to views, is fortunate to have a view from her own home and has experienced when her views were impacted, but she had to decide whether she was happy where she lives or whether she should move.

She believes the application was fair and a reasonable addition, thinks the addition adds value rather than detract from values of neighboring properties, and said she visited Ms. Larson's home and sat where she thought the addition would impact her most in the living room on her sofa. She would say that the eaves will not be noticeable if planting non-invasive plants which she thinks will soften the fence line. She would have liked it if Mr. Chammout could agree to move the addition but does not believe the Council could mandate this, and therefore would uphold the Planning Commission's decision. She hoped that the plantings will be enough to mitigate any impact that the new addition will have.

Mayor Bailey said he also agrees with some of the other comments about how the Council ought to remember to compliment the Planning Commission who does difficult work. They give back to the community and receive nothing for their work which is usually done under trying circumstances.

He recognized those who wrote letters and said two authors said there ought to be metrics for things like view which makes sense to him. He said there is a value sometimes of not having things perfectly regimented, as people do not live in a society where it is perfect to have everything regulated down to the end degree. Sometimes there is value of allowing the application of our own judgment because one size does not always fit all especially for things like views.

He said he appreciates Mr. Kapetsky's utility that this improvement is well within the scale and consistency of the neighborhood. He agrees with Mr. Willis that neighbors ought to be more considerate. In his own experience, he worked as a settlement conference panelist for many years in Marin Superior Court and San Francisco Superior Court and has seen many disputes like this. He knows the applicant and appellant recognize this and they are both entitled to have a final decision from the Council, but Ms. Larson and Mr. Chammout are still living next to each other and he asked to try and remember it is not the end. He said there is an emotional attachment to property that ought not to be minimized regardless of who the decision goes in favor of. He asked to remember that the community and its neighborhoods are as important as the dollar figure of the property.

He agrees with Mr. Bogavich that there ought to be a common sense solution and thanked

him for his letter. Ms. McCarther is a well-respected local real estate agent and her opinions matter to the Council. He complimented the appellant and applicant for being good citizens and asked them to continue to stay involved and active in the community and thinks there should be some willingness to bend. He said this is a modest addition, that it is logical and appropriate under the circumstances but a problem he cannot get around is that the Council has findings that need to be made. The only thing that matters to him in this application is when going through the Municipal Code, Section 18.30.070 (1-8) and whether the Council can make the 8 findings. It is beyond him how anybody could not make 7 of those findings immediately.

He thinks people should be encouraged to improve their homes so they can stay in town. However, he voiced a problem with Finding 3; does the project significantly and adversely affect the views. He cannot get around the fact that he cannot make that finding. He does not know how someone could be on Ms. Larson's property and not acknowledge that there is a significant and adverse impact on her view. There are alternatives he would have liked the applicant to consider and it is his right not to consider these alternatives, but it is beyond him how the Council cannot agree that this finding has some meaning.

He said he was on the Planning Commission for 6 years and has seen many of these applications. He has also advocated for many real property cases and has never seen one where there is so singular a view so thoroughly impacted. He thinks the Council must look at what they are saying in how people improve the community and for future owners of both of these parcels.

The current owners of both parcels have an immediate right to have their say, but the Council should be thinking about future generations and whether this is appropriate, and it is not clear to him whether preserving a single view is more important than allowing the general right for people to develop their property. It is hard for him to find any way not to agree this view is significantly and negatively impacted and he cannot make the finding.

Town Attorney Riddle stated the Vice Mayor referred to photographs she took and he asked if these could be provided. He suggested reopening the public hearing for the sole purpose of having them introduced as evidence.

Councilmember Andrews said he would like to introduce a photograph he took as well as a Google Earth map which shows the property.

MOTION: Moved by Lappert, seconded by Andrew, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To reopen the public comment period to allow comment regarding photographs

Three new pictures were presented to the Council and the public was invited to view the photographs and provide public comment. The three photographs were then made part of the public record.

Mr. August referred to the photograph taken by Vice Mayor Furst and said the Council considered the architectural overlay they did. One of the reasons for continuance is because these story poles did not do the project and impact justice. He said a photograph was taken by Vice Mayor Furst which is slightly off to the left and he submitted that if she did an overlay on her photograph it would be even more impactful than his photograph/overlay which is directly head on from just the outside of the living room window.

BOB SILVESTRI stated he prepared the renderings for the appellant and said he has been doing this for 45 years. In October, he will have done this for 50 years. The projections he did based standing in the center of the window were taken at the average view at the center of the window. They were taken in the middle of the day so light would not distort them and taken at the height of someone standing on the ground. They are realistic and perspective is perspective. He was parallel to the buildings at the time which means there is no slope to a ridge. Anyone else's photograph that does not show that was not taken in the proper place.

He cannot say the Council cannot measure off of this with a ruler, but he can say it is significantly and substantially accurate. He thinks the Council owes the public a definition of 'adverse and significant.' He said 'significant' is a subjective word and 'adverse' is not that subjective and there is no way one could say this is a positive impact. The idea that improving someone's house trickles down to the next house is not true. Houses negatively impact other houses all the time and he said WinCup negatively impacts or any other addition. He then asked the Council to particularly consider what Mayor Bailey said which is very logical and re-think its consideration because this is an adverse impact.

Town Attorney Riddle noted that the purpose of re-opening the public comment period was to review the photographs.

Mr. August said Vice Mayor Furst's opinion was based on her photograph that she took that the appellant did not have an opportunity to consider up until 5 minutes ago. He asked that the Town Council continue the matter so a rendering can be done by the Planning Department and then asked that the Council reconvene with that photograph along with the other photographs.

Mr. Chammout said this is the second time that the appellants introduced a rendering or photo that was not from the correct perspective. He said this clearly was not from her Ms. Larson's but from the more east side of her property which creates an illusion or angle that

amplifies the impact of the structure.

Mr. Chammout said he was also not sure what Mr. Silvestri's credentials were in preparing these renderings and said he respects those Councilmembers who did visit the properties.

Mayor Bailey closed public comment and returned discussion to the Council.

Vice Mayor Furst stated she really resents the accusation that for some reason she was not standing in the proper place when she took her photograph. She was led to this location by the appellant who was standing next to her when the photo was taken. There were also comments made about the matter getting personal. It was the appellant's representative who brought up the subject of a previous marital relationships and she did not know Ms. Larson and Mr. Chammout were married until the comment was made. She said she was not changing her mind. The viewpoint that she saw first when she walked in and took her photo was her standing from the middle of the living room window.

MOTION: Moved by Lappert, seconded by Furst, and approved unanimously by the following vote: 3-2 (Ayes: Condon, Furst and Lappert; Noes: Andrews and Bailey)

To uphold the decision of the Planning Commission and adopt Resolution 16-009 that approved with modifications Design Review Permit No. 15-019, which allows an approximately 465 sq. ft. addition to the existing residence at 359 Chapman Drive. The modifications approved by the Commission include reducing the roof height of the addition, reducing the size of the addition, installing landscape screening and at the applicant's discretion modifying the windows on the north elevation of the addition, PL-2016-0023-APTC

BREAK

Mayor Bailey called for a break at 10:15 p.m. and thereafter reconvened the regular meeting at 10:20 p.m.

6.II <u>Public Hearing Nuisance, 614 Oakdale Avenue – Determination Whether the Property Conditions Constitute a Public Nuisance as Designated in Chapter 9.04 of the Corte Madera Municipal Code and Direction to Staff for Further Action</u>

(Report from Adam Wolff, Director of Planning and Building)

Director of Planning and Building Wolff gave the staff report, stating staff will be discussing a property at 614 Oakdale which is being brought to the Council's attention pursuant to Municipal Code Section 9.04 to determine whether or not property conditions constitute a public nuisance as designated and whether there is sufficient cause to order abatement of

the public nuisance.

Mr. Wolff pointed to an aerial showing 614 Oakdale as outlined in red and photographs that show a garage at the front of the property and a yard in the middle and the house at the rear. The Council is being asked to review complaints the Town has received from the property to the east at 618 Oakdale which have been documented in the staff report from 2004.

He said the staff report includes the specific nature of the complaints which range from overgrown weeds, debris, garbage storage containers, bags of unknown items to the lack of proper building maintenance, unsightly conditions and inappropriate behavior, concerns over fire safety and rodents over several years. One change since 2004 is that in 2011 the current nuisance ordinance was adopted which itemizes the 13 property conditions that indicate whether or not a nuisance exists or not (Attachment 1).

Mr. Wolff said for the most part, the actual complaints revolve around the front entryway. Over the years in response to complaints there have been some physical improvements to the property. The garage was painted, a window was repaired in 2012, but currently there is a view from a second story which was added to the structure in 1979 down into the adjacent yard and there is an accumulation of junk, trash bags, and other debris which is shown in some photographs.

Also included are photographs of the property at various times over the last 18 months. He noted that the Planning Department and Fire Department have spent a lot of time trying to address complaints regarding condition of the property. Each time, they talk to the property owner and explain complaints received, the nuisance ordinance, and ask that the items remain out of sight. Generally, these have been addressed and in February 2015 he wrote a letter and made a determination per the code to indicate there was not a public nuisance at that point in time. He noted that items return and go away, some progress is made and then the complaints are received again, so it is a recurring complaint and cycle of events.

He and Town Manager Bracken had felt it was important to present the issue to the Council to help staff determine for the property owner and complainant whether or not this does rise to the level of a nuisance that must be abated or other solutions. More recent photographs taken yesterday were provided to the Council as well as a letter from the property owner who could not attend tonight's meeting and requested a continuance. He said the Council has in the past provided more time to give property owners additional time. He said he also has additional photographs in his slide show.

Councilmember Condon asked and confirmed the complaints have been generated by one person.

Mr. Wolff presented a photo since January 2015 and he said an inoperable truck has been removed and is no longer in front of the property. In February 2015, there was no public nuisance in his opinion and he presented a photograph of the house in May 2015 with most of the items removed and no apparent issues. He presented a photo from October and in November staff discussed complaints again with the property owner, and then most recently in March and April of 2016 which were complaints about debris and items as viewed from the second story.

Councilmember Lappert said he understands the property owner could not attend the meeting, but asked about her situation. Mr. Wolff said the property owner appears to be a single woman in her 50's or 60's. Staff was not invited into the house and knows no other personal information other than she does not own a car.

Mayor Bailey opened the public comment period.

MARIE GIARRATANA YOUNG, 618 Oakdale Avenue, stated her husband, Dr. Howard Young, her daughter Mara and she are here together. They have lived in their property for 12 years and it is not without feeling and concern that they have tried to deal with the issue of their next door neighbor and the amount of episodic and interval clutter that has been very much a problem for them. The big issue is being able to enjoy their property when they moved from Connecticut 12 years ago. Their second floor is their family room and a bedroom. They have a deck they cannot ever use because of the extreme amount of clutter and debris on the adjacent property.

Ms. Young said this is not about wanting to be mean or insensitive and many neighbors have tried to work with her given they have a working understanding that this goes beyond simple recalcitrance or pure negligence. In her opinion, there is clearly an issue around hoarding and an obsessive compulsive disorder. She has observed the property owner to have periods where she is in extreme control of the property and other times where it is impossible for her to.

The situation has gotten to the point where the alarm was sounded for several times because she has been living on the lawn and sleeping on a chaise lounge at the front door. They called adult protective services and the police. They have heard moaning, coughing, and concerns about the overall status there. She said the property owner across the street purchased one of the cars on the driveway for years. She said she and the neighbors next door reached out to the police because the cars were not registered, loaded with debris and at various times the property owner was sleeping in the car. She said it has become overwhelming and they are not able to enjoy their property at all. They are forced to look at what was a quilt hanging for the last six months and she distributed a recent picture of a construction sized tarp which is in full view of their entire second floor and their only windows they have on their second floor.

She questioned what to do as a community and as individual homeowners. The tarp now hanging is being used as a cover who is literally disrobing in full daylight and is sleeping on the lounge behind the quilt which is in full view of her children's bedroom and family room on the second floor. She asked how to address this from the perspective of offering support and help and taking this to the place of managing this.

DR. HOWARD YOUNG, 618 Oakdale, said this is his first time speaking before the Council and as seen from the photos, it is a very disturbing situation. They have a lot of compassion for their neighbor but it has gone to the point of being unbearable. In a previous life he was a health inspector in the City and County of San Francisco and he has been in hoarder's homes, the Tenderloin, and other areas. Unfortunately, the neighbor has deteriorated the quality of his family's life as well as the neighborhood and their property values.

Dr. Young said the time is booming but he honestly asked who would purchase a home next door to this. He thinks there is a clear detriment to property values, quality of life and he asked that something be done. They also have had an infestation of rats in the last 8 months which is really bad.

Councilmember Lappert asked and confirmed that Dr. Young is a physician. He said he understands and deals with this and asked him what he thinks the law allows the Town to do.

Dr. Young said he has read the Town's regulations, but morally he could not address whether the neighbor is a danger to herself, but she does sleep outside in very bad weather. She has an awning, yet she has a house.

Councilmember Lappert asked that as a health inspector, what did the City and County do about similar problems. Dr. Young said they would hold abatement hearings and if someone was not maintaining their residence, there would be hearings where the property owners were ultimately responsible. There would be a period of time to address the matter and come into compliance. If that was not met, the City and County would make the abatement proceedings and levy a property tax onto the property.

ALOTIA 'LETI' LANES said she lives adjacent to Barbara Case, the neighbor in question for the last 25 years. She has been the most kind and watchful friend of her son and his friends. Her characterization is embarrassing in a public forum. She was sick this evening and is breaking out from stress this is causing her because her neighbor has complained since the day she moved to her home 11 years ago. Ms. Case has lived on the property since she was 3 years old and the family has owned it for 51 years. The complaint is of a view looking down from a window down on someone's property when they could easily look out the window and see Mt. Tamalpais and Christmas Tree Hill.

She said she visited the home yesterday, took photographs and provided them to the City

today. What is called clutter is Ms. Case's treasures. She collects statues, loves bunny's, and has furniture outside. It is inconvenient that the neighbor's office window is at the end of the property and looking down at the only spot she has private. The porch is 75 feet into the property. There is a garage, a walkway, a lawn and her home at the back of the property. Her porch is 3 feet by 20 feet. She hung a blanket so neighbors would not look at her and take pictures of her constantly. She thinks the person being harassed is Barbara who does not have the private use or enjoyment of her own property. She questioned why the neighbor cannot frost their glass windows or reverse their blinds and said she is embarrassed by the staff report.

Ms. Lane read from the report where Ms. Case is called the nuisance which she said is outrageous. She said Ms. Case is over 60 years old, is single, on a fixed income, and walks everywhere. She said she was informed that police reports indicate that she has brought back Safeway and CVS carts but she has permission from the managers. Adult services have visited her and Ms. Case told her they said her place is cluttered but clean. She is not a hoarder. She did not realize how serious this has gotten until she received the full Council packet and read it.

She thinks there is no nuisance and she spoke about her help installing the tarp where Ms. Case has a lounge and put up a sign that states "love thy neighbor." She suggested the neighbors frost the glass that looks into her patio, put a privacy film on windows or reverse the window shade, install a screen, grow some bamboo or foliage and not look down at the neighbor's yard. She has been a broker in real estate for 40 years and is outraged that this is happening.

JOSEPH SHARADO, 228 Sausalito Street, said the Councilmembers are lay people and representatives of the community and Barbara Case lives at the back of his property and she has been a great neighbor since he moved to his property in 1993. His house was rat-infested when he moved into it and is a shack. It was built WWII and it was built like a fence. His father used to call himself a pilot who piled things. He was a machinist and used to say he was into heavy metal. He recently passed away and he had to clean out his house in Mill Valley which was a huge task. Rather than jeopardize his relationship with his father he looked the other way.

He said Ms. Case's house is literally rotting from the inside and is a bit scary, but he has a lot of compassion for her and would rather the Town and community do something for her without alienating her and angering her.

Mayor Bailey closed the public comment period.

Vice Mayor Furst said her father lives in Orinda and his next door neighbor is a hoarder. There are things on three sides of the house, down the hill and it is now encroaching in the driveway, although he put up lattice work. It is very bad and they are having difficulty

dealing with the City of Orinda. She therefore knows what clutter, hoarding and nuisance looks like. She said this does not look like a nuisance to her in the strict sense which is outlined in the Town's ordinance. There is clutter and collections, but this does not rise to the level of a nuisance.

She then read a portion of number 8b under conditions of the ordinance: "The stockpiling of trash, junk, debris on any portion of the property that is unenclosed or semi-enclosed as to be visible from a private roadway (neighbors) has to be materially detrimental to the value of nearby adjoining properties or materially detrimental to the use and enjoyment of adjoining or nearby property."

Vice Mayor Furst said when the Town passed the ordinance, it did not write it in such a way that it read like a homeowner association's list of rules that people must abide by. The community is about people being able to live their own lives, having respect for others and being able to have their own home as long as it is not a real nuisance to neighbors. She said it is difficult to know the source of rats and her neighbor had rats which like ivy, but just because there are rats does not mean it is the result of one property owner who happens to have clutter in their yard.

She said if there are issues regarding her health and welfare, this is a huge concern. She is somewhat relieved to know that the County's Adult Services Agency visited and said there were no site or welfare concerns and likewise the Fire Department has determined there is no significant safety risk. Therefore, she has a hard time believing that the inside of the house is so bad that it is not habitable, although it could use some repair/renovation.

She said she knows that Age-Friendly Corte Madera, Rotary Club and the Lion's Club have a program where people can get some help and asked Councilmember Condon for her comments about this.

Councilmember Condon said she also does not think this constitutes an abatement issue at all. There have been frequent complaints from a single neighbor and every time the Town or County has responded, no one to date has qualified it as a nuisance. Having the decorations may not suit someone else's taste and there are no weeds growing up above window sills where the Council has seen in previous cases. She agreed with Ms. Lane that it disturbs her that there is a feeling that this person is not capable of caring for herself or her property or that what she has in her backyard reduces the value of the neighborhood. She thinks that the Town is perhaps condemning someone for their lifestyle and said she will discuss this with Age-Friendly Corte Madera, the Rotary or Lions Club where minor repairs can be done to homes at no charge. She also suggested that CMPA is partnering with Age-Friendly Corte Madera to fund an "Are you okay" program where phone calls are made to those living alone and check on their welfare. Therefore, she does not believe this is an appropriate situation as a public nuisance.

She noted that she was happy to have the public nuisance process developed. The first step is for neighbors to get together and go to the person's house and offer help, and this is not the case. She agreed to work with the "Are you okay" program and Age-Friendly Corte Madera and thanked neighbors for keeping an eye on Ms. Case.

Councilmember Andrews urged the neighbors who get along with Ms. Case to introduce her to Age-Friendly Corte Madera.

Mayor Bailey said the two issues are what can the Town do to help the owner of the property and what can or should not be done to help the neighbor who has appeared here today. He said the process seems to be working and noted there are no health and safety problems. However, this does not mean that complaints were not legitimate at the time and he thinks the Council's consensus is that this may not rise to the level of a nuisance. He suggested time to determine whether Ms. Case can be assisted. He suggested a 30-day period and follow-up with the cited programs and to determine whether circumstances have changed. He suggested a motion that this does not constitute a nuisance.

Councilmember Andrews asked if it would be an imposition by the Planning Department to visit the property quarterly to check on the status of the property. Mayor Bailey noted that this may be unnecessary if Ms. Case connects with resources.

Councilmember Lappert stated he likes everything to look good at his home and when any neighbors bring ugliness to the community, it affects him so he acknowledged concerns from neighbors. Unfortunately, they have someone next door who is less neat, but agreed this is not a public nuisance.

MOTION: Moved by Lappert, seconded by Condon, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To determine that a nuisance does not exist as designated in Chapter 9.04 of the Corte Madera Municipal Code

Mayor Bailey noted the time as 11:00 p.m. and he asked if the Council wished to extend or conclude the meeting.

MOTION: Moved by Lappert, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To extend the Town Council meeting

7. BUSINESS ITEMS

7.I Discussion and Possible Action or Direction to Staff Regarding the Application Process, Permitting Fees, Insurance and Liability Related to the Placement of Pedestrian Flags at Uncontrolled Intersections on Tamalpais Drive
(Verbal report and request for discussion and possible action or direction to staff will be given by Mayor Bailey)

Mayor Bailey stated there was an issue relating to flags that had been approved by the Town Council and placed. There was uncertainty as to the flags and they were removed under threat for failure of the Town to get a permit. Because of the potential for immediate lift safety issue, the item was agendized for this meeting to get the flags re-installed at the uncontrolled intersections on Tamalpais Drive. He asked that the Town Manager provide commentary on issues at which time the Council and public can discuss it, which include:

1. What sort of permit is required?
2. What fee is required and can it be waived?
3. Is this covered by the Town's insurance if someone becomes hurt or injured?
4. Is there a liability issue the Council needs to be apprised of if flag devices are used?

Mr. Wolff stated he had answers to some of the questions. He said the Municipal Code requires an encroachment permit for the flags and this is one way the Town could achieve indemnity which relates to liability.

Town Attorney Riddle stated there are encroachment provisions as well as the obstruction of right-of-way. For either one there is a requirement that insurance and indemnification be provided.

Mayor Bailey asked and confirmed that the permit carries a fee. Mr. Wolff stated he was not sure whether there is anything he found regarding the Town being able to waive the fee.

Regarding indemnification, Mayor Bailey asked that if the Town fails to get an indemnity from whoever signs the permit he asked if any injury might not be covered by the Town's insurance. Mr. Riddle said the Town is covered up to $250,000 and the basis of liability would be a dangerous condition of public property which resulted in injury. He said there have been no traffic or engineering studies to determine whether the flags are safe or unsafe, but if someone was injured in any way the exposure could be significant.

Mayor Bailey said if there was a catastrophe and the injury was in excess of the $250,000, he asked if the Town's excess insurance cover this. Mr. Riddle said it would most likely be a dangerous condition of public property and this is a type of incident the Town's insurance would cover.

Vice Mayor Furst asked what process is usually followed in decided whether or not to

implement a safety device.

Senior Civil Engineer Nisha Patel replied that normally the Town would look at the Manual of Uniform Traffic Control Devices or a normal standard like Caltrans specifications or standards, but in this case, she did not think it is included in a standard.

Councilmember Andrews suggested the Council defer the matter until the Town Manager returns and asked that he draft a stern letter and provide 3 weeks to remove the flags. He asked when the flashing beacons would be installed. Ms. Patel stated design is underway and the plans are supposed to be ready to bid in July with an anticipated construction at the end of August/beginning September.

Mayor Bailey suggested hastening that process, and Ms. Patel said the work has been expedited but there are many improvements.

Mayor Bailey opened the public comment period.

PHYLLIS METCALFE, Parkview Circle, said many years ago she was an insurance underwriter of public entity insurance. This is the Town's project and it would be covered rather than having it as someone else's project much the same way the school district will have a crossing guard and not require engineering studies or an EIR. The Town would undertake it as a safety issue covered under its insurance. She also said if there is a problem in doing it, the Town does not have to write letters, given school will be out until June and letters can be sent until then.

JENNIFER HARRISON, Hawthorne Avenue, Safe Routes to School Parent Volunteer at Neal Cummins, stated school gets out the third week in June and flags are being used by preschoolers, toddlers and elderly people. She is one of the people who did put up the flags and this was done in the Town of Fairfax and was passed by the town. They have donated all materials to Corte Madera and she asked to see this in place until the Town installs the flashing beacons.

Mayor Bailey asked and confirmed that Ms. Harrison received a permit application from the Town Manager but did not complete it.

DAVID MACPHERSON, Corte Madera Avenue, said this matter has been discussed by the BPAC over the last 4 years and when there were a number of near misses, he continued to email the Town Manager to state that if volunteers raised the money and installed the program where it is being used in various states, he indicated that on face value, he did not have a problem. He took this as a green light, purchased materials, created flag holders and wrote a letter to every stakeholder and alerted the Town that in approximately 10 days they will install the holders, have parent volunteers at each intersection instructing kids on how to use them. They received no objection but statements in support.

Mayor Bailey noted that in that sequence was a request by the Town Manager to complete some paperwork and pay a fee. Mr. Macpherson said he was not positive to when that request occurred, but when it was brought to his attention, the Town Manager's email indicated that he needed an encroachment permit, $1 million of insurance, and that most importantly the pedestrian flags violate the Manual on Uniform Traffic Control Devices because it is a rapid control device. He researched this and found that the DOT Federal Highway Administration ruled specifically in interpreting the Manual that pedestrian flags are not a traffic control device; they are simply to make pedestrians more visible and are akin to construction workers wearing fluorescent vests. The municipality who requested that interpretation was told specifically they were free to experiment with the pedestrian flag program.

Mr. Macpherson said the letter he sent to all stakeholders was that they were donating the flag program and not in any position to obtain insurance. He said this is not their encroachment into the Town's right-of-way but a gift to the Town on an interim basis until the flashing beacons are installed. Therefore, the Town must simply make a decision as to whether this is something they will adopt as their own for the next 10 months and he said the Town is covered under its insurance. He noted there are many places that use these flags and at every uncontrolled intersection there are 10-15 flags used by everybody in Town and vehicles slow down, and it has been successful. As an interim measure, he encouraged the Town to adopt it as their own program so the encroachment permit is not necessary.

Mayor Bailey asked if Mr. Macpherson ever suggested that the Town adopt it as its own program. Mr. Macpherson said BPAC never reached a point where it was included in the BPAC master plan but they have discussed it for a long time and it only gained attraction after there were near misses and parents on Next Door were upset.

Mayor Bailey said it may have been the Town's impression that this donation was being provided to the Town. In fact, he clarified with Mr. Macpherson that what is being provided is the raw materials and a request that the Town assume responsibility and accept the donation in case there were any problems.

Mayor Bailey asked and confirmed with Mr. Macpherson that there is no standard for an installation but simply that they be placed close to the crosswalk which solves the problem and this is an interim measure.

Councilmember Lappert said he was supportive of serving the citizenry and said as long as the Town understands it may get sued he is happy to support the donation. If a person in a wheelchair uses the crosswalk the Town has the risk of being sued because the measure is not ADA-compliant.

Councilmember Andrews said he would want to check with the Town's insurance carrier if it accepts the donation of the flags that they will be covered.

Councilmember Condon commented that she has received positive feedback from the use of the flags and she voiced support of them.

Vice Mayor Furst agreed with Councilmember Lappert's concerns and said in addition to ADA issues, the Town must ensure the way they are mounted must be ADA-compliant. She asked that they be ADA-compliant, ensure the liability issue is addressed, and recognized that in 4 months a slurry seal project will be underway, with ADA improvements, improved bike lanes and curb bulb-outs to enable pedestrians to be out further which increases visibility. Also, rapid flash beacons will be installed for a much improved roadway.

She noted there is a crossing guard at Eastman Avenue for all students as well as a signalized light at Madera, and students should not cross at other crosswalks unless they are with a parent. While she loves the flags, she suggested the Town be careful when encouraging children to cross at non-signalized and unguarded locations during morning and afternoon peak periods. Therefore, she does not have enough information on the issues, but if the Town is covered she supported keeping the flags up. She asked to continue the matter to receive answers. She also said she is a Safe Route volunteer and the message should be consistent with what the Safe Routes Program is advocating which is for students to cross where the crossing guards are.

The Town Council directed staff to determine ADA-compliance and liability and insurance requirements and continued the matter.

7.II <u>Consideration and Possible Action to Approve the 2015 Town of Corte Madera Bicycle and Pedestrian Plan</u>
(Report from Nisha Patel, Senior Civil Engineer)

Senior Civil Engineer Nisha Patel gave a very brief PowerPoint presentation and recommended the Council approve the 2015 Bicycle and Pedestrian Plan, which has been a 2-year effort of Town staff, TAM, Alta Planning and the public. BPAC Chair Bob Ravasio is present, as well as Kyle James from Alta Planning and Design and Scott McDonald from TAM who will discuss the background and development of the plan and prioritization of projects.

Scott McDonald, TAM, stated that TAM received a grant to update 9 plans in Marin County. Alta Design was brought on to assist in updating the plan. They basically took the work of the 2008 Bike Plan and integrated a pedestrian component and introduced Kyle James with Alta Planning and Design.

Kyle James, Alta Planning and Design, stated out of the 9 plans this has been by far the most

extensive public outreach process. It included 2 public workshops, 10 BPAC meetings, an on-line survey, social media outreach and the 30-day public review process.

Mr. James highlighted feedback received and major themes surrounded crossing Hwy 101, getting to schools, improved access to transit stops, Alta Tunnel and a large focus on expanding and maintaining the existing multi-use paths along with improving safety along Tamalpais Drive. He noted there is a section regarding terminology as well if there were any questions, a map of the proposed bike projects, existing bikeways and the proposed pedestrian projects.

Ms. Patel stated in the plan there are more projects as far as Class I, II, II and IV as well as pedestrian projects. From their compiled list, they prioritized the top three Class I priorities which: 1) A gap will be provided to link the multi-use trail along the south side of Paradise from Westward to Upland Circle which is part of the Bay Trail. The improvement will be on the south side of Paradise Drive and the Town has a grant for the project; 2) the multi-use trail along the north side of Paradise Drive from San Clemente Drive to Prince Royal Passage is a Safe Routes to School project and is part of the Bay Trail and will provide a link to the existing gap in the Bay Trail in Corte Madera; and 3) the Corte Madera Town Park Pathway from Tamalpais Drive to Neal Cummins Elementary School.

Class II priorities were Tamalpais Drive, San Clemente Drive to Redwood Avenue and the Town is looking at whether they can fit in bike lanes within their curb limits currently as part of the Tamalpais Improvement Project. They are looking at traffic calming which would narrow the lanes as well as to determine if bike lanes can fit in at this time.

Regarding Tamal Vista Boulevard northbound Fifer Avenue to Madera Boulevard, they have already started preliminary design and they can fit in Class II bike lanes northbound and southbound they can only fit it from Wornum South to Madera Boulevard.

The last Class III priority is the small stretch of Sanford from Tamalpais to Meadowsweet, Tamal Vista southbound from Fifer Avenue to Madera Boulevard, and if they cannot fit the Class II bike lane from Fifer to Wornum, they will put in sharrows or signs. They will do the same for Meadowsweet to Fifer to Casa Buena if they cannot fit the Class II bike lane in those locations.

Other priorities include Paradise Drive from the Hwy 101 to Casa Buena Drive overcrossing, Tamal Vista Boulevard to Wornum Drive intersection alterations and they will look to determine if they can put in a grade separated crossing which is at the entrance of the Sandra Marker Trail.

Regarding pedestrian priorities, Paradise Drive at Golden Hind Passage is pretty much complete; however, the alignment may be tweaked of the left turn and restripe with thermal plastic. Intersections along Tamalpais Drive along Chapman Drive, Eastman,

Sausalito, Lakeside, Meadowsweet, US 101 southbound off ramp and Redwood Avenue at Montecito Drive will be improved as part of the Tamalpais Drive Pedestrian Crossing Improvements project except for US 101 southbound off ramp.

They have a conceptual plan for putting bulb outs at Paradise Drive at Prince Royal Passage Pedestrian Crossing Enhancements and she believes this is in their capital program.

Councilmember Condon asked if flashing beacons could be placed similar to what is over Golden Hind Passage. Ms. Patel said they could look into this.

She then presented a map showing improvements and said the bike plan brings a single vision for biking and walking infrastructure in Corte Madera and it better positions them to pursue grants and it will enhance their multi-modal system.

She noted that tomorrow is Bike to School and Bike to Work is May 12th. The Council will have an energizer station at Sandra Marker Trail with REI at 6:30 a.m.

Mayor Bailey said there is a controversial issue about reopening the Alta Tunnel and he asked if there is a recommendation in the plan of any kind. He referred to page 45 under Table 4-9, multi-jurisdictional proposed Class I Bikeways which states, "To be determined." Because things are not yet determined, he wanted to be sure that the Town is certain about something that it so uncertain.

Ms. Patel said Project 14 is not a project priority and it is the multi-jurisdiction proposed Class I bikeways. The Town has a project in there which states "continue exploration of potential options identified in the 2009 Mill Valley/Corte Madera bikeway study. This was looking at the three different paths.

Mr. James clarified that the Alta Tunnel was referenced and included in the summary of feedback received in the public workshops. In the PowerPoint presentation he included it as a highlight of something discussed at the workshops.

Councilmember Andrews referred to page 41, which reads "For example, reopening the Alta Tunnel was identified by members of the public as a high priority." He asked to reword this to read, "North/south lane from Corte Madera to neighboring communities was identified by members of the public as a high priority." Ms. Patel said if the Council wished to approve the plan and change one sentence, this could be done.

Vice Mayor Furst disagreed with rewording the sentence, and noted this only refers to something the public identified, and Councilmember Lappert concurred.

Mayor Bailey said he wants to be cautious if they are not implicitly approving that project or putting the Town on a path to do that project without diligent review. Mr. James said his

recollection is that BPAC members can also chime in. There was a conscious effort not to elevate that to the level of the priority projects given the complexity and challenge and actually doing cost estimation given the complex nature of the plan.

Mayor Bailey asked if the Town Council was at this time taking a position on the plan. Ms. Patel said the Tunnel is not in the plan at all. There is reference to resurfacing the existing path that approaches the Tunnel which people use, but the Tunnel is not in this plan.

Councilmember Lappert asked and confirmed with Chief Cusimano that they have reviewed the plan.

Vice Mayor Furst said one of the priorities is the overcrossing from Paradise to Casa Buena. She asked if there was consideration of other locations for a freeway overcrossing. Ms. Patel said yes and it was from the Village to the Town Center, but the BPAC agreed they were only going to put in one over-crossing as a priority and this was the one they selected. The one between the two shopping centers is still in the plan.

Vice Mayor Furst said when talking about priorities, she asked whether this is setting the Town up to insist that that is the priority designation the Town follows as in using the word "shall" rather than "may." Mr. James said there is no language of "shall". What it sets the Town up for is when going after grant money that the Town is elevating some projects and saying they are a priority for the community compared to all other projects and this makes them better candidates to receive money.

Mr. McDonald added that it is a framework for pursuing grants but it does not compel the Town. Some grants have certain criteria and they are set up to fund specific types of projects. If that type of project is not the number one prioritized project in that category, it would not preclude the Town from pursuing a logical candidate project at the discretion of staff.

Ms. Patel noted that a BPAC meeting was held on April 21st and they voted to recommend the Council adopt this plan.

Vice Mayor Furst referred to the overcrossings and asked BPAC Chair Bob Ravasio as to whether he feels it is in the Council's best interest to list one as the preferred overcrossing in this plan.

Mr. Ravasio said consensus of the BPAC focused on the one from Casa Buena by Marin Joe's. He did not see any real difference in including it in the plan and the Town's ability to fund it if they were to make both as the same priority, but the most important thing it is included in the plan which allows them to find grant money.

Mayor Bailey opened the public comment period.

CINDY WINTER, Larkspur, said she has attended every BPAC meeting and she can attest that the Town is exceptionally fortunate for having a BPAC body which she said is very skilled and committed. This is an excellent plan because it has many items in it which is fallback insurance in case grant money becomes available, a new need that arises, and it is in the plan because it is a possibility and not carved in stone. She hopes the plan is approved as it is a wonderful work product and something the Town can point to with pride.

DAVID MACPHERSON, Corte Madera Avenue, reminded newer members of the Council that the Town of Corte Madera has passed a resolution about 6 years ago supporting the on-going County studies towards reopening the Tunnel. So until the Town takes a different position has already spoken on that in support of on-going studies. The County of Marin just completed a property rights study and this week put out for bid the geotechnical study with experts going into the Tunnel to determine its current status and to get a better idea of costs to reopen it, stabilize it without reopening it, or what would happen in case of a collapse.

Mayor Bailey stated that being in favor of a study is different than being in favor of the conclusion of that study. Mr. Macpherson said he does not think the resolution binds the Town, but simply says if the County is going to spend the money the Town encourages the County to study it.

Councilmember Condon said she remembers the resolution which approves the study if the County has the money; however, it did not advocate for the opening of the Tunnel and it went no further than that.

Mr. Macpherson said he will review the resolution but simply wanted to remind those that were not on the Council at the time. Mayor Bailey said he thinks that this should be determined only because the Town either needs to be consistent with the resolution or change it.

Vice Mayor Furst said she found where both overcrossings were located in the plan, but said at a TAM meeting, new technologies came up. She said it is likely in the next 5 years, they will see creative electric-assist or completely electric-powered personal vehicles that could go on bike paths. Therefore, she suggested adding something in the plan to consider the needs of newer technologies as they look to implementing new facilities, such as electrical outlets by bike racks to making sure that they are up on state and federal policies regarding vehicles traveling on multi-use paths.

Ms. Patel concurred and said she can find a location in the plan for it. Vice Mayor Furst said she thinks it should be mentioned because it is a value in the community that they keep up on the infrastructure to support it, and she thanked staff and representatives for their work

on the plan.

Councilmember Lappert moved and Vice Mayor Furst seconded to approve the plan as amended by adding the statement to consider needs of newer technologies in implementing new facilities.

Councilmember Andrews suggested including his previous request for rewording of the Alta Tunnel reference on page 41.

Mayor Bailey clarified there is a sentence at Section 4.6.1; "Proposed Class I bikeway shared use path on pages 41 or 52 which lists that "for example, the opening of the Alta Tunnel was identified by members of the public as a high priority so that bicyclists and pedestrians could travel a north/south link from Corte Madera to neighboring communities." He said Councilmember Andrews is suggesting this be changed to state, "For example, a north/south lane from Corte Madera to neighboring communities was identified by members of the public as a high priority."

Mr. Ravasio stated the public identified the Alto Tunnel as the specific of three choices. That was the highest ranking. Mayor Bailey said he thinks it is troubling to accurately recite what people said. He is cautious about where elsewhere in the plan or here and asked if the Town would take a position in favor of opening the Alto Tunnel. Mr. James said the plan does not do that.

Councilmember Condon also asked to follow-up and to determine the intent of the resolution.

MOTION: Moved by Lappert, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To approve the 2015 Town of Corte Madera Bicycle and Pedestrian Plan, as amended to add a statement in the plan to consider the needs of newer technologies as they look to implementing new facilities

7.III Review of Draft May 17, 2016 Town Council Agenda

Councilmember Condon requested the process for filming be updated and added on an agenda, stating this is the third time she has asked for its placement. She noted the Town just lost the opportunity for a 10-series filming with Selena Gomez. Mayor Bailey asked that Councilmember Condon work with Mr. Wolff and provide examples she has of other cities.

Councilmember Andrews asked that an item be agendized in the future for a hotel/motel zoning ordinance. Mayor Bailey asked Councilmember Andrews to discuss this issue with

Mr. Wolff and determine the appropriate way to address this.

Vice Mayor Furst referred to Item 5.Ii and the Sanitary District flow meter and isolation valve replacement item and she asked to agendize this as an item not on the Consent Calendar and instead have this be the start of a conversation about how the Town's relationship with CMSA is going.

Town Clerk Vaughnn stated the reason Mr. Warman wanted both the Sanitary District and Council item on the Consent Calendar was because of having to stay and talk late into the night under a public hearing. She said she could agendize it as a Business item and Vice Mayor Furst stated she did not think the item required Mr. Warman's presence. Ms. Patel stated Mr. Warman wanted to be consistent with the work he had done regarding appropriations.

Vice Mayor Furst asked that both items be agendized under Business items, and Mr. Warman could choose to speak on them.

Vice Mayor Furst referred to Town items 5.IIii and asked for a better description of the item and that it could remain on the Consent Calendar.

7.IV <u>Approval of Minutes of April 19, 2016 Special Joint Meeting of the Town Council and the Planning Commission</u>

MOTION: Moved by Lappert, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To approve the Minutes of April 19, 2016 Special Joint Meeting of the Town Council and the Planning Commission, as submitted

<u>Approval of Minutes of April 19, 2016 Regular Town Council</u>

MOTION: Moved by Furst, seconded by Condon, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To approve the Minutes of April 19, 2016 Regular Town Council, as submitted

8. CLOSED SESSION

The Town Council adjourned to Closed Session at 12:15 a.m. to discuss the following

matter:

PUBLIC EMPLOYEE APPOINTMENT [Govt. Code Sec. 54957]
Title: Town Manager

The Town Council reconvened its regular Town Council meeting at 12:50 a.m. and Mayor Bailey stated there was no reportable action.

9. ADJOURNMENT

The meeting was adjourned at 12:50 a.m. to the next regular Town Council meeting on May 17, 2016 at Town Hall Council Chambers.