AGENDA

CORTE MADERA TOWN COUNCIL
AND SANITARY DISTRICT NO. 2 BOARD
TOWN HALL COUNCIL CHAMBERS
300 TAMALPAIS DRIVE
MONDAY, JUNE 6, 2016
6:30 P.M.

6:30pm - CLOSED SESSION

I. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Closed Session Pursuant to Cal. Gov't Code Section 54956.9(d)(1)
Name of case: Ortiz v. Town of Corte Madera

II. PUBLIC EMPLOYEE APPOINTMENT
Closed Session Pursuant to Cal. Gov't Code Section 54957
Title: Town Manager

III. CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: (Sloan Bailey and James Andrews.)
Unrepresented employee: (Town Manager candidate)

IV. Report Out of Closed Session

1. **7:30pm: OPEN SESSION**
   CALL TO ORDER, ROLL CALL AND SALUTE TO THE FLAG

2. **PRESENTATION: None**

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

4. 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.

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. Adopt Resolution 20/2016, Authorizing Submittal Of Application For Payment Program Funding And Related Authorizations With The Department Of Resources Recycling And Recovery (CalRecycle), As Required Prior To Submittal Of Funding Requests
(Report from Kelly Crowe, Associate Civil Engineer)

Documents: 5.II SUBMITTAL OF APPLICATIONS TO CALRECYCLE.PDF

5.III. Adopt Resolution 21/2016, Endorsing The Summer Concert Series Run By The Corte Madera Community Foundation And Approving Temporary Banner Signs In The Public Right-Of-Way From June 21, 2016 Through July 26, 2016
(Report from Adam Wolff, Director of Planning and Building)

Documents: 5.III COMMUNITY FOUNDATION BANNERS.PDF

5.IV. Adopt Resolution 22/2016, Determining The Public Convenience Or Necessity To Sell Beer Within The Outdoor Enclosed Dining Area Of Stang's Hot Dogs And Sausages Food Kiosk Within The Common Area Of The Village At Corte Madera Center, 1618 Redwood Highway, APN 024-032-030
(Report from Phil Boyle, Senior Planner)

Documents: 5.IV STANGS HOTDOGS REQ FOR DETERMINATION OF PCN FOR SALE OF BEER.PDF

5.V. Adopt Resolution No. 23/2016, Authorizing The Town Manager To Execute A New 10-Year Joint Powers Agreement Among Marin Cities, Towns Fire Departments And Fire

Districts For Hazardous Materials Spills Management, Governed By The Marin County Fire Chief's Association
(Report from Scott Shurtz, Interim Fire Chief)

Documents: 5.V HAZMAT SPILLS MANAGEMENT JPA.PDF

5.VI. Approval Of Warrants And Payroll For The Period 5/11/16 Through 5/31/16: Warrant Check Numbers 213631 through 213777, Payroll Check Numbers 5207 through 5220, Payroll Direct Deposit Numbers 29516 through 29638, and Payroll Wire Transfer Numbers 2010 through 2017

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

Documents: 5.VI PAYROLL AND DEMANDS 5.11.16 TO 5.31.16.PDF

6. PUBLIC HEARINGS

6.I. SANITARY DISTRICT ITEM

6.I.i. Consideration And Possible Action To Approve Proposed Resolution No. 01/2016 Establishing The Sanitary District Appropriation Limit For 2016-2017
(Report from George T. Warman, Jr., Director of Administrative Services/District Treasurer)

Documents: 6.I.I SANITARY DISTRICT APPROPRIATION LIMIT FY16.17.PDF

6.II. TOWN ITEMS

6.II.i. Consideration And Possible Action To Approve Proposed Resolution No. 18/2016 Establishing The Town Appropriation Limit For 2016-2017
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

Documents: 6.II.I TOWN APPROPRIATION LIMIT FY16.17.PDF

6.II.ii. Consideration And Possible Action To Introduce An Ordinance To Amend Chapter 16.10 Of The Municipal Code, "Flood Damage Prevention"
(Report from Kelly Crowe, Associate Civil Engineer)

Documents: 6.II.II FLOOD DAMAGE PREVENTION ORDINANCE INTRODUCTION.PDF

7. BUSINESS ITEMS

7.I. SANITARY DISTRICT ITEM

7.I.i. Consideration And Possible Action To Approve Response From Sanitary District No. 2 To The Marin County Civil Grand Jury Report Entitled 2015-16 Web Transparency Report Card: Bringing Marin County's Local Government To Light
(Report from Rebecca Vaughn, District Clerk)

Documents: 7.I.I SANITARY DISTRICT RESPONSE TO GRAND JURY REPORT.PDF

7.II. TOWN ITEMS

7.II.i. 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

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

Documents: 7.II.I REFINANCE OF PARK MADERA CENTER.PDF

7.II.ii. Consideration And Possible Action To Approve Response From The Town Of Corte Madera To The Marin County Civil Grand Jury Report Entitled 2015-16 Web Transparency Report Card: Bringing Marin County's Local Government To Light
(Report from Rebecca Vaughn, Town Clerk)

Documents: 7.II.II TOWN RESPONSE TO GRAND JURY REPORT.PDF

7.II.iii. Review Of Draft June 21, 2016 Town Council Agenda

Documents: 7.II.III 6.21.16 DRAFT AGENDA.PDF

7.II.iv. Approval Of Minutes Of May 17, 2016 Town Council Meeting

Documents: 7.II.IV 5.17.16 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:

TOWN MANAGER

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: June 1, 2016
MEETING DATE: June 6, 2016

TO: TOWN MANAGER, MAYOR AND MEMBERS OF THE TOWN COUNCIL

FROM: KELLY CROWE, ASSOCIATE CIVIL ENGINEER

SUBJECT: ADOPT A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING SUBMITTAL OF APPLICATIONS TO THE DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) FOR PAYMENT PROGRAMS AND RELATED AUTHORIZATIONS

* * * * * * *

PURPOSE:

To authorize the Director of Public Works to submit funding applications to the Department of Resources Recycling and Recovery (Cal Recycle) in conjunction with the Department's City/County Payment Programs.

STAFF RECOMMENDATION:

That the Town Council adopt the Resolution No.20/2016, A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING SUBMITTAL OF APPLICATIONS TO THE DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) FOR PAYMENT PROGRAM FUNDING AND RELATED AUTHORIZATIONS.

OPTIONS:

The Town Council may adopt the resolution as presented, adopt the resolution with modifications, or take no action on the item.

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendation.

GOVERNING POLICIES:

The resolution supports Goal RCS-4 "Increased recycling participation by Town residents and businesses" of the Town of Corte Madera General Plan.

ENVIRONMENTAL IMPACT:

Pursuant to Section 15321 of the California Environmental Quality Act, this project is categorically exempt from the provisions of that Act.

FISCAL IMPACT:

The cost associated with the resolution is staff time in preparing the resolution and the funding applications.

BACKGROUND:

Beginning this fiscal year (2015-16) Cal Recycle is requiring applicants to adopt a resolution from their respective governing body prior to submitting funding applications. This resolution is specific to applications for funding through Cal Recycle's City/County Payment Program. Any funding from another Cal Recycle program (Grant funding, for example) would require a separate resolution.

The town has received separate $5,000 payments during the past two fiscal years from the program. The town has purchased multi-use trash/recycle bins for use in the parks with one of the payments. By adopting the resolution, the town will be able to apply for future funding under Cal Recycle's City/County Payment Program. Funding from future payment program applications can be used to support programs and initiatives in the town's Zero Waste Implementation Plan.

ATTACHMENTS:

1. Draft Resolution

ATTACHMENT 1

DRAFT RESOLUTION

RESOLUTION NO. 20/2016

RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF CORTE MADERA AUTHORIZING SUBMITTAL OF APPLICATIONS TO THE DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) FOR PAYMENT PROGRAM FUNDING AND RELATED AUTHORIZATIONS

☼ ☼ ☼ ☼ ☼ ☼ ☼ ☼

RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA THAT:

WHEREAS, pursuant to Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

NOW, THEREFORE, BE IT RESOLVED that the Town of Corte Madera is authorized to submit an application to CalRecycle for any and all payment programs offered; and

BE IT FURTHER RESOLVED that the Director of Public Works, or his/her designee, is hereby authorized as Signature Authority to execute all documents necessary to implement and secure payment; and

BE IT FURTHER RESOLVED that this authorization is effective until rescinded by the Signature Authority or this governing body.

☼ ☼ ☼ ☼ ☼ ☼ ☼ ☼

I, the undersigned, hereby certify that the foregoing is a full, true and complete copy of a resolution duly passed and adopted by the Town Council of the Town of Corte Madera at a regular meeting thereof held on the 6th day of June, 2016, by the following vote:

Ayes, and in favor thereof, Council Members:

Noes, Council Members:

Abstain, Council Members:

Absent, Council Members:

ATTEST: _____
Rebecca Vaughn, Town Clerk

Approved: _____
Sloan Bailey, Mayor

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER:

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: MAY 31, 2016
MEETING DATE: JUNE 6, 2016

TO: TOWN MANAGER, MAYOR AND COUNCIL MEMBERS

FROM: ADAM WOLFF, PLANNING DIRECTOR

SUBJECT: **CONSIDER ADOPTION OF RESOLUTION NO. 21/2016 ENDORSING THE SUMMER CONCERT SERIES RUN BY THE CORTE MADERA COMMUNITY FOUNDATION AND APPROVING TEMPORARY BANNER SIGNS IN THE PUBLIC RIGHT-OF-WAY FROM JUNE 21 TO JULY 26, 2016; AND DETERMINING THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES 15061(B)(3)**

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

PURPOSE:

This is a request from the Corte Madera Community Foundation (CMCF) to endorse the 2016 Summer Concert Series and place two temporary banners at two different locations in the public right-of-way advertising the event which will take place at Piccolo Pavilion from June 12, 2016 through August 28, 2016.

STAFF RECOMMENDATION:

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

OPTIONS:

The following options are available to the Council:

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

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendation to approve the request.

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:

Zoning Ordinance Section 18.22.050 (10) (A) 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:

The Corte Madera Community Foundation has requested that the Town Council endorse their Summer Concert Series at the Piccolo Pavilion, and approve the temporary installation of two Summer Concert Series horizontal banners in two locations in the public right-of-way. The banners would be installed in the following locations per the approved Banner Location Program:

June 21, 2016 to July 26, 2016

- On the southeast corner of Corte Madera Ave. and Redwood Ave. (Horizontal)
- On Madera Blvd. across from Safeway (Horizontal)

The event will be held at the Piccolo Pavilion every Sunday from June 12, 2016 through August 28, 2016. Banner signs would be displayed for a maximum of 50 days at each site. The horizontal banner signs would be 4'-tall by 7'-wide. An example of the proposed banners is included in Attachment 3.

The Public Works Department will install and remove the horizontal banners for the Corte Madera Community Foundation.

ATTACHMENTS:

1. Town Council Resolution
2. Map of Banner Locations
3. Banner Example

cc: Cynthia Trutner, Corte Madera Community Foundation (via e-mail)
Kevin Kramer, Director of Field Maintenance and Operations (via e-mail)
Subject file copy

RESOLUTION NO. 21/2016

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA ENDORSING THE SUMMER CONCERT SERIES RUN BY THE CORTE MADERA COMMUNITY FOUNDATION AND ALLOWING TEMPORARY BANNER SIGNS IN THE PUBLIC RIGHT-OF-WAY FROM JUNE 21, 2016 TO JULY 26, 2016 ADVERTISING THE SUMMER CONCERT SERIES WHICH RUNS FROM JUNE 12, 2016 THROUGH AUGUST 28, 2016; AND DETERMINING THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES 15061(B)(3)

WHEREAS, on February 15, 2016 the Corte Madera Community Foundation requested permission to install two temporary banner signs in the public right-of-way from June 21, 2016 through July 26, 2016, advertising their Summer Concert Series at the Piccolo Pavilion from June 12, 2016 through August 28, 2016; and

WHEREAS, the Corte Madera Community Foundation, a Town sponsored foundation, has requested that the Corte Madera Town Council endorse the Summer Concert Series; and,

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

NOW, THEREFORE, BE IT RESOLVED, that the Corte Madera Town Council does hereby approve the Corte Madera Community Foundation's request to endorse the Summer Concert Series and approves the request to install two 4'-tall by 7'-wide temporary horizontal banner signs in the following two locations: (1) Madera Boulevard across from Safeway and (2) on the southeast corner of Corte Madera Ave. and Redwood Ave. in the public right-of-way as shown in Attachment 2, subject to the following conditions:

1. The banners are permitted to be displayed from June 21, 2016 through July 26, 2016.
2. The applicant shall coordinate with Kevin Kramer, Director of Field Maintenance, to install the horizontal banner signs.

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 6th day of June, 2016, by the following vote, to wit:

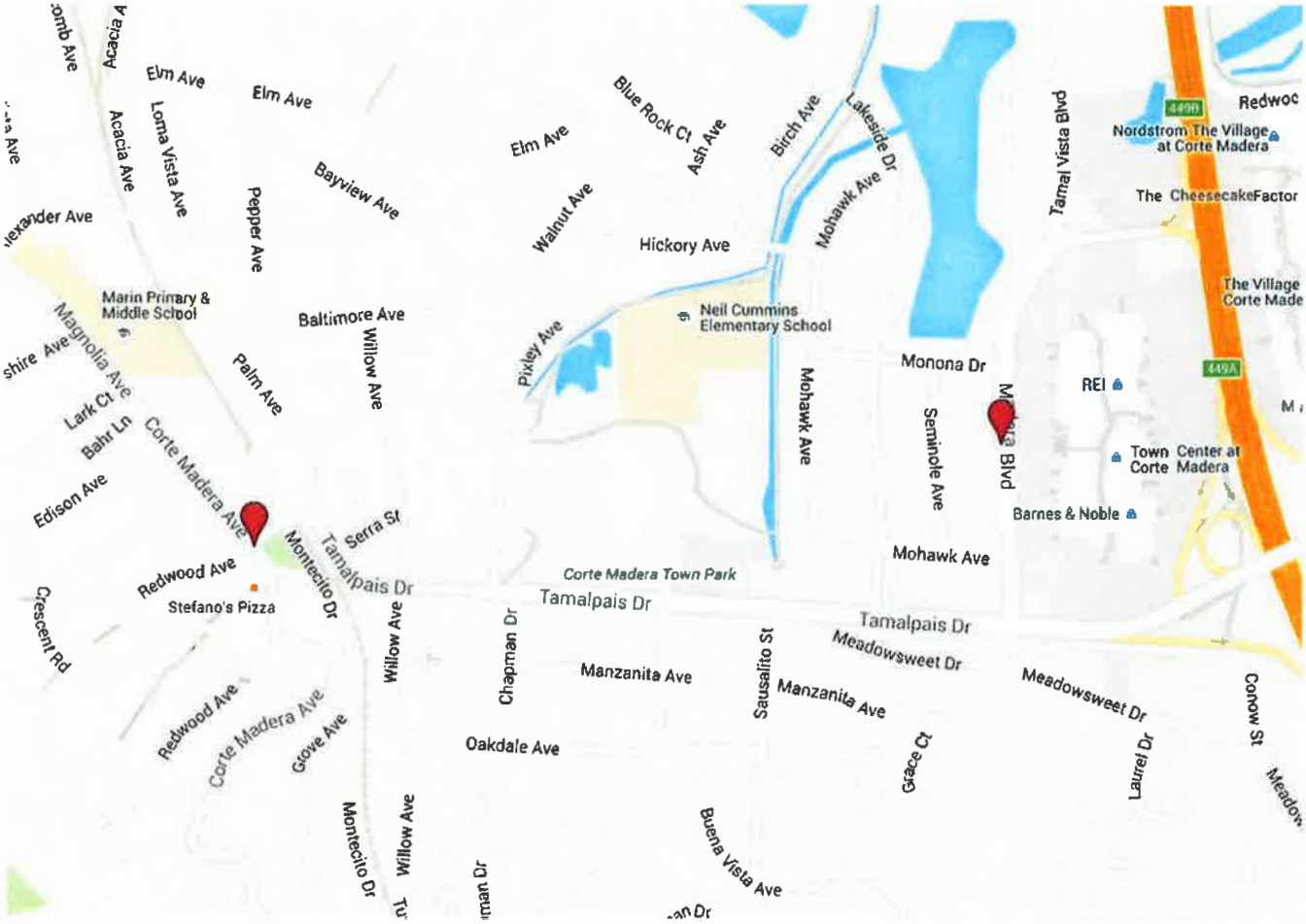
AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

Sloan C. Bailey, Mayor

ATTEST:

Rebecca Vaughn, Town Clerk

ATTACHMENT 2
BANNER LOCATIONS



ATTACHMENT 3
BANNER EXAMPLE

Horizontal Banner Sign, 4'-tall by 7'-wide
Example Shown

This material has been reviewed
by the Town Manager

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: May 31, 2016
MEETING DATE: June 6, 2016

TO: TOWN MANAGER, MAYOR AND COUNCIL MEMBERS

FROM: PHIL BOYLE, SENIOR PLANNER

SUBJECT: A REQUEST FOR A DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY TO SELL BEER WITHIN THE OUTDOOR ENCLOSED DINING AREA OF *STANG'S HOT DOGS AND SAUSAGES STAND* WITHIN THE COMMON AREA OF THE VILLAGE OF CORTE MADERA.

SITE: COMMON AREA OF THE VILLAGE AT CORTE MADERA 1618 REDWOOD HIGHWAY, APN 024-032-030

APPLICANT: JON STANGER

PURPOSE:

To consider a request for a determination of public convenience or necessity to sell beer within the outdoor enclosed dining area of Stang's Hot Dogs and Sausages Stand within the common area of the Village at Corte Madera.

STAFF RECOMMENDATION:

Staff recommends that the Town Council adopt the attached Resolution 22/2016 (Attachment 1) for a determination of public convenience or necessity to sell beer within the outdoor enclosed dining area of *Stang's Hot Dogs and Sausages Stand* within the common area of the Village at Corte Madera.

TOWN MANAGER'S RECOMMENDATION:

Support Planning Staff's recommendation.

CEQA STATUS:

The Planning Department determined that the project is exempt from the California Environmental Quality Act (CEQA) review under §15061(b)(3) of the CEQA Guidelines because a Determination of Public Convenience or Necessity will not with reasonable certainty have any possible effect on the environment.

SUMMARY:

Jon Stanger of Stang's Hot Dogs and Sausages has made an application to the State Department of Alcohol Beverage Control (ABC) for a license (Type 40) to sell beer at his existing food stand. The stand is located in northern half of the interior common area of the village in front of the Ann Taylor store. The stand has been operating for approximately 10 years. It includes a 140 square foot building with a 300 square foot outdoor eating area will tables and chairs. The outdoor eating area is surrounded by a three and half foot high railing as required by the ABC for the outdoor consumption of alcohol. The stand is open seven days a week from 11am to 6pm and employs 3 part time workers. The stand serves approximately 80 to 100 customers on the weekdays and 150 to 225 customers on the weekends.

The owner has indicated that employees will require anyone who looks under 50 years of age to show valid identification. The beer can only to be consumed within the fenced area and no "to go" orders of alcohol will be permitted. Staff contacted the Central Marin Police Department and they reviewed the application and visited the site. The department stated that they are satisfied with the application and have no objections as long as the employees and patrons follow the Town regulations regarding the consumption of alcohol.

The type "40" license, On Sale Beer – is for the consumption of only beer on the premises where it is sold. No wine or other types of alcohol may be sold or consumed on the premises. Full meals are not required; however, sandwiches or snacks must be available. Minors are allowed on the premises.

PUBLIC CONVENIENCE AND NECESSITY (PCN) PROCESS

The applicant submitted a request for a determination of Public Convenience or Necessity (PCN) from the Town of Corte Madera to allow the addition of a Type-40 beer alcohol license for on-site consumption. PCN determinations are required where the State Department of Alcohol Beverage Control (ABC) has concluded the total number of licenses for alcoholic beverage sales exceeds the number established as appropriate for the subject census tract area. The PCN process helps mitigate proliferation of licenses or an undesirable "over concentration" of a single type of establishment in an area. If issued, this will be the first Type 40 license in the Town.

ANALYSIS:

A request for public convenience and necessity has not come before the Council in the past because the other dining and retail establishments in the Town which sell alcohol are either cafés or restaurants with much more extensive food menus and require a different type of license. Other retail establishments such as supermarkets and convenience stores also require a different type of license. These establishments do not require PCN as determined by the ABC. If Stang's Hot Dog and Sausage Stand was considered a café or restaurant a PCN determination would not be required and a Town Council resolution would not be necessary. A list of licenses types administered by the ABC is attached (Attachment 2). Staff has also provided a list of the active licenses within the Town as of May 30, 2016 (Attachment 3).

The Corte Madera Municipal Code does not address the sale of on-site or off-site alcohol sales. An application must first be filed with the ABC and then a determination is made whether or not a PCN is required. The ABC contacted the applicant and the Town via email and the applicant submitted a development review application. Following the review of the application, staff determined the application was complete and agendized the item.

ABC Findings

To approve the application for PCN the Council must make the two required State findings per State Code Section 17.04.140.

Finding #1 - Will the proposed use adversely affect the welfare of area residents in the area of establishments dispensing, for sale or other considerations, alcoholic beverages, including beer and wine.

The proposal to sell a small selection of beer to patrons of Stang's Hot Dog and Sausage Stand 7 days a week from 11am to 6pm within the Village at Corte Madera Center will not adversely affect the welfare of area residents. The proposed location is within an established shopping center which has regular security and does not have a history of problems related to alcohol sales. The employees will require legal identification, per the state of California, prior to the selling of alcohol to anyone who appears under the age of 21. The Central Marin Police Department reviewed the application and stated that they are satisfied with the application and have no objections. The stand will be monitored by both the centers private security and the Central Marin Police Authority. The applicant has also provided signatures from 20 managers of nearby stores expressing their support for the proposal (Attachment 5).

Finding #2 - Will the proposed use detrimentally affect nearby residentially zoned communities in the area, after giving consideration to the distance of the proposed use from the following: residential buildings, churches, schools, hospitals, public playgrounds and other similar uses.

The proposed project is approximately one half mile and across Highway 101 from the nearest school and public playground (Neil Cummins Elementary and Town Park), approximately 1,000 feet and across Highway 101 from the nearest residential are (Council Crest Dr.) and one half mile and across Highway 101 from the nearest church (Marin Lutheran–649 Meadowsweet Dr.). The stand serves approximately 80 to 100 customers on the weekdays and 150 to 225 customers on the weekends and is not anticipated to generate significant additional traffic. The majority of patrons of the food and beer stand will be shoppers who are already at the center. Therefore, the project will not have a detrimental affect on nearby residential communities.

Based on staff's ability to make both of the required findings listed above , staff recommends approval of the PCN application and adoption of the attached resolution.

OPTIONS

1. Adopt the attached resolution
2. Adopt the attached resolution with revisions
3. Do not adopt the attached resolution.

ATTACHMENTS:

1. Resolution 22-2016
2. List of alcohol license types administered by the ABC.
3. List of the active licenses within the Town
4. Petition signed by neighboring businesses
5. Letter of support from Macerich- property owner
6. Plans and photos

O:\Planning Department_02 PLANNING APPLICATIONS AND PROPERTY FILES\P-T\REDWOOD HIGHWAY (The Village)\1732 Redwood Hwy (Stang's Hot Dog Stand)\1618 Redwood Hwy Stang's Alcohol Permit Request.doc

Attachment 1: Resolution 22-2016

RESOLUTION NO. 22/2016

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA FINDING AND DETERMINING THAT PUBLIC CONVENIENCE OR NECESSITY WOULD BE SERVED BY THE ISSUANCE OF AN ON-SALE BEER (TYPE-40 ALCOHOLIC BEVERAGE CONTROL LICENSE) FOR STANG'S HOT DOGS AND SAUSAGES STAND LOCATED AT 1618 REDWOOD HWY. WITHIN THE VILLAGE AT CORTE MADERA CENTER COMMON AREA,1618 REDWOOD HIGHWAY, APN 024-032-030

WHEREAS, on May 9, 2016, an application was filed for a request for a determination of public convenience or necessity to sell beer in the outdoor enclosed dining area of *Stang's Hot Dogs and Sausages Stand* located in the common area of the Village at Corte Madera Center; and

WHEREAS, pursuant to applicable provisions of the Business and Professions Code of the State of California, the Department of Alcoholic Beverage Control (hereinafter the "ABC") is charged with the responsibility of reviewing applications and issuance of licenses ("license") for the sale and/or manufacture of alcoholic beverages in the State of California; and

WHEREAS, Section 23958 of the Business and Professions Code provides that the ABC shall deny an application for a license if issuance of that license would tend to create a law enforcement problem, or if issuance would result in or add to an undue concentration of licenses, except as provided in Section 23958.4 of said Business and Professions Code; and

WHEREAS, Section 23958.4 of the Business and Professions Code provides that, notwithstanding the limitations of Section 23958, the ABC shall issue a license if the applicant shows that public convenience or necessity would be served by the issuance of such license; and

WHEREAS, pursuant to Section 23958.4 of the Business and Professions Code, the local governing body in this case, the "Town Council," has the discretion to determine when public convenience or necessity would be served by allowing an alcohol license in an area where there is an over concentration of licenses or where there is high crime; and

WHEREAS, Under state law Section 23790 of the Business and Professions Code, the ABC may not issue a liquor license if it violates an existing local zoning ordinance; and,

WHEREAS, The subject site has a General Plan Land Use designation of Mixed Use Regional Serving Commercial and is zoned Regional Shopping District (C-2) which encourages retail sales including restaurants and cafés; and,

WHEREAS, the request for Determination of Public Convenience or Necessity, hereinafter ("project") is exempt from California Environmental Quality Act (CEQA) review under §15061(b)(3) of the CEQA Guidelines because a Determination of Public Convenience or Necessity will not with reasonable certainty have any possible effect on the environment; and,

WHEREAS, the Town is able to make the State findings per State Code Section 17.04.140. – 1) That the proposed use will not adversely affect the welfare of area residents in the area of establishments dispensing, for sale or other considerations, alcoholic beverages, including beer and wine and; 2)That the proposed use will not detrimentally affect nearby residentially zoned communities in the area, after giving consideration to the distance of the proposed use from the following: residential buildings, churches, schools, hospitals, public playgrounds and other similar uses.

WHEREAS, the Town of Corte Madera has prepared a Letter of Public Convenience or Necessity provided as EXHIBIT "A" attached hereto.

NOW, THEREFORE, the Town of Corte Madera resolves as follows:

SECTION 1. That the public convenience or necessity would be served by the proposed sale and consumption of beer on site only in conjunction with the operation of *Stang's Hot Dogs and Sausages Stand*

SECTION 3. Pursuant to §15061(b)(3) of the CEQA Guidelines, an activity is covered by the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA review. Making a Determination of Public Convenience or Necessity will not bring about any physical change to the environment. Therefore, in light of the whole record, it can be seen with certainty that the project has no potential to cause a significant effect on the environment. As such, the Town finds that the project is exempt from the provisions of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("general rule exemption").

SECTION 4. The request for Public Convenience or Necessity Determination is hereby approved.

SECTION 5. The Town Manager and his authorized designees are authorized to transmit Exhibit A to the ABC and take any other necessary actions, sign any other documents or instruments, as may be necessary, to implement, and affect this Resolution on behalf of the Town.

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 6th day of June, 2016 by the following vote, to wit:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

_____
Sloan C. Bailey, Mayor

ATTEST:

_____
Rebecca Vaughn, Town Clerk

Exhibit A

June 6, 2016

Lynn Recchia
Licensing Representative II
Department of Alcoholic Beverage Control
Santa Rosa District Office
50 D Street, Room 130
Santa Rosa, CA 95404

Re: Determination of Public Convenience and Necessity for a Type 40 Liquor License at *Stang's Hot Dogs and Sausages Stand* located in the common area of the Village at Corte Madera Center , 1618 Redwood Hwy. Corte Madera, CA 94925

Dear Mrs. Recchia,

On June 6, 2016, the Town Council of the Town of Corte Madera adopted Resolution No. 22/2016 determining that the issuance of a Type 40 liquor license (on-sale of beer only) will serve public convenience at the subject location – Stang's Hot Dog and Sausage Stand, the Village at Corte Madera. A public convenience would be provided in that the sales of beer for on-site consumption will be an ancillary use to the food stand at the subject business. The proposed use shall not be a detriment to the surrounding neighborhood and public.

The Central Marin Police Department has indicated that the application is not located in an excess crime-reporting district. Furthermore, the Town Staff and the Council determined that the proposed sale on beer on site will not adversely affect the welfare of area residents and will not be detrimentally affect nearby residentially zoned communities, after giving consideration to the distance of the proposed use from residences, churches, schools, public playgrounds and other similar uses.

Respectfully submitted,

Adam Wolff
Director of Planning and Building

O:\Planning Department_02 PLANNING APPLICATIONS AND PROPERTY FILES\P-T\REDWOOD HIGHWAY (The Village)\1732 Redwood Hwy (Stang's Hot Dog Stand)\Reso Stang's Alcohol Sales PCN.doc

Attachment 2: List of alcohol license types administered by the ABC.

List Of License Types

TEMPORARY LICENSES

License Code	Description of License
30	Temporary Retail Permit (Only in conjunction with a Person to Person transfer)

NON-PROFIT TEMPORARY LICENSES

License Code	Description of License
31	Special Daily License (Temporary Beer or Wine)
32	Daily Beer
33	Daily Wine
34	Daily Beer and Wine
37	Daily On-Sale General

OFF-SALE LICENSES

License Code	Description of License
20	Off-Sale Beer and Wine
21	Off-Sale General
85	Limited Off-Sale Retail Wine License

ON-SALE LICENSES

License Code	Description of License
40	On-Sale Beer
41	On-Sale Beer and Wine for Bona Fide Public Eating Place
42	On-Sale Beer and Wine for Public Premises
43	On-Sale Beer and Wine for Train
44	On-Sale Beer for Fishing Party Boat
45	On-Sale Beer and Wine for Boat
46	On-Sale Beer and Wine for Airplane
47	On-Sale General for Bona Fide Public Eating Place
48	On-Sale General for Public Premises
49	On-Sale General for Seasonal Business
50	On-Sale General for Club

Popular Links

Press Releases
Application / Selection & Forms
Industry Advisories
License Types / Fees
License Query System
Licensing Reports
Public Records Requests
Server Awareness (LEAD) Training
License Application, Protest and Disciplinary Processes
Annual Reports

Licensing

ABC Licensing
License Types

51	Club
52	Veterans' Club
53	On-Sale General for Train
54	On-Sale General for Boat
55	On-Sale General for Airplane
56	On-Sale General for Vessel of more than 1,000 tons burden
57	Special On-Sale General
58	Caterer's Permit
59	On-Sale Beer and Wine for Seasonal Business
60	On-Sale Beer for Seasonal Business
61	On-Sale Beer for Public Premises
62	On-Sale General Bona Fide Public Eating Place Intermittent Dockside Vessel
63	On-Sale Beer and Wine for Hospital
64	Special On-Sale General Theatre
65	Special On-Sale Beer and Wine, Symphony
66	Controlled Access Cabinet Permit
67	Bed and Breakfast Inn
68	Portable Bar
69	Special On-Sale Beer & Wine Theater
70	On-Sale General Restrictive Service
71	Special On-Sale General License
75	On-Sale General Brew-Pub
76	On-Sale General Maritime Museum Association
77	Event Permit
78	On Sale General Wine, Food and Art Cultural Museum
80	Special On-Sale General Bed and Breakfast Inn
83	On-Sale General Caterer's License
86	Instructional Tasting License

NON-RETAIL LICENSES

License Code	Description of License
01	Beer Manufacturer
02	Winegrower
03	Brandy Manufacturer
04	Distilled Spirits Manufacturer
05	Distilled Spirits Manufacturer's Agent
06	Still
07	Rectifier
08	Wine Rectifier
09	Beer and Wine Importer
10	Beer and Wine Importer's General
11	Brandy Importer
12	Distilled Spirits Importer
13	Distilled Spirits Importer's General
14	Public Warehouse
15	Customs Broker
16	Wine Broker
17	Beer and Wine Wholesaler
18	Distilled Spirits Wholesaler
19	Industrial Alcohol Dealer
22	Wine Blender
23	Small Beer Manufacturer
24	Distilled Spirits Rectifier's General
25	California Brandy Wholesaler

26	Out-of-State Beer Manufacturer's Certificate
27	California Winegrowers Agent
28	Out-of-State Distilled Spirits Shipper's Certificate
29	Winegrape Grower's Certificate
74	Craft Distiller
79	Certified Farmers' Market Sales Permit
81	Wine Sales Event Permit
82	Direct Shippers Permit
84	Certified Farmers' Market Beer Sales Permit

Want to learn more about the most common license types and their privileges? Download the informational PDF.

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Attachment 3: List of the active licenses within the Town

California Department of Alcoholic Beverage Control
On-Sale Licenses
For the Cities of
CORTE MADERA

Report as of 5/30/2016

28 of 28 Licenses Displayed

To create a downloadable CSV File go back and check the Create CSV Dowload Option.

	License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1)	194223	ACTIVE	86	01/30/1987	6/30/2016	SAFEWAY INC 137 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1209	SAFEWAY INC #2318	PO BOX 29096, MS #6531 PHOENIX, AZ 85038-9096	2102
2)	347051	ACTIVE	41	11/09/1998	10/31/2016	Census Tract: 1212.00 SOUTHICHACK, MAI THI 510 TAMALPAIS DR CORTE MADERA, CA 94925	TUBTIM THAI RESTAURANT		2102
3)	354508	ACTIVE	47	08/02/1999	12/31/2016	Census Tract: 1211.00 BENISSIMO INCORPORATED 18 TAMALPAIS DR CORTE MADERA, CA 94925-1414	BENISSIMO ITALIAN PIZZA RESTAURANT		2102
4)	362190	ACTIVE	41	02/25/2000	1/31/2017	Census Tract: 1211.00 VALENTINO, PATRICIA PIRY 225 CORTE MADERA AVE CORTE MADERA, CA 94925	STEFANOS PIZZA	39 PALMER DR NOVATO, CA 94949-7229	2102
5)	362428	ACTIVE	41	03/01/2000	2/28/2017	Census Tract: 1211.00 BOOK PASSAGE INCORPORATED 51 TAMAL VISTA BLVD CORTE MADERA, CA 94925	BOOK PASSAGE INCORPORATED		2102
6)	373395	ACTIVE	47	04/11/2001	3/31/2017	Census Tract: 1211.00 IL FORNAIO AMERICA CORPORATION 223 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925	IL FORNAIO	770 TAMALPAIS DR, STE 400 CORTE MADERA, CA 94925-1739	2102
7)	404493	ACTIVE	41	01/15/2004	12/31/2016	Census Tract: 1211.00 LA MAISON DE REINE VIETNAMESE CUISINE LLC 346 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1207	LA MAISON DE LA REINE		2102
8)	412044	ACTIVE	47	06/28/2004	5/31/2016	Census Tract: 1212.00 CHEESECAKE FACTORY RESTAURANTS INC THE 1736 REDWOOD HWY CORTE MADERA, CA 94925	CHEESECAKE FACTORY THE	26901 MALIBU HILLS RD CALABASAS, CA 91301-5354	2102
9)	424421	ACTIVE	47	01/29/2009	12/31/2016	Census Tract: 1212.00 PACIFIC CATCH INC 133 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1209	PACIFIC CATCH	2400A 3RD ST SAN FRANCISCO, CA 94107	2102
10)	441056	ACTIVE	47	08/15/2006	7/31/2016	Census Tract: 1211.00 ANDROS, BLAKE EDWARD 55 TAMAL VISTA BLVD CORTE MADERA, CA 94925-1145	BRICK & BOTTLE	5500 STATE FARM DR ROHNERT PARK, CA 94928-1611	2102
11)	444069	ACTIVE	41	12/12/2006	12/31/2016	Census Tract: 1211.00 ANDRE BOUDIN BAKERIES INC 1734 REDWOOD HWY CORTE MADERA, CA 94925-1249	BOUDIN SF	50 FRANCISCO ST, STE. 200 SAN FRANCISCO, CA 94133	2102
12)	449428	ACTIVE	47	03/21/2007	2/28/2017	Census Tract: 1212.00 P F CHANGS CHINA BISTRO INC 301 CORTE MADERA TOWN CTR, SPC A CORTE MADERA, CA 94925-1207	P F CHANGS	7676 E PINNACLE PEAK RD, ATTN LEGAL DEPT SCOTTSDALE, AZ 85255-3404	2102
13)	462612	ACTIVE	47	03/06/2008	2/28/2017	Census Tract: 1211.00 CALIFORNIA PIZZA KITCHEN INC 347 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1027	CALIFORNIA PIZZA KITCHEN	12181 BLUFF CREEK DR, 5TH FL C/O LICENSING PLAYA VISTA, CA 90094	2102
14)	46471	ACTIVE	47	08/01/1977	1/31/2017	Census Tract: 1212.00 MARIN JOES INC	MARIN JOES RESTAURANT		2102

						1585 CASA BUENA DR CORTE MADERA, CA 94925			
15)	471179	ACTIVE	47	08/12/2009	7/31/2016	Census Tract: 1211.00 COUNTER CORTE MADERA L-PSHIP THE 201 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1208	COUNTER THE		2102
16)	518524	ACTIVE	47	03/05/2012	2/28/2017	Census Tract: 1211.00 BOCA VENTURE LLC 1544 REDWOOD HIGHWAY, # C055 CORTE MADERA, CA 94925-1248	BOCA PIZZERIA		2102
17)	519068	ACTIVE	41	10/02/2012	9/30/2016	Census Tract: 1212.00 BLUE MARIN, LLC 335 CORTE MADERA TOWN CENTER CORTE MADERA, CA 94925	BLUE BARN GOURMET	2090 CHESTNUT ST SAN FRANCISCO, CA 94123-2735	2102
18)	519332	ACTIVE	41	10/12/2012	9/30/2016	Census Tract: 1211.00 CAFE VERDE, INC. 502 TAMALPAIS DR CORTE MADERA, CA 94925-1573	CAFE VERDE		2102
19)	528206	ACTIVE	42	01/17/2013	12/31/2016	Census Tract: 1211.00 BLINDERMAN HOLDINGS LLC 207 CORTE MADERA AVE CORTE MADERA, CA 94925	THREE BIRDS WINE BAR		2102
20)	535008	ACTIVE	41	02/24/2014	12/31/2016	Census Tract: 1211.00 NORDSTROM INC 1870 REDWOOD HWY CORTE MADERA, CA 94925-1235	NORDSTROM BLUE STOVE	1600 7TH AVE, STE 2500, ATTN: LICENSING UNIT SEATTLE, WA 98101-2288	2102
21)	537257	ACTIVE	41	07/31/2014	6/30/2016	Census Tract: 1212.00 VEGGIE GRILL INC THE 100 CORTE MADERA TOWN CENTER, # 147 CORTE MADERA, CA 94925-1209	VEGGIE GRILL THE	2800 28TH ST, STE 302 SANTA MONICA, CA 90405	2102
22)	541919	ACTIVE	47	04/14/2014	3/31/2016	Census Tract: 1211.00 BEST LIL' PORKHOUSE, LLC 60 MADERA BLVD CORTE MADERA, CA 94925-1227	BEST LIL' PORKHOUSE	2042 4TH ST , STE B SAN RAFAEL, CA 94901-2689	2102
23)	544996	ACTIVE	41	10/13/2014	9/30/2016	Census Tract: 1211.00 PIG IN A PICKLE, LLC 341 CORTE MADERA TOWN CTR CORTE MADERA, CA 94925-1207	PIG IN A PICKLE BBQ		2102
24)	546253	ACTIVE	41	08/13/2014	7/31/2016	Census Tract: 1211.00 JENN & SAKE LLC 60 CORTE MADERA AVE CORTE MADERA, CA 94925-1303	BURMATOWN	2445 LAWTON ST SAN FRANCISCO, CA 94122	2102
25)	550358	ACTIVE	41	02/10/2015	1/31/2017	Census Tract: 1211.00 FRESH ENTERPRISES, LLC 205 CORTE MADERA TOWN CENTER CORTE MADERA, CA 94925-1208	BAJA FRESH	320 COMMERCE, # 100 IRVINE, CA 92602	2102
26)	554707	ACTIVE	41	10/09/2015	9/30/2016	Census Tract: 1211.00 DANISH AMERICAN RESTAURANTS INC 12 TAMALPAIS DR CORTE MADERA, CA 94925	LIGHTHOUSE CAFE	340 STERLING WAY SAN RAFAEL, CA 94903	2102
27)	555214	ACTIVE	86	04/16/2015	3/31/2017	Census Tract: 1211.00 NUGGET MARKET INC 5627 PARADISE DR CORTE MADERA, CA 94925-1857	NUGGET MARKET	168 COURT ST WOODLAND, CA 95695	2102
28)	8037	ACTIVE	51	12/19/1955	7/31/2016	Census Tract: 1212.00 LIONS CLUB OF CORTE MADERA 498 TAMALPAIS DR CORTE MADERA, CA 94925	LIONS CLUB OF CORTE MADERA		2102
						Census Tract: 1211.00			

- - - End of Report ---

For a definition of codes, view our glossary.

Attachment 4: Petition signed by neighboring businesses

As neighbors of Stang's we are signing below to show we are in complete approval of Stang's serving beer at their location in The Village of Corte Madera. We feel it will cause no undue noise, endangerment, congestion, or have any negative affects on the shopping center or our particular business in any way. To the contrary, we feel it will help bring a feeling of community and possibly help revenue with increased shopper retention.

	Signature (Manager)	Printed Name
Janie and Jack	S. Inokuchi	Sara Inokuchi
Tommy Bahama		DENNIS FLANNERY
Madewell		Casey Thums
Pottery Barn		JESSA SPRAGUE
Splendid		Kelsey Tomkins
Boudin's		Jennifer Gomez
Cheesecake Factory		
Bocca Pizzeria		Francisco Vah
Tumi		Kevin Ye
Kate Spade	Krista Elrod	Krista Elrod
Lucky Jeans	Anna Williams	Anna Williams

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MAY 09 2016

TOWN OF CORTE MADERA

As neighbors of Stang's we are signing below to show we are in complete approval of Stang's serving beer at their location in The Village of Corte Madera. We feel it will cause no undue noise, endangerment, congestion, or have any negative affects on the shopping center or our particular business in any way. To the contrary, we feel it will help bring a feeling of community and possibly help revenue with increased shopper retention

	Signature (manager)	Printed Name
Restoration Hardware		PM Aldeson
William Sonoma		Mark McGalmont
Kiehl's		Mary Luiz
Ann Taylor		Jennifer Vela
Michael Stars		Aaron Wynne
Papyrus		Lexie Gotham
Brookstone		Theo Lee
Anthropologie		AMY GROVER
Peloton		Shannon Jensen

RECEIVED

MAY 09 2016

TOWN OF CORTE MADERA

Attachment 5: Letter of support from Macerich- property owner

THE VILLAGE at Corte Madera

April 13, 2016

Corte Madera Town Hall
Planning Department
300 Tamalpais Drive
Corte Madera, CA 94925

Stang's Hot Dogs & Sausages has been a tenant at the Village since April 2006 and will be celebrating its 10th anniversary this month.

It is a very popular food retailer who has built a following of loyal customers from the local community and has recently completed a small remodel to update the look and function of the kiosk. We are looking forward to new menu items including beer choices if approved. We believe our mature customers will welcome the opportunity to purchase and enjoy a select beer with their meal in the newly enclosed patio adjacent to the kiosk while taking a break from shopping or just enjoying the open air atmosphere of the center.

We support Jon Stanger in his effort to bring something extra to his business.

Thank you for your consideration,

May Mar, CSM
Senior Manager, Property Management
The Village at Corte Madera

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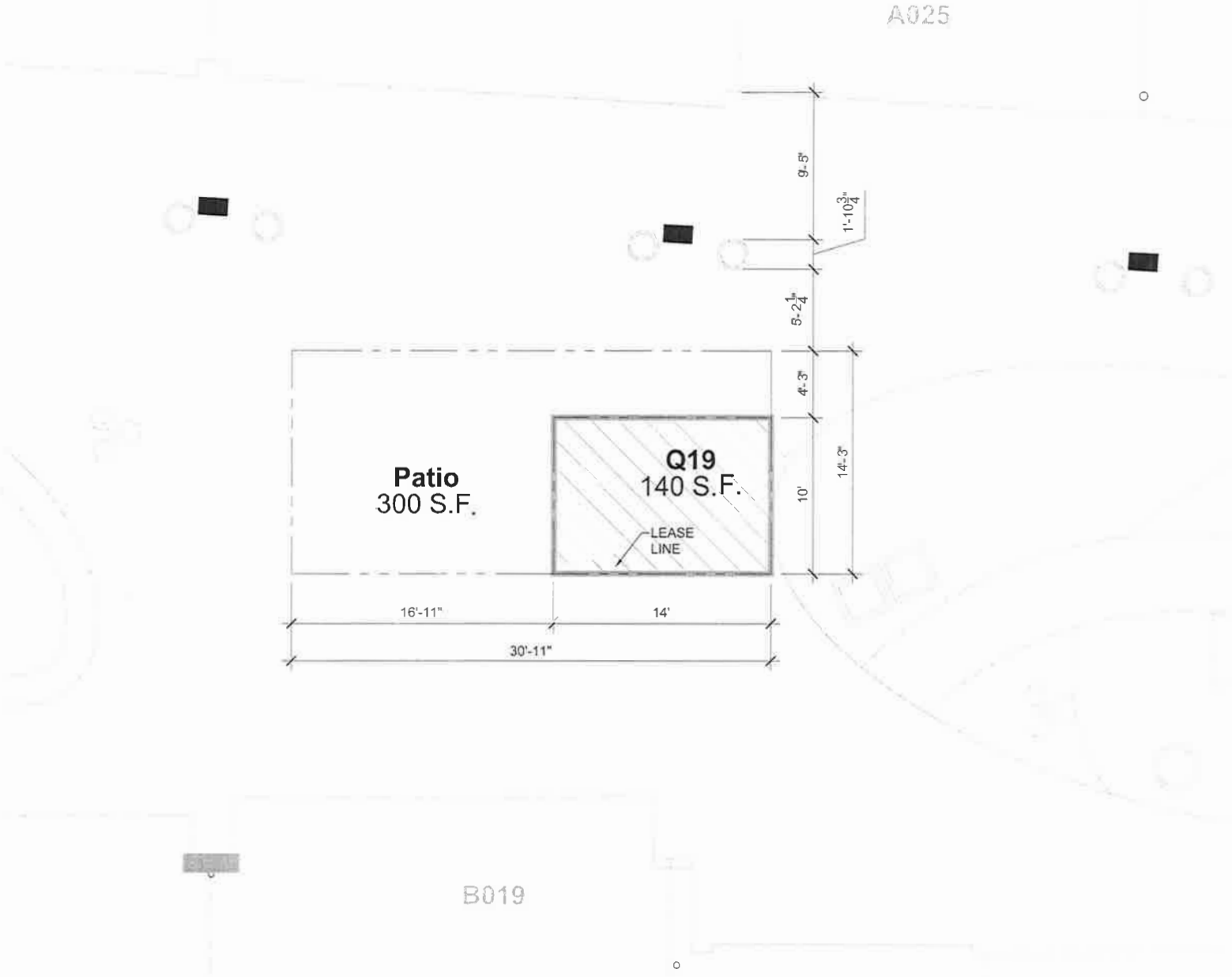
MAY 09 2016
TOWN OF CORTE MADERA

1618 Redwood Hwy
Corte Madera, CA 94925
P: 415.924.8588 | F: 415.924.1043
www.villageatcortemadera.com

Attachment 6: Plans and photos



MACERICH®

THE VILLAGE AT CORTE MADERA

SPACE: Q19
S.F.: 140
DATE: 05-06-15
SCALE: 1"= 10'

KEY PLAN

NORTH

PROPOSED SPACE

NOTE: Required doors and frames shall be provided and installed by each tenant (any doors shown in plans are suggested only; final determination is by tenant). It is required that the tenant, contractor, architect or representative must visit the site and familiarize and verify all dimensions and sizes of major items such as structural elements, electrical runs, plumbing locations and items not covered by this drawing. This shall be done at Tenant's expense. When exit passageways are present to provide a secondary exit from a Tenant's space, doors shall be one-hour fire doors. Such doors shall be self-closing and be so maintained or shall be automatic closing by smoke detector actuation. Prior to finalizing terms and conditions, Leasing and Center Management must resolve exiting per applicable codes. Service area, empty electrical conduit, sewer, water, and empty telephone conduit located within the lease line. Tenant must field verify all dimensions and conditions.

Drawn by: SL T.C.: JC

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TOWN OF CORTE MADERA

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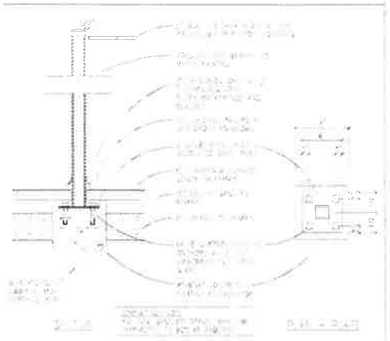
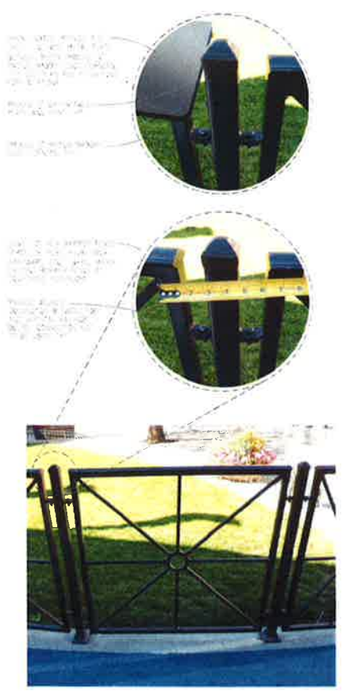
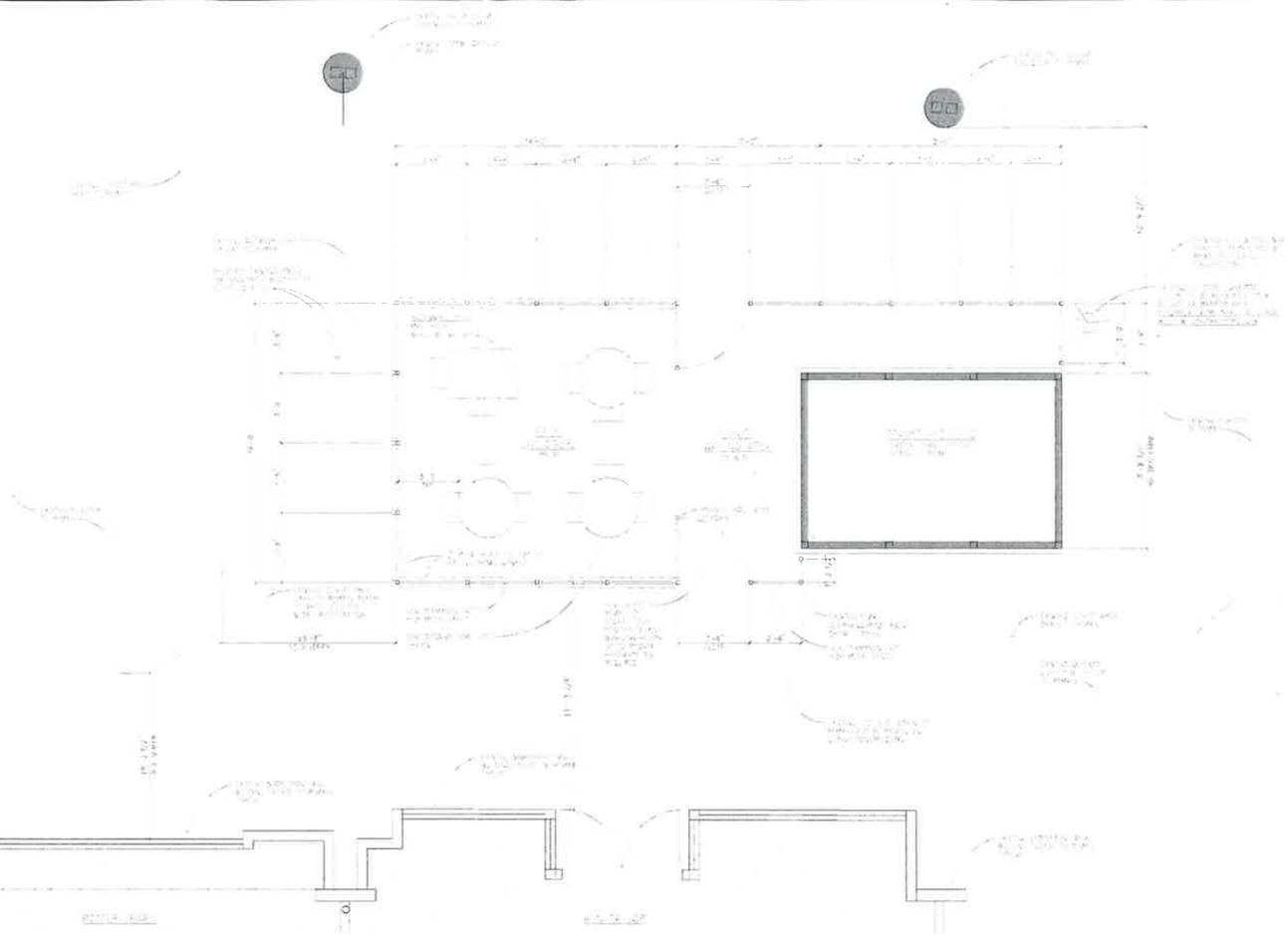
MAY 09 2016
TOWN OF CORTE MADERA



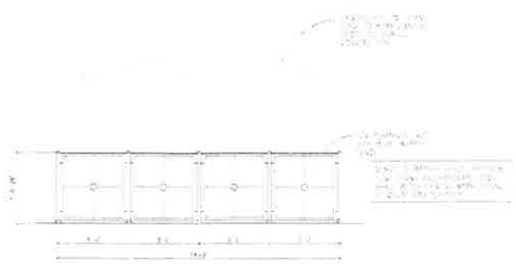
POST DETAIL 5



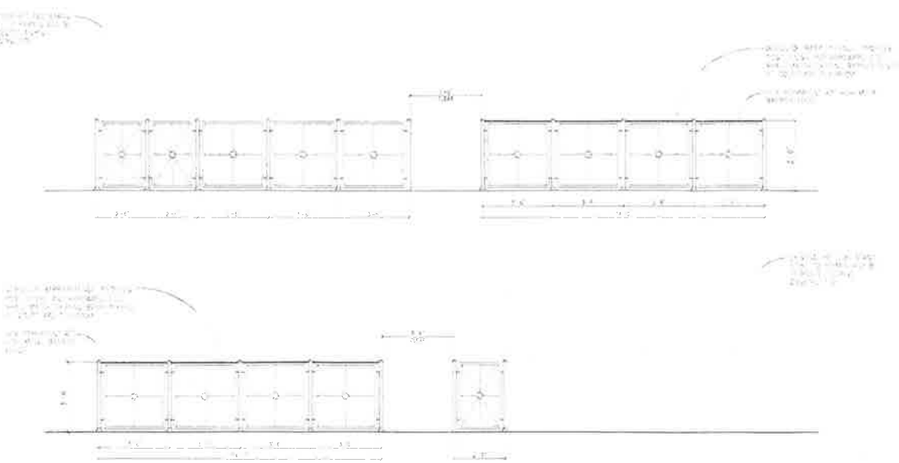
EXISTING BARRIER FENCE 4



PATIO ENCLOSURE PLAN 1



ELEVATION 3



ELEVATION 2

LDA

RECEIVED

MAY 09 2016

TOWN OF CORTE MADERA

ISSUE DATE

OWNER REVIEW	

STANG'S HOT DOGS
PATIO ENCLOSURE

THE VILLAGE AT CORTE MADERA
1618 REDWOOD HIGHWAY
CORTE MADERA, CA 94925
EAST COURTYARD

MACERICH
1141 N. TATUM BLVD.
PHOENIX, ARIZONA 85028

PROJECT NUMBER: MR1509.00

PROPOSED PATIO ENCLOSURE PLAN

A2.0

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER:

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 31, 2016
Meeting Date: June 6, 2016

TO: TOWN COUNCIL OF CORTE MADERA

FROM: SCOTT SHURTZ, INTERIM FIRE CHIEF

SUBJECT: AUTHORIZATION FOR THE TOWN MANAGER TO EXECUTE A NEW 10-YEAR JOINT POWERS AGREEMENT AMONG MARIN CITIES, TOWNS, FIRE DEPARTMENTS AND FIRE DISTRICTS FOR HAZARDOUS MATERIALS SPILLS MANAGEMENT, GOVERNED BY THE MARIN COUNTY FIRE CHIEF'S ASSOCIATION

* * * * * * * * *

STAFF RECOMMENDATION:

Staff recommends the adoption of Resolution 23/2016, A RESOLUTION OF THE TOWN OF CORTE MADERA TOWN COUNCIL AUTHORIZING THE TOWN MANAGER TO SIGN THE JOINT POWERS AGREEMENT FOR HAZARDOUS MATERIALS SPILLS MANAGEMENT, authorizing the Town Manager to execute a new Joint Powers Agreement for the Management of Hazardous Materials Spills.

TOWN MANAGER RECOMMENDATION:

Support Staff recommendation.

FISCAL IMPACT:

Included in the adoption documents is a "Cost Sharing Summary" which shows the FY16/17 contribution amount for each agency. The current signatory agency contribution total is $75,000 annually. As a result of a financial review, the Marin County Fire Chiefs are requesting to increase the total annual contribution for FY 16/17 to $85,000. The last contribution increase was in FY13/14. Following the FY16/17 increase, the intent is to limit the annual increases to no more than 5% through FY19/20. The increases are based on analysis of current and future needs. The Chiefs, to reduce future contribution increases, will be seeking grant funding to replace haz-mat identification equipment, which is now beyond its useful life.

ENVIRONMENTAL STATUS:

This Joint Powers Agreement does not constitute a "Project" under the California Environmental Quality Act (CEQA) and therefore is not subject to the requirements of the Act.

BACKGROUND:

In 1982, Marin County cities and Towns, and the County of Marin decided to manage Hazardous Materials incidents through a Joint Powers Agreement (JPA), which is governed by the Marin County Fire Chief's Association.

The JPA obtains funding from the participating signatory agencies, including Marin cities, towns, fire departments, and fire districts. Member agencies set policy, approve budgets and provide vision to the management and leadership of the Hazardous Materials Response Team (HMRT) through the Marin County Fire Chief's Association.

The HMRT consist of trained personnel from the signatory fire agencies and Marin County Sheriff's Office; and includes a compliment of apparatus, equipment and trained technicians and specialists. The JPA provides funding for apparatus, equipment, training, medical monitoring and personal protective equipment. In addition to contributions by signatory agencies, the HMRT has been very successful in receiving grant funding. The grant funding has provided for training, equipment, and the purchase of a dedicated hazardous materials response vehicle. The HMRT also seeks cost recovery from the responsible party of a hazardous materials incident.

The frequency, type, and complexity of hazardous materials incidents have changed considerably since the JPA was first created in 1982. Today the HMRT consists of over 30 members, from 12 fire agencies and the Marin County Sherriff's Office. The HMRT is in the final stages of being recognized by Cal OES as a Type 1 Team. A Type 1 Team provides the highest level of response capability identified by Cal OES.

DISCUSSION:

The most recent Joint Powers Agreement for Hazardous Materials Spills Management was finalized in 2005. Prior to its expiration in 2015, upon the request of the Marin County Fire Chief's Association, a one-year extension was approved. The one-year extension provided an opportunity for review of the Agreement to make any necessary improvements.

In addition to the review and updating of the Joint Powers Agreement, the Marin County Fire Chiefs reviewed the overall operations and management of the Hazardous Materials Response Team (HMRT), including the HMRT's mission, goals, capabilities, and the current and future needs of the Team.

The proposed Agreement is for a 10-year term and includes 18 signatory agencies. The review and updating of the agreement has resulted in general language cleanup throughout the document, including additional wording for clarification purposes. Changes also include:

- Updates to the components of response capability and procedures
- Additional wording for cost recovery and grant funding
- Updates to the cost sharing section to address the recent fire department mergers
- Expanded wording for the duties of the Treasurer
- Requiring approval of two-thirds (2/3) of the signatory agencies for JPA amendments

CONCLUSION:

The proposed Joint Powers Agreement for Hazardous Materials Spills Management provides for the continuation of cost effective hazardous materials response by coordinating the management of and the response to hazardous materials incidents throughout the County.

ATTACHMENTS:

1. Resolution – Authorize Town Manager to Execute JPA for Haz Mat Spills Management
2. JPA Document
3. Redline version of JPA Document showing changes from 2005 Agreement
4. Cost Sharing Summary

RESOLUTION No. 23/2016

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF CORTE MADERA AUTHORIZING THE TOWN MANAGER TO SIGN THE JOINT POWERS AGREEMENT FOR HAZARDOUS MATERIALS SPILLS MANAGEMENT

WHEREAS, The Town of Corte Madera has the responsibility to provide hazardous materials response and spills management; and

WHEREAS, The Town of Corte Madera has been part of the Hazardous Materials Spills Management JPA since 1982; and

WHEREAS, The Hazardous Materials Spills Management JPA provides a cost effective way of providing hazardous materials response and spills management.

NOW, THEREFORE BE IT RESOLVED, that the Town Council does hereby authorize the Town Manager to sign the Joint Powers Agreement for Hazardous Materials Spills Management.

IT IS HEREBY CERTIFIED that the Town Council of the Town of Corte Madera duly introduced and regularly adopted the foregoing resolution at a meeting held on the 6th day of June, 2016 by the following vote, to-wit:

AYES: COUNCILMEMBER:

NOES: COUNCILMEMBER:

ABSENT: COUNCILMEMBER:

ABSTAIN: COUNCILMEMBER:

_____
Sloan C. Bailey, Mayor

ATTEST:

_____
Rebecca Vaughn, Town Clerk

JOINT POWERS AGREEMENT FOR HAZARDOUS MATERIALS SPILLS MANAGEMENT

THIS AGREEMENT ("Agreement"), is made and entered into as of the 1st day of July 2016, by and between the following public agencies: Cities/Towns of Novato, San Rafael, San Anselmo, Fairfax, Ross, Mill Valley, Belvedere, Tiburon, Sausalito, Corte Madera, Larkspur; County of Marin; Kentfield Fire Protection District; Novato Fire Protection District; Southern Marin Fire Protection District; Tiburon Fire Protection District; Ross Valley Fire Department and Marinwood Community Services District.

RECITALS

This Agreement is predicated upon the following facts:

1. Each of the parties to this Agreement is a "Public Agency" as the term is defined in California Government Code Section 6500 and is authorized to enter into Joint Powers Agreements.

2. The parties are responsible for maintenance of public safety and/or fire protection within their respective jurisdiction within the County of Marin, State of California.

3. Pursuant to Government Code Section 6500 et. seq. commonly known as the Joint Exercise of Powers Act, two or more public agencies may by agreement jointly exercise any power common to the contracting parties.

4. Marin public agencies first entered into an agreement in 1982 for the purposes of coordinating management and response to hazardous materials spills. The current agreement is set to expire on June 30, 2016.

5. Each of the parties desires to enter into a new agreement with each of the other parties for the purposes of coordinating management of and response to hazardous materials spills, establishing a formula for financing joint expenses for such management and response, and defining signatory agency responsibilities.

NOW THEREFORE, in consideration of mutual benefits, covenants and agreements set forth herein, the parties agree as follows:

SECTION 1 Definitions

These definitions shall include any subsequent amendments, deletions or additions to the below mentioned statutes.

A. Hazardous Materials Spill

A hazardous materials spill means an incident or potential incident, which threatens public health or safety involving the unsafe release of a hazardous substance or hazardous waste as defined below. A hazardous substance or hazardous waste means an substance or product for which the manufacturer or producer is required to produce a material safety data sheet prepared pursuant to Section 6390 of the California Labor Code or pursuant to the regulations of the Occupational Safety and Health Administration of the U.S. Department of Labor, or pursuant to the Hazardous Substances Information and Training Act (commencing with Section 6360, Chapter 2.5, part 1 of Division 5 of the California Labor Code), or pursuant to any applicable State of Federal law or regulation; any substance or product which is listed as a radioactive material set forth in Chapter 1, Title 10, Appendix B, maintained and updated by the Nuclear Regulatory Commission; or any substance or product defined as hazardous or extremely hazardous waste by Sections 25115 or 25117 of the California Health and Safety Code and set forth in Sections 66680 and 66685 of Title 22 of the California Code of Regulations. Release means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, ejecting, escaping, leaching, dumping, or disposition into the environment. Any material may be added to the list of hazardous materials set forth by applicable State of Federal law or regulation upon a finding by the County Health Officer that it is a material which, because of its quantity, concentration, physical, or chemical characteristics, poses significant present or potential danger to human health and safety or to the environment if released into the environment.

B. Incident Commander

Incident Commander is the individual responsible for the overall management of the incident and is usually from the agency with jurisdiction over the area in which the incident occurred or as designated by such agency.

C. Unified Command

Unified Command is a unified command effort which allows all agencies with responsibility for the incident, either geographical or functional, to manage an incident by establishing a set of common objectives and strategies.

SECTION 2 Authority and Purpose

A. The purpose of this Agreement is to establish a specially trained capability for the expeditious and economical response to a hazardous materials spill or potential release on public and/or private property within the signatories' jurisdictions.

B. The components of this specialized response capability shall consist of;

1. Hazardous Materials Response Team (HMRT) – The HMRT consists of trained fire service personnel from the signatory agencies and Marin County Sheriff's Office, and includes a compliment of apparatus, equipment and trained technicians and specialists. The HMRT shall assist in the control and containment of hazards created by releases and potential releases which exceed the capability of the jurisdiction having primary responsibility, and which shall provide consultation on identifying and managing hazardous materials releases or potential releases in a manner consistent with all local, state and federal laws and regulations regarding such releases.

2. Support Team – The Support Team consists of trained fire service personnel from the signatory agencies to support the HMRT operating in hazardous environments. The Support Team is restricted from operating within or immediately adjacent to chemical environments where hazardous materials emergency response teams would normally operate. The Support Team normally performs activates such as rescue standby, decontamination, and logistical support, under the direction of the Decon Leader.

C. The fiscal agent shall have the authority to collect response related costs on behalf of signatory agencies. Signatory agencies may also collect their response related costs directly from the responsible party.

D. The fiscal agent shall have the authority, on behalf of the signatory agencies, to apply for, receive, and distribute grants from public or private agencies for the purposes set forth in this Agreement.

SECTION 3 Term of Agreement

A. Except as provided below, the term of this Agreement shall be for ten years, beginning on July 1, 2016 and terminating on June 30, 2026. A signatory agency may withdraw upon giving at least ninety (90) days written notice prior to the end of the fiscal year, effective as of the start of the next fiscal year, to all the other parties to the Agreement.

B. Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories of this Agreement. Each party to this Agreement also agrees that the withdrawal of any party from this Agreement shall not affect this Agreement or such remaining party's intent to contract as described herein, with the other then remaining parties to the Agreement other than to alter the pro rata share of costs.

SECTION 4 Operational Responsibilities

A. As soon as practical upon determining that a hazardous materials release or potential release has occurred, the public safety unit first arriving on scene shall:

1. Immediately isolate the scene, deny access to the scene and seek to protect people and/or livestock in the general vicinity.

2. Notify the Marin County Public Safety Communications Center (County Communications) of the location of the incident and affected area, the type of incident (traffic accident, pipe breakage, etc.), the type and quantity of hazardous material or the characteristics of the material if its type is unknown, safe and unsafe routes to the scene, and request immediate notification of the HMRT.

B. Upon notification of a hazardous materials release, County Communications will contact the Marin County Fire Department ECC for dispatch of the HMRT and such other resources as called for by the protocol of the jurisdiction in which the spill occurs. (The California Highway Patrol has jurisdiction over State highways.)

C. For each incident, command responsibility shall be delegated according to applicable State law. Where State law does not designate responsibility, each signatory city and County shall specify in writing to the HMRT at regular intervals command

authority for incidents within its jurisdiction. The incident commander may request additional assistance as he or she deems necessary to restore public health and safety.

D. When the HMRT determines that specialized resources may be required to mitigate the release or assist with clean-up, the HMRT shall provide the Incident Commander with the contact information for such resources.

E. After an incident is under control, as determined by the Incident Commander, the following clean-up protocol shall be followed. First, a reasonable attempt shall be made to give the person(s) responsible for the incident adequate notice and opportunity to remove the hazardous substance. If, in the judgment of the Incident Commander, such opportunity has been adequately provided, considering the conditions, the Incident Commander may authorize additional clean-up operations be carried out, if appropriate, by (1) the City/Town Public Works Department in which the incident occurred, (2) County Public Works for incidents in the unincorporated area, (3) California Department of Transportation for incidents on a State highway, or (4) a licensed Hazardous Waste Clean-up Contractor. The Incident Commander may authorize such additional clean-up arrangements determined to be appropriate for the restoration of public health and safety and for nuisance abatement. Clean-up of private property beyond these requirements shall be the responsibility of the property owner under the auspices of the County Health Officer.

F. Signatory agencies shall cooperate with such incident protocols as this Agreement may require.

SECTION 5. Resource Inventory

A. The signatory agencies agree to fund apparatus, equipment, training, medical monitoring, and personal protective equipment as may be required by the fiscal agent specified in Section 6E to meet state and federal OSHA regulations pertaining to hazardous materials release response.

B. Each signatory agency shall provide the HMRT, when requested, with available information concerning the storage location and use of hazardous materials in its jurisdiction for reference by the HMRT.

SECTION 6. Financing

A. The principles for allocating responsibility for costs arising from response to a hazardous materials release shall be as follows:

1. Primary responsibility for all extraordinary costs related to such an incident rests with the person(s) responsible for the spill. Damages and expenses incurred by the HMRT shall constitute a debt against the person and/or firm causing the incident and shall be collectable by the fiscal agent specified in Section 6E of this agreement. Expenses, as stated above, shall include, but not be limited to, cost attributable to the use of equipment, personnel committed, and any payments required by the HMRT to outside business firms requested by the HMRT to secure, investigate, and monitor remediation and cleanup of the incident. (See Section 13009.6, California Health and Safety Code.)

2. The State of California is not liable for any such costs unless one of its officers, employees, or agents is a person described in Section 6(A) 1 above; or unless the costs are associated with a spill for which a disaster is declared.

3. Funding sources for activities of the HMRT will consist of contributions made by each party in a manner to be determined by the Marin County Fire Chief's Association as provided in subsection B below.

4. To the extent that signatory agencies are not reimbursed for extraordinary costs of managing an incident or its clean-up, the costs shall be the liability of the jurisdiction in which the spill occurred.

B. The fiscal agent shall prepare and submit an annual budget, and any supplemental budget, to the Marin County Fire Chief's Association for approval. Public funds may not be disbursed by the HMRT without adoption of the approved budget, and all receipts and disbursements shall be in strict conformance with the approved budget. Following approval of the budget, and any supplemental budget, the fiscal agent shall invoice each party for its share of the budgeted costs, and payment shall be due to the fiscal agent within 30 days of such invoices.

C. Cost sharing, to support the Hazardous Materials Response Team and to compensate the City of San Rafael for its services as fiscal agent as provided in subsection C below, shall be allocated on a jurisdiction percent of population based on the County of Marin's current census data. Where a Fire District and City share the population, each shall contribute one half of the shared cost.

Jurisdiction	Percent Population
City of Belvedere	1.0
Town of Corte Madera	3.6
County of Marin	11.6
Kentfield FPD	3.0
City of Larkspur	4.8
Marinwood CSD	2.0
City of Mill Valley	5.7
City of Novato	11.65
Novato FPD	11.65
Ross Valley FD*	10.5
City of San Rafael	21.0
Southern Marin FPD**	9.2
Town of Tiburon	3.3
Tiburon FPD	1.0
Total	**100%**

* Ross Valley FD percentage share includes Ross, San Anselmo, and Fairfax.

** Southern Marin FPD percentage share includes Sausalito.

D. Any non-participatory agency shall be responsible for all costs incurred by the Hazardous Materials Response Team.

E. The City of San Rafael is designated to be the fiscal agent of the parties under this Agreement, with the following functions, for which the City of San Rafael shall be reasonably compensated by the parties:

1. Serve as the depository and have custody of all funds from whatever source and establish and maintain such books, records, funds, and accounts as may be required by reasonable accounting practices.

2. Ensure that the disbursement of funds is in strict conformance with the adopted budget.

3. Provide an annual financial report on a fiscal year basis, and such other financial reports as may be requested by the Marin County Fire Chief's Association.

4. Administer cost recovery procedures for the collection of response related expenses and damages.

5. Serve as the financially responsible party for all grants.

SECTION 7. Amendment

Amendments to this Agreement may be made by the approval of two-thirds (2/3) of the governing boards of the then signatory agencies.

SECTION 8. Notices

Except as provided in Section 3 for notices of withdrawal from this Agreement, all notices required or given pursuant to this Agreement shall be made by depositing same in the U.S. mail, postage paid, and addressed as follows:

Hazardous Materials Response Team, c/o City of San Rafael Fire Department, P.O. Box 151560, San Rafael, CA 94915.

SECTION 9. Hold Harmless

Each party shall indemnify and hold each other party harmless from and against all loss, cost, expense (including attorney's fees and expert witness fees), actions or liability occasioned by or arising out of the negligent acts, or negligent failure to perform under the authority of this Agreement by each party's employees or its agents or contractors.

The tort liability of the parties shall be controlled by the provisions of Government Code Division 3.6, Section 810 et seq.

SECTION 10. Entire Agreement

This JPA sets forth the entire Agreement between the parties with respect to content addressed herein and supersedes all prior agreements, communications, and representations, oral or written, express or implied, since the parties intend that this be an integrated Agreement.

SECTION 11. Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Faxed and scanned signature pages shall be treated as valid as the originals.

IN WITNESS WHEREOF, the parties have executed this Joint Powers Agreement as of the day and year first above written.

AGENCY: _____

By:_____

ATTEST:

_____

_____

JOINT POWERS AGREEMENT FOR HAZARDOUS MATERIALS SPILLS MANAGEMENT

THIS AGREEMENT ("Agreement"), is made and entered into as of the ~~this~~ ~~____~~ 1st day of ~~_____~~,July ~~2005~~2016, by and between the following public agencies: Cities/Towns of Novato, San Rafael, San Anselmo, Fairfax, Ross, Mill Valley, Belvedere, Tiburon, Sausalito, Corte Madera, ~~and~~ Larkspur; County of Marin; Kentfield Fire Protection District; Novato Fire Protection District; Southern Marin Fire ProtectionDistrict; Tiburon Fire Protection District; Ross Valley Fire ~~Service~~ Departmentand Marinwood Community Services District.

RECITALS

This ~~a~~Agreement is predicated upon the following facts:

1. Each of the parties to this Agreement is a "Public Agency" as the term is defined in California Government Code Section 6500 and is authorized to enter into Joint Powers Agreements.

2. The parties are responsible for maintenance of public safety and/or fire protection within their respective jurisdiction within the County of Marin, State of California.

3. Pursuant to Government Code Section 6500 et. seq. commonly known as the Joint Exercise of Powers Act, two or more ~~P~~public agencies may by ~~A~~agreement jointly exercise any power common to the contracting parties.

~~3.~~4. Marin public agencies first entered into an agreement in 1982 for the purposes of coordinating management and response to hazardous materials spills. The current agreement is set to expire on June 30, 2016.

~~4.~~5. Each of the parties desires to enter into ~~an~~ a new agreement with each of the other parties for the purposes of coordinating management of and response to hazardous materials spills, establishing a formula for financing joint expenses for such management and response, and defining signatory agency responsibilities.

NOW THEREFORE, in consideration of mutual benefits, covenants and agreements set forth herein, the parties agree as follows:

SECTION 1 Definitions

These definitions shall include any subsequent amendments, deletions or additions to the ~~above~~ below mentioned statutes.

A. Hazardous Materials Spill

A hazardous materials spill means an incident or potential incident, which threatens public health or safety involving the unsafe release of a hazardous substance or hazardous waste as defined below. A hazardous substance or hazardous waste means an substance or product for which the manufacturer or producer is required to produce a material safety data sheet prepared pursuant to Section 6390 of the California Labor Code or pursuant to the regulations of the Occupational Safety and Health Administration of the U.S. Department of Labor, or pursuant to the Hazardous Substances Information and Training Act (commencing with Section 6360, Chapter 2.5, part 1 of Division 5 of the California Labor Code), or pursuant to any applicable State of Federal law or regulation; any substance or product which is listed as a radioactive material set forth in Chapter 1, Title 10, Appendix B, maintained and updated by the Nuclear Regulatory Commission; or any substance or product defined as hazardous or extremely hazardous waste by Sections 25115 or 25117 of the California Health and Safety Code and set forth in Sections 66680 and 66685 of Title 22 of the California Code of Regulations. Release means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, ejecting, escaping, leaching, dumping, or disposition into the environment. Any material may be added to the list of hazardous materials set forth by applicable State of Federal law or regulation upon a finding by the County Health Officer that it is a material which, because of its quantity, concentration, physical, or chemical characteristics, poses significant present or potential danger to human health and safety or to the environment if released into the environment.

B. Incident Commander

Incident Commander is the individual responsible for the overall management of the incident and is usually from the agency ~~in~~ with jurisdiction over the area in which the incident occurred or as designated by such ~~the~~ agency.

C. Unified Command

Unified Command is a unified command effort which allows all agencies with responsibility for the incident, either geographical or functional, to manage an incident by establishing a set of common objectives and strategies.

SECTION 2 Authority and Purpose

A. The purpose of this ~~a~~Agreement is to establish a specially trained capability for the expeditious and economical response to a hazardous materials spill or potential release on public and/or private property within the signatories' jurisdictions.

B. The components of this specialized response capability shall consist of;

1. Hazardous Materials Response Team (HMRT) – The HMRT consists of ~~a designated unit of the San Rafael Fire Department and~~ trained fire service personnel from the signatory ~~fire~~ agencies and Marin County Sheriff's Office, and includes ~~hereinafter referred to as the Hazardous Materials Response Team (HMRT). The HMRT consists of~~ a compliment of apparatus, equipment and trained technicians and specialists. The HMRT shall assist in the control and containment of hazards created by releases and potential releases which exceed the capability of the jurisdiction having primary responsibility, and which shall provide consultation on identifying and managing hazardous materials releases or potential releases in a manner consistent with all local, state and federal laws and regulations regarding such releases.

2. ~~A County of Marin Hazardous Materials Management Team, consisting of representatives of the Marin County Fire Department, Office of Emergency Services, District Attorney, Sheriff, Health Department and Department of Public Works, shall be dispatched to the incident by County Communications when requested by the Hazardous Materials Response Team or Incident Commander.~~

Support Team – The Support Team consists of trained fire service personnel from the signatory agencies to support the HMRT operating in hazardous environments. The Support Team is restricted from operating within or immediately adjacent to chemical environments where hazardous materials emergency response teams would normally operate. The Support Team normally performs activates such as rescue

standby, decontamination, and logistical support, under the direction of the Decon Leader.

C. The fiscal agent shall have the authority to collect response related costs on behalf of signatory agencies. Signatory agencies may also collect their response related costs directly from the responsible party.

D. The fiscal agent shall have the authority, on behalf of the signatory agencies, to apply for, receive, and distribute grants from public or private agencies for the purposes set forth in this Agreement.

SECTION 3 Term~~s~~ of Agreement

A. Except as provided below, the term of this Agreement shall be for ten years, beginning on July 1, ~~2005~~ 2016 and terminating on June 30, ~~2015~~2026. A signatory agency may withdraw upon giving at least ninety (90) days~~'~~ written notice prior to the end of the fiscal year, effective as of the start of the next fiscal year, to all the other parties to the Agreement. ~~adoption of budget with written notice to all of the then parties.~~

B. Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories of this Agreement. Each party to this Agreement also ~~certifies~~ agrees that the ~~deletion~~ withdrawal of any party from this Agreement shall not affect this Agreement ~~n~~or ~~the~~ such remaining ~~such~~ party's intent to contract as described ~~above~~ herein, with the other then remaining parties to the Agreement other than to alter the pro rata share of costs.

SECTION 4 Operational Responsibilities

A. As soon as practical upon determining that a hazardous materials release or potential release has occurred, the public safety unit first arriving on scene shall:

1. Immediately isolate the scene, deny access to the scene and seek to protect people and/or livestock in the general vicinity.

2. Notify the Marin County Public Safety Communications Center (County Communications) of the location of the incident and affected area, the type of

incident (traffic accident, pipe breakage, etc.), the type and quantity of hazardous material or the characteristics of the material if its type is unknown, safe and unsafe routes to the scene, and ~~a~~ reques t immediate notification- of ~~to have~~the ~~Hazardous Materials Response Team~~HMRT ~~immediately requested~~

B. Upon notification of a hazardous materials release, County Communications will contact the ~~San Rafael Fire Department~~ Marin County Fire Department ECC for dispatch of the ~~Hazardous Materials Response Team~~HMRT and such other resources as called for by the protocol ~~indicates~~ of the jurisdiction in which the spill occurs. (The California Highway Patrol has jurisdiction over State highways.)

C. For each incident, command responsibility shall be delegated according to applicable ~~Sate~~State law. Where State law does not designate responsibility, each signatory city and County shall specify in writing to the ~~Haz Mat~~ HMRT~~Response Team~~ at regular intervals command authority for incidents within its jurisdiction. The incident commander may request additional assistance as he or she deems necessary to restore public health and safety.

D. When the ~~Hazardous Materials Response Team~~ HMRT determines that specialized resources may be required to mitigate the release or assist with clean-up, the HMRT shall provide the Incident Commander with the contact information for such resources.~~shall be advised and provided with the agencies that should be notified.~~

E. After an incident is under control, as determined by the Incident Commander, the following clean-up protocol shall be followed. First, a reasonable attempt shall be made to give the person(s) responsible for the incident adequate notice and opportunity to remove the hazardous substance. If, in the judgment of the Incident Commander, such opportunity has been adequately provided, considering the conditions, the Incident Commander may authorize ~~such~~ additional clean-up operations be carried out, if appropriate, by (1) the City/Town Public Works Department in which the incident occurred, (2) County Public Works for incidents in the unincorporated area, (3) California Department of Transportation ~~Cal-Trans~~ for incidents on a State highway, or (4) a licensed Hazardous Waste Clean-up Contractor. The Incident Commander may

authorize such additional ~~other~~ dean-up arrangements ~~deemed~~ determined to be appropriate for the restoration of public health and~~,~~ safety and for nuisance abatement. Clean-up of private property beyond these requirements shall be the responsibility of the property owner under the auspices of the County Health Officer.

F. Signatory agencies shall cooperate with such incident protocols as this ~~a~~Agreement may require.

~~G. Decon Engine Companies are a special resource staffed Type 1 Engine specifically equipped to set-up and perform decontamination. There are numerous Decon Engine Companies within the county. This resource is not normally dispatched at the time of requesting the HMRT.~~

~~H. Special Ops Trailers are a special resource. There are three (3) Decon Special Ops Trailers within the county. This resource is not normally dispatched at the time of requesting the HMRT.~~

SECTION 5. Resource Inventory

A. The signatory agencies agree to fund apparatus, equipment, training, medical monitoring, and personal protective equipment as may be required by the ~~fiduciary~~ fiscal agent specified in Section 6E to meet state and federal OSHA regulations pertaining to hazardous materials release response.

B. Each signatory agency shall provide the HMRT, when requested, with available information concerning ~~participant to the Agreement shall obtain from their Administrative Agency documentation disclosing~~ the storage location and use of hazardous materials in ~~their~~ its jurisdiction for reference by the ~~Hazardous Material Response Team~~HMRT.

SECTION 6. Financing

A. The principles for allocating ~~cost~~ responsibility for costs arising from response to a hazardous materials release ~~management~~ shall be as follows:

1. Primary responsibility for all extraordinary costs related to such an incident rests with the person(s) responsible for the spill. Damages and expenses incurred by the ~~Hazardous Materials Response Team~~HMRT shall constitute a debt

against the person and/or firm causing the incident and shall be collectable by the ~~fiduciary~~ fiscal agent specified in Section ~~6C~~ 6E of this agreement. Expenses, as stated above, shall include, but not be limited to, cost attributable to the use of equipment, personnel committed, and any payments required by the ~~Hazardous Materials Response Team~~HMRT to outside business firms requested by the ~~Team~~ HMRT to secure, investigate, and monitor remediation and cleanup of the incident. (See~~Reference~~ Section 13009.6, California Health and Safety Code.)

2. The State of California is not liable for any such costs unless one of its officers, employees, or agents is a person described in Section 6(A) 1 above; or unless the costs are associated with a spill for which a disaster is declared.

3. Funding sources for activities of the ~~Authority~~ HMRT will consist of contributions made by each party in a manner to be determined by the Marin County Fire Chief's Association as provided in subsection B below.

4. To the extent that signatory agencies are not reimbursed for extraordinary costs of managing an incident or its clean-up, the costs shall be the liability of the jurisdiction in which the spill occurred.

~~5.~~B. The ~~Hazardous Materials Response Team~~fiscal agent shall prepare and submit an ~~proposed~~ annual budget, and~~or~~ any supplemental budget, ~~shall be submitted~~ to the Marin County Fire Chief's Association for approval ~~in the time and manner as specified~~. Public funds may not be disbursed by the ~~Hazardous Materials Response Team~~HMRT with-out adoption of the approved budget, and all receipts and disbursements shall be in strict conformance with the approved budget. Following approval of the budget, and any supplemental budget, the fiscal agent shall invoice each party for its share of the budgeted costs, and payment shall be due to the fiscal agent within 30 days of such invoices.

~~B~~C. Cost sharing, to support the Hazardous Materials Response Team and to compensate the City of San Rafael for its services as fiscal agent as provided in subsection C below, shall be allocated on a jurisdiction percent of population based on the County of Marin's current census data. Where a Fire District and City share the population, each shall contribute one half of the~~ir~~ shared cost.

Jurisdiction	Percent Population
~~Alto FPD~~	~~2.4~~
City of Belvedere	1.0
Town of Corte Madera	3.6
County of Marin	11.6
Kentfield FPD	3.0
City of Larkspur	4.8
Marinwood CSD	2.0
City of Mill Valley	5.7
City of Novato ~~City~~	~~20.7~~ 11.65
Novato FPD	~~2.6~~ 11.65
~~Ross~~	~~1.1~~
Ross Valley FD*	~~9.4~~ 10.5
City of San Rafael	21.0
Southern Marin FPD**	9.2
Town of ~~Sausalito~~	~~3.1~~
~~Tamalpais FPD~~	~~3.7~~
Tiburon ~~City~~	3.3
Tiburon FPD	1.0
Total	**100%**

* Ross Valley FD percentage share includes Ross, San Anselmo, and Fairfax.

** Southern Marin FPD percentage share includes Sausalito.

D. Any ~~non participatory~~non-participatory agency shall be responsible for all costs incurred by the ~~Haz Mat~~Hazardous Materials Response Team.

E. ~~Pursuant to the requirements of Section 6505.5 of the Government Code~~ The City of San Rafael ~~Fire Department~~ is designated to be the ~~Treasurer, the depository and to have custody of all funds from whatever source~~ fiscal~~and~~ agent of the parties under this Agreement, with ~~to perform~~ the following functions, for which the City of San Rafael shall be reasonably compensated by the parties:

1. Serve as the depository and have custody of all funds from whatever source and establish and maintain such books, records, funds, and accounts as may be required by reasonable accounting practices.

2. Ensure that the disbursement of funds is in strict conformance with the adopted budget.

3. Provide an annual financial report on a fiscal year basis, and such other financial reports as may be requested by the Marin County Fire Chief's Association.

4. Administer cost recovery procedures for the collection of response related expenses and damages.

5. Serve as the financially responsible party for all grants.

~~D.~~

~~a. Receive and receipt all money for the Hazardous Materials Response Team and place it for credit of the San Rafael Hazardous Material Fund.~~

SECTION 7. Amendment

~~Non substantial amendments~~ Amendments to this Agreement may be made ~~by~~ by the approval of two-thirds (2/3) ~~vote~~ of the governing boards of the then signatory agencies.~~Marin County Fire Chiefs' Association.~~

SECTION 8. Notices

Except as provided in Section 3 for notices of withdrawal from this Agreement, all ~~All~~ notices required or given pursuant to this Agreement shall be made by depositing same in the U.S. mail, postage paid, and addressed as follows:

Hazardous Materials Response Team, c/o City of San Rafael Fire Department, ~~1039 C Street~~P.O. Box 151560, San Rafael, CA ~~94901~~94915.

SECTION 9. Hold Harmless

Each party shall indemnify and hold each other party harmless from and against all loss, cost, expense (including attorney's fees and expert witness fees), actions or liability occasioned by or arising out of the negligent acts, or negligent failure to perform under the authority of this Agreement by each ~~other~~ party's employees or its agents or contractors.

The tort liability of the ~~Authority~~ parties shall be controlled by the provisions of Government Code Division 3.6, Section 810 et seq. ~~of the Government Code.~~

~~The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.~~

SECTION 10. Entire Agreement

This JPA sets forth the entire Agreement between the parties with respect to content addressed herein and supersedes all prior agreements, communications, and representations, oral or written, express or implied, since the parties intend that this be an integrated Agreement.

SECTION 11. Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Faxed and scanned signature pages shall be treated as valid as the originals.

IN WITNESS WHEREOF, the parties have executed this Joint Powers Agreement as of the day and year first above written.

AGENCY: _____

By: _____

ATTEST:

_____

_____

Cost Sharing Summary

Agency	Cost Share	2016/17 Increase	2016/17 $85,000	2015/2016 $75,000	2014/15 $75,000	2013/14 $75,445	2012/13 $68,586
City of Novato	11 .65%	$1,165	**$9,903**	$8,738	$8,738	$8,789	$7,990
Town of Tiburon	3.30%	$330	**$2,805**	$2,475	$2,475	$2,490	$2,263
Mill Valley	5.70%	$570	**$4,845**	$4,275	$4,275	$4,300	$3,909
So. Marin Fire	9.20%	$920	**$7,820**	$6,900	$6,900	$6,941	$6,310
Tiburon Fire	1.00%	$100	**$850**	$750	$750	$754	$686
Kentfield Fire	3.00%	$300	**$2,550**	$2,250	$2,250	$2,263	$2,058
Novato Fire	11.65%	$1,165	**$9,903**	$8,738	$8,738	$8,789	$7,990
Marinwood	2.00%	$200	**$1,700**	$1,500	$1,500	$1,509	$1,372
Corte Madera	3.60%	$360	**$3,060**	$2,700	$2,700	$2,716	$2,469
County of Marin	11.60%	$1,160	**$9,860**	$8,700	$8,700	$8,752	$7,956
Larkspur	4.80%	$480	**$4,080**	$3,600	$3,600	$3,621	$3,292
Ross Valley Fire	10.50%	$1,050	**$8,925**	$7,875	$7,875	$7,922	$7,202
Belvedere	1.00%	$100	**$850**	$750	$750	$754	$686
San Rafael	21.00%	$2,100	**$17,850**	$15,750	$15,750	$15,843	$14,403
Total	100.00%	$10,000	**$85,000**	$75,000	$75,000	$75,445	$68,586

TOWN OF CORTE MADERA
RATIFICATION AND APPROVAL OF
PAYROLL AND DEMANDS (ACCOUNTS PAYABLE)
PERIOD 05/11/16 – 05/31/16

Submitted herewith are the Payroll and Demands (Accounts Payable) paid during the period of 05/11/16 through and including 05/31/16 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 (05/09/16 – 05/22/16)			
Payroll Check Numbers	5207 - 5219	$	24,674.26
Payroll Direct Deposit Numbers	29516 - 29589		164,180.39
Payroll Wire Transfer Numbers	2010 - 2014		161,578.98
Total Payroll		$	350,433.63
Payroll (Council-May)			
Payroll Check Numbers	5220 - 5220	$	273.00
Payroll Direct Deposit Numbers	29590 - 29593		729.76
Payroll Wire Transfer Numbers	2015 - 2017		326.39
Total Payroll		$	1,329.15
Payroll (05/01/16 – 05/31/16)			
Retiree Vested Rights Health Insurance Reimbursement			
Payroll Direct Deposit Numbers	29594 - 29638	$	27,625.19
Total Payroll		$	27,625.19
111 Warrant Check Numbers	213631 - 213777	$	528,541.06
Wire – Central Marin Police Monthly Payment (00/00/00)		$	0.00
Wire – Semi-Annual Debt Park Madera Ctr (00/00/00)		$	0.00
Wire – CalPERS GASB68 Payment (00/00/00)		$	0.00
Total Demands(Accounts Payable)			528,541.06
TOTAL PAYROLL AND DEMANDS		$	**907,929.03**

David James Bracken
Town Manager

Date 6/2/16

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

Date 06/01/16

APPROVED AT MEETING OF 06/06/16

SLOAN C. BAILEY, MAYOR

DIANE FURST, VICE MAYOR

JAMES ANDREWS, COUNCIL MEMBER

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 concerning the check register should be directed to George Warman at 927-5055. In his absence, a Jonna Intoschi or Lina Azevedo.

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Voucher List
TOWN OF CORTE MADERA

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213631	5/18/2016	af020c AFLAC, REMITTANCE PROCESSING	189013		INTOSCHI	
					INTOSCHI	68.04
					KRAMER	21.98
					RAVINA	21.96
					SANTOS	29.72
					ROSE	29.74
					MEJIA	29.72
					QUADROS	29.72
					RUSSELL	21.96
					GABBARD	29.82
					DOWNING	39.96
					PALMER, M.	119.82
					SCHROTH	39.96
					FISCHER	174.74
					MCGOVERN	22.44
					Total :	**679.58**
213632	5/18/2016	ai025c AIR EXCHANGE, INC.	38232		BUILDING MAINTENANCE	
					BUILDING MAINTENANCE	1,114.97
					Total :	**1,114.97**
213633	5/18/2016	ai560c AIRGAS	9936138346		CHEMICALS, GASES	
					CHEMICALS, GASES	229.95
					Total :	**229.95**
213634	5/18/2016	al048c ALHAMBRA AND SIERRA SPRINGS, 2875(	5135078 051116		WATER	
					WATER	80.13
					Total :	**80.13**
213635	5/18/2016	al046c ALHAMBRA, 28776025139045 (PW-342)	5139045 051116		WATER	
					WATER	78.00
					Total :	**78.00**
213636	5/18/2016	be050c BENEFITS STORE, INC., THE	APRIL-2016		ADMINISTRATION	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213636	5/18/2016	be050c BENEFITS STORE, INC., THE	(Continued)			
					ADMINISTRATION	8.17
					FINANCE	24.51
					FIREFIGHTERS	24.51
					FIREFIGHTERS	65.26
					PLANNING	8.17
					BUILDING	8.17
					PUBLIC WORKS-CORP	8.17
					PUBLIC WORKS	16.34
					PUBLIC WORKS	40.85
					PUBLIC WORKS	8.17
					RECREATION	16.34
					FIRE	16.34
					Total :	**245.00**
213637	5/18/2016	cl106c CLICKTIME.COM	194705		CLICK TIME TRACKING SYSTEM	
					CLICK TIME TRACKING SYSTEM	192.00
					Total :	**192.00**
213638	5/18/2016	da025c D & K AUTO SERVICES	50487		2006 HONDA - RIDGELINE - VISTA S	
					2006 HONDA - RIDGELINE - VISTA S	89.95
			50548		2000 LAWN MOVER - KUBOTA	
					2000 LAWN MOVER - KUBOTA	725.50
					Total :	**815.45**
213639	5/18/2016	pc101c DANG, MICHAEL	9088		DATA PROCESSING SUPPLIES	
					DATA PROCESSING SUPPLIES	289.98
					DATA PROCESSING EQUIPMENT	4,774.35
					TOWN WIDE NET WORK SYSTEM	7,360.00
					SEWER	-920.00
					FIRE	-805.00
					RECREATION	-460.00
					BUILDING	-115.00
					SEWER	920.00
					FIRE	805.00

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213639	5/18/2016	pc101c DANG, MICHAEL	(Continued)			
					RECREATION	460.00
					BUILDING	115.00
					Total :	**12,424.33**
213640	5/18/2016	su103c DANIEL MUTISO MUITHYA	1530		JANITORIAL SVCS.	
					JANITORIAL SVCS.	2,200.00
					Total :	**2,200.00**
213641	5/18/2016	dc115c DC ELECTRIC GROUP, INC.	25598		J1622-SERRA/TAM STREET LIGHTS	
					J1622-SERRA/TAM STREET LIGHTS	7,895.00
					Total :	**7,895.00**
213642	5/18/2016	de105c DE FRANCIS, TONI	05/04/2016STMT		MINUTES CLERK	
					MINUTES CLERK	240.00
			05/10/2016STMT		MINUTES CLERK	
					MINUTES CLERK	160.00
					Total :	**400.00**
213643	5/18/2016	di045c DIEGO TRUCK REPAIR, INC.	48688		MOTOR VEHICLE MAINT.	
					MOTOR VEHICLE MAINT.	1,309.34
			48746		MOTOR VEHICLE MAINT.	
					MOTOR VEHICLE MAINT.	2,806.40
			48819		MOTOR VEHICLE MAINT.	
					MOTOR VEHICLE MAINT.	432.46
					Total :	**4,548.20**
213644	5/18/2016	dm101c DMV RENEWAL	05/06/2016STMT		PTI - 2007 HLMRK	
					PTI - 2007 HLMRK	10.00
					Total :	**10.00**
213645	5/18/2016	ew020c EWING IRRIGATION PRODUCTS	1381010		TURF-MAIN TOWN PARK	
					TURF-MAIN TOWN PARK	313.48
					Total :	**313.48**
213646	5/18/2016	fe500c FERGUSON ENTERPRISES,INC. #686	4744974		HANGING BASKETS	
					HANGING BASKETS	93.00

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213646	5/18/2016	fe500c fe500c FERGUSON ENTERPRISES,INC. #68 (Continued)			Total :	93.00
213647	5/18/2016	fi100c FINE LINE STRIPING INC.	I16015		PARADISE AVE TURN POCKET	
					PARADISE AVE TURN POCKET	7,895.00
			I16025		FIFER AVE/NELLEN AVE	
					FIFER AVE/NELLEN AVE	1,200.00
			I16026		REPLACE MISSING AND DAMAGE M	
					REPLACE MISSING AND DAMAGE M	6,385.00
			I16027		RESTRIPE THERMO CROSSWALK (	
					RESTRIPE THERMO CROSSWALK (	5,750.00
			I16028		RESTRIPE GOLDEN HIND AREA AN	
					RESTRIPE GOLDEN HIND AREA AN	3,500.00
					Total :	24,730.00
213648	5/18/2016	fi075c FIRE KING FIRE PROTECTION, INC	WO-4007		ANNUAL INSPECTIONS, TESTING A	
					ANNUAL INSPECTIONS, TESTING A	290.95
					ANNUAL INSPECTIONS, TESTING A	100.00
					ANNUAL INSPECTIONS, TESTING A	300.00
					ANNUAL INSPECTIONS, TESTING A	300.00
					ANNUAL INSPECTIONS, TESTING A	200.00
					ANNUAL INSPECTIONS, TESTING A	100.00
					ANNUAL INSPECTIONS, TESTING A	100.00
					Total :	1,390.95
213649	5/18/2016	fi046c FISHMAN SUPPLY CO. (REC-7856)	1032741.1		SEAT COVER	
					SEAT COVER	42.73
					Total :	42.73
213650	5/18/2016	go410c GOLDEN STATE CHEMICAL & SUPPLY	888860		GLOVES	
					GLOVES	1,000.00
					VIONEX ANTI- HANDSOAP	505.09
			888872		LYSOL BRAND DISEN. APC	
					LYSOL BRAND DISEN. APC	181.41
					Total :	1,686.50
213651	5/18/2016	go031c GOLDEN STATE EMERGENCY	CI002814		RADIO'S	

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213651	5/18/2016	go031c GOLDEN STATE EMERGENCY	(Continued)			
					RADIO'S	144.99
					Total :	**144.99**
213652	5/18/2016	go055c GOPHER-IT TRENCHLESS-	G1193		SEWER REPAIRS AT 80 SUMMIT	
					SEWER REPAIRS AT 80 SUMMIT	32,700.00
					Total :	**32,700.00**
213653	5/18/2016	gr060c GRAINGER,INC. W.W.-(P.W.)	9098560940		BOTTLE FILLING STATION, INDOOF	
					BOTTLE FILLING STATION, INDOOF	1,652.88
					Total :	**1,652.88**
213654	5/18/2016	gr027c GREEN VALLEY TRACTOR, INC.	122682		EQUIPMENT & MACHINERY REPLA	
					EQUIPMENT & MACHINERY REPLA	734.50
					Total :	**734.50**
213655	5/18/2016	gu116c GUY JR., ROBERT MARCUS	R-35635		2016 EMT REFRESCHER CLASS	
					2016 EMT REFRESCHER CLASS	1,700.00
					Total :	**1,700.00**
213656	5/18/2016	ho175c HORIZON	1Q065675		IRRAGATION SUPPLIES	
					IRRAGATION SUPPLIES	773.05
			1Q066267		IRRIGATOIN SUPPLIES	
					IRRIGATOIN SUPPLIES	168.39
					Total :	**941.44**
213657	5/18/2016	in114c INVOICE PROCESSING DEPT.	i691633647693		BRIDGE TOLL	
					BRIDGE TOLL	7.25
					Total :	**7.25**
213658	5/18/2016	kb100c KBA DOCUSYS	INV435417		WATE TONER BOTTLE	
					WATE TONER BOTTLE	12.95
					Total :	**12.95**
213659	5/18/2016	li112c LINSCOTT ENGINEERING CONTRACT.	04/06/2016STMT		GASB	
					GASB	4,392.60
					GOLDEN HIND PSG PUMPING STAT	18,505.20

Bank code : bom

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
213659	5/18/2016	li112c	li112c LINSCOTT ENGINEERING CONTRACT (Continued)			Total :	22,897.80
213660	5/18/2016	ma977c	MARIN ACURA	205427		SENSOR ASSY	
						SENSOR ASSY	71.00
						Total :	71.00
213661	5/18/2016	ma600c	MARIN COUNTY SHERIFF'S OFFICE	16242		DISPATCH SVCS.	
						DISPATCH SVCS.	15,955.00
						DISPATCH SVCS.	15,956.00
				16257		DISPATCH SVCS.	
						DISPATCH SVCS.	481.66
						DISPATCH SVCS.	1,926.67
						DISPATCH SVCS.	481.67
						Total :	34,801.00
213662	5/18/2016	ma620c	MARINSCOPE COM. NEWSPAPERS	G 41751		ADVERTISMENT	
						ADVERTISMENT	325.00
						Total :	325.00
213663	5/18/2016	mc100c	MC MASTER-CARR, SUPPLY CO.	58231012		HAND TOOLS AND MINOR EQUIPM	
						HAND TOOLS AND MINOR EQUIPM	73.01
						Total :	73.01
213664	5/18/2016	me112c	MEDICAL CENTER OF MARIN	00079634-00		RECRUITMENT	
						RECRUITMENT	130.00
						Total :	130.00
213665	5/18/2016	me068c	METROPOLITAN PLANNING GROUP	2472		TAMAL VISTA EAST CORRIDOR	
						TAMAL VISTA EAST CORRIDOR	4,477.71
						Total :	4,477.71
213666	5/18/2016	mi111c	MISSION COMMUNICATIONS LLC	1001896		ANTENNA CALBE	
						ANTENNA CALBE	198.79
						Total :	198.79
213667	5/18/2016	ne040c	NELSON PERSONNEL SERVICES	6118842		PART TIME HELP - LISA HARPER	
						PART TIME HELP - LISA HARPER	1,061.28

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213667	5/18/2016	ne040c NELSON PERSONNEL SERVICES	(Continued)			
					PART TIME HELP - LISA HARPER - /	2.40
					Total :	**1,063.68**
213668	5/18/2016	po145c POLSKY PERLSTEIN ARCHITECTS	12568		PROJECT: CORTE MADERA TOWN	
					PROJECT: CORTE MADERA TOWN	3,342.26
					Total :	**3,342.26**
213669	5/18/2016	ra026c R & S ERECTION OF SANTA ROSA	0075971-IN		BUILDING MAINTENANCE	
					BUILDING MAINTENANCE	480.00
					Total :	**480.00**
213670	5/18/2016	ri041c RICOH USA, INC. - CORP YARD, 89846-10	96812714		PHOTOCOPYING EQUIP. MAINT.	
					PHOTOCOPYING EQUIP. MAINT.	205.98
					Total :	**205.98**
213671	5/18/2016	ro450c ROY'S SEWER SERVICE, INC.	193053		260 SUMMIT SEWER	
					260 SUMMIT SEWER	1,360.00
			193520		GREAS RUN - CLEAN SEWER MAIN	
					GREAS RUN - CLEAN SEWER MAIN	17,995.00
					Total :	**19,355.00**
213672	5/18/2016	si195c SIMPSON, HARRY	002045		CONTRACT INSTRUCTOR	
					CONTRACT INSTRUCTOR	1,522.50
					Total :	**1,522.50**
213673	5/18/2016	bo101c TOWNSEND, MICHAEL D.	05/15/2016STMT		PARADISE DRIVE	
					PARADISE DRIVE	2,200.00
			05/15/2016STMTA		REDWOOD AVENUE	
					REDWOOD AVENUE	4,750.00
			05/15/2016STMTB		83 PIXLEY AVE	
					83 PIXLEY AVE	15,500.00
					Total :	**22,450.00**
213674	5/18/2016	ul106c ULINE	76509020		PEGBOARD MOUNTING HARDWAR	
					PEGBOARD MOUNTING HARDWAR	76.63

Bank code : bom

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
213674	5/18/2016	ul106c	ul106c ULINE	(Continued)		Total :	76.63
213675	5/18/2016	ve023c	VERIZON WIRELESS-6707227710001	9764879634		TELEPHONE - CORP. YARD	
						TELEPHONE - CORP. YARD	746.83
						TELEPHONE - CORP. YARD	59.75
						Total :	806.58

45 Vouchers for bank code : bom — **Bank total : 209,340.22**

45 Vouchers in this report — **Total vouchers : 209,340.22**

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213676	5/23/2016	ba024c BARNARD, NANCY	05.19.2016		REFUND: DAMAGE DEPOSIT	
					REFUND: DAMAGE DEPOSIT	900.00
					Total :	**900.00**
213677	5/26/2016	at095c A T & T U-VERSE, #117724553	04/10/16-05/09/16		ON LINE STORAGE LINE TO TCPA	
					ON LINE STORAGE LINE TO TCPA	85.00
					Total :	**85.00**
213678	5/26/2016	ab051c ABBEY PARTY RENTAL	R-35057		MISC. PROF. SPECIALIZED SERVIC	
					MISC. PROF. SPECIALIZED SERVIC	2,500.00
					MISC. PROF. SPECIALIZED SERVIC	2,590.00
					Total :	**5,090.00**
213679	5/26/2016	al050c ALHAMBRA AND SIERRA SPRINGS, 2877	5139740 051516		WATER	
					WATER	59.21
					Total :	**59.21**
213680	5/26/2016	al047c ALHAMBRA AND SIERRA SPRINGS, 3274	6037959 051516		WATER	
					WATER	6.71
					WATER	6.71
					WATER	6.71
					WATER	6.71
					WATER	6.69
					Total :	**33.53**
213681	5/26/2016	ba023c BAROY, CYMANTHA	R-27442		HEALTH CLUB MEMBERSHIP	
					HEALTH CLUB MEMBERSHIP	275.00
					Total :	**275.00**
213682	5/26/2016	ba545c BAY ALARM COMPANY-243028	13013237		MONITORING FEE-FIRE	
					MONITORING FEE-FIRE	861.00
					Total :	**861.00**
213683	5/26/2016	ba170c BAY ALARM-1788928	05/15/2016		MONITORING FEE BURGLAR ALAR	
					MONITORING FEE BURGLAR ALAR	233.64

Bank code : bom

Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amount
213683	5/26/2016	ba170c	ba170c BAY ALARM-1788928	(Continued)		Total :	**233.64**
213684	5/26/2016	ca210c	CAPFF, CALF. ASSN. OF PROF. F.F.	JUNE-16		PREMIUM	
						PREMIUM	42.52
						Total :	**42.52**
213685	5/26/2016	ca037c	CARROT-TOP INDUSTRIES, INC.	30493600		MISC. SUPPLIES	
						MISC. SUPPLIES	1,369.83
						Total :	**1,369.83**
213686	5/26/2016	co136c	CODE SOURCE	8798		INSPECITON SERVICE FOR MARCH	
						INSPECITON SERVICE FOR MARCH	760.00
				8799		INSPECTION SERVICE MARCH 201	
						INSPECTION SERVICE MARCH 201	1,960.00
				8800		INSPECTION SERVICE FOR MARCH	
						INSPECTION SERVICE FOR MARCH	840.00
				8801		INSPECTION SERVICES FOR MARC	
						INSPECTION SERVICES FOR MARC	720.00
				8802		INSPECITON SERVICES FOR MARC	
						INSPECITON SERVICES FOR MARC	720.00
				8803		INSPECTION SERVICE FOR MARCH	
						INSPECTION SERVICE FOR MARCH	120.00
				8804		SITE IMPROVEMENTS/PW	
						SITE IMPROVEMENTS/PW	80.00
				8808		FIELD INSPECITON SERVICES MAY	
						FIELD INSPECITON SERVICES MAY	4,240.00
				8809		FIELD INSPECITON SERVICES MAY	
						FIELD INSPECITON SERVICES MAY	560.00
				8810		FIELD INSPECITON SERVICE - MAY	
						FIELD INSPECITON SERVICE - MAY	400.00
						Total :	**10,400.00**
213687	5/26/2016	co121c	COMCAST- 028617, 0208847, 5594, 0010(	5/19/16-6/18/16		REC. CTR. "DSL" LINE	
						REC. CTR. "DSL" LINE	141.20
						Total :	**141.20**

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213688	5/26/2016	co195c CORPORATE PAYMENT SYSTEMS	05/13/16STMT		TEAM BUILDING	
					TEAM BUILDING	55.06
					FOODS	373.80
					EDUCATION/TRAINING	425.00
					RADIO EQUIP. MAINT.	215.85
					RADIO EQUIP. MAINT.	786.89
					SUPPLIES CREDIT	-202.05
					REC. SUPPLIES	2,476.21
					GRAINGER	1,513.38
					UTILITIE - TELEPHONE	1,123.86
					MISC. SUPPLIES	124.67
					PUBLICITY/MARKETING	59.98
					REC. SUPPLIES	-1,217.90
					SENIOR CITZ. PROG	304.04
					MEDICAL TRAINING	200.00
					TOOLS	15.50
					MEETING	22.00
					REC. SUPPLIES	71.52
					MEETING	102.00
					SERVICE	49.00
					REC. SUPPLIES	164.11
					MISC. SUPPLIES	7.15
					MILEAGE, PARKING	52.60
					CONFERENCE & CONVENTION	501.80
					MISC. SUPPLIES	63.65
					MISC. SUPPLIES	583.59
					FOODS	156.08
					SENIOR PROG	641.74
					REC. SUPPLIES	122.71
					SENIOR PROG	56.81
					BLUE PRINTS	54.08
					MISC. SUPPLIES	94.22
					OFFICE SUPPLIES	105.63
					PUBLICITY & MARKETING	124.99

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213688	5/26/2016	co195c CORPORATE PAYMENT SYSTEMS	(Continued)			
					REPLACE 1/2 TON	877.99
					JANITORIAL SUPPLIES	186.18
					EQUIP. MACH, REPLACMENT PART	221.48
					SAFETY & PRTOECTIVE ITEMS	152.06
					SAFETY & PRTOECTIVE ITEMS	1,637.87
					SENIOR CITIZENS PORG.	417.93
					REC. SUPPLIES	758.08
					MISC. SUPPLIES	26.98
					BLDG. MAINT. SUPPLIES	32.74
					REC. SUPPLIES	1,499.43
					REC. SUPPLIES	-223.55
					MEETINGS	49.97
					RECURITMENT	34.76
					SAN CLEMENTE RESTROOMS	1,000.00
					SAN CLEMENTE RESTROOMS	-1,000.00
					OFFICE SUPPLIES	166.38
					REPLACE 1/2 TON	573.84
					MOTOR VEH REP PARTS	234.60
					MOTOR VEH REP PARTS	694.40
					MOTOR VEH REP PARTS	204.60
					EQUIPMENT MACH, REPL. PARTS	-402.29
					EQUIPMENT MACH, REPL. PARTS	737.00
					HAND TOOLS MINOR EQUIPMENT	907.98
					HAND TOOLS MINOR EQUIPMENT	300.00
					HAND TOOLS MINOR EQUIPMENT	907.97
					MISC. SUPPLIES	107.91
					EQUIP. MACH MAINT.	230.73
					MISC. SUPPLIES	64.97
					IRRIGATION SUPPLIES	299.91
					MISC. SUPPLIES	49.03
					EDUCATION	271.96
					OFFICE SUPPLIES	25.97
					JANITORIAL SUPPLIES	5.92

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213688	5/26/2016	co195c CORPORATE PAYMENT SYSTEMS	(Continued)			
					MEETING	89.22
					Total :	**20,369.99**
213689	5/26/2016	pe176c CORTE MADERA-PERS HEALTH BENEF	JUNE 2016		SERVICE CHARGE	
					SERVICE CHARGE	348.42
					RETIRED	5,875.00
					LAPPERT, MICHAEL	746.47
					PRETE	-133.53
					QUADROS	-133.53
					CRAFT	-1,492.94
					LEHMAN	-746.47
					BAROY	-1,940.82
					Total :	**2,522.60**
213690	5/26/2016	de305c DELTA DENTAL OF CALIFORNIA	JUNE-2016 PREMIUM		RETIREE BENEFITS	
					RETIREE BENEFITS	1,604.88
					CRAFT AND LEHMAN	-155.82
					BAROY	-111.03
					Total :	**1,338.03**
213691	5/26/2016	ev109c EVERBANK COMMERCIAL FINANCE	3747632		PHOTOCOPY EQUIPMENT MAINTEI	
					PHOTOCOPY EQUIPMENT MAINTEI	799.23
					Total :	**799.23**
213692	5/26/2016	fi135c FIORENTINI, MARIO - FLEX BENEFITS	05/20/2016STMT		FLEX - 125	
					FLEX - 125	2,549.82
					Total :	**2,549.82**
213693	5/26/2016	fi047c FISHMAN SUPPLY CO. - (P/P/B)	1035363		OFFICE SUPPLIES	
					OFFICE SUPPLIES	44.44
			1035364		OFFICE SUPPLIES	
					OFFICE SUPPLIES	85.43
					Total :	**129.87**
213694	5/26/2016	fl044c FLORES, JUAN	R-34861		PICNIC DEPOSIT REFUND	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213694	5/26/2016	fl044c FLORES, JUAN	(Continued)			
					PICNIC DEPOSIT REFUND	200.00
					Total :	**200.00**
213695	5/26/2016	fr034c FRANCHEY, BILLY	R-34876		PICNIC DEPOSIT REFUND	
					PICNIC DEPOSIT REFUND	200.00
					Total :	**200.00**
213696	5/26/2016	ha019c HAAG, KEITH AND JULIE	05/18/2016STMT		TOWN ENG. COST RECOVERY	
					TOWN ENG. COST RECOVERY	-103.20
					FINANCE DEPT COST RECOVERY	-138.40
					241 WILLOW	241.60
					241 WILLOW	758.40
					Total :	**758.40**
213697	5/26/2016	in114c INVOICE PROCESSING DEPT.	I691530603966		BRIDGE TOLL	
					BRIDGE TOLL	7.25
			i691633702026		BRIDGE TOLLS	
					BRIDGE TOLLS	14.50
					Total :	**21.75**
213698	5/26/2016	jo124c JOHNSON, ROBERT B.	6569		REC. CENTER - REPLACE GFCI IN	
					REC. CENTER - REPLACE GFCI IN	165.50
					Total :	**165.50**
213699	5/26/2016	ka117c KAISER FOUNDATION HEALTH PLAN	05/08/2016STMT		MEDICAL BENEFITS	
					MEDICAL BENEFITS	1,186.00
					Total :	**1,186.00**
213700	5/26/2016	ln075c L.N. CURTIS & SONS	INV26133		CLOTHING, UNIFORMS	
					CLOTHING, UNIFORMS	353.81
			INV26980		CLOTHING, UNIFORMS	
					CLOTHING, UNIFORMS	2,601.83
					Total :	**2,955.64**
213701	5/26/2016	ma026c MARIN HUMANE SOCIETY	05/23/2016STMT		CONTRACT INSTRUCTORS	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213701	5/26/2016	ma026c MARIN HUMANE SOCIETY	(Continued)			
					CONTRACT INSTRUCTORS	670.00
					Total :	**670.00**
213702	5/26/2016	ma550c MARIN MUNICIPAL WATER DISTRICT	05/19/2016STMT		WATER	
					WATER	427.68
					WATER	790.78
					WATER	8,956.35
					WATER	141.25
					WATER	390.46
					Total :	**10,706.52**
213703	5/26/2016	of029c OFFICE DEPOT-FIRE-89507905, FILE #81	838863694001		OFFICE SUPPLIES	
					OFFICE SUPPLIES	96.82
					OFFICE SUPPLIES	31.93
					Total :	**128.75**
213704	5/26/2016	pr027c PREFERRED ALLIANCE, INC.	0121703-IN		NON-RANDON TESTS	
					NON-RANDON TESTS	42.00
					Total :	**42.00**
213705	5/26/2016	pr201c PRETE, KENNETH - FLEX BENEFITS	05/20/2016STMT		FLEX BENEFITS	
					FLEX BENEFITS	300.00
					Total :	**300.00**
213706	5/26/2016	r3100c R3 CONSULTING GROUP, INC.	7823		ZERO WASTE IMPLEMENTATION PI	
				1853	DEVELOP ZERO WASTE IMPLEMEI	568.41
					Total :	**568.41**
213707	5/26/2016	re141c RENNE SLOAN HOLTZMAN SAKAI	31188		481 MONTECITO	
					481 MONTECITO	2,470.00
			31189		CORTE MADERA INN	
					CORTE MADERA INN	2,600.00
			31190		GENERAL PLANNING	
					GENERAL PLANNING	3,245.00
			31191		MARIN COUNTRY DAY SCHOOL	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213707	5/26/2016	re141c RENNE SLOAN HOLTZMAN SAKAI	(Continued)			
					MARIN COUNTRY DAY SCHOOL	520.00
			31192		NON-LITIGATION	
					NON-LITIGATION	5,450.00
					Total :	**14,285.00**
213708	5/26/2016	ro065c RODRIGUEZ, LORENA	R-34872		PICNIC DEPOISIT REFUND	
					PICNIC DEPOISIT REFUND	200.00
					Total :	**200.00**
213709	5/26/2016	ro200c ROSE, KEVIN - FLEX BENEFITS	05/20/2016STMT		FLEX BENEFITS	
					FLEX BENEFITS	637.70
					Total :	**637.70**
213710	5/26/2016	ro151c ROSTAD, KIKI K.	INVOICE 2		CONTRACTOR INSTRUCTORS	
					CONTRACTOR INSTRUCTORS	1,235.00
					Total :	**1,235.00**
213711	5/26/2016	sh030c SHUNK, REBECCA	05/25/2016STMT		REFUND OF DAMAGE DEPOSIT	
					REFUND OF DAMAGE DEPOSIT	900.00
					Total :	**900.00**
213712	5/26/2016	sm117c SMITH-ALLEN, CARY	R-34871		PICNIC DEPOSIT REFUND	
					PICNIC DEPOSIT REFUND	200.00
					Total :	**200.00**
213713	5/26/2016	sp109c SPARK	MAY 2016		SLOAN BAILEY - DONATION OF MO	
					SLOAN BAILEY - DONATION OF MO	350.00
					Total :	**350.00**
213714	5/26/2016	st036c STERLING, DAYNE	R-35058		REIMBURSMENT FOR PURCHASE	
					REIMBURSMENT FOR PURCHASE	392.97
					Total :	**392.97**
213715	5/26/2016	ta025c T & B SPORTS, INC.	00026224		REC. SUPPLIES	
					REC. SUPPLIES	78.44

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213715	5/26/2016	ta025c ta025c T & B SPORTS, INC.	(Continued)		**Total :**	**78.44**
213716	5/26/2016	th028c THE PROTOCOL ACADEMY	1109		CONTRACTOR INSTRUCTORS	
					CONTRACTOR INSTRUCTORS	1,430.00
					Total :	**1,430.00**
213717	5/26/2016	va036c VAUGHN, REBECCA - FLEX BENEFITS	05/20/2016STMT		FLEX - 125	
					FLEX - 125	80.00
					Total :	**80.00**
213718	5/26/2016	ve125c VERIZON WIRELESS 670722771-2	9764879635		UTILITES - TELEPHONE	
					UTILITES - TELEPHONE	750.00
					UTILITES - TELEPHONE	750.00
					Total :	**1,500.00**
213719	5/26/2016	vi100c VSP (CA) #00 114728 0001 MAPE, ATTN: /	JUNE 2016 - PREMIUM		MEJIA, GUILLERMO	
					MEJIA, GUILLERMO	17.01
					VELAZQUEZ, ODILON	17.01
					DOWNING, GARY	17.01
					PAYES, EDWIN	17.01
					MITCHELL, MATTHEW	17.01
					RAVINA, JAMES	17.01
					SANTOS, VERNON	17.01
					Total :	**119.07**
213720	5/26/2016	vi099c VSP (CA) ACCT: 12 220077 0001, ATTN: A	JUNE 2016		RETIREE HEALTH INSURANCE	
					RETIREE HEALTH INSURANCE	280.11
					Total :	**280.11**
213721	5/26/2016	wo153c WOLFF, ADAM - FLEX BENEFITS	05/20/2016SMTM		FLEX - 125	
					FLEX - 125	206.12
					Total :	**206.12**

46 Vouchers for bank code : bom **Bank total : 86,997.85**

46 Vouchers in this report **Total vouchers : 86,997.85**

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213722	5/31/2016	3t020c 3T EQUIPMENT COMPANY, INC.	65737		EQUIPMENT, MACHINERY REPLAC	
					EQUIPMENT, MACHINERY REPLAC	1,331.23
					EQUIPMENT, MACHINERY REPLAC	1,000.00
					Total :	**2,331.23**
213723	5/31/2016	am035c AMY SKEWES-COX, AICP	143/26		CORTE MADERA INN REBUILD EIR	
					CORTE MADERA INN REBUILD EIR	4,162.50
					Total :	**4,162.50**
213724	5/31/2016	ar125c ARAMARK UNIFORM SERVICES'	04/30/2016STMT		BUILDING MAINTENANCE	
					BUILDING MAINTENANCE	171.00
					BUILDING MAINTENANCE	247.50
					BUILDING MAINTENANCE	108.00
					MISC. SUPPLIES	248.50
					CLOTHING & UNIFORMS	201.76
					CLOTHING & UNIFORMS	203.28
					CLOTHING & UNIFORMS	253.50
					CLOTHING & UNIFORMS	229.50
					JANITORIAL SUPPLIES	248.50
					Total :	**1,911.54**
213725	5/31/2016	at110c AT & T MOBILITY-287016673845	287016673845X052316		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	80.39
					UTILITIES - TELEPHONE	108.80
			287245897656X051716		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	41.59
					UTILITIES - TELEPHONE	166.34
					UTILITIES - TELEPHONE	41.58
					Total :	**438.70**
213726	5/31/2016	at114c AT & T MOBILITY-876700579	876700579X052316		UTILITIES - TELEPHONE	
					UTILITIES - TELEPHONE	64.50
					UTILITIES - TELEPHONE	65.00
					UTILITIES - TELEPHONE	65.00

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213726	5/31/2016	at114c AT & T MOBILITY-876700579	(Continued)			
					UTILITIES - TELEPHONE	65.00
					UTILITIES - TELEPHONE	65.00
					Total :	**324.50**
213727	5/31/2016	at079c AT&T - 119112770-7	04/16/16 - 05/15/16		PROGRAMMING SERVICES	
					PROGRAMMING SERVICES	95.00
					Total :	**95.00**
213728	5/31/2016	at050c ATHENS ADMINISTRATORS, WORKERS' (	06/01/2016STMT		W.C. CLAIM PAYMENT EXPENSE	
					W.C. CLAIM PAYMENT EXPENSE	4,639.22
					Total :	**4,639.22**
213729	5/31/2016	ba550c BAY AREA BARRICADE SERVICE,INC	0337392-IN		SOLAR FLASHERS	
					SOLAR FLASHERS	459.56
					Total :	**459.56**
213730	5/31/2016	bl022c BLACK WATER CONSULTING	1774		B-MASTER PLAN UPDATE	
					B-MASTER PLAN UPDATE	284.90
					Total :	**284.90**
213731	5/31/2016	bo023c BONARDI, FRANK	52516		CONTRACTO INSTRUCTOR	
					CONTRACTO INSTRUCTOR	8,000.00
					Total :	**8,000.00**
213732	5/31/2016	bo033c BORDENAVE'S BAKERY	R-35056		CENTENNIAL PICINIC	
					CENTENNIAL PICINIC	507.00
					Total :	**507.00**
213733	5/31/2016	bo105c BOUND TREE MEDICAL, LLC	82151992		MEDICAL SUPPLIES	
					MEDICAL SUPPLIES	1,704.80
					Total :	**1,704.80**
213734	5/31/2016	br134c BRADLEY, CURLEY, ASIANO, ABEL	05/27/2016STMT		GRIZEL AND JANETH ORTIZ - 4449	
					GRIZEL AND JANETH ORTIZ - 4449	9,785.58
					Total :	**9,785.58**

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213735	5/31/2016	ci115c CIT - CUSTOMER #2000304630	28623337		CANNON SERVICE	
					CANNON SERVICE	301.46
					CANNON SERVICE	301.46
					CANNON SERVICE	150.10
					CANNON SERVICE	433.29
					CANNON SERVICE	622.08
					Total :	**1,808.39**
213736	5/31/2016	co008c COASTLAND CIVIL ENG., INC.	39330		SAFE PATHWAYS - TAMALPAIS DR	
				1869	SAFE PATHWAYS - TAMALPAIS DR	7,925.85
					Total :	**7,925.85**
213737	5/31/2016	co136c CODE SOURCE	8753		ELEPHANT FOUNTAIN	
					ELEPHANT FOUNTAIN	440.00
			8754		CLOCK TOWER	
					CLOCK TOWER	440.00
					Total :	**880.00**
213738	5/31/2016	co121c COMCAST- 028617, 0208847, 5594, 0010(	06/01/16-06/30/16		CABLE TV	
					CABLE TV	132.86
					Total :	**132.86**
213739	5/31/2016	co755c CORTE MADERA CHAMBER OF COMM., '	APRIL 2016		CONTRIBUTION & SUBSIDIES	
					CONTRIBUTION & SUBSIDIES	14,392.32
					ADMIN	172.00
					COST RECOVERY	-172.00
					Total :	**14,392.32**
213740	5/31/2016	co800c CORTE MADERA COMM. FOUNDATION	R-35055		CENTENNIAL SALE MERCHANDISE	
					CENTENNIAL SALE MERCHANDISE	1,240.00
					Total :	**1,240.00**
213741	5/31/2016	ma120c COUNTY OF MARIN	05/31/2016STMT		MARIN TOURISM IMPROVE DISTRI(	
					ADMIN.	172.00
					COST RECOVERY	-172.00
					MARIN TOURISM IMPROVE DISTRI(	14,392.32

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213741	5/31/2016	ma120c ma120c COUNTY OF MARIN	(Continued)		**Total :**	**14,392.32**
213742	5/31/2016	cs026c CSG CONSULTANTS, INC.	7150		PERMIT TECHNICIAN SERVICES - (	
					PERMIT TECHNICIAN SERVICES - (	13,860.00
					Total :	**13,860.00**
213743	5/31/2016	da025c D & K AUTO SERVICES	50682		2014 - HONDA RIDGE - S72 SERIVC	
					2014 - HONDA RIDGE - S72 SERIVC	120.89
					Total :	**120.89**
213744	5/31/2016	su103c DANIEL MUTISO MUITHYA	1531		JANITORIAL SVCS.	
					JANITORIAL SVCS.	2,200.00
					Total :	**2,200.00**
213745	5/31/2016	da120c DAVID KEANE	06/01/2016STMT		GENERAL ENG.	
					GENERAL ENG.	2,650.00
					GENERAL SANITARY	675.00
					PLAN CHECK	6,175.00
					SANITARY PLAN CHECK	800.00
					Total :	**10,300.00**
213746	5/31/2016	dc115c DC ELECTRIC GROUP, INC.	25858		M5005-SL ROUTINE	
					M5005-SL ROUTINE	1,085.76
			25859		M5006 - SL RESPONSE	
					M5006 - SL RESPONSE	592.00
			25887		M1005C-TS ROUTINE	
					M1005C-TS ROUTINE	7,315.66
			25888		M1006 - TS RESPONSE	
					M1006 - TS RESPONSE	522.94
					Total :	**9,516.36**
213747	5/31/2016	de105c DE FRANCIS, TONI	05/27/2016STMT		MINUTES CLERK	
					MINUTES CLERK	160.00
					Total :	**160.00**
213748	5/31/2016	di045c DIEGO TRUCK REPAIR, INC.	48837		MOTOR VEHICLE MAINT.	
					MOTOR VEHICLE MAINT.	1,124.90

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213748	5/31/2016	di045c di045c DIEGO TRUCK REPAIR, INC.	(Continued)		**Total :**	**1,124.90**
213749	5/31/2016	di126c DIV. OF THE STATE ARCHITECT	R-27445		ACCESS COMPLIANCE - CA BLGD (	
					ACCESS COMPLIANCE - CA BLGD (	500.00
					Total :	**500.00**
213750	5/31/2016	do135c DOWNTOWN FORD SALES	236085		2016-FORD F-250 4X2 SUPER CAB	
				1864	2016 FORD F-250 4X2 SUPER CAB-	35,460.89
			236087		2016 FORD F150 4 X 2 - REGULAR (	
				1856	2016 FORD F150 4 X 2 - REGULAR (	36,635.09
					Total :	**72,095.98**
213751	5/31/2016	fl045c FLORES, ADAN	R-34934		REFFUND OF INDOOR FACILITY DE	
					REFFUND OF INDOOR FACILITY DE	500.00
					Total :	**500.00**
213752	5/31/2016	fr035c FRENCH, JEFFREY SCOTT	R-35059		CENTENNIAL FAMILY GAME NIGHT	
					CENTENNIAL FAMILY GAME NIGHT	300.00
					Total :	**300.00**
213753	5/31/2016	go410c GOLDEN STATE CHEMICAL & SUPPLY	888878		LATEX GLOVES/HAND SANITIZER	
					LATEX GLOVES/HAND SANITIZER	415.96
					Total :	**415.96**
213754	5/31/2016	ho175c HORIZON	1Q066354		IRRIGATION SUPPLIES	
					IRRIGATION SUPPLIES	348.64
			1Q066619		IRRIGATION SUPPLIES	
					IRRIGATION SUPPLIES	539.33
			1Q066659		IRRIGATION SUPPLIES	
					IRRIGATION SUPPLIES	20.58
			1Q066779		IRRIGATION SUPPLIES	
					IRRIGATION SUPPLIES	134.67
					Total :	**1,043.22**
213755	5/31/2016	jo124c JOHNSON, ROBERT B.	6571		TOWN PARK LADIES RESTROOM	
					TOWN PARK LADIES RESTROOM	217.05

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213755	5/31/2016	jo124c jo124c JOHNSON, ROBERT B.	(Continued)		Total :	217.05
213756	5/31/2016	ma550c MARIN MUNICIPAL WATER DISTRICT	05/24/2016STMT		WATER	
					WATER	417.50
					Total :	417.50
213757	5/31/2016	ma620c MARINSCOPE COM. NEWSPAPERS	G 41971		SENIOR CITZENS PROGRAMS	
					SENIOR CITZENS PROGRAMS	350.00
					Total :	350.00
213758	5/31/2016	mi013c MITCHELL, MATTHEW	R-33860		DMV CLASS B MEDICAL	
					DMV CLASS B MEDICAL	115.00
					Total :	115.00
213759	5/31/2016	mo113c MOTOROLA INC.	76894708		RADIO MAINTENANCE	
					RADIO MAINTENANCE	473.37
					Total :	473.37
213760	5/31/2016	ne040c NELSON PERSONNEL SERVICES	6121030		PART TIME HELP - LISA HARPER	
					PART TIME HELP - LISA HARPER	751.74
					PART TIME HELP - LISA HARPER - /	1.70
					Total :	753.44
213761	5/31/2016	nu040c NUTE ENGINEERING	16203		8336-PARADISE WEST PROJECT	
					8336-PARADISE WEST PROJECT	854.99
					Total :	854.99
213762	5/31/2016	of026c OFFICE DEPOT - TOWN HALL	841025961001		MEETINGS	
					MEETINGS	8.45
					MEETINGS	8.45
					MEETINGS	8.45
					MEETINGS	8.45
					MEETINGS	8.45
					MEETINGS	8.44
					PAPER	967.71
					Total :	1,018.40

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213763	5/31/2016	pa175c PACIFIC GAS & ELECTRIC	05/20/2016STMT		UTILITIES - ELECTRICITY	
					UTILITIES - ELECTRICITY	650.78
					UTILITIES - ELECTRICITY	294.56
					MARIN CLEAN ENERGY	1,668.83
					UTILITIES - ELECTRICITY	556.21
					MARIN CLEAN ENERGY	418.62
					UTILITIES - ELECTRICITY	2,267.20
					UTILITIES - ELECTRICITY	195.85
					UTILITIES - ELECTRICITY	434.41
					UTILITIES - ELECTRICITY	715.59
					UTILITIES - ELECTRICITY	2,416.77
					UTILITIES - ELECTRICITY	3,271.91
					UTILITIES - ELECTRICITY	651.66
					NATURAL - GAS	44.22
					NATURAL - GAS	81.81
					NATURAL - GAS	43.25
					NATURAL - GAS	131.61
					NATURAL - GAS	25.63
					NATURAL - GAS	99.85
					MARIN CLEAN ENERGY	368.63
					MARIN CLEAN ENERGY	343.64
					MARIN CLEAN ENERGY	159.79
					MARIN CLEAN ENERGY	1,145.55
					MARIN CLEAN ENERGY	71.41
					MARIN CLEAN ENERGY	216.62
					MARIN CLEAN ENERGY	325.01
					MARIN CLEAN ENERGY	2,170.00
					Total :	**18,769.41**
213764	5/31/2016	po125c POSTMASTER	05/31/2016STMT		PO BOX LEASE	
					PO BOX LEASE	480.00
					Total :	**480.00**
213765	5/31/2016	pr111c PROTECTION ONE ALARM MON., INC	109687605		UTILITIES - WIRE SYSTEMS	

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213765	5/31/2016	pr111c PROTECTION ONE ALARM MON., INC	(Continued)			
					UTILITIES - WIRE SYSTEMS	41.81
					Total :	**41.81**
213766	5/31/2016	py002c PYRO SPECTACULARS NORTH, INC.	R-35060		CENTENNIAL FIREWORKS	
					CENTENNIAL FIREWORKS	11,000.00
					Total :	**11,000.00**
213767	5/31/2016	ri042c RICOH USA, INC., (FIRE)	96878100		CANNON NP6551 LEASE	
					CANNON NP6551 LEASE	322.89
					Total :	**322.89**
213768	5/31/2016	ro450c ROY'S SEWER SERVICE, INC.	193518		MONTECITO - CCTV INSPECTION	
					MONTECITO - CCTV INSPECTION	1,180.00
					Total :	**1,180.00**
213769	5/31/2016	st025c STEVE ZAPPETINI & SON, INC.	8914115		FLAT BAR	
					FLAT BAR	39.05
					Total :	**39.05**
213770	5/31/2016	te030c TERRILL LAY PAINTING	05/21/2016STMT		SAN CLEMENTE PARK BATH ROOM	
					SAN CLEMENTE PARK BATH ROOM	1,920.00
					PUMP STATION	2,740.00
					Total :	**4,660.00**
213771	5/31/2016	ti124c TIFCO INDUSTRIES	71152297		CS INDUSTIAL CHEMICAL	
					CS INDUSTIAL CHEMICAL	184.96
					Total :	**184.96**
213772	5/31/2016	va033c VASQUEZ, KEVIN	R-35006		REIMBURSEMENT FOR US CLUB R	
					REIMBURSEMENT FOR US CLUB R	1,000.00
					Total :	**1,000.00**
213773	5/31/2016	va127c VAUGHN, REBECCA	R-35863		COFFEE/PASTRIES FOR CM-LARKS	
					COFFEE/PASTRIES FOR CM-LARKS	37.30
					Total :	**37.30**

Bank code : bom

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
213774	5/31/2016	jo135c VICTOR M. ROJAS, DBA JON'S BUILDING	MAY 2016		JANITORIAL SERVICES - TH	
					JANITORIAL SERVICES - TH	1,600.00
			MAY 2016 - ENG		JANITORIAL SERVICES MAY	
					JANITORIAL SERVICES MAY	750.00
					Total :	**2,350.00**
213775	5/31/2016	vi118c VIOLATION PROCESSING DEPT.	T711636987872		2001 DODGE RAM - S-4	
					2001 DODGE RAM - S-4	40.00
					Total :	**40.00**
213776	5/31/2016	wa135c WALTER & PISTOL, LAW OFFICE OF	05/23/2016STMTY		NON-LITIGATION	
					NON-LITIGATION	228.38
					Total :	**228.38**
213777	5/31/2016	wa295c WATER COMPONENTS	30406694		GREBAR CAPS/RUBER GLOVES	
					GREBAR CAPS/RUBER GLOVES	115.86
					Total :	**115.86**

56 Vouchers for bank code : bom **Bank total : 232,202.99**

56 Vouchers in this report **Total vouchers : 232,202.99**

2016-2017THIS MATERIAL HAS BEEN REVIEWED BY
THE DISTRICT MANAGER

SANITARY DISTRICT NO. 2 OF MARIN COUNTY,
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA
STAFF REPORT

REPORT DATE: May 3, 2016
MEETING DATE: June 6, 2016

TO: DISTRICT MANAGER, PRESIDENT AND BOARD MEMBERS

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

SUBJECT: ADOPTION OF PROPOSED RESOLUTION NO. 01/2016 ESTABLISHING THE APPROPRIATION LIMIT FOR FY 2016-2017

* * * * * * * * * *

PURPOSE:

To establish the Appropriation Limit for FY 2016-2017.

RECOMMENDATION:

Staff recommends that the Board of Directors adopt the proposed Resolution No. 01/2016 in Attachment #1.

Resolution Establishing the Fiscal Year 2016-2017 Appropriation Limit

OPTIONS:

The Gann Limit, which is Article XIIIB of the California Constitution, requires that local agencies receiving unrestricted general purpose taxes-"Proceeds of Taxes"- set an "Appropriation Limit" each fiscal year. The Sanitary District receives its fair share of the Proposition 13 allocation of general purpose property taxes. Effective in FY 1993-94, the District no longer receives unrestricted general purpose property tax revenue from the Special District Augmentation Fund due to changes in State Law.

DISTRICT MANAGER'S RECOMMENDATION:

Support Staff's recommendation.

GENERAL PLAN:

Not applicable.

ENVIRONMENTAL IMPACT:

Not applicable.

FISCAL IMPACTS:

None.

The Gann Limit restricts the ability to spend unrestricted general purpose tax revenues, less mandated costs, that exceed the calculated limits. The calculated "Appropriation Limit" for FY 2016-2017 (see Exhibit A of the Resolution) is $10,117,647. Unrestricted general purpose tax revenues for FY 2016-2017 are roughly estimated at $3,020,000. Mandated costs in the District are immaterial. The $3,020,000 is about $7,098,000 below the limit of $10,117,647. The result is the Gann Limit has no fiscal impact on the District in FY 2016-2017.

BACKGROUND, DISCUSSION & ANALYSIS:

This will be the thirty seventh year the Board of Directors will set the annual Appropriation Limit. FY 1980-81 was the first year. From FY 1980-81 through FY 1989-90, the limits were set using the criteria of the original Gann Limit law. The Gann Limit, which is Article XIIIB of the California Constitution, was amended by the passage of Proposition 111 at the June 5, 1990 Statewide election. Among the several changes included in the amendment, the Base Year Appropriation Limit was changed to FY 1986-87, and choices of annual adjustment factors, which include an inflation factor and a population factor were altered. On the population side, a choice between two population factors are now allowed. Previously, there was no choice of the population factor. On the inflation side, a choice between either (1) the change in California per capita personal income or (2) the change in the local assessment roll due to local non-residential construction are now allowed. Previously, there was no choice of the inflation factor. The limit has been set under this revised Gann Limit law since FY 1990-91.

The setting of the Appropriation Limit must be done at a noticed public hearing. A copy of the notice is included in Attachment #2. Attachment #1 includes the proposed resolution setting the FY 2016-2017 Appropriation Limit for the Sanitary District. Exhibit A of the proposed resolution details the choices, calculations, and adopted appropriation limits by fiscal year.

CONCLUSION:

Setting the Appropriation Limit is a ministerial action that must be done each fiscal year.

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

ATTACHMENTS:

1. Resolution Establishing the Fiscal Year 2016–2017 Appropriation Limit
2. Notice of Public Hearing

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ATTACHMENT 1

RESOLUTION ESTABLISHING
THE FISCAL YEAR 2016-2017
APPROPRIATION LIMIT

RESOLUTION NO. 01/2016

RESOLUTION ESTABLISHING THE
FISCAL YEAR 2016-2017 APPROPRIATION LIMIT

WHEREAS, Resolution No. 90-06 established the FY 1986-87 Base Year Appropriation Limit in the total amount of $1,175,670; and

WHEREAS, the "Annual Adjustment Factors" require a choice between:

(1) Either the California Per Capita Income or the percentage change in the local assessment roll from the preceding year due to the addition of local non-residential construction in the District; and

(2) Either the District's own population growth (Town of Corte Madera population changes utilized as none are available for the Sanitary District) or the population growth of the entire county.

NOW, THEREFORE, BE IT RESOLVED that the Sanitary Board of Sanitary District No. 2 of Marin County, a Subsidiary District to the Town of Corte Madera, hereby selects the below inflation factors for calculating the Fiscal Year 2016-2017 Appropriation Limit; and

Fiscal Year	California Per Capita Income	Non-Residential Construction
1987-88	--	67.64%
1988-89	--	19.43%
1989-90	5.19%	--
1990-91	--	4.87%
1991-92	4.14%	--
1992-93	(0.64)%	--
1993-94	2.72%	--
1994-95	0.71%	--
1995-96	4.72%	--
1996-97	4.67%	--
1997-98	--	5.26%
1998-99	4.15%	--
1999-00	4.53%	--
2000-01	4.91%	--
2001-02	7.82%	--
2002-03	--	9.19%
2003-04	2.31%	--
2004-05	3.28%	--
2005-06	5.26%	--
2006-07	3.96%	--
2007-08	4.42%	--
2008-09	--	4.30%
2009-10	0.62%	--
2010-11	--	(0.15%)
2011-12	2.51%	--
2012-13	3.77%	--
2013-14	5.12%	--
2014-15	(0.23%)	--
2015-16	--	4.64%
2016-17	5.37%	--

BE IT FURTHER RESOLVED that the Sanitary Board of Sanitary District No. 2 of Marin County hereby selects the below population factors for calculating the Fiscal Year 2016-2017 Appropriation Limit; and

Fiscal Year	Town of Corte Madera Population Growth	County-Wide Population Growth
1987-88	--	0.70%
1988-89	1.38%	--
1989-90	--	1.24%
1990-91	1.79%	--
1991-92	--	1.55%
1992-93	--	1.79%
1993-94	--	1.75%
1994-95	--	1.20%
1995-96	2.11%	--
1996-97	1.43%	--
1997-98	1.93%	--
1998-99	2.24%	--
1999-00	2.53%	--
2000-01	--	1.82%
2001-02	--	0.72%
2002-03	3.42%	--
2003-04	--	0.77%
2004-05	--	2.53%
2005-06	--	0.33%
2006-07	--	0.74%
2007-08	--	0.97%
2008-09	--	0.93%
2009-10	2.69%	--
2010-11	--	0.93%
2011-12	--	0.90%
2012-13	--	1.05%
2013-14	--	0.42%
2014-15	--	0.42%
2015-16	--	0.73%
2016-17	--	0.33%

BE IT FURTHER RESOLVED that the Sanitary Board of Sanitary District No. 2 of Marin County hereby establishes the Fiscal Year 2016-2017 Appropriation Limit in the total amount of $10,117,647; and

BE IT FURTHER RESOLVED that the calculation of this Fiscal Year 2016-2017 Appropriation Limit is documented in Exhibit A, attached hereto and incorporated herein by reference as though fully set forth.

* * * * * * * * * *

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 01/2016 passed and adopted by the Sanitary Board of Sanitary District No. 2 of Marin County, at a meeting thereof duly held on the 6th day of June, 2016, by the following vote:

AYES, and in favor thereof, Board Members:

NOES, Board Members:

ABSENT, Board Members:

Rebecca Vaughn, District Clerk

APPROVED:

Sloan C. Bailey, President

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EXHIBIT A

SANITARY DISTRICT NO. 2 OF MARIN COUNTY
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017

ANNUAL ADJUSTMENT FACTORS

FISCAL YEAR	RESOLUTION # & DATE	INFLATION: CALIF. PER CAPITA INCOME % CHANGE	INFLATION: NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE	POPULATION: TOWN OF CORTE MADERA POPULATION % CHANGE	POPULATION: COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
1986-87	#90-06 10/16/90	N/A	N/A	N/A	N/A	N/A	1,175,670	N/A	N/A
1987-88	N/A	3.47%	50,031,782 ---------- = 73,971,182 **67.64%**	8,457 0.26%	219,064 **0.70%**	1.6882 (1.6764 x 1.0070=)	N/A	1,984,766 (1.6882 x 1,175,670=)	N/A
1988-89	N/A	4.66%	28,669,739 ---------- = 147,539,554 **19.43%**	8,549 **1.38%**	220,428 0.92%	1.2108 (1.1943 x 1.0138=)	N/A	2,403,155 (1.2108 x 1,984,766=)	N/A
1989-90	N/A	**5.19%**	1,579,404 ---------- = 49,864,734 3.17%	8,633 1.20%	223,325 **1.24%**	1.0650 (1.0519 x 1.0124=)	N/A	2,559,360 (1.0650 x 2,403,155=)	N/A
1990-91	#90-06 10/16/90	4.21%	4,334,302 ---------- = 88,909,206 **4.87%**	8,771 **1.79%**	226,231 1.48	1.0675 (1.0487 x 1.0179=)	N/A	2,732,117 (1.0675 x 2,559,360=)	1,461,711 (1.2433 x 1,175,670=)
1991-92	#91-03 6/04/91	**4.14%**	306,244 ---------- = 70,209,317 .44%	8,332 0.33%	222,503 **1.55%**	1.0576 (1.0414 x 1.0155=)	N/A	2,889,487 (1.0576 x 2,732,117=)	1,553,151 (1.0576 x 1,468,562=)
1992-93	#92-03 6/01/92	**(0.64%)**	(2,720,625) ---------- = 62,078,826 (4.38%)	8,353 0.41%	226,094 **1.79%**	1.0114 (.9936 x 1.0179=)	N/A	2,922,427 (1.0114 x 2,889,487=)	1,745,349 (1.0824 x 1,612,481=)
1993-94	#93-01 6/01/93	**2.72%**	(2,441,377) ---------- = 34,832,431 (7.01%)	8,459 0.81%	241,265 **1.75%**	1.0452 (1.0272 x 1.0175=)	N/A	3,054,521 (1.0452 x 2,922,427=)	3,054,521 (1.0452 x 2,922,427=)
1994-95	#94-05 6/07/94	**0.71%**	-1,194,001 ---------- = 37,765,242 (3.16%)	8,518 1.20%	242,476 **1.20%**	1.0192 (1.0071 x 1.0120=)	N/A	N/A	3,113,168 (1.0192 x 3,054,521=)
1995-96	#95-06 6/06/95	**4.72%**	461,856 ---------- = 19,390,905 2.38%	8,739 **2.11%**	245,536 1.22%	1.0693 (1.0472 x 1.0211=)	N/A	N/A	3,328,911 (1.0693 x 3,113,168=)

EXHIBIT A

SANITARY DISTRICT NO. 2 OF MARIN COUNTY
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017

ANNUAL ADJUSTMENT FACTORS

		INFLATION			POPULATION					
FISCAL YEAR	RESOLUTION # & DATE	CALIF. PER CAPITA INCOME % CHANGE	NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE		TOWN OF CORTE MADERA POPULATION % CHANGE	COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
1996-97	#96-01 6/04/96	**4.67%**	189,546 ---------- = 40,546,603	0.47%	8,589 **1.43%**	239,530 1.43%	1.0617 (1.0467 x 1.0143=)	N/A	N/A	3,534,305 (1.0617 x 3,328,911=)
1997-98	#97-07 8/19/97	4.67%	1,794,214 ---------- = 34,105,224	**5.26%**	8,745 **1.93%**	242,188 1.64%	1.0730 (1.0526 x 1.0193=)	N/A	N/A	3,792,309 (1.0730 x 3,534,305=)
1998-99	#98-03 7/20/98	**4.15%**	1,536,658 ---------- = 86,223,441	1.79%	8,911 **2.24%**	245,929 1.56%	1.0649 (1.0415 x 1.0224=)	N/A	N/A	4,038,430 (1.0649 x 3,792,309=)
1999-00	#99-07 8/03/99	**4.53%**	6,830,271 ---------- = 162,698,160	4.20%	9,068 **2.53%**	247,934 1.62%	1.0718 (1.0453 x 1.0253=)	N/A	N/A	4,328,389 (1.0718 x 4,038,430=)
2000-01	#2000-03 8/01/00	**4.91%**	701,730 ---------- = 118,118,799	0.59%	9,104 1.28%	249,671 **1.82%**	1.0682 (1.0491 x 1.0182=)	N/A	N/A	4,623,585 (1.0682 x 4,328,389=)
2001-02	#2001-03 06/05/01	**7.82%**	8,288,532 ---------- = 148,960,417	5.56%	9,185 0.31%	250,442 **0.72%**	1.0860 (1.0782 x 1.0072=)	N/A	N/A	5,021,213 (1.0860 x 4,623,585=)
2002-03	#2002-02 06/04/02	(1.27)%	10,889,232 ---------- = 118,466,193	**9.19%**	9,425 **3.42%**	249,915 0.81%	1.1293 (1.0919 x 1.0342=)	N/A	5,670,456 (1.1293 x 5,021,213=)	5,127,161 (1.0211 x 5,021,213=)
2003-04	#2003-01 06/03/03	**2.31%**	359,722 ---------- = 128,415,158	0.28%	9,393 0.26%	250,409 **0.77%**	1.0310 (1.0231 x 1.0077=)	N/A	N/A	5,846,240 (1.0310 x 5,670,456=)
2004-05	#2004-01 06/01/04	**3.28%**	2,054,601 ---------- = 165,057,687	1.24%	9,358 (0.12%)	250,169 **2.53%**	1.0590 (1.0328 x 1.0253=)	N/A	N/A	6,191,168 (1.0590 x 5,846,240=)
2005-06	#2005-04 06/07/05	**5.26%**	3,358,171 ---------- = 244,960,561	1.37%	9,378 (0.26%)	252,485 **0.33%**	1.0561 (1.0526 x 1.0033=)	N/A	N/A	6,538,493 (1.0561 x 6,191,168=)
2006-07	#2006-01 06/06/06	**3.96%**	1,400,985 ---------- = 196,788,462	0.71%	9,399 0.49%	253,341 **0.74%**	1.0473 (1.0396 x 1.0074=)	N/A	N/A	6,847,764 (1.0473 x 6,538,493=)

EXHIBIT A

SANITARY DISTRICT NO. 2 OF MARIN COUNTY
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017
PAGE 3 OF 3

ANNUAL ADJUSTMENT FACTORS

		INFLATION			POPULATION					
FISCAL YEAR	RESOLUTION # & DATE	CALIF. PER CAPITA INCOME % CHANGE	NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE		TOWN OF CORTE MADERA POPULATION % CHANGE	COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
2007-08	2007-2 06/05/07	**4.42%**	1,925,052 ---------- = 186,685,276	1.03%	9,465 0.46%	255,982 **0.97%**	1.0543 (1.0442 x 1.0097=)	N/A	N/A	7,219,598 (1.0543 x 6,847,764=)
2008-09	2008-1 06/03/08	4.29%	8,578,583 ---------- = 199,603,996	**4.30%**	9,512 0.86%	257,406 **0.93%**	1.0526 (1.0429 x 1.0093=)	N/A	7,600,071 (1.0527 x 7,219,598=)	7,599,349 (1.0526 x 7,219,598=)
2009-10	2009-1 06/02/09	**0.62%**	286,749 ---------- = 112,400,882	0.26%	9,739 **2.69%**	258,618 0.81%	1.0333 (1.0062 x 1.0269=)	N/A	N/A	7,853,153 (1.0333 x 7,600,071=)
2010-11	2010-2 06/01/10	(2.54)%	87,573 ---------- = (57,911,039)	**(0.15)%**	9,816 0.81%	260,651 **0.93%**	0.9837 (0.9746 x 1.0093=)	N/A	7,914,408 (1.0078 x 7,853,153=)	7,725,147 (0.9837 x 7,853,153=)
2011-12	2011-1 06/07/11	**2.51%**	59,931 ---------- = 51,463,847	0.12%	9,322 0.83%	249,065 **0.90%**	1.0344 (1.0251 x 1.0090=)	N/A	N/A	8,186,664 (1.0344 x 7,914,408=)
2012-13	2012-2 06/05/12	**3.77%**	290,389 ---------- = 27,631,413	1.05%	9,351 1.00%	250,024 **1.05%**	1.0486 (1.0377 x 1.0105=)	N/A	N/A	8,584,536 (1.0486 x 8,186,664=)
2013-14	01/2013 06/04/13	**5.12%**	1,409,203 ---------- = 118,999,374	1.18%	9,320 0.25%	249,652 **0.42%**	1.0556 (1.0512 x 1.0042=)	N/A	N/A	9,061,836 (1.0556 x 8,584,536=)
2014-15	01/2014 06/03/14	**(0.23)%**	No New Construction		9,381 0.37%	255,846 **0.42%**	1.0019 (0.9977 x 1.0042=)	N/A	N/A	9,079,053 (1.0019 x 9,061,836=)
2015-16	04/2015 06/02/15	3.82%	12,744,180 ---------- = 274,823,339	**4.64%**	9,491 0.63%	258,972 **0.73%**	1.0458 (1.0382 x 1.0073=)	N/A	9,570,230 (1.0541 x 9,079,053=)	9,494,874 (1.0458 x 9,079,053=)
2016-17	01/2016 06/06/16	**5.37%**	Not Presently Available		9,344 (0.01%)	262,274 **0.33%**	1.0572 (1.0537 x 1.0033=)	N/A	N/A	10,117,647 (1.0572 x 9,570,230=)

ATTACHMENT 2

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE
SANITARY DISTRICT NO. 2 OF MARIN COUNTY
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA
NOTICE OF PUBLIC HEARING

PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION ESTABLISHING THE APPROPRIATION LIMIT FOR FY 2016 - 2017

Notice is hereby given that the Board of Directors of Sanitary District No. 2 of Marin County, a Subsidiary District to the Town of Corte Madera, will hold a Public Hearing at its regular meeting of Monday, June 6, 2016, to consider adopting a Resolution establishing the Appropriation Limit for FY 2016 - 2017. Information on the proposed Appropriation Limit is available at the Corte Madera Town Hall, 300 Tamalpais Drive, Corte Madera, CA 94925 or by calling the Finance Department at (415) 927-5055.

The Public Hearing will be held in the Council Chambers of the Corte Madera Town Hall, 300 Tamalpais Drive at Willow Avenue at 7:30 p.m. or as soon thereafter as the matter may be heard. All persons interested are welcome to come and be heard or to submit comments in writing to the District Clerk at 300 Tamalpais Drive, Corte Madera, CA 94925 or by email to administration@tcmmail.org

This notice has been posted in three (3) public places on May 6, 2016:

1. Corte Madera Town Hall Bulletin Board, 300 Tamalpais Drive at Willow Avenue, Corte Madera, California;
2. United States Post Office Bulletin Board, 7 Pixley Avenue, Corte Madera, California;
3. Fire Station #13 Bulletin Board, 5600 Paradise Drive, Corte Madera, California.

George T. Warman, Jr.

George T. Warman, Jr.
Director of Administrative Services
May 3, 2016

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THIS MATERIAL HAS BEEN REVIEWED BY
THE TOWNMANAGER

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: May 3, 2016
MEETING DATE: June 6, 2016

TO: TOWN MANAGER, MAYOR AND TOWN COUNCIL

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

SUBJECT: ADOPTION OF PROPOSED RESOLUTION NO. 18/2016 ESTABLISHING THE APPROPRIATION LIMIT FOR FY 2016-2017

* * * * * * * * * *

PURPOSE:

To establish the appropriation limit for FY 2016-2017.

RECOMMENDATION:

Staff recommends that the Town Council adopt the proposed Resolution No. 18/2016 in Attachment #1.

Resolution Establishing the Fiscal Year 2016-2017 Appropriation Limit.

OPTIONS:

The Gann Limit, which is Article XIIIB of the California Constitution, requires that local agencies receiving unrestricted general purpose taxes-"Proceeds of Taxes"- set an "Appropriation Limit" each fiscal year.

TOWN MANAGER'S RECOMMENDATION:

Support Staff's recommendation.

GENERAL PLAN:

Not applicable.

ENVIRONMENTAL IMPACT:

Not applicable.

FISCAL IMPACTS:

None.

The Gann Limit restricts the ability to spend unrestricted general purpose tax revenues, less mandated costs, that exceed the calculated limits. The calculated "Appropriation Limit" for FY 2016-2017 (see Exhibit A of the Resolution) is $34,540,628. Unrestricted general purpose tax revenues for FY 2016-2017 are roughly estimated at $16,000,000. Mandated costs are roughly estimated at $450,000. So available unrestricted general purpose tax revenue for FY 2016-2017 is roughly $15,550,000 (16,000,000 – 450,000 =). This number is about $18,991,000 below the limit of $34,540,628. The result is the Gann Limit has no fiscal impact on the Town in FY 2016-2017.

BACKGROUND, DISCUSSION & ANALYSIS:

This will be the thirty seventh year the Town Council will set the annual Appropriation Limit. FY 1980-81 was the first year. From FY 1980-81 through FY 1989-90, the limits were set using the criteria of the original Gann Limit law. The Gann Limit, which is Article XIIIB of the California Constitution, was amended by the passage of Proposition 111 at the June 5, 1990 Statewide election. Among the several changes included in the amendment, the Base Year Appropriation Limit was changed to FY 1986-87, and choices of annual adjustment factors, which include an inflation factor and a population factor were altered. On the population side, a choice between two population factors are now allowed. Previously, there was no choice of the population factor. On the inflation side, a choice between either (1) the change in California per capita personal income or (2) the change in the local assessment roll due to local non-residential construction are now allowed. Previously, there was no choice of the inflation factor. The limit has been set under this revised Gann Limit law since FY 1990-91.

The setting of the Appropriation Limit must be done at a noticed public hearing. A copy of the notice is included in Attachment #2. Attachment #1 includes a proposed resolution setting the FY 2016-2017 Appropriation Limit for the Town. Exhibit A of proposed resolution details the choices, calculations, and adopted appropriation limits by fiscal year.

CONCLUSION:

Setting the Appropriation Limit is a ministerial action that must be done each fiscal year.

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

ATTACHMENTS:

1. Resolution Establishing the Fiscal Year 2016-2017 Appropriation Limit
2. Notice of Public Hearing

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ATTACHMENT 1

RESOLUTION ESTABLISHING
THE FISCAL YEAR 2016-2017
APPROPRIATION LIMIT

RESOLUTION NO. 18/2016

RESOLUTION ESTABLISHING THE
FISCAL YEAR 2016-2017 APPROPRIATION LIMIT

WHEREAS, Resolution No. 2533 established the FY 1986-87 Amended Base Year Appropriation Limit in the total amount of $3,819,301; and

WHEREAS, the "Annual Adjustment Factors" require a choice between:

(1) Either the California Per Capita Income or the percentage change in the local assessment roll from the preceding year due to the addition of local non-residential construction in the city; and

(2) Either the city's own population growth or the population growth of the entire county.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Corte Madera hereby selects the below inflation factors for calculating the Fiscal Year 2016-2017 Appropriation Limit; and

Fiscal Year	California Per Capita Income	Non-Residential Construction
1987-88	--	72.35%
1988-89	--	20.88%
1989-90	5.19%	--
1990-91	4.21%	--
1991-92	4.14%	--
1992-93	(0.64%)	--
1993-94	2.72%	--
1994-95	0.71%	--
1995-96	4.72%	--
1996-97	4.67%	--
1997-98	--	4.73%
1998-99	4.15%	--
1999-00	--	4.98%
2000-01	4.91%	--
2001-02	7.82%	--
2002-03	--	10.73%
2003-04	2.31%	--
2004-05	3.28%	--
2005-06	5.26%	--
2006-07	3.96%	--
2007-08	4.42%	--
2008-09	--	5.55%
2009-10	0.62%	--
2010-11	(2.54%)	--
2011-12	2.51%	--
2012-13	3.77%	--
2013-14	5.12%	--
2014-15	(0.23%)	--
2015-16	--	6.25%
2016-17	5.37%	--

BE IT FURTHER RESOLVED that the Town Council of the Town of Corte Madera hereby selects the below population factors for calculating the Fiscal Year 2016-2017 Appropriation Limit; and

Fiscal Year	City Population Growth	County-Wide Population Growth
1987-88	--	0.70%
1988-89	1.38%	--
1989-90	--	1.24%
1990-91	1.79%	--
1991-92	--	1.55%
1992-93	--	1.79%
1993-94	--	1.75%
1994-95	--	1.20%
1995-96	2.11%	--
1996-97	1.43%	--
1997-98	1.93%	--
1998-99	2.24%	--
1999-00	2.53%	--
2000-01	--	1.82%
2001-02	--	0.72%
2002-03	3.42%	--
2003-04	--	0.77%
2004-05	--	2.53%
2005-06	--	0.33%
2006-07	--	0.74%
2007-08	--	0.97%
2008-09	--	0.93%
2009-10	2.69%	--
2010-11	--	0.93%
2011-12	--	0.90%
2012-13	--	1.05%
2013-14	--	0.42%
2014-15	--	0.42%
2015-16	--	0.73%
2016-17	--	0.33%

BE IT FURTHER RESOLVED that the Town Council of the Town of Corte Madera hereby establishes the Fiscal Year 2016-2017 Appropriation Limit in the total amount of $34,540,628; and

BE IT FURTHER RESOLVED that the calculation of this Fiscal Year 2016-2017 Appropriation Limit is documented in Exhibit A, attached hereto and incorporated herein by reference as though fully set forth.

* * * * * * * * * *

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 18/2016 duly passed and adopted by the Town Council of the Town of Corte Madera, at a meeting thereof duly held on the 6th day of June, 2016, by the following vote:

AYES, and in favor thereof, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

Rebecca Vaughn, Town Clerk

APPROVED:

Sloan C. Bailey, Mayor

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EXHIBIT A

TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017

ANNUAL ADJUSTMENT FACTORS

FISCAL YEAR	RESOLUTION # & DATE	INFLATION: CALIF. PER CAPITA INCOME % CHANGE	INFLATION: NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE	POPULATION: CITY POPULATION % CHANGE	POPULATION: COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
1986-87	#2533 10/16/90	N/A	N/A	N/A	N/A	N/A	3,819,301	N/A	N/A
1987-88	N/A	3.47%	50,031,782 ---------- = 69,147,889 **72.35%**	8,457 0.26%	219,064 **0.70%**	1.7356 (1.7235 x 1.0070=)	N/A	6,628,779 (1.7356 x 3,819,301=)	N/A
1988-89	N/A	4.66%	28,568,208 ---------- = 136,806,063 **20.88%**	8,549 **1.38%**	220,428 0.92%	1.2255 (1.2088 x 1.0138=)	N/A	8,123,569 (1.2255 x 6,628,779=)	N/A
1989-90	N/A	**5.19%**	1,579,404 ---------- = 39,555,445 3.99%	8,633 1.20%	223,325 **1.24%**	1.0650 (1.0519 x 1.0124=)	N/A	8,651,601 (1.0650 x 8,123,569=)	N/A
1990-91	#2533 10/16/90	**4.21%**	2,685,821 ---------- = 68,581,287 3.92%	8,771 **1.79%**	226,231 1.48%	1.0608 (1.0421 x 1.0179=)	N/A	9,177,618 (1.0608 x 8,651,601=)	4,748,537 (1.2433 x 3,819,301=)
1991-92	#2551 6/04/91	**4.14%**	(814,115) ---------- = 56,641,630 (1.44%)	8,332 0.33%	222,503 **1.55%**	1.0576 (1.0414 x 1.0155=)	N/A	9,706,249 (1.0576 x 9,177,618=)	5,045,596 (1.0576 x 4,770,798=)
1992-93	#2611 6/01/92	**(0.64%)**	(2,744,901) ---------- = 43,616,789 (6.29%)	8,353 0.41%	226,094 **1.79%**	1.0114 (.9936 x 1.0179=)	N/A	9,816,900 (1.0114 x 9,706,249=)	5,796,202 (1.1069 x 5,236,428=)
1993-94	#2678 6/01/93	**2.72%**	(2,441,377) ---------- = 14,041,069 (17.39%)	8,459 0.81%	241,265 **1.75%**	1.0452 (1.0272 x 1.0175=)	N/A	10,260,624 (1.0452 x 9,816,900=)	10,260,624 (1.0452 x 9,816,900=)
1994-95	#2748 6/07/94	**0.71%**	(1,460,999) ---------- = 24,411,747 (5.98%)	8,518 1.20%	242,476 **1.20%**	1.0192 (1.0071 x 1.0120=)	N/A	N/A	10,457,628 (1.0192 x 10,260,624=)
1995-96	#2806 6/06/95	**4.72%**	461,856 ---------- = 14,331,036 3.22%	8,739 **2.11%**	245,536 1.22%	1.0693 (1.0472 x 1.0211=)	N/A	N/A	11,182,342 (1.0693 x 10,457,628=)

EXHIBIT A

TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017

ANNUAL ADJUSTMENT FACTORS

FISCAL YEAR	RESOLUTION # & DATE	INFLATION: CALIF. PER CAPITA INCOME % CHANGE	INFLATION: NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE		POPULATION: CITY POPULATION % CHANGE	POPULATION: COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
1996-97	#2868 6/04/96	**4.67%**	44,014 ---------- = 27,274,769	0.16%	8,589 **1.43%**	239,530 1.43%	1.0617 (1.0467 x 1.0143=)	N/A	N/A	11,872,293 (1.0617 x 11,182,342=)
1997-98	#2925 8/19/97	4.67%	1,438,438 ---------- = 30,391,655	**4.73%**	8,745 **1.93%**	242,188 1.64%	1.0676 (1.0473 x 1.0193=)	N/A	N/A	12,674,860 (1.0676 x 11,872,293=)
1998-99	#2983 07/20/98	**4.15%**	1,536,658 ---------- = 74,628,385	2.06%	8,911 **2.24%**	245,929 1.56%	1.0649 (1.0415 x 1.0224=)	N/A	N/A	13,497,458 (1.0649 x 12,674,860=)
1999-00	#3051 08/03/99	4.53%	6,830,271 ---------- = 137,257,618	**4.98%**	9,068 **2.53%**	247,934 1.62%	1.0764 (1.0498 x 1.0253=)	N/A	N/A	14,528,664 (1.0764 x 13,497,458=)
2000-01	#3114 08/01/00	**4.91%**	634,063 ---------- = 86,752,227	0.73%	9,104 1.28%	249,671 **1.82%**	1.0682 (1.0491 x 1.0182=)	N/A	N/A	15,519,519 (1.0682 x 14,528,664=)
2001-02	#3168 06/05/01	**7.82%**	7,942,715 ---------- = 103,809,887	7.66%	9,185 0.31%	250,442 **0.72%**	1.0860 (1.0782 x 1.0072=)	N/A	N/A	16,854,198 (1.0860 x 15,519,519=)
2002-03	#3243 06/04/02	(1.27)%	9,525,166 ---------- = 88,781,828	**10.73%**	9,425 **3.42%**	249,915 0.81%	1.1452 (1.1073 x 1.0342=)	N/A	19,301,428 (1.1452 x 16,854,198=)	17,209,822 (1.0211 x 16,854,198=)
2003-04	#3297 06/03/03	**2.31%**	129,791 ---------- = 96,687,349	0.14%	9,393 0.26%	250,409 **0.77%**	1.0310 (1.0231 x 1.0077=)	N/A	N/A	19,899,772 (1.0310 x 19,301,428=)
2004-05	#3334 06/01/04	**3.28%**	1,933,511 ---------- = 97,723,999	1.98%	9,358 (0.12%)	250,169 **2.53%**	1.0590 (1.0328 x 1.0253=)	N/A	N/A	21,073,859 (1.0590 x 19,899,772=)
2005-06	#3396 06/07/05	**5.26%**	3,358,171 ---------- = 183,725,674	1.83%	9,378 (0.26%)	252,485 **0.33%**	1.0561 (1.0526 x 1.0033=)	N/A	N/A	22,256,102 (1.0561 x 21,073,859=)
2006-07	#3445 06/06/06	**3.96%**	1,400,985 ---------- = 141,537,493	0.99%	9,399 0.49%	253,341 **0.74%**	1.0473 (1.0396 x 1.0074=)	N/A	N/A	23,308,816 (1.0473 x 22,256,102=)

EXHIBIT A

TOWN OF CORTE MADERA
SCHEDULE OF PERMITTED GROWTH RATE IN APPROPRIATIONS
FOR FY 2016 - 2017

ANNUAL ADJUSTMENT FACTORS

FISCAL YEAR	RESOLUTION # & DATE	INFLATION: CALIF. PER CAPITA INCOME % CHANGE	INFLATION: NON-RESIDENTIAL NEW CONSTRUCTION % CHANGE		POPULATION: CITY POPULATION % CHANGE	POPULATION: COUNTY-WIDE POPULATION % CHANGE	ONE YEAR RATIO OF CHANGE	BASE YEAR APPROPRIATION LIMIT	REVISED CALCULATED APPROPRIATION LIMIT	ADOPTED APPROPRIATION LIMIT
2007-08	3502 06/05/07	**4.42%**	1,925,052 ---------- = 133,403,696	1.44%	9,465 0.46%	255,982 **0.97%**	1.0543 (1.0442 x 1.0097=)	N/A	N/A	24,574,485 (1.0543 x 23,308,816=)
2008-09	3555 06/03/08	4.29%	8,578,583 ---------- = 154,620,124	**5.55%**	9,512 0.86%	257,406 **0.93%**	1.0526 (1.0429 x 1.0093=)	N/A	26,179,199 (1.0653 x 24,574,485=)	25,867,103 (1.0526 x 24,574,485=)
2009-10	3600 06/02/09	**0.62%**	97,598 ---------- = 84,074,989	0.12%	9,739 **2.69%**	258,618 0.81%	1.0333 (1.0062 x 1.0269=)	N/A	N/A	27,050,966 (1.0333 x 26,179,199=)
2010-11	3640 06/01/10	**(2.54)%**	No New Construction		9,816 0.81%	260,651 **0.93%**	0.9837 (0.9746 x 1.0093=)	N/A	N/A	26,610,035 (0.9837 x 27,050,966=)
2011-12	3667 06/07/11	**2.51%**	No New Construction		9,322 0.83%	249,065 **0.90%**	1.0344 (1.0251 x 1.0090=)	N/A	N/A	27,525,420 (1.0344 x 26,610,035=)
2012-13	3711 06/05/12	**3.77%**	282,545 ---------- = 19,362,886	1.46%	9,351 1.00%	250,024 **1.05%**	1.0486 (1.0377 x 1.0105=)	N/A	N/A	28,863,155 (1.0486 x 27,525,420=)
2013-14	10/2013 06/04/13	**5.12%**	1,409,203 ---------- = 97,720,718	1.44%	9,320 0.25%	249,652 **0.42%**	1.0556 (1.0512 x 1.0042=)	N/A	N/A	30,467,946 (1.0556 x 28,863,155=)
2014-15	18/2014 06/03/14	**(0.23)%**	No New Construction		9,381 0.37%	255,846 **0.42%**	1.0019 (0.9977 x 1.0042=)	N/A	N/A	30,525,835 (1.0019 x 30,467,946=)
2015-16	24/2015 06/02/15	3.82%	12,744,180 ---------- = 203,778,333	**6.25%**	9,491 0.63%	258,972 **0.73%**	1.0458 (1.0382 x 1.0073=)	N/A	32,671,801 (1.0703 x 30,525,835=)	31,923,918 (1.0458 x 30,525,835=)
2016-17	18/2016 06/06/16	**5.37%**	Not Presently Available		9,344 (0.01%)	262,274 **0.33%**	1.0572 (1.0537 x 1.0033=)	N/A	N/A	34,540,628 (1.0572 x 32,671,801=)

ATTACHMENT 2

NOTICE OF PUBLIC HEARING

PUBLIC NOTICE
TOWN OF CORTE MADERA
NOTICE OF PUBLIC HEARING

PUBLIC HEARING TO CONSIDER ADOPTING A RESOLUTION ESTABLISHING THE APPROPRIATION LIMIT FOR FY 2016 - 2017

Notice is hereby given that the Town Council of the Town of Corte Madera, will hold a Public Hearing at its regular meeting of Monday, June 6, 2016, to consider adopting a Resolution establishing the Appropriation Limit for FY 2016 - 2017. Information on the proposed Appropriation Limit is available at the Corte Madera Town Hall, 300 Tamalpais Drive, Corte Madera, CA 94925 or by calling the Finance Department at (415) 927-5055.

The Public Hearing will be held in the Council Chambers of the Corte Madera Town Hall, 300 Tamalpais Drive at Willow Avenue at 7:30 p.m. or as soon thereafter as the matter may be heard. All persons interested are welcome to come and be heard or to submit comments in writing to the Town Clerk at 300 Tamalpais Drive, Corte Madera, CA 94925 or by email to administration@tcmmail.org

This notice has been posted in three (3) public places on May 6, 2016:

1. Corte Madera Town Hall Bulletin Board, 300 Tamalpais Drive at Willow Avenue, Corte Madera, California;
2. United States Post Office Bulletin Board, 7 Pixley Avenue, Corte Madera, California;
3. Fire Station #13 Bulletin Board, 5600 Paradise Drive, Corte Madera, California.

George T. Warman Jr.

George T. Warman, Jr.
Director of Administrative Services
May 3, 2016

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THIS MATERIAL HAS BEEN REVIEWED BY:

TOWN MANAGER

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: June 1, 2016
MEETING DATE: July 6, 2016

TO: TOWN MANAGER, MAYOR AND MEMBERS OF THE TOWN COUNCIL

FROM: KELLY CROWE, ASSOCIATE ENGINEER

SUBJECT: MUNICIPAL CODE CHAPTER 16.10 "FLOOD DAMAGE PREVENTION"
INTRODUCTION OF AN ORDINANCE TO AMEND CHAPTER 16.10 OF THE MUNICIPAL CODE

* * * * * * *

PURPOSE:

To consider the introduction for later adoption of an ordinance amending Chapter 16.10 "Flood Damage Prevention" of the Municipal Code to be consistent with recent changes to the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM).

OPTIONS:

1) The Council may introduce the proposed ordinance.
2) The Council may direct staff to revise the ordinance and introduce the revised ordinance at a later meeting.
3) The Council may reject the proposed ordinance.

TOWN MANAGER'S RECOMMENDATION:

Support staff's recommendation.

GOVERNING POLICIES:

The revisions to the ordinance support policy F-1.1.c (Flood Control Ordinance) of the Town of Corte Madera General Plan

ENVIRONMENTAL IMPACT:

Pursuant to Section Title 14 of the California Code of Regulations, Section 15061(b)(3), this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not an activity which has the potential for causing a significant effect on the environment.

FISCAL IMPACT:

Staff time associated with the review and update of the code section.

BACKGROUND:

The Town of Corte Madera Municipal Code (CMMC) Title 16, "Protection of Flood Hazard Areas" was adopted by the town in 1999 as a requirement of federal law (44 CFR Parts 59 and 60) for participation in the National Flood Insurance Program (NFIP). For a community to participate in the NFIP, it must adopt and enforce floodplain management regulations that meet or exceed the minimum NFIP requirements. The intent of the code is to regulate development within the Special Flood Hazard Area (SFHA) to minimize the loss of property and life as a result of flood related damage. By complying with the law and participating in the NFIP, property owners within the SFHA have the opportunity to purchase federally subsidized flood insurance through FEMA. Furthermore, the town's continued participation in the Community Rating System (CRS) through FEMA secures a 15% discount on the NFIP insurance premiums for property owners subject to flood insurance requirements.

On March 16, 2016, the revised FIRM for the Town of Corte Madera became effective. As a result of the map change, the Base Flood Elevation (BFE) increased in height from elevation 9 NAVD (North American Vertical Datum of 1988) to 10 NAVD. The current code references a BFE equal to elevation 6 NGVD (National Geodetic Vertical Datum of 1929) which is roughly equal to 8.7 NAVD. The intent of the proposed amendment is to make the code current with the effective FIRM by removing the reference to a specific BFE as well as a specific vertical datum. The effective FIRM for a community is the controlling document that specifies elevation and datum information with respect to BFE's. In addition to updating the code to be current with the FIRM, outdated portions of the code have been updated or deleted. Please note that a datum comparison chart is attached for reference.

ATTACHMENTS:

1. Amended Chapter 16.10 of the Municipal Code showing changes in redline and strikeout

2. Datum Comparison Chart

ATTACHMENT 1

AMENDED CHAPTER 16.10 OF THE MUNICIPAL CODE SHOWING CHANGES IN REDLINE AND STRIKEOUT

ATTACHMENT 1

AMENDED CHAPTER 16.10 OF THE MUNICIPAL CODE

Chapter 16.10 - FLOOD DAMAGE PREVENTION*

Sections:

16.10.010 - Statutory authorization.
16.10.020 - Findings of fact.
16.10.030 - Statement of purpose.
16.10.040 - Methods of reducing flood losses.
16.10.050 - Definitions.
16.10.060 - General provisions.
16.10.070 - Administration.
16.10.080 - Provisions for flood hazard reduction.
16.10.090 - Variance procedure.

16.10.010 - Statutory authorization.

The Legislature of the state of California has, in Government Code Sections 65302, 65560 and 65800, conferred upon local government units authority to adopt regulations designed to promote the public health, safety and general welfare of its citizenry. Therefore, the town council of the town of Corte Madera does ordain as follows in this chapter.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.020 - Findings of fact.

(a) The flood hazard areas of the town of Corte Madera are subject to periodic inundation which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures for flood protection and relief, and impairment of the tax base, all of which adversely affect the public health, safety and general welfare.

(b) These flood losses are caused by uses that are inadequately elevated, floodproofed, or protected from flood damage. The cumulative effect of obstructions in areas of special flood hazards which increase flood heights and velocities also contribute to the flood loss.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.030 - Statement of purpose.

It is the purpose of this chapter to promote the public health, safety and general welfare, and to minimize public and private losses due to flood conditions in specific areas by provisions designed to:

(1) To protect human life and health;

(2) To minimize expenditure of public money for costly flood-control projects;

(3) To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;

(4) To minimize prolonged business interruptions;

(5) To minimize damage to public facilities and utilities such as storm drains, flood-control pumps and dikes, water and gas mains, electric, telephone and sewer lines and streets and bridges located in areas of special flood hazard;

(6) To help maintain a stable tax base by providing for appropriate use and development of areas of special flood hazard;

(7) To insure that potential buyers are notified that property is in an area of special flood hazard; and

(8) To insure that those who occupy areas of special flood hazard assume responsibility for their actions.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.040 - Methods of reducing flood losses.

In order to accomplish its purposes, this chapter includes methods and provisions for the following:

(1) Restricting or prohibiting uses which are dangerous to health, safety and property due to water or erosion hazards, or which result in damaging increases in erosion or flood heights or velocities;

(2) Requiring that uses vulnerable to flooding, including facilities which serve such uses, be protected against flood damage at the time of initial construction;

(3) Controlling the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel floodwaters;

(4) Controlling filling, grading, dredging and other development which may increase flood damage; and

(5) Preventing or regulating the construction of barriers which will unnaturally divert floodwaters to other areas or which may increase flood hazards in other areas.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.050 - Definitions.

Unless specifically defined in this section, words or phrases used in this chapter shall be interpreted so as to give them the meaning they have in common usage and to give this chapter its most reasonable application:

(a) "Accessory use" means a use which is incidental and subordinate to the principal use of the parcel of land on which it is located.

(b) "Alluvial fan" means a geomorphologic feature characterized by a cone- or fan-shaped deposit of boulders, gravel, and fine sediments that have been eroded from mountain slopes, transported by flood flows, and then deposited on the valley floors, and which is subject to flash flooding, high velocity flows, debris flows, erosion, sediment movement and deposition, and channel migration.

(c) "Apex" means the point of highest elevation on an alluvial fan, which on undisturbed fans is generally the point where the major stream that formed the fan emerges from the mountain front.

(d) "Appeal" means a request for a review of the floodplain administrator's interpretation of any provision of this chapter.

(e) "Area of shallow flooding" means a designated AO or AH zone on the flood insurance rate map (FIRM). The base flood depths range from one to three feet; a clearly defined channel does not exist; the path of flooding is unpredictable and indeterminate; and velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

(f) Area of Special Flood Hazard. See "Special flood hazard area."

(g) "Base flood" means a flood which has a one percent chance of being equaled or exceeded in any given year (also called the "100-year flood"). Base flood is the term used throughout this chapter. "Base Flood Elevation" (BFE) means the elevation shown on the Flood Insurance Rate Map that indicates the water surface elevation resulting from a flood that has a one percent or greater chance of being equaled or exceeded in any given year.

(h) "Basement" means any area of the building having its floor subgrade—i.e., below ground level—on all sides.

(i) Building. See "Structure."

(j) "Development" means any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations, and storage of equipment or materials.

(k) "Encroachment" means the advance or infringement of uses, plant growth, fill, excavation, buildings, permanent structures or development into a floodplain which may impede or alter the flow capacity of a floodplain.

(l) "Existing manufactured home park or subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before the effective date of the floodplain management regulations adopted by a community.

(m) "Expansion to an existing manufactured home park or subdivision" means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

(n) "Flood, flooding or flood water" means: (1) a general and temporary condition of partial or complete inundation of normally dry land areas from the overflow of inland or tidal waters; the unusual and rapid accumulation or runoff of surface waters from any source; and/or mudslides (i.e., mudflows); and (2) the condition resulting from flood-related erosion.

(o) "Flood boundary and floodway map (FBFM)" means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated both the areas of flood hazard and the floodway.

(p) "Flood hazard boundary map" means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated the areas of flood hazards.

(q) "Flood insurance rate map (FIRM)" means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated both the areas of special flood hazards and the risk premium zones applicable to the community.

(r) "Flood insurance study" means the official report provided by the Federal Insurance Administration that includes flood profiles, the flood insurance rate map, the flood boundary and floodway map, and the water surface elevation of the base flood.

(s) "Floodplain" or "flood-prone area" means any land area susceptible to being inundated by water from any source. See "flooding."

(t) "Floodplain administrator" is the individual appointed to administer and enforce the floodplain management regulations.

(u) "Floodplain management" means the operation of an overall program of corrective and preventive measures for reducing flood damage, and preserving and enhancing, where possible, natural resources in the floodplain, including but not limited to emergency

preparedness plans, flood-control works and floodplain management regulations, and open space plans.

(v) "Floodplain management regulations" means this chapter and other zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances (such as grading and erosion control ordinances) and other applications of police power which control development in flood-prone areas. This term describes federal, state or local regulations in any combination thereof, which provide standards for preventing and reducing flood loss and damage.

(w) "Floodproofing" means any combination of structural and nonstructural additions, changes or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water or sanitary facilities, or structures and their contents. (Refer to FEMA Technical Bulletins ~~TB~~ 1-~~93~~, ~~TB~~ 3-~~93~~, and ~~TB~~ 7-~~93~~ for guidelines on dry and wet floodproofing.)

(x) "Floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one foot. Also referred to as "regulatory floodway."

(y) "Floodway fringe" is that area of the floodplain on either side of the "regulatory floodway" where encroachment may be permitted.

(z) "Fraud and victimization," as related to Section 16.10.090 "Variance procedure" of this chapter, means that the variance granted must not cause fraud on or victimization of the public. In examining this requirement, the town council will consider the fact that every newly constructed building adds to government responsibilities and remains a part of the community for fifty to one hundred years. Buildings that are permitted to be constructed below the base flood elevation are subject during all those years to increased risk of damage from floods, while future owners of the property and the community as a whole are subject to all the costs, inconvenience, danger and suffering that those increased flood damages bring. In addition, future owners may purchase the property, unaware that it is subject to potential flood damage, and can be insured only at very high flood insurance rates.

(aa) "Functionally dependent use" means a use which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship building and ship repair facilities, and does not include long-term storage or related manufacturing facilities.

(bb) "Governing body" is the local governing unit, i.e., the town council of the town of Corte Madera, that is empowered to adopt and implement regulations to provide for the public health, safety and general welfare of its citizenry.

(cc) "Hardship," as related to Section 16.10.090 "Variance procedure" of this chapter, means the exceptional hardship that would result from the failure to grant the requested variance. The town council requires that the variance be exceptional, unusual and peculiar to the property involved. Mere economic or financial hardship alone is not exceptional. Inconvenience, aesthetic considerations, physical handicaps, personal preferences, or the disapproval of one's neighbors likewise cannot, as a rule, qualify as an exceptional hardship. All of these problems can be resolved through other means without granting a variance, even if the alternative is more expensive, or requires the property owner to build elsewhere or put the parcel to a different use than originally intended.

(dd) "Highest adjacent grade" means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

(ee) "Historic structure" means any structure that is:

(1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

(2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary of the Interior to qualify as a registered historic district;

(3) Individually listed on the state inventory of historic places, or individually listed on a local inventory of historic places, or individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified either by an approved state program as determined by the Secretary of the Interior or directly by the Secretary of the Interior in states without approved programs.

(ff) "Levee" means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control or divert the flow of water so as to provide protection from temporary flooding.

(gg) "Levee system" means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accord with sound engineering practices.

(hh) "Lowest floor" means the lowest floor of the lowest enclosed area including basement (see "Basement" definition).

(1) An unfinished or flood-resistant enclosure below the lowest floor that is usable solely for parking of vehicles, building access or storage in an area other than a basement area, is not considered a building's lowest floor provided it conforms to applicable nonelevation design requirements, including, but not limited to:

(A) The wet floodproofing standards in Section 16.10.080(a)(3)(C) of this chapter;

(B) The anchoring standards in Section 16.10.080(a)(1) of this chapter;

(C) The construction materials and methods standards in Section 16.10.080(a)(2) of this chapter;

(D) The standards for utilities in Section 16.10.080(b) of this chapter.

(2) For residential structures, all subgrade enclosed areas are prohibited as they are considered to be basements (see "Basement" definition). This prohibition includes below-grade garages and storage areas.

(ii) "Manufactured home" means a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when connected to the required utilities. The term "manufactured home" does not include a "recreational vehicle."

(jj) "Manufactured home park or subdivision" means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for sale or rent.

(kk) "Market value" shall be determined by estimating the cost to replace the structure in new condition and adjusting that cost figure by the amount of depreciation which has accrued since the structure was constructed. The cost of replacement of the structure shall be based on a square foot cost factor determined by reference to a building cost estimating guide recognized by the building construction industry. The amount of depreciation shall be determined by taking into account the age and physical deterioration of the structure and functional obsolescence as approved by the floodplain administrator, but shall not include economic or other forms of external obsolescence. Use of replacement costs or accrued depreciation factors different from those contained in recognized building cost estimating guides may be considered only if such factors are included in a report prepared by an independent professional appraiser and supported by a written explanation of the differences.

(ll) "Mean sea level (MSL)" means, for purposes of the National Flood Insurance Program, the National Geodetic Vertical Datum (NGVD) of 1929, North American Vertical Datum (NAVD) of

1988, or other datum, to which base flood elevations shown on a community's flood insurance rate map are referenced.

(mm) "New construction" means, for floodplain management purposes, structures for which the "start of construction" commenced on or after the effective date of a floodplain management regulations adopted by the town, and includes any subsequent improvements to such structures.

(nn) "New manufactured home park or subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after the effective date of floodplain management regulations adopted by this community.

(oo) "Obstruction" includes, but is not limited to, any dam, wall, wharf, embankment, levee, dike, pile, abutment, protection, excavation, channelization, bridge, conduit, culvert, building, wire, fence, rock, gravel, refuse, fill, structure, vegetation or other material in, along, across or projecting into any watercourse which may alter, impede, retard or change the direction and/or velocity of the flow of water, or due to its location, its propensity to snare or collect debris carried by the flow of water, or its likelihood of being carried downstream.

(pp) One Hundred-Year Flood or 100-Year Flood. See "Base flood."

(qq) "Public safety and nuisance" as related to Section 16.10.090 "Variance procedure" of this chapter, means that the granting of a variance must not result in anything which is injurious to safety or health of an entire community or neighborhood, or any considerable number of persons, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal or basin.

(rr) "Recreational vehicle" means a vehicle which is:

(1) Built on a single chassis;

(2) Four hundred square feet or less when measured at the largest horizontal projection;

(3) Designed to be self-propelled or permanently towable by a light-duty truck; and

(4) Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

(ss) "Regulatory floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one foot.

(tt) "Remedy a violation" means to bring the structure or other development into compliance with state or local floodplain management regulations, or, if this is not possible, to reduce the impacts of its noncompliance. Ways that impacts may be reduced include protecting the structure or other affected development from flood damages, implementing the enforcement provisions of the ordinance or otherwise deterring future similar violations, or reducing state or federal financial exposure with regard to the structure or other development.

(uu) "Riverine" means relating to, formed by or resembling a river (including tributaries), stream, brook, etc.

(vv) Sheet Flow Area. See "Area of shallow flooding."

(ww) "Special flood hazard area (SFHA)" means an area in the floodplain subject to a one percent or greater chance of flooding in any given year. ~~It is shown on an FHBM or FIRM as zones A, AO, A1-A30, AE, A99 and AH.~~

(xx) "Start of construction" refers to substantial improvement and other proposed new development, and means the date the building permit was issued; provided, the actual start of construction, repair, reconstruction, placement or other improvement was within one hundred eighty days of

the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a "substantial improvement," the actual "start of construction" means the first alteration of any wall, ceiling, floor or other structural part of the building, whether or not that alteration affects the external dimensions of the building.

(yy) "Structure" means a walled and roofed building that is principally aboveground; this includes a gas or liquid storage tank or a manufactured home.

(zz) "Substantial damage" means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed fifty percent of the market value of the structure before the damage occurred.

(aaa) "Substantial improvement" means any act or acts of reconstruction, rehabilitation, addition or other proposed new development of a structure occurring ~~both after October 7, 1999 and~~ within the five years immediately preceding the current application, regardless of any change in ownership during this time period, which act or acts aggregated have a total cost that equals or exceeds fifty percent of the market value of the structure before the "start of construction" of the improvement. This term includes structures which have incurred "substantial damage," regardless of the actual repair work performed. The term does not, however, include:

(1) Any project for improvement of a structure to correct existing violations of state or local health, sanitary or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions;

(2) Any alteration of a "historic structure"; provided, that the alteration does not preclude the structure's continued designation as a "historic structure"; or

(3) Any damage sustained by a structure as a result of an accidental fire limited to a single structure, provided that damage is not "substantial damage."

(bbb) "Ultimate settlement" means the total amount of settlement which is predicted, on the basis of a thorough soils investigation performed by an appropriately licensed professional, over the useful life of a structure. The minimum useful life of a structure shall be considered to be fifty years.

(ccc) "Variance" means a grant of relief from a requirement of this chapter that permits construction in a manner that would otherwise be prohibited by this chapter.

(ddd) "Violation" means the failure of a structure or other development to be fully compliant with this chapter. A structure or other development without the elevation certificate, other certifications, or other evidence of compliance required in this chapter is presumed to be in violation until such time as that documentation is provided.

(eee) "Water surface elevation" means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929, North American Vertical Datum (NAVD) of 1988, (or other datum, where specified) of floods of various magnitudes and frequencies in the floodplains of coastal or riverine areas.

(fff) "Watercourse" means a lake, river, creek, stream, wash, arroyo, channel or other topographic feature on or over which water flows at least periodically. Watercourse includes specifically designated areas in which substantial flood damage may occur.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.060 - General provisions.

(a) Lands to Which this Chapter Applies. This chapter shall apply to all areas of special flood hazards, and to all shoreline lands directly exposed to tidal action within the town.

(b) Basis for Establishing the Areas of Special Flood Hazard. The areas of special flood hazard identified by ~~the Federal Insurance Administration (FIA) of~~ the Federal Emergency Management Agency (FEMA) in the current version of the flood insurance study (FIS) ~~dated March 1977~~ and accompanying flood insurance rate maps (FIRMs) and flood boundary and floodway maps (FBFMs), ~~dated December 15, 1977~~ and all subsequent amendments and/or revisions, are hereby adopted by reference and declared to be a part of this chapter. This FIS and attendant mapping is the minimum area of applicability of this chapter and may be supplemented by studies for other areas which allow implementation of this chapter and which are recommended to the town council by the floodplain administrator. The study, FIRMs and FBFMs are on file at the Corte Madera Department of Public Works. ~~, 233 Tamalpais Drive, Corte Madera, CA 94925.~~

(c) Compliance. No structure or land shall hereafter be constructed, located, extended, converted or altered without full compliance with the terms of this chapter and other applicable regulations. Violations of the requirements (including violations of conditions and safeguards established in connection with conditions) shall constitute a misdemeanor. Nothing in this chapter shall prevent the town council from taking such lawful action as is necessary to prevent or remedy any violation.

(d) Abrogation and Greater Restrictions. This chapter is not intended to repeal, abrogate or impair any existing adopted codes, easements, covenants or deed restrictions. However, where this chapter and another adopted code, ordinance, easement, covenant or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

(e) Interpretation. In the interpretation and application of this chapter, all provisions shall be considered as minimum requirements; be liberally construed in favor of the governing body; and be deemed neither to limit nor repeal any other powers granted under state statutes.

(f) Warning and Disclaimer of Liability. The degree of flood protection required by this chapter is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This chapter does not imply that land outside the areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages. This chapter shall not create liability on the part of the town, any officer or employee thereof, the state of California, or the Federal Insurance Administration, Federal Emergency Management Agency, for any flood damages that result from reliance on this chapter or any administrative decision lawfully made thereunder.

(g) Severability. This chapter and the various parts thereof are declared to be severable. Should any section of this chapter be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the ordinance as a whole, or any portion thereof other than the section so declared to be unconstitutional or invalid.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.070 - Administration.

(a) Establishment of a Floodplain Development Permit. A floodplain development permit shall be obtained before construction or development begins within any area of special flood hazards, established in Sections 16.10.060(a) and (b) of this chapter. Application for a floodplain development permit shall be made on forms furnished by the floodplain administrator and shall be accompanied by plans drawn to scale showing the nature, location, dimensions and elevation of the area in

question; existing or proposed structure, fill, material storage areas, drainage facilities; and the locations of the foregoing. Specifically, the following information is required:

(1) Site plan, including but not limited to:

(A) For all proposed structures, spot ground elevations at building corners and twenty-foot or smaller intervals along the foundation footprint, or one foot contour elevations throughout the building site,

(B) Proposed locations of water supply, sanitary sewer, and utilities,

(C) If available, the base flood elevation from the flood insurance study and/or flood insurance rate map, and

(D) If applicable, the location of the regulatory floodway;

(2) Foundation design detail, including but not limited to:

(A) Proposed elevation in relation to mean sea level, of the lowest floor (including basement) of all structures,

(B) For a crawl-space foundation, location and total net area of foundation openings as required in Section 16.10.080(a)(3)(C) of this chapter and FEMA Technical Bulletins 1-~~93~~ and 7-~~93~~, and

(C) For foundations placed on fill, the location and height of fill, and compaction requirements (compacted to ninety-five percent using the Standard Proctor Test method);

(3) Proposed elevation in relation to mean sea level to which any nonresidential structure will be floodproofed, as required in Section 16.10.080(a)(3)(B) of this chapter and FEMA Technical Bulletin ~~TB~~ 3-~~93~~;

(4) All appropriate certifications listed in subsection (c)(4) of this section; and

(5) Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.

(b) Designation of the Floodplain Administrator. The town engineer is appointed to administer and implement this chapter by granting or denying floodplain development permits in accordance with its provisions.

(c) Duties and Responsibilities of the Floodplain Administrator. The duties and responsibilities of the floodplain administrator shall include, but not be limited to, the following:

(1) Permit Review. Review all building, grading and development permits to determine the following:

(A) That the permit requirements of this chapter have been satisfied,

(B) That all other required state and federal permits have been obtained,

(C) That the site is reasonably safe from flooding,

(D) That the proposed development does not adversely affect the carrying capacity of areas where base flood elevations have been determined but a floodway has not been designated. For purposes of this chapter, "adversely affects" means that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will increase the water surface elevation of the base flood more than one foot;

(2) Review, Use and Development of Other Base Flood Data.

(A) When base flood elevation data has not been provided in accordance with Section 16.10.060(b) of this chapter, the floodplain administrator shall obtain, review, and reasonably utilize any base flood elevation and floodway data available from a federal or

state agency, or other source, in order to administer Section 16.10.080 of this chapter. Any such information shall be submitted to the town council for adoption, or

(B) If no base flood elevation data is available from a federal or state agency or other source, then a base flood elevation shall be obtained using one of two methods from the FEMA publication "Managing Floodplain Development in Approximate Zone A Areas—A Guide for Obtaining and Developing Base (100-year) Flood Elevations" dated July 1995 in order to administer Section 16.10.080 of this chapter:

(i) Simplified method:

a. One hundred-year or base flood discharge shall be obtained using the appropriate regression equation found in a U.S. Geological Survey publication, or the discharge-drainage area method, and

b. Base flood elevation shall be obtained using the Quick-2 computer program developed by FEMA, or

(ii) Detailed method:

The one hundred-year or base flood discharge and the base flood elevation shall be obtained using detailed methods identified in FEMA Publication 265, published in July 1995 and titled: "Managing Floodplain Development in Approximate Zone A Areas-A Flood Elevations";

(3) Notification of Other Agencies. In alteration or relocation of a watercourse:

(A) Notify adjacent communities and the California Department of Water Resources prior to alteration or relocation,

(B) Submit evidence of such notification to the Federal Insurance Administration, Federal Emergency Management Agency, and

(C) Assure that the flood carrying capacity within the altered or relocated portion of such watercourse is maintained;

(4) Documentation of Floodplain Development. The floodplain administrator shall obtain and maintain for public inspection and make available as needed the following documents:

(A) The certification required in Section 16.10.080(a)(3)(A) (lowest floor elevations),

(B) The certification required in Section 16.10.080(a)(3)(B)(iii) (elevation or floodproofing of nonresidential structures),

(C) The certification required in Section 16.10.080(a)(3)(C)(i) or 16.10.080(a)(3)(C)(ii) (wet floodproofing standard),

(D) The certification of elevation required in Section 16.10.080(c)(2) (subdivision standards),

(E) The certification required in Section 16.10.080(e)(l) (floodway encroachments);

(5) Map Determinations. Make interpretations where needed, as to the exact location of the boundaries of the areas of special flood hazards. Where there appears to be a conflict between a mapped boundary and actual field conditions or the exact boundaries of shoreline areas directly exposed to tidal action, grade and base flood elevations shall be used to determine the boundaries of the special flood hazard area. The person contesting the location of a boundary shall be given a reasonable opportunity to appeal the interpretation as provided in Section 16.10.090 of this chapter;

(6) Remedial Action. Take action to remedy violations of this chapter as specified in Section 16.10.060(c) of this chapter;

(7) Appeals. The town council of the town of Corte Madera shall hear and decide appeals when it is alleged there is an error in any requirement, decision, or determination made by the floodplain administrator in the enforcement or administration of this chapter.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.080 - Provisions for flood hazard reduction.

(a) Standards of Construction. In all areas of special flood hazards and shoreline areas exposed to direct tidal action, the following standards shall be required:

(1) Anchoring.

(A) All new construction and substantial improvements shall be anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy.

(B) All manufactured homes shall meet the anchoring standards of subsection (d) of this section.

(2) Construction Materials and Methods. All new construction and substantial improvement shall be constructed:

(A) With flood-resistant materials as specified in FEMA Technical Bulletin ~~TB~~ 2-~~93~~, and utility equipment resistant to flood damage;

(B) Using methods and practices that minimize flood damage;

(C) With electrical, heating, ventilation, plumbing and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding; and if

(D) Within zones AH or AO, so that there are adequate drainage paths around structures on slopes to guide flood waters around and away from proposed structures.

(3) Elevation and Floodproofing. (See Section 16.10.050, Definitions, for "basement," "lowest floor," "new construction," "substantial damage" and "substantial improvement").

(A) Residential construction, new or substantial improvement, shall have the lowest floor, including basement.

(i) In zones A and AE~~A1-A30~~, elevated to a height equal to or exceeding one (1) foot above the base flood elevation specified on the FIRM~~, plus the amount of ultimate settlement anticipated for the structure. The base flood elevation in zone A1, as shown on the FIRM, is elevation 6 NGVD.~~.

(ii) In zone V and VE~~A~~, elevated to a height equal to or exceeding one (1) foot above the base flood elevation~~, of 6 NGVD, plus the amount of ultimate settlement anticipated for the structure. This base flood elevation has been determined by the contour interpolation method and data extrapolation method outlined in the FEMA publication titled "Managing Floodplain Development in Approximate Zone A Areas—A Guide for Obtaining and Developing Base (100-year) Flood Elevations" dated July 1995.~~

(iii) ~~In any area of special flood hazard to which this chapter applies, and which is on the shoreline of San Francisco Bay, Corte Madera Creek, or San Clemente Creek and exposed to direct tidal action, elevated to a height equal to or exceeding three feet above the base flood elevation of 6 NGVD, plus the amount of ultimate settlement anticipated for the structure. The base flood elevation shall be as determined in either subsections (a)(3)(A)(i) or (a)(3)(A)(ii) of this section.~~ Upon the completion of the structure, the elevation of the lowest floor including basement shall be certified by a registered professional engineer or surveyor, and verified by the community building inspector to be properly elevated. Such certification and verification shall be provided to the floodplain administrator.

(B) All new construction or substantial improvements of n~~N~~onresidential construction shall either be elevated in conformance with subsection (a)(3)(A) of this section, or together with attendant utility and sanitary facilities:

(i) Be floodproofed below the elevation recommended under subsection (a)(3) of this section so that the structure is watertight with walls substantially impermeable to the passage of water;

(ii) Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy; and

(iii) Be certified by a registered professional engineer or architect that the standards of this section are satisfied. Such certifications shall be provided to the floodplain administrator.

(C) All new construction and substantial improvements with fully enclosed areas below the lowest floor (excluding basements) that are usable solely for parking of vehicles, building access, or storage, and which are subject to flooding shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters. Designs for meeting this requirement shall follow the guidelines in FEMA Technical Bulletins ~~TB~~ 1~~-93~~ and ~~TB~~ 7~~-93~~, and must exceed the following minimum criteria:

(i) Be certified by a registered professional engineer or architect; or

(ii) Have a minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding. The bottom of all openings shall be no higher than one foot above grade. Openings may be equipped with screens, louvers, valves or other coverings or devices; provided, that they permit the automatic entry and exit of floodwaters; or be certified by a registered professional engineer or architect.

(D) Manufactured homes shall also meet the standards in subsection (d) of this section.

(b) Standards for Utilities.

(1) All new and replacement water supply and sanitary sewage systems shall be designed to minimize or eliminate infiltration of floodwaters into the system and discharge from systems into floodwaters.

(2) On-site waste disposal systems shall be located to avoid impairment to them, or contamination from them, during flooding.

(c) Standards for Subdivisions.

(1) All preliminary subdivision proposals shall identify the special flood hazard area and the elevation of the base flood.

(2) All subdivision plans will provide the elevation of proposed structure(s) and pad(s). If the site is filled above the base flood elevation, the lowest floor and pad elevation shall be certified by a registered professional engineer or surveyor and provided to the floodplain administrator.

(3) All subdivision proposals shall be consistent with the need to minimize flood damage.

(4) All subdivision proposals shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize flood damage.

(5) All subdivisions shall provide adequate drainage to reduce exposure to flood hazards.

(d) Standards for Manufactured Homes.

(1) All manufactured homes that are placed or substantially improved, within zones A~~, A1-A30, AH,~~ and AE on the community's flood insurance rate map, on sites located:

(A) Outside of a manufactured home park or subdivision;

(B) In a new manufactured home park or subdivision;

(C) In an expansion to an existing manufactured home park or subdivision; or

(D) In an existing manufactured home park or subdivision on a site upon which a manufactured home has incurred "substantial damage" as the result of a flood, shall be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated to or above the elevation identified in subsection (a)(3) of this section, and be securely fastened to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

(2) All manufactured homes to be placed or substantially improved on sites in an existing manufactured home park or subdivision within zones A~~, A1-A30, AH~~ and AE on the flood insurance rate map, that are not subject to the provisions of subsection (d)(1) of this section will be securely fastened to an adequately anchored foundation system to resist flotation, collapse and lateral movement and elevated so that either:

(A) The lowest floor of the manufactured home is at or above the base flood elevation; or

(B) The manufactured home chassis is supported by reinforced pier or other foundation elements of at least equal strength that are no less than thirty-six inches in height above grade. Upon the completion of the structure, the elevation of the lowest floor including basement shall be certified by a registered professional engineer or surveyor, and verified by the community building inspector to be properly elevated. Such certification and verification shall be provided to the floodplain administrator.

(e) Standards for Recreational Vehicles. All recreational vehicles placed on sites within zones A~~, A1-A30, AH~~ and AE on the flood insurance rate map will either:

(1) Be on the site for fewer than one hundred eighty consecutive days, and be fully licensed and ready for highway use—a recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices, and has no permanently attached additions; or

(2) Meet the permit requirement of Section 16.10.070 of this chapter and the elevation and anchoring requirements for manufactured homes in subsection (d) of this section.

(f) Floodways. Located within areas of special flood hazard established in Section 16.10.060(b) of this chapter are areas designated as floodways. Since the floodway is an extremely hazardous area due to the velocity of floodwaters which carry debris, potential projectiles and erosion potential, the following provisions shall apply:

(1) Prohibit encroachments, including fill, new construction, substantial improvements, and other new development unless certification by a registered professional engineer is provided demonstrating that encroachments shall not result in any increase in the base flood elevation during the occurrence of the base flood discharge;

(2) If subsection (e)(1) of this section is satisfied, all new construction, substantial improvements, and other proposed new development shall comply with all other applicable flood hazard reduction provisions of this section.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

16.10.090 - Variance procedure.

(a) Nature of Variances. The issuance of a variance is for floodplain management purposes only. Insurance premium rates are determined by statute according to actuarial risk and will not be modified by the granting of a variance. The variance criteria set forth in this section of the chapter are based on the general principal of zoning law that variances pertain to a piece of property and are not personal in nature. A variance may be granted for a parcel of property with physical characteristics

so unusual that complying with the requirements of this chapter would create an exceptional hardship to the applicant or the surrounding property owners. The characteristics must be unique to the property and not be shared by adjacent parcels. The unique characteristic must pertain to the land itself, not to the structure, its inhabitants or the property owners. It is the duty of the town council to help protect its citizens from flooding. This need is so compelling and the implications of the cost of insuring a structure built below flood level are so serious that variances from the flood elevation or from other requirements of this chapter shall be rare. The long-term goal of preventing and reducing flood loss and damage can only be met if variances are strictly limited. Therefore, the variance guidelines provided in this section are more detailed and contain multiple provisions that must be met before a variance can be properly granted. The criteria are designed to screen out those situations in which alternatives other than a variance are more appropriate.

(b) Appeal Board.

(1) In passing upon appeals and applications for variances, the town council shall consider all technical evaluations, all relevant factors, standards specified in other sections of this chapter and:

(A) The danger that materials may be swept onto other lands to the injury of others;

(B) The danger to life and property due to flooding or erosion damage;

(C) The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the existing individual owner and future owners of the property;

(D) The importance to the community of the services provided by the proposed facility to the community;

(E) The necessity of a waterfront location to the facility, where applicable;

(F) The availability of alternative locations for the proposed use which are not subject to flooding or erosion damage;

(G) The compatibility of the proposed use with existing and anticipated development;

(H) The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;

(I) The safety of access for ordinary and emergency vehicles to the property in time of flood;

(J) The expected heights, velocity, duration, rate of rise and sediment transport of the floodwaters expected at the site; and

(K) The costs of providing governmental services during and after flood conditions, including maintenance and repair of public utilities and facilities such as sewer, gas, electrical and water system, and streets and bridges.

(c) Conditions for Variances.

(1) Generally, variances may be issued for new construction, substantial improvement, and other proposed new development to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing that the procedures of Sections 16.10.070 and 16.10.080 of this chapter have been fully considered. As the lot size increases beyond one-half acre, the technical justification required for issuing the variance increases.

(2) Variances may be issued for the repair or rehabilitation of "historic structures" (as defined in Section 16.10.050 of this chapter) upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as an historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.

(3) Variances shall not be issued within any mapped regulatory floodway if any increase in flood levels during the base flood discharge would result.

(4) Variances shall only be issued upon a determination that the variance is the "minimum necessary," considering the flood hazard, to afford relief. "Minimum necessary" means to afford relief with a minimum of deviation from the requirements of this chapter. For example, in the case of variances to an elevation requirement, this means the town council need not grant permission for the applicant to build at grade, or even to whatever elevation the applicant proposes, but only to that elevation which the town council believes will both provide relief and preserve the integrity of the local ordinance.

(5) Any applicant to whom a variance is granted shall be given written notice over the signature of a community official that:

(A) The issuance of a variance to construct a structure below the base flood level will result in increased premium rates for flood insurance up to amounts as high as twenty-five dollars for one hundred dollars of insurance coverage; and

(B) Such construction below the base flood level increases risks to life and property. A copy of the notice shall be recorded by the floodplain administrator in the office of the Marin county recorder and shall be recorded in a manner so that it appears in the chain of title of the affected parcel of land.

(6) The floodplain administrator will maintain a record of all variance actions, including justification for their issuance, and report such variances issued in its biennial report submitted to the Federal Insurance Administration, Federal Emergency Management Agency.

(7) Variances shall only be issued upon a:

(A) Showing of good and sufficient cause;

(B) Determination that failure to grant the variance would result in exceptional "hardship" (as defined in Section 16.10.050 of this chapter) to the applicant; and

(C) Determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, or extraordinary public expense, create a nuisance (as defined in Section 16.10.050—see "Public safety or nuisance"), cause fraud or victimization (as defined in Section 16.10.050) of the public, or conflict with existing local laws or ordinances.

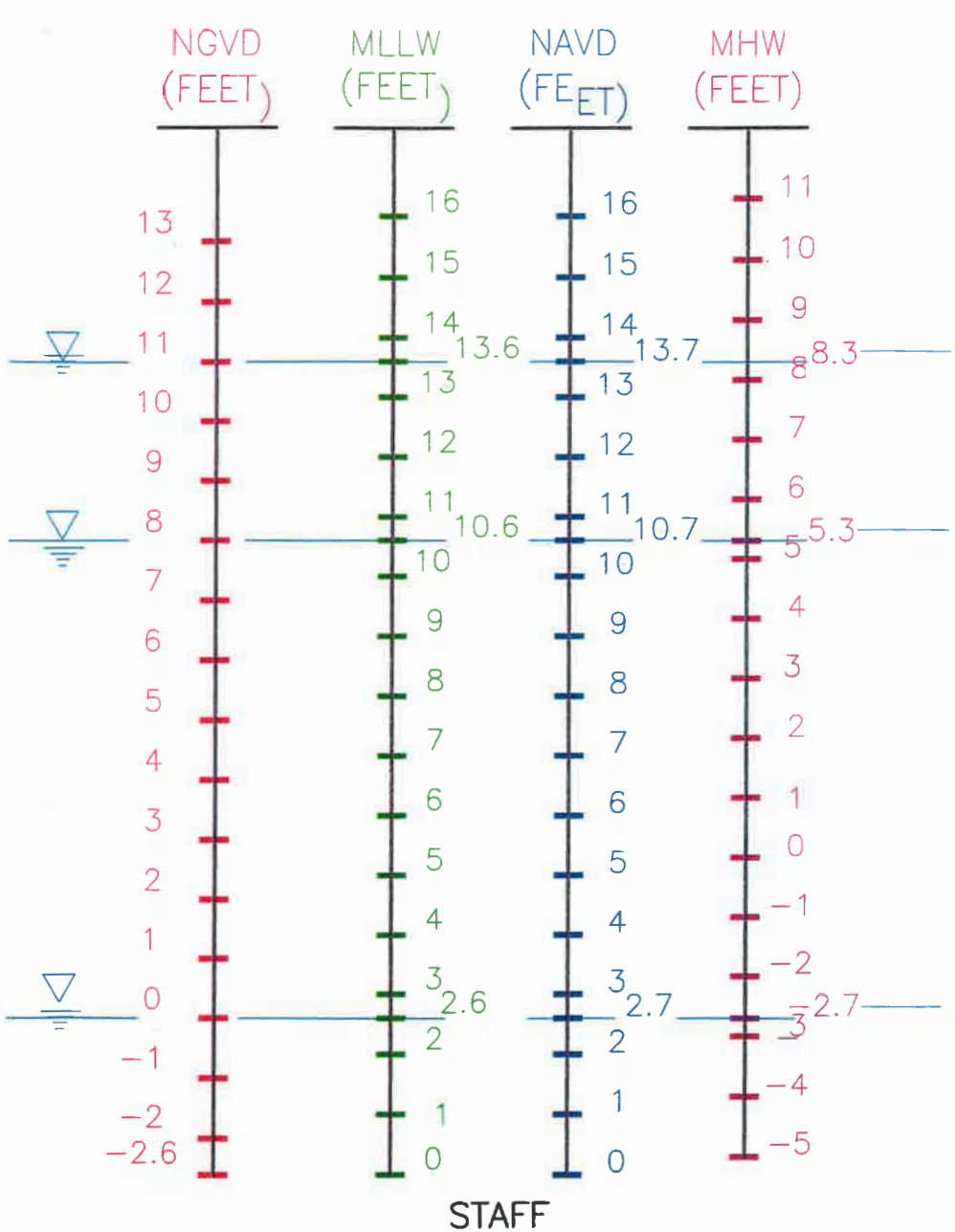
(8) Variances may be issued for new construction, substantial improvement, and other proposed new development necessary for the conduct of a functionally dependent use provided that the provisions of subsections (c)(1) through (5) of this section are satisfied and that the structure or other development is protected by methods that minimize flood damages during the base flood and does not result in additional threats to public safety and does not create a public nuisance.

(9) Upon consideration of the factors of subsection (b)(1) of this section and the purposes of this chapter, the town council may attach such conditions to the granting of variances as it deems necessary to further the purposes of this chapter.

(Ord. 889 § 1 (part), 2005: Ord. 845(b) § 1 (part), 1999)

ATTACHMENT 2

DATUM COMPARISON CHART



DATUMS:

NGVD29 – NATIONAL GEODETIC VERTICAL DATUM OF 1929 (USED ON TOWN'S MAPS AND PLANS)

MLLW – MEAN LOWER LOW WATER (TIDE TABLES)

NAVD88 – NORTH AMERICAN VERTICAL DATUM OF 1988

MHW – MEAN HIGH WATER

EQUATIONS

(AT SAN CLEMENTE CREEK AND CORTE MADERA CREEK AT HW101):

APPROXIMATE ELEVATION (MLLW) = ELEVATION (NGVD) + 2.6 FEET

APPROXIMATE ELEVATION (NAVD) = ELEVATION (NGVD) + 2.7 FEET

APPROXIMATE ELEVATION (MHW) = ELEVATION (NGVD) – 2.7 FEET

2 0 2 4

1"=2'

Town of Corte Madera

STORM DRAINAGE AND FLOOD CONTROL STUDY – PHASE 2

DATUM COMPARISION (AT SAN CLEMENTE CREEK AND CORTE MADERA CREEK AT HWY 101)

EXHIBIT R

Sheet 1 of 1

FILENAME: 5866\drafting\prc_j88lierwell_datum.dwg MODIFIED: 5/30/08 3:00 5866bord-11x17.0

THIS MATERIAL HAS BEEN REVIEWED BY:

DISTRICT MANAGER

SANITARY DISTRICT NO. 2 OF MARIN COUNTY BOARD OF DIRECTORS
STAFF REPORT

REPORT DATE: June 2, 2016
MEETING DATE: June 6, 2016

TO: DISTRICT MANAGER, PRESIDENT AND MEMBERS OF THE BOARD

FROM: REBECCA VAUGHN, DISTRICT CLERK

SUBJECT: CONSIDERATION OF APPROVING THE RESPONSE FROM SANITARY DISRICT NO. 2 TO THE MARIN COUNTY CIVIL GRAND JURY'S 2015-2016 WEB TRANSPARENCY REPORT CARD

* * * * * * *

STAFF RECOMMENDATION:
Approve the proposed response to the Marin County Civil Grand Jury.

OPTIONS:

1) The Board may approve the proposed response.
2) The Board may propose modifications to the proposed response.
3) The Board may reject the proposed response and provide further direction to staff.

DISTRICT MANAGER'S RECOMMENDATION:
Support staff's recommendation.

FISCAL IMPACT:
None

BACKGROUND:
In November 2015, the Marin County Civil Grand Jury issued preliminary report cards to 127 Marin County local government agencies. While no grades were assigned at that point, the report card presented numerous deficiencies in the availability of information to the public. Utilizing the Best Practices checklist provided by the Grand Jury, staff spent approximately two weeks updating content available on the website and improving accessibility by making scanned documents "searchable". Upon conclusion of the work, staff submitted the self-audit form to the Grand Jury.

On March 10, 2016, Grand Jury issued the final report titled, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*. Despite the improvements completed, the District was given a grade of "D". The District is required to provide a response to the report's recommendations within 90 days of the issue date. The District's response is due by June 10, 2016. Pursuant to the Ralph M. Brown Act, governing bodies are required to present their comments and responses during a publicly noticed and agendized open meeting prior to submitting a response to the Grand Jury. Responses are maintained by the Grand Jury, and the District, as public record.

FINDINGS

The Findings of the Grand Jury are as follows:

F1: As of January 4, 2016, 27 Marin local agencies lacked public websites (and of the 99 agencies that have web sites, 65 did not satisfy the Grand Jury's web transparency criteria as of that date.)

F2: Inspecting the Marin County Clerk's roster of Public Agencies, the Grand Jury discovered a majority of local agencies out of compliance per California Government Code Section 53051 (no filings or outdated filings).

F3: Effective January 1, 2015, Assembly Bill (AB) 2040 requires that if a public agency "maintains an Internet Web site, it shall post, in a conspicuous location on its Internet Web site, information on the annual compensation of its elected officials, officers, and employees that is submitted to the Controller under Section 53891." The Grand Jury discovered a majority of the agencies were out of compliance (and potentially at-risk for fines and/or audit), per California Government Code sections 53895, 53895.7, and 53896).

F4: The County of Marin does not currently publish a definitive list of all its dependent special districts and JPAs

F5: Marin County's Roster of Public Agencies is available for viewing only as hard copy at the office of the Marin County Clerk.

The District was not requested to respond to any of the listed findings.

RECOMMENDATIONS

The Recommendations of the Grand Jury are as follows:

R1: The agency should improve its web transparency score to "B-" (or better), by updating its website and submitting the appropriate self-audit form. The form may be obtained by emailing: grandjury-audit@marincounty.org

R2: The agency should file and keep updated its Statement of Facts with the California Secretary of State and the Marin County Clerk as required by California Code §53051.

R3: The agency should update its website to include information of the annual compensation of its elected officials, officers and employees; and this information should also be submitted to the Controller, as required by Sections 12463 and 53909 of the California Government Code.

R4: The Marin County Board of Supervisors should create a comprehensive online "digital directory" with links to all County of Marin's dependent special districts and JPAs.

R5: To further improve web transparency, the County Clerk of Marin County should allow public remote Internet access to its Roster of Public Agencies.

The District has been asked to respond to Recommendations 1, 2, and 3.

Response to Recommendation 1: Following receipt of the report, staff spent a significant amount of time updating the District's website, utilizing the Best Practices guide provided by the Grand Jury. Staff requested early feedback on the work completed to date, and received an email dated May 25, 2016, confirming that a new audit of the District's website had taken place. Prior to completion of the updates, the Grand Jury had given the website a grade of "D". The updates completed to date were sufficient to bring the District's grade to a "B-". The auditors determined that the District's website is still lacking in the following areas: Board Member biographies, readily available listing of staff compensation, instructions for bidding on District projects and listing of approved vendor contracts awarded.

While the updates completed thus far are sufficient to bring the District into compliance with this recommendation, in the interest of transparency, staff has begun work to complete the remaining improvements. The expectation is that work will be completed on or before July 1, 2016.

Response to Recommendation 2: The District agrees with this recommendation. The Statement of Facts form will be filed with the California Secretary of State and with the office of the Marin County Clerk by June 10, 2016.

Response to Recommendation 3: The District agrees with this recommendation. Sanitary District No. 2 is a Subsidiary District to the Town of Corte Madera and has no employees. It receives personnel services from Town of Corte Madera employees. Staff will update the District's website to better convey this information. The Town's website, under the Human Resources page, lists the salaries and benefits for all Town employees. This website can be found via the following link: http://townofcortemadera.org/247/Human-Resources

Compensation is reported to the California State Controller's Office annually as required by Sections 12463 and 53909 of the California Government Code.

In conclusion, staff has found this report to be a useful tool in helping the District to identify areas of improvement and has served to aid the District in its goal of providing increased transparency and availability of information to the public.

ATTACHMENTS:

1. Draft Letter in Response to the Marin County Civil Grand Jury Report.
2. Response Form
3. Grand Jury Report Dated March 10, 2016, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*

ATTACHMENT 1

DRAFT LETTER IN RESPONSE TO
THE MARIN COUNTY CIVIL GRAND JURY REPORT

June 7, 2016

The Honorable Judge Kelly V. Simmons
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988

Victoria Harrison, Foreperson Pro tem
Marin County Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

Dear Foreperson Pro tem:

Thank you for your recent report, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*. Pursuant to Penal Code 933.05, I am writing on behalf of the Corte Madera Sanitary District No. 2, to respectfully respond to the report.

The Sanitary District Board reviewed the report and discussed the proposed response at its regular meeting held on June 6, 2016. The report requests that the District respond to Recommendations 1,2 and 3. The District's response is attached.

Please accept our appreciation for the service you provide to the residents of Marin County, and for the guidance you provided to our staff during the review process. The District has found your report to be extremely useful in developing the District's website into a robust tool for furthering communication and civic engagement within our community.

Should you have any questions regarding this response, please contact the District Clerk, Rebecca Vaughn, at 415-927-5085 or rvaughn@tcmmail.org.

Sincerely,

Sloan C. Bailey
Board President

CORTE MADERA SANITARY DISTRICT NO. 2 RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light.*

The District has been asked to respond to Recommendations 1, 2 and 3

Recommendation 1:
"The agency should improve its web transparency score to "B-" (or better), by updating its website and submitting the appropriate self-audit form. The form may be obtained by emailing: grandjury-audit@marincounty.org"

Response to Recommendation 1:
Following receipt of the report, staff spent a significant amount of time updating the District's website, utilizing the Best Practices guide provided by the Grand Jury. Staff requested early feedback on the work completed to date, and received an email dated May 25, 2016, confirming that a new audit of the District's website had taken place. Prior to completion of the updates, the Grand Jury had given the website a grade of "D". The updates completed to date were sufficient to bring the District's grade to a "B-". The auditors determined that the District's website is still lacking in the following areas: Board Member biographies, readily available listing of staff compensation, instructions for bidding on District projects and listing of approved vendor contracts awarded.

While the updates completed thus far are sufficient to bring the District into compliance with this recommendation, in the interest of transparency, staff has begun work to complete the remaining improvements. The expectation is that work will be completed on or before July 1, 2016.

Recommendation 2:
"The agency should file and keep updated its Statement of Facts with the California Secretary of State and the Marin County Clerk as required by California Code §53051."

Response to Recommendation 2:
The District agrees with this recommendation. The Statement of Facts form will be filed with the California Secretary of State and with the office of the Marin County Clerk by June 10, 2016.

Recommendation 3:
"The agency should update its website to include information of the annual compensation of its elected officials, officers and employees; and this information should also be submitted to the Controller, as required by Sections 12463 and 53909 of the California Government Code."

Response to Recommendation 3:
The District agrees with this recommendation. Sanitary District No. 2 is a Subsidiary District to the Town of Corte Madera and has no employees. It receives personnel services from Town of

Corte Madera employees. Staff will update the District's website to better convey this information. The Town's website, under the Human Resources page, lists the salaries and benefits for all Town employees. This website can be found via the following link: http://townofcortemadera.org/247/Human-Resources

Compensation is reported to the California State Controller's Office annually as required by Sections 12463 and 53909 of the California Government Code.

DRAFT

ATTACHMENT 2

RESPONSE FORM

RESPONSE TO GRAND JURY REPORT

Report Title: 2015-16 WEB TRANSPARENCY REPORT CARD

Report Date: MARCH 10, 2016

Agenda Date: JUNE 6, 2016

Response by: SLOAN C. BAILEY Title: BOARD PRESIDENT

FINDINGS

- I (we) agree with the findings numbered: _____
- I (we) disagree *partially* with the findings numbered: _____
- I (we) disagree *wholly* with the findings numbered: _____

  (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered R1 (Partial) R3 (Partial) have been implemented.

  (Attach a summary describing the implemented actions.)

- Recommendations numbered R1 (Remainder) R2, R3 (Remain) have not yet been implemented, but will be implemented in the future. *SEE ATTACHED

  (Attach a timeframe for the implementation.)

- Recommendations numbered _____ require further analysis.

  (Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered_____ will not be implemented because they are not warranted or are not reasonable.

  (Attach an explanation.)

Date: 6/07/16 Signed: _____
Sloan C. Bailey, Board President

Number of pages attached 3

ATTACHMENT 3

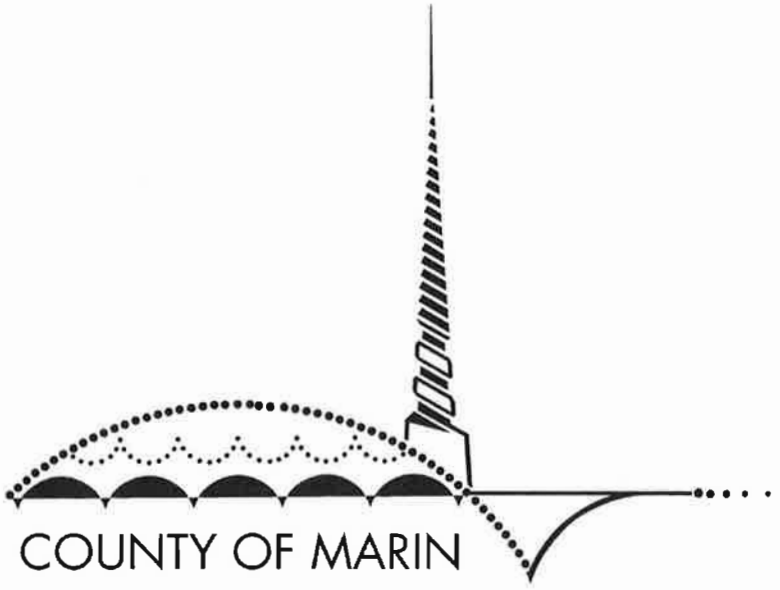
GRAND JURY REPORT DATED MARCH 10, 2016,
2015-16 WEB TRANSPARENCY REPORT CARD:
BRINGING MARIN COUNTY'S LOCAL GOVERNMENTS TO LIGHT

2015/2016 MARIN COUNTY CIVIL GRAND JURY

2015-16 Web Transparency Report Card

Bringing Marin County's Local Governments to Light

Report Date: March 10, 2016
Public Release Date: March 17, 2016



2015-16 Web Transparency Report Card

Bringing Marin County's Local Governments to Light

SUMMARY

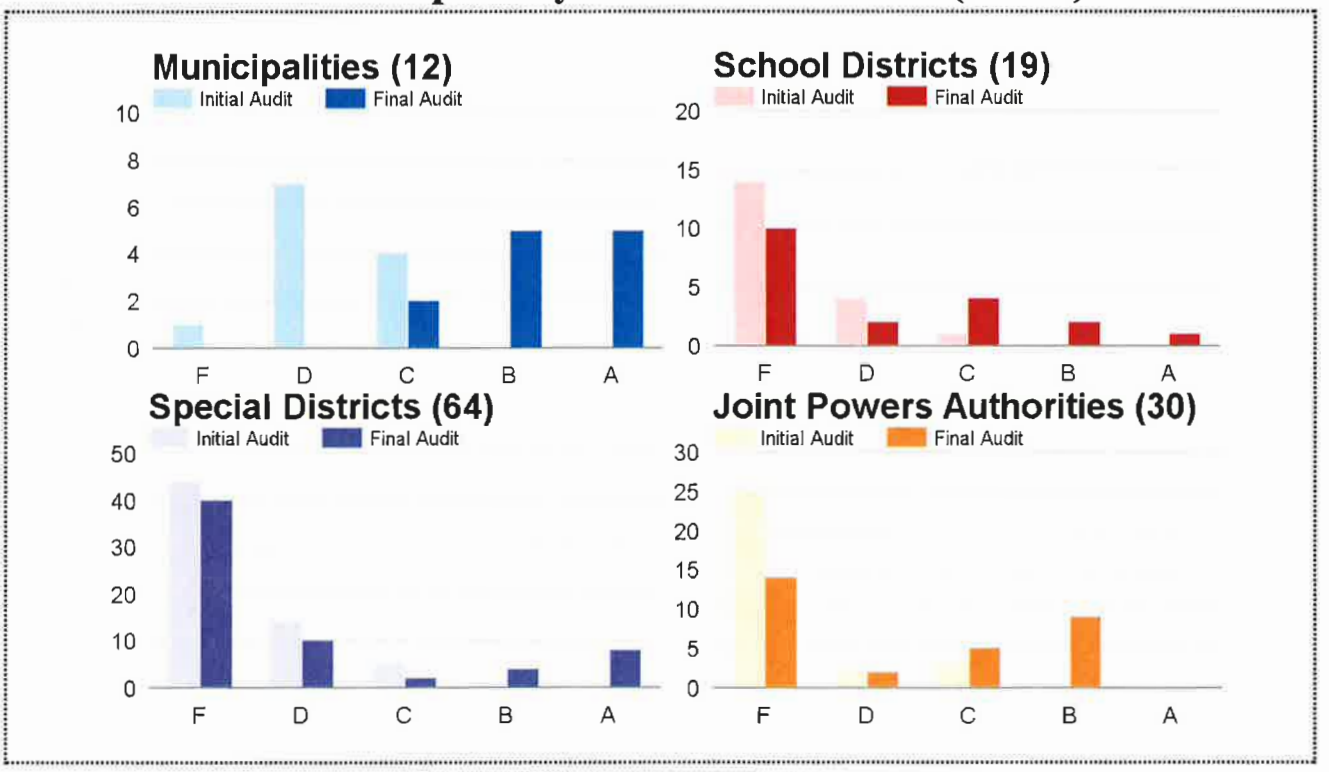
How important are government websites? In April 2015, the Pew Research Center reported[1] that "65% of Americans in the prior 12 months have used the internet to find data or information pertaining to government". Between October 2015 and January 2016, the Marin County Civil Grand Jury audited local government agencies' websites to evaluate the quality of online information such as budgets, audits and board member information. We found serious deficiencies. The Grand Jury provided each agency with our preliminary audits and described our approach. All agencies were offered the opportunity to improve their websites for a final audit. Many websites significantly improved, while others remained deficient. This audit report provides transparency improvement recommendations for Marin local agency websites.

126 local agencies were audited: 12 municipalities, 19 school districts, 64 special districts, 30 joint powers authorities (JPAs), and 1 rail district.

59 local agencies improved their websites, and 34 received a grade of B- or better.

27 local agencies have no website: 19 special districts and 8 joint powers authorities (JPAs).

Web Transparency Grade Distributions (F to A)



[1] http://pewinternet.org/files/2014/10/PI_OpenData_072815.pdf

BACKGROUND

"A lack of transparency results in distrust and a deep sense of insecurity."

— Dalai Lama

Marin residents are likely unaware of all the various agencies that serve them. Their property tax bills list[2] the charges assessed by these local agencies[3]: county, city, school, joint powers authorities, rail districts, special districts, and assessment districts. Appendix A illustrates a sample Marin property tax bill.

Increasing transparency for a local agency makes it easier to understand where tax dollars go. Residents should be able to easily find the description of services provided, the names and contact information of board members and management, the budget, agendas and minutes of meetings, and other information. Today, the most common source of information is the Internet. Compared with other information sources (i.e., phone calls or emails), online searching is often faster, more detailed, always accessible and anonymous.

An effective website presence can also benefit an agency. In the study, *Smarter eGovernment: The Economics of Online Services in Utah* (sponsored by the National Information Consortium[4]), the Center for Public Policy and Administration at the University of Utah found that Utah was able to save a total of $46 million in the period of 2007-2011 by making traditionally "offline" (in-office) services available online.

State law requires transparency: The Ralph M. Brown Act (public meetings), The California Public Records Act (record keeping), California Fair Political Practices Reporting Requirements (economic interests), and financial reporting. While there is currently no requirement for an agency to have a website, there has been a growing movement to make governmental information available online (the "Open Data" movement). In 2013, President Obama signed an executive order "...that made open and machine-readable data the new default for government information"[5], which launched Project Open Data. In 2014, Governor Brown signed Assembly Bill (AB) 2040[6] requiring all local agencies that maintain websites to conspicuously post the annual compensation of its elected officials, officers, and employees. And in 2015, Governor Brown signed Assembly Bill (AB) 169[7] and Senate Bill (SB) 272[8]

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[2] The paper tax bill lists a *subset* of, while an online viewable bill on the County of Marin's Assessor's webpage (http://www.marincounty.org/depts/ar/divisions/assessor/search-assessor-records) details *all* the legal charges.
[3] See glossary for definitions of agency types.
[4] egov.com
[5] https://www.whitehouse.gov/open
[6] http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201320140AB2040
[7] https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160AB169
[8] http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB272

requiring all local agencies that maintain websites (except for school districts[9]) to make more of their information publicly available and searchable online.

Around the United States, several well-respected organizations have developed web transparency checklists for public agencies[10]. When the Grand Jury examined these checklists, we found items that either did not apply to California agencies or only applied to a specific type of agency. We decided to combine the best of each of these lists to create a single list of nine criteria that could apply to all Marin agencies, and added a tenth agency-specific criterion:

Web Transparency Checklist Criteria

1. **Overview**
   - Mission Statement: *What is the agency's reason for existing?*
   - Description of services/functions: *What actions does the agency undertake and what services does the agency provide?*
   - Boundary of service area: *What specific area does the agency serve?*
2. **Budget**
   - Budget for current fiscal year
   - Budget for the three years prior to the current year
   - Financial reserves policy: *What is the agency's policy for designated reserves and reserve funds? (The policy should be in the agency policy manual but also may be restated and found in the budget or audit reports)*
3. **Meetings**
   - Board meeting schedule: *When specifically does the agency meet?*
   - Archive of Board meeting agendas & minutes for at least the last 6 months: *Both approved minutes and past agendas*
4. **Elected & Appointed Officials**
   - Board members (names, contact info, terms of office, compensation, and biography): *Who specifically represents the public on the Board? How can the public contact them? When were they elected (or appointed)? How much do they earn in this role (as required by Assembly Bill 2040 – in effect since January 1, 2015)? What background about the members illustrates their expertise for serving on the Board?*
   - Election procedure and deadlines: *If the public wishes to apply to be on the Board, how and when can they do so?*
   - Reimbursement and compensation policy: *Which (if any) expenses incurred by the Board are reimbursed?*

[9] While these bills excluded school districts, the Grand Jury recognizes schools spend a large amount of tax dollars fulfilling their mission, and parents research their enrollment options using public information.

[10] Sunshine Review (now Ballotpedia) (http://ballotpedia.org/Transparency_checklist), Illinois Policy (https://www.illinoispolicy.org/10-point-transparency-checklist/), Institute for Local Government (http://www.ca-ilg.org/post/local-agency-website-transparency-opportunities), and the Special District Leadership Foundation (http://www.sdlf.org/#!transparency/cl0u)

5. **Administrative Officials**
    - General manager and key staff (names, contact info, compensation, and benefits): *Who specifically runs the agency on a day-to-day basis? How can the public contact them? How much do they earn in this role (as required by Assembly Bill 2040 in effect since January 1, 2015)? What specific benefits are they eligible for (healthcare, retirement plan, educational benefits, etc.)?*
6. **Audits**
    - Current financial audit
    - Financial audits for the three years prior to the current year
7. **Contracts**
    - Current requests for proposals and bidding opportunities (over $25,000 in value)
    - Instructions on how to submit a bid or proposal
    - Approved in force vendor contracts (over $25,000 in value)
8. **Public Records**
    - Online/downloadable Public Records Act (or FOIA) request form: *What is the best way for the public to request public records?*
9. **Revenue Sources**
    - Summary of fees received: *fees-for-services (if any)?*
    - Summary of revenue sources: *bonds, taxes, and/or grants?*
10. **Other (Agency Specific Criterion)**
    - **Municipalities**: Total number of lobbyists employed and total spent on lobbying, downloadable permit applications, and zoning ordinances
    - **School Districts**:
        i. **For K-12**: School Accountability Report Card (SARC), California Assessment of Student Performance and Progress (CAASPP), and the California Healthy Kids Survey (CHKS)
        ii. **For College**: California Community Colleges Student Success Scorecard
    - **Special Districts**: Authorizing statute/enabling act (Principal Act or Special Act) <u>and</u> board member ethics training certificates
    - **Rail Districts**: A copy of the Governing Documentation: *As enacted by Congress*
    - **JPAs**: A copy of the Joint Powers Agreement: *As filed and adopted*

METHODOLOGY

Each agency's website was visited and each checklist item was validated for ease of access.

However, the first problem the Grand Jury encountered was that there was no single comprehensive list of agencies in Marin County. The Grand Jury found the following lists:

- *Special Districts In Marin 2015* (Marin County Department of Finance)[11]
- *Index of Boards and Commissions* (Marin County Board of Supervisors)[12]
- Marin School District Websites (Marin County of Education)[13]
- *Directory of Local Marin County Governments* (Marin LAFCO)[14]
- *What Are Special Districts and Why Do They Matter?* (Marin County Civil Grand Jury)[15]
- *Roster of Public Agencies* (Marin County Clerk)[16]

These lists were inconsistent, incomplete and/or out-of-date. The Grand Jury worked with the Marin County Department of Finance to create an up-to-date comprehensive list of agencies[17] and their contact information (see Appendix B). Specifically not included in the list of Marin-based agencies are a number of *regional* agencies that are funded *in part* by Marin taxpayers, including:

- Association of Bay Area Governments
- Bay Area Air Quality Management District
- Golden Gate Bridge, Highway & Transportation District
- Local Agency Formation Commission
- Metropolitan Transportation Commission
- National Association of Counties
- North Bay Watershed Association
- North Coast Railroad Authority

For transparency and ease of use, detailed information about each agency should be found with a few "clicks." Information that is buried in an agency's board minutes or on *other* websites not available in-a-click from the agency's website is not in the spirit of transparency. Long and complex PDF (Portable Document Format) documents, such as a budget or an audit report, must be text-searchable, and not simply a picture of a page of text, to easily find specific details.

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[11] http:// marincounty.org/depts/df/special-districts
[12] http://apps.marincounty.org/bosboardsandcomm/default.aspx
[13] http:// marinschools.org/MCOE/District-Sites/Pages/default.aspx
[14] http://lafco.marin.org/index.php/directory-list
[15] http://.marincounty.org/~/media/files/departments/gj/reports-responses/2013/spd_master_list_report.pdf
[16] California Government Code §53051 requires public agencies to file a Statement of Facts within 70 days after the commencement of its legal existence. See Appendix C for the current State of California Statement of Facts.
[17] It is quite likely that our search for Marin public agencies will still not uncover all of the agencies, due to inconsistent self-reporting to the California State Controller.

Using the agency-specific checklist, the Grand Jury assigned a minimum of two auditors to independently review each website to ensure audit correctness:

- Appendix D: Web Transparency Checklist for Marin Cities, Towns, and County
- Appendix E: Web Transparency Checklist for Marin School Districts
- Appendix F: Web Transparency Checklist for Marin Special Districts
- Appendix G: Web Transparency Checklist for Rail Districts
- Appendix H: Web Transparency Checklist for Marin Joint Powers Authorities (JPAs)

After completing the preliminary audit, the Grand Jury then shared with each agency a description of the audit process and the agency's audit results. Agencies that chose to improve their website could complete an online self-audit form[18], which the Grand Jury utilized in our final follow-up audit. Based on these findings, we then assigned a grade to each agency according to the Sunshine Review's rubric[19] to produce a report card (see example at right).

The scoring rubric grade was determined based on the number of points on the checklist for which the criteria was completely met. If an agency partially met the criteria, no points were awarded (but partially meeting the checklist was denoted with an "incomplete"). A point scale determined the letter grade awarded:

Points	0-2	3	4	5	6	7	8	9	10
Grade	F	D-	D	C-	C	B-	B	A-	A+

In 2013, Sunshine Review[20] calculated average web transparency grades for California counties (B), California cities (B+) and California schools (B). The Grand Jury believes that Marin should be as good as the California averages, and therefore selected B- as the minimum acceptable web transparency grade.

The final scorecards[21] are listed in appendices:

- Appendix I: Marin Cities, Towns, and County Web Transparency Scorecards
- Appendix J: Marin School District Web Transparency Scorecards
- Appendix K: Marin Special District Web Transparency Scorecards
- Appendix L: Marin Rail District Web Transparency Scorecard
- Appendix M: Marin Joint Powers Authority Web Transparency Scorecards

[18] We provided a minimum of one month's time as well as technical support for the self-audit process.
[19] http://ballotpedia.org/Transparency_report_card_%282013%29
[20] Ibid.
[21] Scorecards were tabulated after the October 2015 - January 2016 audits were concluded.

DISCUSSION

Website Creation

Although most Marin agencies have web sites, there is still a perception that not every agency has the resources to easily create and maintain a website. But, modern website creation software has made it possible for a non-tech-savvy person to manage website content easily (see Appendix N). For small agencies, it is not necessary to make a large investment to create a website. A simple website highlighting what the agency does, key agency contacts, board agendas, and audited budgets can encourage citizen participation and improve staff efficiency (answering frequently asked questions online). For larger agencies, it is an opportunity to showcase achievements and build trust with local citizenry.

Self-Auditing Feedback

After sharing the results of the preliminary web transparency audit with Marin County agencies, the Grand Jury received feedback, much of it agreeing with our preliminary audit's goals and results:

- "*The best practices transparency checklist you provided was very helpful and I believe we have indeed improved the quality of our website, making key information more easily accessible. Based on this experience we plan to make additional changes to our website in a continuous effort to be as transparent as possible*"
- "*We have made substantive changes to our web site. Additional items will be added in the same spirit and intent as they become available. Thank you for your evaluation and the opportunity for response.*"
- "*We believe that your recommendations regarding providing online/downloadable Public Records Act (or FOIA) request forms is an important topic for our Board to review and consider as a potential exhibit item...*"
- "*...We are always trying to improve our website and online resources. I find this report card very helpful and have already started to make some improvements... We are starting the process to procure a new website and I think this will help us greatly as we put together the design and specifications ...*"
- "*We are in the midst of a website redevelopment project, and have noted the need to make these important items easier to find. We are taking this opportunity to create a "Transparency" webpage where any user can find all items on your list in one easy to find location.*"
- "*Thank you for the opportunity to demonstrate our agency's commitment to transparency on its website. The web transparency checklist was very helpful in two ways. First, to make sure our website contains all of the information on the checklist, but also going through the review process showed that we can (and will) reorganize some of the information to make it even easier to find. We also plan to supplement the information in a few areas.*"
- "*We have spent the last month working with our web developer and the best practices transparency list you sent. We developed a page that follows the identical format listed in this best practice guide, with links to the information required. We are very excited about this addition to our site and look forward to augmenting beyond what the Grand Jury has listed.*"

Some of the feedback the Grand Jury received expressed a difference of opinion with the web transparency audit criteria:

- *"One of the items of transparency listed is a biography of each elected board member. We have intentionally not posted this."*
- *"Our agency's staff relies on the public to tell us specifically what items are missing from our website that the public would like posted. We make every effort to then post the material in a timely manner."*
- *"The agency does not have a website. Public information is made available in accordance with the Public Records Act."*
- *"[Budget] available upon request ... and was advised not to post by legal counsel."*

The Grand Jury granted an extension to any agency that needed more time to update their website and to complete their self-audit. Some agencies stated they had insufficient resources to complete work within the given timeframe.

The County of Marin

The County of Marin is responsible for at least 28 special districts[22] and 4 JPAs[23]. The Grand Jury questions why 20 of these agencies do not have websites. After sharing the results of our preliminary audits of these 32 agencies with the County, we received correspondence[24] from the County indicating that while some of the transparency criteria will be implemented in the future (contracts and municipal-specific), the notion of "*...providing and maintaining duplicative information regarding each distinct special district, community (sic) service area, flood control zone, permanent road division, joint powers agreement/agency (JPA's), etc. does not appear to be the best way to provide straightforward information to our residents. Most of these are better described as financing mechanisms rather than municipal agencies. We believe that a single source of information is easier for residents to review and understand.*" and "*...we should also note that the Marin Local Agency Formation Commission (LAFCO) includes descriptive information regarding special districts and JPAs on its website, as well as information regarding other entities independent of the County of Marin.*"

While the Grand Jury supports the desire of the County to provide straightforward information, we disagree with the County's approach. Marin LAFCO's digital directory is provided as a service to the community, but there is no requirement that the directory be accurate or up-to-date. Since not all of the County Service Areas (CSAs) have websites, a citizen cannot easily understand a CSAs' purpose, decision-making, and budgetary actions. It is unreasonable to ask citizens to become experts in sleuthing to find information. As a service to the citizens, the County could create a single web page (for each of

[22] Dependent Special Districts: Bolinas Highlands Permanent Road Division, CSA #1 through CSA #33, Inverness Subdivision No. 2 Permanent Road Division, Marin County Fire Department, Marin County Flood Control and Water Conservation District, Marin County Lighting District, Marin County Open Space District, Monte Cristo Permanent Road Division, Mt View Ave-Lagunitas Permanent Road Division, Murray Park Sewer Maintenance District, Paradise Estate Permanent Road Division, Rush Creek Lighting and Landscape, and San Quentin Village Sewer Maintenance District.

[23] JPAs: Gateway Improvement Authority, Gateway Refinancing Authority, Marin County Capital Improvements Financing Authority, and Marin County Open Space Financing Authority.

[24] Dated December 8, 2015

the dependent special districts and JPAs), that describes the role of the local agency with links to all the transparency criteria that can be found elsewhere on the County's website, and create its own digital directory of these local agencies.

Common Web Transparency Deficiencies

In reviewing all the Marin County agency websites and self-audits, we found a number of transparency criteria that were commonly missed:

1. **Overview**: Agencies often mistakenly considered a departmental list the same as a description of the public benefits of their services/functions. A boundary of service area can be easily understood with a map.

2. **Budget:** Finding key information in these long and complex documents often requires a text search, which is impossible if the budgets are in a non-text-searchable document format.

3. **Meetings**: Keep the meeting schedule and archive up-to-date.

4. **Elected & Appointed Officials**: While most agencies listed the names of the Board members, complete information about the Board members (contact info, terms of office, compensation, and biography) was often missing. Agencies were sometimes confused about where election procedures and deadlines can be found, often suggesting this information can be found at Marin County's Elections/Registrar of Voters. While this website has a wealth of *general* information, *specific* information about the procedures and deadlines should be clearly described on the agency's website.

5. **Administrative Officials**: Instead of showing actual salaries and benefits (as required by *Assembly Bill (AB) 2040*), we often found salary schedules instead. This was most commonly seen with school districts. We recommend putting a link to the agency's *Government Compensation in California* page (http://publicpay.ca.gov/)

6. **Audits:** Finding key financial information in these long and complex documents often requires a text search, which is impossible if the audits are in a non-text-searchable document format.

7. **Contracts**: Agencies often did not show their approved vendor contracts.

8. **Public Records**: If an agency does not have an online/downloadable Public Records Act (or FOIA) request form, specify how the public can contact the agency for more information (an email address or phone number, for example).

9. **Revenue Sources**: Agencies generally understood this criterion.

10. **Other (Agency Specific)**: Agencies also generally understood this criterion.

It is the hope of the Grand Jury that all local government agencies' websites will continue to improve the accessibility, accuracy, completeness and usefulness of available online information for the public's benefit. Having seen web transparency grades improve from F to A+ during the audit process, we know it is possible.

"A democracy requires accountability and accountability requires transparency."

— President Barack Obama

FINDINGS

F1. As of January 4, 2016, 27 Marin local agencies lacked public websites (and of the 99 agencies that have web sites, 65 did not satisfy the Grand Jury's web transparency criteria as of that date).

F2. Inspecting the Marin County Clerk's *Roster of Public Agencies*, the Grand Jury discovered a majority of local agencies out of compliance per California Government Code §53051 (no filings or outdated filings).

F3. Effective January 1, 2015, Assembly Bill (AB) 2040 requires that if a public agency "maintains an Internet Web site, it shall post, in a conspicuous location on its Internet Web site, information on the annual compensation of its elected officials, officers, and employees that is submitted to the Controller under §53891." The Grand Jury discovered a majority of the agencies were out of compliance (and potentially at-risk for fines and/or audit), per California Government Code sections 53895, 53895.7, and 53896).

F4. The County of Marin does not currently publish a definitive list of all its dependent special districts and JPAs.

F5. Marin County's *Roster of Public Agencies* is available for viewing only as hard copy at the office of the Marin County Clerk.

RECOMMENDATIONS

R1. The agency should improve its web transparency score to "B-" (or better), by updating its website and submitting the appropriate self-audit form. The form may be obtained by emailing: grandjury-audit@marincounty.org

R2. The agency should file and keep updated its Statement of Facts with the California Secretary of State and the Marin County Clerk as required by California Code §53051.

R3. The agency should update its website to include information of the annual compensation of its elected officials, officers and employees; and this information should also be submitted to the Controller, as required by Sections 12463 and 53909 of the California Government Code.

R4. The Marin County Board of Supervisors should create a comprehensive online "digital directory" with links to all County of Marin's dependent special districts and JPAs.

R5. To further improve web transparency, the County Clerk of Marin County should allow public remote Internet access to its *Roster of Public Agencies*.

REQUEST FOR RESPONSES

Pursuant to Penal Code section 933.05, the Grand Jury requests responses as follows:

From the following governing bodies:

- Almonte Sanitary District (R1, R2, R3)
- Alto Sanitary District (R1, R2, R3)
- Bel Marin Keys CSD (R1, R2, R3)
- Belvedere-Tiburon Joint Recreation Committee District (R1, R2)
- Belvedere-Tiburon Library Agency (R2, R3)
- Bolinas Community Public Utility District (R2)
- Bolinas Fire Protection District (R1, R2, R3)
- Bolinas Highlands Permanent Road Division (R1, R2, R3)
- Bolinas-Stinson Union District (R1, R3)
- Central Marin Police Authority (R1, R3)
- Central Marin Sanitation Agency (R2)
- City Of Belvedere (R2)
- City Of Larkspur (R2)
- City Of Mill Valley (R2)
- City Of Novato (R2, R3)
- City Of San Rafael (R2)
- City Of Sausalito (R2)
- Corte Madera Sanitary District No 2 (R1, R2, R3)
- County Of Marin (R1, R4, R5)
- CSA #1 (Loma Verde) (R1, R2, R3)
- CSA #6 (Gallinas Creek) (R1, R2, R3)
- CSA #9 (Northbridge) (R1, R2, R3)
- CSA #13 (Lucas Valley) (R1, R2, R3)
- CSA #14 (Homestead Valley) (R1, R2, R3)
- CSA #16 (Greenbrae) (R1, R2, R3)
- CSA #17 (Kentfield) (R1, R2, R3)
- CSA #18 (Las Gallinas) (R1, R2, R3)
- CSA #19 (San Rafael) (R1, R2, R3)
- CSA #20 (Indian Valley, Dominga Canyon) (R1, R2, R3)
- CSA #23 (Terra Linda) (R1, R2, R3)
- CSA #25 (Unincorporated Novato) (R1, R2, R3)
- CSA #27 (Ross Valley Paramedic) (R1, R2, R3)
- CSA #28 (West Marin Paramedic) (R1, R2, R3)
- CSA #29 (Paradise Cay) (R1, R2, R3)
- CSA #31 (County Fire) (R1, R2, R3)
- CSA #33 (Stinson Beach) (R1, R2, R3)

- Dixie School District (R1, R3)
- Fairfax Financing Authority (R1, R2, R3)
- Firehouse Community Park Agency (R1, R2, R3)
- Gateway Improvement Authority (R2, R3)
- Gateway Refinancing Authority (R2, R3)
- Homestead Valley Sanitary District (R1, R2, R3)
- Inverness Public Utility District (R1, R2, R3)
- Inverness Subdivision No. 2 Permanent Road Division (R1, R2, R3)
- Kentfield Fire Protection District (R1)
- Kentfield School District (R1, R3)
- Laguna Joint School District (R1, R3)
- Lagunitas School District (R1, R3)
- Larkspur Marina Financing Authority (R1, R2, R3)
- Larkspur-Corte Madera School District (R3)
- Las Gallinas Valley Sanitary District (R2)
- Lincoln School District (R1, R3)
- Marin City CSD (R1, R2, R3)
- Marin Clean Energy (R1, R2, R3)
- Marin Community College District (R1, R3)
- Marin County Capital Improvements Financing Authority (R1, R2, R3)
- Marin County Fire Department (R1, R2, R3)
- Marin County Flood Control And Water Conservation District (R1, R2, R3)
- Marin County Hazardous And Solid Waste Joint Powers Authority (R2, R3)
- Marin County Lighting District (R1, R2, R3)
- Marin County Major Crimes Task Force (R1, R2, R3)
- Marin County Open Space District (R1, R3)
- Marin County Open Space Financing Authority (R1, R2, R3)
- Marin County Transit District (R3)
- Marin General Services Authority (R1, R2, R3)
- Marin Healthcare District (R1, R2, R3)
- Marin Municipal Water District (R3)
- Marin Municipal Water District Financing Corporation (R1, R3)
- Marin Pupil Transportation Agency (R1, R2, R3)
- Marin Resource Conservation District (R2)
- Marin Schools Insurance Authority (R1, R2)
- Marin Telecommunications Agency (R2, R3)
- Marin/Sonoma Mosquito & Vector Control District (R2)
- Marinet Consortium Joint Powers Authority (R1, R2, R3)
- Marinwood Community Service District (R1, R2, R3)
- Mill Valley Financing Authority (R1, R2, R3)
- Mill Valley School District (R1, R3)

- Monte Cristo Permanent Road Division (R1, R2, R3)
- Mt View Ave-Lagunitas Permanent Road Division (R1, R2, R3)
- Muir Beach Community Services District (R1, R2, R3)
- Murray Park Sewer Maintenance District (R1, R2, R3)
- Nicasio School District (R1, R3)
- North Marin Water District (R2)
- Northern CA Community Colleges Self Insurance Authority (R1, R2, R3)
- Novato - Kendon Lane Improvement (R1, R2, R3)
- Novato Fire Protection District (R2)
- Novato Public Finance Authority (R1, R2, R3)
- Paradise Estate Permanent Road Division (R1, R2, R3)
- Reed Union School District (R1, R3)
- Richardson Bay Regional Agency (R1, R2, R3)
- Richardson Bay Sanitary District (R1, R2, R3)
- Ross School District (R1, R3)
- Ross Valley Fire Department (R1, R2)
- Ross Valley Paramedic Authority (R2)
- Ross Valley Sanitary District (R1, R2, R3)
- Ross Valley School District (R3)
- Rush Creek Lighting And Landscape (R1, R2, R3)
- San Quentin Village Sewer Maintenance District (R1, R2, R3)
- San Rafael City Schools (R1, R3)
- San Rafael Joint Powers Financing Authority (R1, R2, R3)
- San Rafael Sanitation District (R1, R3)
- Sausalito - Marin City Sanitary District (R2)
- Sausalito Marin City School District (R1, R3)
- Sewerage Agency Of Southern Marin (R1, R3)
- Shoreline Unified School District (R1, R3)
- Sleepy Hollow Fire Protection District (R1, R2, R3)
- Sonoma-Marin Area Rail Transit (R1, R2, R3)
- Southern Marin Emergency Medical-Paramedic System (R2)
- Southern Marin Fire Protection District (R2, R3)
- Stinson Beach County Water District (R1, R2, R3)
- Stinson Beach Fire Protection District (R1, R2, R3)
- Strawberry Recreation District (R1, R2)
- Tamalpais Community Services District (R2)
- Tamalpais Union High School District (R1, R3)
- Tiburon Fire Protection District (R1, R2, R3)
- Tiburon Sanitary District #5 (R1, R2, R3)
- Tomales Village Community Services District (R1, R2, R3)
- Town Of Corte Madera (R2)

- Town Of Fairfax (R2)
- Town Of Ross (R1, R2, R3)
- Town Of San Anselmo (R2)
- Town Of Tiburon (R2)
- Union Joint School District (R1, R3)

The governing bodies indicated above should be aware that the comment or response of the governing body must be conducted in accordance with Penal Code section 933 (c) and subject to the notice, agenda and open meeting requirements of the Brown Act.

INVITED TO RESPOND

Since the following agencies have satisfied all applicable recommendations, the governing bodies are invited to respond to this report but are not required to do so:

- Marin Emergency Radio Authority
- Novato Sanitary District
- Novato Unified School District

Note: At the time this report was prepared, website transparency information was available at the sites listed.

Reports issued by the Civil Grand Jury do not identify individuals interviewed. Penal Code Section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Civil Grand Jury. The California State Legislature has stated that it intends the provisions of Penal Code Section 929 prohibiting disclosure of witness identities to encourage full candor in testimony in Grand Jury investigations by protecting the privacy and confidentiality of those who participate in any Civil Grand Jury investigation.

APPENDIX A: Sample Marin Assessor Bill for Tax Year 2015

Property Tax Breakdown By Fund

Fund Id	Tax Rate	Fund Title	Contact Information	Amount
	1.0000	BASIC TAX		7729.18
101160		COUNTY FREE LIBRARY MEAS A	LESLIE GALIANI (415) 473-4370	49.00
102587		FCZ #1 - NOVATO	DAVE NICHOLSON (415) 473-6535	9.00
105110		MS MOSQUITO #1	MARIA GARCIA-ADARVE (800) 273-5167	12.00
105250		NOVATO FIRE PROTECTION DISTRICT	DAN HOM (415) 878-2690	442.84
105427		SANITARY #6 - NOVATO	ROBIN MERRILL XT 109 (415) 892-1694	533.00
107651		NOVATO UNIFIED SCHOOL	RENEE BRACKEN (415) 493-4262	251.00
108934	0.0027	MARIN COM COLLEGE2004-1 C-11/04	DEPT OF FINANCE TAX DIVISION (415) 473-6168	20.86
108937	0.0161	NOVATO SCHOOL BNDS'05 A-11/2001	DEPT OF FINANCE TAX DIVISION (415) 473-6168	124.42
108940	0.0289	NOVATO SCHOOL BNDS'06 A-11/2001	DEPT OF FINANCE TAX DIVISION (415) 473-6168	223.36
108945	0.0067	MARIN COM COLLEGE2004-2 C-11/04	DEPT OF FINANCE TAX DIVISION (415) 473-6168	51.78
108949	0.0038	MARIN COM COLLEGE2004-3 C-11/04	DEPT OF FINANCE TAX DIVISION (415) 473-6168	29.36
108957	0.0167	NOVATO SCHOOLS-2011 REFUNDING	DEPT OF FINANCE TAX DIVISION (415) 473-6168	129.06
108967	0.0048	MARIN COM COLLEGE 2004-4 C-11/04	PROPERTY TAX DIVISION (415) 473-6168	37.10
109130		LIBRARY ZONE #2 COUN MARIN	LESLIE GALIANI (415) 473-4370	36.00
109159		CITY OF NOVATO-RUNOFF CHARGE	HARRIS & ASSOCIATES (866) 427-4304	15.00
109254	0.0037	NOVATO CITY BONDS-SERIES 2007	DEPT OF FINANCE TAX DIVISION (415) 473-6168	28.58
109278	0.0146	CITY OF NOVATO REFUNDING	DEPT OF FINANCE TAX DIVISION (415) 473-6168	112.84
		Total Bill Charges:		**9834.38**

The above information has been extracted from the Assessor's Equalized Tax Roll and reflects the most recent tax bill.

APPENDIX B: Marin County Agency List

Agency Name	Type	Agency Web Address (URL)
Almonte Sanitary District	SPD	almontesd.org
Alto Sanitary District	SPD	altosanitarydistrict.org
Bel Marin Keys CSD	SPD	bmkcsd.us
Belvedere, City Of	MUNI	cityofbelvedere.org
Belvedere-Tiburon Joint Recreation Committee District	JPA	cityofbelvedere.org/index.aspx?NID=211
Belvedere-Tiburon Library Agency	JPA	beltiblibrary.org
Bolinas Community Public Utility District	SPD	bcpud.org
Bolinas Fire Protection District	SPD	bolinasfire.org
Bolinas Highlands Permanent Road Division	SPD	-
Bolinas-Stinson Union District	SCH	bolinas-stinson.org
Central Marin Police Authority	JPA	centralmarinpolice.org
Central Marin Sanitation Agency	JPA	cmsa.us
Corte Madera, Town Of	MUNI	townofcortemadera.org
Corte Madera Sanitary District No 2	SPD	townofcortemadera.org/391/Sanitary-District-No-2
CSA #1 (Loma Verde)	SPD	-
CSA #6 (Gallinas Creek)	SPD	apps.marincounty.org/bosboardsandcomm/boardpage.aspx?BrdID=27&return=default.aspx
CSA #9 (Northbridge)	SPD	-
CSA #13 (Lucas Valley)	SPD	-
CSA #14 (Homestead Valley)	SPD	-
CSA #16 (Greenbrae)	SPD	marincountyparks.org/depts/pk/about-us/main/board-meeting-archives/csa-16
CSA #17 (Kentfield)	SPD	-
CSA #18 (Las Gallinas)	SPD	apps.marincounty.org/bosboardsandcomm/boardpage.aspx?BrdID=20&return=default.aspx
CSA #19 (San Rafael)	SPD	-
CSA #20 (Indian Valley, Dominga Canyon)	SPD	apps.marincounty.org/bosboardsandcomm/boardpage.aspx?BrdID=100&return=default.aspx
CSA #23 (Terra Linda)	SPD	-
CSA #25 (Unincorporated Novato)	SPD	-

Agency Type: **JPA** = Joint Powers Authority / **MUNI** = Municipality / **RAIL** = Rail / **SCH** = School / **SPD** = Special District

APPENDIX B: Marin County Agency List (cont'd)

Agency Name	Type	Agency Web Address (URL)
CSA #27 (Ross Valley Paramedic)	SPD	-
CSA #28 (West Marin Paramedic)	SPD	-
CSA #29 (Paradise Cay)	SPD	apps.marincounty.org/bosboardsandcomm/boardpage.aspx?BrdID=26&return=default.aspx
CSA #31 (County Fire)	SPD	-
CSA #33 (Stinson Beach)	SPD	apps.marincounty.org/bosboardsandcomm/boardpage.aspx?BrdID=92&return=default.aspx
Dixie School District	SCH	dixieschooldistrict.org
Fairfax, Town Of	MUNI	town-of-fairfax.org
Fairfax Financing Authority	JPA	town-of-fairfax.org/html/council.html
Firehouse Community Park Agency	JPA	-
Gateway Improvement Authority	JPA	marincounty.org/depts/cd/divisions/planning/gateway-improvement-authority
Gateway Refinancing Authority	JPA	marincounty.org/depts/cd/divisions/planning/gateway-refinancing-authority
Homestead Valley Sanitary District	SPD	homesteadvalleysd.org
Inverness Public Utility District	SPD	invernesspud.org
Inverness Subdivision No. 2 Permanent Road Division	SPD	-
Kentfield Fire Protection District	SPD	kentfieldfire.org
Kentfield School District	SCH	kentfieldschools.org
Laguna Joint School District	SCH	lagunaschool.org
Lagunitas School District	SCH	lagunitas.org
Larkspur, City Of	MUNI	larkspurcityhall.org
Larkspur Marina Financing Authority	JPA	-
Larkspur-Corte Madera School District	SCH	lcmschools.org
Las Gallinas Valley Sanitary District	SPD	lgvsd.org
Lincoln School District	SCH	districts.marinschools.org/sites/lincoln/SitePages/Home.aspx
Marin City CSD	SPD	marincitygov.org
Marin Clean Energy	JPA	mcecleanenergy.org
Marin Community College District	SCH	marin.edu

Agency Type: **JPA** = Joint Powers Authority / **MUNI** = Municipality / **RAIL** = Rail / **SCH** = School / **SPD** = Special District

APPENDIX B: Marin County Agency List (cont'd)

Agency Name	Type	Agency Web Address (URL)
Marin County	MUNI	marincounty.org
Marin County Capital Improvements Financing Authority	JPA	-
Marin County Fire Department	SPD	marincountyfire.org
Marin County Flood Control And Water Conservation District	SPD	marinwatersheds.org/flood_control_zones.html
Marin County Hazardous And Solid Waste Joint Powers Authority	JPA	zerowastemarin.org
Marin County Law Library[25]	SPD	marincountylawlibrary.org
Marin County Lighting District	SPD	-
Marin County Major Crimes Task Force	JPA	marinsheriff.org/about.aspx?gi_id=95
Marin County Open Space District	SPD	marincountyparks.org/depts/pk/divisions/open-space
Marin County Open Space Financing Authority	JPA	-
Marin County Transit District	SPD	marintransit.org
Marin Emergency Radio Authority	JPA	meraonline.org/index.cfm
Marin General Services Authority	JPA	maringsa.org
Marin Healthcare District	SPD	marinhealthcare.org
Marin Municipal Water District	SPD	marinwater.org
Marin Municipal Water District Financing Corporation	JPA	-
Marin Pupil Transportation Agency	JPA	-
Marin Resource Conservation District	SPD	marinrcd.org
Marin Schools Insurance Authority	JPA	msiajpa.org
Marin Telecommunications Agency	JPA	mtamarin.org
Marin/Sonoma Mosquito & Vector Control District	SPD	msmosquito.com
Marinet Consortium Joint Powers Authority	JPA	marinet.lib.ca.us/screens/help_marinet.html
Marinwood Community Service District	SPD	marinwood.org
Mill Valley, City Of	MUNI	cityofmillvalley.org

Agency Type: **JPA** = Joint Powers Authority / **MUNI** = Municipality / **RAIL** = Rail / **SCH** = School / **SPD** = Special District

[25] Found too late for inclusion in web transparency audit

APPENDIX B: Marin County Agency List (cont'd)

Agency Name	Type	Agency Web Address (URL)
Mill Valley Financing Authority	JPA	cityofmillvalley.org/Index.aspx?page=1694
Mill Valley School District	SCH	mvschools.org
Monte Cristo Permanent Road Division	SPD	-
Mt View Ave-Lagunitas Permanent Road Division	SPD	-
Muir Beach Community Services District	SPD	muirbeachcsd.com
Murray Park Sewer Maintenance District	SPD	marincounty.org/depts/pw/divisions/capital-projects/sewer-districts
Nicasio School District	SCH	nicasioschool.org
North Marin Water District	SPD	nmwd.com
Northern CA Community Colleges Self Insurance Authority	JPA	-
Novato, City Of	MUNI	novato.org
Novato - Kendon Lane Improvement	SPD	-
Novato Fire Protection District	SPD	novatofire.org
Novato Public Finance Authority	JPA	novato.org/government/boards-commissions-committees/novato-public-finance-authority
Novato Sanitary District	SPD	novatosan.com
Novato Unified School District	SCH	nusd.org
Paradise Estate Permanent Road Division	SPD	-
Reed Union School District	SCH	reedschools.org
Richardson Bay Regional Agency	JPA	rbra.ca.gov
Richardson Bay Sanitary District	SPD	richardsonbaysd.org
Ross, Town Of	MUNI	townofross.org
Ross School District	SCH	rossbears.org
Ross Valley Fire Department	JPA	rossvalleyfire.org
Ross Valley Paramedic Authority	JPA	rossvalleypa.org
Ross Valley Sanitary District	SPD	rvsd.org
Ross Valley School District	SCH	rossvalleyschools.org
Rush Creek Lighting And Landscape	SPD	-
San Anselmo, Town Of	MUNI	townofsananselmo.org

Agency Type: **JPA** = Joint Powers Authority / **MUNI** = Municipality / **RAIL** = Rail / **SCH** = School / **SPD** = Special District

APPENDIX B: Marin County Agency List (cont'd)

Agency Name	Type	Agency Web Address (URL)
San Quentin Village Sewer Maintenance District	SPD	marincounty.org/depts/pw/divisions/capital-projects/sewer-districts
San Rafael, City Of	MUNI	cityofsanrafael.org
San Rafael City Schools	SCH	srcs.org
San Rafael Joint Powers Financing Authority	JPA	-
San Rafael Sanitation District	SPD	cityofsanrafael.org/pubworks-home
Sausalito, City Of	MUNI	ci.sausalito.ca.us
Sausalito - Marin City Sanitary District	SPD	sausalitomarincitysanitarydistrict.com
Sausalito Financing Authority[26]	JPA	-
Sausalito Marin City School District	SCH	smcsd.org
Sewerage Agency Of Southern Marin	JPA	cityofmillvalley.org/Index.aspx?page=49
Shoreline Unified School District	SCH	shorelineunified.org
Sleepy Hollow Fire Protection District	SPD	shfpd.org
Sonoma-Marin Area Rail Transit	RAIL	sonomamarintrain.org
Southern Marin Emergency Medical-Paramedic System	JPA	smemps.org
Southern Marin Fire Protection District	SPD	southernmarinfire.org
Stinson Beach County Water District	SPD	stinson-beach-cwd.dst.ca.us
Stinson Beach Fire Protection District	SPD	stinsonbeachfire.com
Strawberry Recreation District	SPD	strawberry.marin.org
Tamalpais Community Services District	SPD	tcsd.us
Tamalpais Union High School District	SCH	tamdistrict.org
Tiburon, Town Of	MUNI	townoftiburon.org
Tiburon Fire Protection District	SPD	tiburonfire.org
Tiburon Sanitary District #5	SPD	sani5.org
Tomales Village Community Services District	SPD	tomalescsd.ca.gov
Transportation Authority of Marin[27]	JPA	tam.ca.gov
Union Joint School District	SCH	districts.marinschools.org/sites/Union/SitePages/Home.aspx

Agency Type: **JPA** = Joint Powers Authority / **MUNI** = Municipality / **RAIL** = Rail / **SCH** = School / **SPD** = Special District

[26] Found too late for inclusion in web transparency audit
[27] Found too late for inclusion in web transparency audit

APPENDIX C: State of California Statement of Facts

State of California
Secretary of State

STATEMENT OF FACTS
ROSTER OF PUBLIC AGENCIES FILING
(Government Code section 53051)

(Office Use Only)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 942870, Sacramento, CA 94277-2870 (916) 653-3984
2. A street address must be given as the official mailing address or as the address of the presiding officer.
3. Complete addresses as required.
4. If you need additional space, attach information on an 8½" X 11" page, one sided and legible.

New Filing ☐ Update ☐

Legal name of Public Agency: _____

Nature of Update: _____

County: _____

Official Mailing Address: _____

Name and Address of each member of the governing board:

Chairman, President or other Presiding Officer (Indicate Title): _____

Name: _____ Address: _____

Secretary or Clerk (Indicate Title): _____

Name: _____ Address: _____

Members:

Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____
Name: _____ Address: _____

RETURN ACKNOWLEDGMENT TO: (Type or Print)

NAME

ADDRESS

CITY/STATE/ZIP

Date

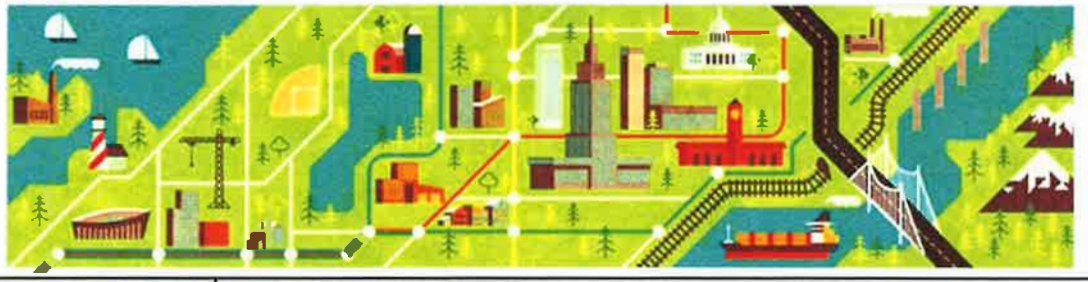
Signature

Typed Name and Title

SEC/STATE NPSF 405 Rev 04/2015

From: http://www.sos.ca.gov/business-programs/special-filings/forms

APPENDIX D: Web Transparency Checklist for Marin Cities, Towns, and County



Criteria	Features
Overview	• Mission Statement ("What we do") • Description of services/functions • Boundary of service area
Budget	• Budget for current fiscal year, • Budget for the past three years • Financial reserves policy
Meetings	• Board meeting schedule • Archive of Board meeting agendas & minutes for at least the last 6 months
Elected & Appointed Officials	• Board members (names, contact info, terms of office, compensation, and biography) • Election procedure and deadlines, • Reimbursement and compensation policy
Administrative Officials	• General manager and key staff (names, contact info, compensation, and benefits)
Audits	• Current financial audit • Financial audits for the past three years
Contracts	• Current requests for proposals and bidding opportunities (more than $25,000 in value) • Instructions on how to submit a bid or proposal • Approved vendor contracts (more than $25,000 in value)
Public Records	• Online/downloadable Public Records Act (or FOIA) request form
Revenue Sources	• Summary of fees received and summary of revenue sources
Municipal Specific	• Total number of lobbyists employed and total spent on lobbying • Downloadable permit applications • Zoning ordinances

APPENDIX E: Web Transparency Checklist for Marin School Districts

Criteria	Features
Overview	• Mission Statement ("What we do") • Description of services/functions • Boundary of service area
Budget	• Budget for current fiscal year, • Budget for the past three years • Financial reserves policy
Meetings	• Board meeting schedule • Archive of Board meeting agendas & minutes for at least the last 6 months
Elected Officials	• Board members (names, contact info, terms of office, compensation, and biography) • Election procedure and deadlines, • Reimbursement and compensation policy
Administrative Officials	• General manager and key staff (names, contact info, compensation, and benefits)
Audits	• Current financial audit • Financial audits for the previous three years
Contracts	• Current requests for proposals and bidding opportunities (more than $25,000 in value) • Instructions on how to submit a bid or proposal • Approved vendor contracts (more than $25,000 in value)
Public Records	• Online/downloadable Public Records Act (or FOIA) request form
Revenue Sources	• Summary of fees received and summary of revenue sources
Reports	For K-12: • School Accountability Report Card (SARC) • California Assessment of Student Performance and Progress (CAASPP) • The California Healthy Kids Survey (CHKS). For College: • California Community Colleges Student Success Scorecard

APPENDIX F: Web Transparency Checklist for Marin Special Districts

Criteria	Features
Overview	• Mission Statement ("What we do") • Description of services/functions • Boundary of service area
Budget	• Budget for current fiscal year, • Budget for the past three years • Financial reserves policy
Meetings	• Board meeting schedule • Archive of Board meeting agendas & minutes for at least the last 6 months
Elected Officials	• Board members (names, contact info, terms of office, compensation, and biography) • Election procedure and deadlines, • Reimbursement and compensation policy
Administrative Officials	• General manager and key staff (names, contact info, compensation, and benefits)
Audits	• Current financial audit • Financial audits for the past three years
Contracts	• Current requests for proposals and bidding opportunities (more than $25,000 in value) • Instructions on how to submit a bid or proposal • Approved vendor contracts (more than $25,000 in value)
Public Records	• Online/downloadable Public Records Act (or FOIA) request form
Revenue Sources	• Summary of fees received and summary of revenue sources
District Specific	• Authorizing statute/enabling act (Principal Act or Special Act) • Board member ethics training certificates

APPENDIX G: Web Transparency Checklist for Rail Districts

Criteria	Features
Overview	• Mission Statement ("What we do") • Description of services/functions • Boundary of service area
Budget	• Budget for current fiscal year, • Budget for the past three years • Financial reserves policy
Meetings	• Board meeting schedule • Archive of Board meeting agendas & minutes for at least the last 6 months
Elected & Appointed Officials	• Board members (names, contact info, terms of office, compensation, and biography) • Election procedure and deadlines, • Reimbursement and compensation policy
Administrative Officials	• General manager and key staff (names, contact info, compensation, and benefits)
Audits	• Current financial audit • Financial audits for the past three years
Contracts	• Current requests for proposals and bidding opportunities (more than $25,000 in value) • Instructions on how to submit a bid or proposal • Approved vendor contracts (more than $25,000 in value)
Public Records	• Online/downloadable Public Records Act (or FOIA) request form
Revenue Sources	• Summary of fees received and summary of revenue sources
Governing Document	• As established by California State Assembly

APPENDIX H: Web Transparency Checklist for Marin Joint Powers Authority (JPAs)

Criteria	Features
Overview	• Mission Statement ("What we do") • Description of services/functions • Boundary of service area
Budget	• Budget for current fiscal year, • Budget for the past three years • Financial reserves policy
Meetings	• Board meeting schedule • Archive of Board meeting agendas & minutes for at least the last 6 months
Elected & Appointed Officials	• Board members (names, contact info, terms of office, compensation, and biography) • Election procedure and deadlines, • Reimbursement and compensation policy
Administrative Officials	• General manager and key staff (names, contact info, compensation, and benefits)
Audits	• Current financial audit • Financial audits for the past three years
Contracts	• Current requests for proposals and bidding opportunities (more than $25,000 in value) • Instructions on how to submit a bid or proposal • Approved vendor contracts (more than $25,000 in value)
Public Records	• Online/downloadable Public Records Act (or FOIA) request form
Revenue Sources	• Summary of fees received and summary of revenue sources
JPA Agreement	• A copy of the Joint Powers Agreement (as filed and adopted by member agencies)

APPENDIX I: Marin Cities, Towns, and County Web Transparency Scorecards

(see Appendix D for details of the Marin Cities, Towns, and County Web Transparency Checklist)

City of **Belvedere**	
GRADE: B-	
Overview	◐
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

Town of **Corte Madera**	
GRADE: A+	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

Town of **Fairfax**	
GRADE: B-	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	◐
Public Records	✗
Revenue Sources	✓
Municipal Specific	✓

City of **Larkspur**	
GRADE: A-	
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

City of **Mill Valley**	
GRADE: A-	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

City of **Novato**	
GRADE: B-	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

Town of **Ross**	
GRADE: C	
Overview	◐
Budget	◐
Meetings	✓
Elected Officials	✓
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

Town of **San Anselmo**	
GRADE: B-	
Overview	◐
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

City of **San Rafael**	
GRADE: B	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

City of **Sausalito**	
GRADE: A+	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
Municipal Specific	✓

APPENDIX I: Marin Cities, Towns, and County Web Transparency Scorecards (cont'd)

Town of **Tiburon**

GRADE: A-

Overview	✗
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
Municipa Specific	✓

County of **Marin**

GRADE: C-

Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✗
Administrative Officials	✗
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
Municipa Specific	✗

APPENDIX J: Marin School District Web Transparency Scorecards

(see Appendix E for details of the Marin School District Web Transparency Checklist)

Bolinas-Stinson Union District	
GRADE:	F
Overview	◐
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	✗

Dixie School District	
GRADE:	C
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
Reports	✓

Kentfield School District	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
Reports	✓

Laguna Joint School District	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	✗

Lagunitas School District	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Larkspur-Corte Madera School District	
GRADE:	B-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Reports	✓

Lincoln School District	
GRADE:	F
Overview	◐
Budget	◐
Meetings	✗
Elected Officials	✗
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Mill Valley School District	
GRADE:	C
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✗
Revenue Sources	✓
Reports	◐

Nicasio School District	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Novato Unified School District	
GRADE:	A-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
Reports	✓

APPENDIX J: Marin School District Web Transparency Scorecards (cont'd)

Reed Union School District	
GRADE:	F
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	◐
Reports	◐

Ross School District	
GRADE:	D-
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Ross Valley School District	
GRADE:	B-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
Reports	✓

San Rafael City Schools	
GRADE:	F
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Sausalito Marin City School District	
GRADE:	F
Overview	◐
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	◐
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Shoreline Unified School District	
GRADE:	F
Overview	◐
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Tamalpais Union High School District	
GRADE:	D-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	◐
Reports	◐

Union Joint School District	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
Reports	◐

Marin Community College District	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✗
Revenue Sources	✓
Reports	✗

APPENDIX K: Marin Special District Web Transparency Scorecards

(see Appendix F for details of the Marin Special District Web Transparency Checklist)

Almonte Sanitary District	
GRADE:	F
Overview	✔
Budget	✘
Meetings	◖
Elected Officials	◖
Administrative Officials	◖
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

Alto Sanitary District	
GRADE:	F
Overview	◖
Budget	✘
Meetings	◖
Elected Officials	✘
Administrative Officials	◖
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

Bel Marin Keys CSD	
GRADE:	F
Overview	◖
Budget	✘
Meetings	✔
Elected Officials	◖
Administrative Officials	◖
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

Bolinas Community Public Utility District	
GRADE:	A+
Overview	✔
Budget	✔
Meetings	✔
Elected Officials	✔
Administrative Officials	✔
Audits	✔
Contracts	✔
Public Records	✔
Revenue Sources	✔
District Specific	✔

Bolinas Fire Protection District	
GRADE:	F
Overview	✔
Budget	✘
Meetings	◖
Elected Officials	◖
Administrative Officials	◖
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

Bolinas Highlands Permanent Road Division	
GRADE:	F
Overview	✘
Budget	✘
Meetings	✘
Elected Officials	✘
Administrative Officials	✘
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

Corte Madera Sanitary District No. 2	
GRADE:	D
Overview	✔
Budget	✔
Meetings	◖
Elected Officials	✔
Administrative Officials	◖
Audits	◖
Contracts	✘
Public Records	✘
Revenue Sources	✔
District Specific	✘

CSA #1 (Loma Verde)	
GRADE:	F
Overview	✘
Budget	✘
Meetings	✘
Elected Officials	✘
Administrative Officials	✘
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

CSA #6 (Gallinas Creek)	
GRADE:	F
Overview	◖
Budget	✘
Meetings	✘
Elected Officials	◖
Administrative Officials	◖
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

CSA #9 (Northbridge)	
GRADE:	F
Overview	✘
Budget	✘
Meetings	✘
Elected Officials	✘
Administrative Officials	✘
Audits	✘
Contracts	✘
Public Records	✘
Revenue Sources	✘
District Specific	✘

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

CSA #13 (Lucas Valley)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #14 (Homestead Valley)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #16 (Greenbrae)	
GRADE: F	
Overview	◖
Budget	◖
Meetings	✗
Elected Officials	◖
Administrative Officials	◖
Audits	✗
Contracts	◖
Public Records	✗
Revenue Sources	✓
District Specific	✗

CSA #17 (Kentfield)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #18 (Las Gallinas)	
GRADE: F	
Overview	◖
Budget	◖
Meetings	✗
Elected Officials	◖
Administrative Officials	◖
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #19 (San Rafael)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #20 (Indian Valley, Dominga Canyon)	
GRADE: F	
Overview	◖
Budget	✗
Meetings	✗
Elected Officials	◖
Administrative Officials	◖
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #23 (Terra Linda)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #25 (Unincorporated Novato)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #27 (Ross Valley Paramedic)	
GRADE: F	
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

CSA #28 (West Marin Paramedic)	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #29 (Paradise Cay)	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #31 (County Fire)	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

CSA #33 (Stinson Beach)	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Homestead Valley Sanitary District	
GRADE:	D-
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	✗

Inverness Public Utility District	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Inverness Subdivision No. 2 Permanent Road Division	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Kentfield Fire Protection District	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✗
Revenue Sources	✓
District Specific	✗

Las Gallinas Valley Sanitary District	
GRADE:	A-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
District Specific	◐

Marin City CSD	
GRADE:	F
Overview	◐
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	✗

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

Marin County Fire Department	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Marin County Flood Control and Water Conservation District	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Marin County Lighting District	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Marin County Open Space District	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	✗
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
District Specific	✗

Marin County Transit District	
GRADE:	B
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
District Specific	✓

Marin Healthcare District	
GRADE:	D-
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✓
Revenue Sources	✗
District Specific	✗

Marin Municipal Water District	
GRADE:	B-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
District Specific	✓

Marin Resource Conservation District	
GRADE:	A-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
District Specific	◐

Marin/Sonoma Mosquito & Vector Control District	
GRADE:	A+
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
District Specific	✓

Marinwood Community Service District	
GRADE:	D-
Overview	✓
Budget	◐
Meetings	◐
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	◐

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

Monte Cristo Permanent Road Division	Mt. View Ave-Lagunitas Permanent Road Division	Muir Beach Community Service District	Murray Park Sewer Maintenance Division	North Marin Water District
GRADE: F	GRADE: F	GRADE: F	GRADE: F	GRADE: B
Overview ✗	Overview ✗	Overview ✓	Overview ✗	Overview ✓
Budget ✗	Budget ✗	Budget ✗	Budget ✗	Budget ◐
Meetings ✗	Meetings ✗	Meetings ✓	Meetings ✗	Meetings ✓
Elected Officials ✗	Elected Officials ✗	Elected Officials ◐	Elected Officials ✗	Elected Officials ✓
Administrative Officials ✗	Administrative Officials ✗	Administrative Officials ◐	Administrative Officials ✗	Administrative Officials ✓
Audits ✗	Audits ✗	Audits ✗	Audits ✗	Audits ✓
Contracts ✗	Contracts ✗	Contracts ✗	Contracts ✗	Contracts ✓
Public Records ✗	Public Records ✗	Public Records ✗	Public Records ✗	Public Records ✗
Revenue Sources ✗	Revenue Sources ✗	Revenue Sources ◐	Revenue Sources ✗	Revenue Sources ✓
District Specific ✗	District Specific ✗	District Specific ◐	District Specific ✗	District Specific ✓

Novato - Kendon Lane Improvement	Novato Fire Protection District	Novato Sanitary District	Paradise Estate Permanent Road Division	Richardson Bay Sanitary District
GRADE: F	GRADE: A+	GRADE: A+	GRADE: F	GRADE: F
Overview ✗	Overview ✓	Overview ✓	Overview ✗	Overview ✓
Budget ✗	Budget ✓	Budget ✓	Budget ✗	Budget ✗
Meetings ✗	Meetings ✓	Meetings ✓	Meetings ✗	Meetings ◐
Elected Officials ✗	Elected Officials ✓	Elected Officials ✓	Elected Officials ✗	Elected Officials ◐
Administrative Officials ✗	Administrative Officials ✓	Administrative Officials ✓	Administrative Officials ✗	Administrative Officials ✗
Audits ✗	Audits ✓	Audits ✓	Audits ✗	Audits ✗
Contracts ✗	Contracts ✓	Contracts ✓	Contracts ✗	Contracts ✗
Public Records ✗	Public Records ✓	Public Records ✓	Public Records ✗	Public Records ✗
Revenue Sources ✗	Revenue Sources ✓	Revenue Sources ✓	Revenue Sources ✗	Revenue Sources ✗
District Specific ✗	District Specific ✓	District Specific ✓	District Specific ✗	District Specific ✗

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

Ross Valley Sanitary District	Rush Creek Lighting and Landscaping	San Quentin Village Sewer Maintenance Division	San Rafael Sanitation District	Sausalito - Marin City Sanitary District
GRADE: C-	GRADE: F	GRADE: F	GRADE: D	GRADE: A-
Overview ✓	Overview ✗	Overview ✓	Overview ✓	Overview ✓
Budget ◐	Budget ✗	Budget ✗	Budget ◐	Budget ✓
Meetings ✓	Meetings ✗	Meetings ✗	Meetings ✓	Meetings ✓
Elected Officials ◐	Elected Officials ✗	Elected Officials ◐	Elected Officials ◐	Elected Officials ◐
Administrative Officials ◐	Administrative Officials ✗	Administrative Officials ◐	Administrative Officials ◐	Administrative Officials ✓
Audits ✓	Audits ✗	Audits ✗	Audits ✓	Audits ✓
Contracts ◐	Contracts ✗	Contracts ✗	Contracts ◐	Contracts ✓
Public Records ✓	Public Records ✗	Public Records ✗	Public Records ✗	Public Records ✓
Revenue Sources ✓	Revenue Sources ✗	Revenue Sources ✓	Revenue Sources ✓	Revenue Sources ✓
District Specific ◐	District Specific ✗	District Specific ✗	District Specific ◐	District Specific ✓

Sleepy Hollow Fire Protection District	Southern Marin Fire Protection District	Stinson Beach County Water District	Stinson Beach Fire Protection District	Strawberry Recreation District
GRADE: D	GRADE: B	GRADE: F	GRADE: F	GRADE: D-
Overview ✓	Overview ✓	Overview ◐	Overview ◐	Overview ◐
Budget ✗	Budget ◐	Budget ◐	Budget ✗	Budget ✗
Meetings ✓	Meetings ✓	Meetings ✓	Meetings ✗	Meetings ✓
Elected Officials ◐	Elected Officials ✓	Elected Officials ◐	Elected Officials ◐	Elected Officials ◐
Administrative Officials ✗	Administrative Officials ◐	Administrative Officials ◐	Administrative Officials ✗	Administrative Officials ◐
Audits ✓	Audits ✓	Audits ◐	Audits ✗	Audits ✗
Contracts ✗	Contracts ✓	Contracts ✗	Contracts ✗	Contracts ✓
Public Records ✗	Public Records ✓	Public Records ✗	Public Records ✗	Public Records ✓
Revenue Sources ✓	Revenue Sources ✓	Revenue Sources ✓	Revenue Sources ✗	Revenue Sources ✗
District Specific ✗	District Specific ✓	District Specific ✗	District Specific ✗	District Specific ✗

APPENDIX K: Marin Special District Web Transparency Scorecards (cont'd)

Tamalpais Community Services District	
GRADE: A-	
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
District Specific	✓

Tiburon Fire Protection District	
GRADE: D-	
Overview	✓
Budget	◐
Meetings	◐
Elected Officials	✗
Administrative Officials	✗
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	✗

Tiburon Sanitary District #5	
GRADE: D	
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	✗

Tomales Village Community Services District	
GRADE: D	
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
District Specific	✗

APPENDIX L: Marin Rail District Web Transparency Scorecard

(see Appendix G for details of the Marin Rail District Web Transparency Checklist)

Sonoma-Marin Area Rail Transit

GRADE: C-

Overview	✔
Budget	◐
Meetings	✔
Elected Officials	◐
Administrative Officials	◐
Audits	✔
Contracts	◐
Public Records	✖
Revenue Sources	✔
Governing Docs	✔

APPENDIX M: Marin Joint Powers Authority Web Transparency Scorecards

(see Appendix H for details of the Joint Powers Authority Web Transparency Checklist)

Belvedere-Tiburon Joint Recreation Committee District	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	✗
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	◐
JPA Agreement	✗

Belvedere-Tiburon Library Agency	
GRADE:	B-
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

Central Marin Police Authority	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	◐
Contracts	✗
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

Central Marin Sanitation Agency	
GRADE:	B
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✗
Revenue Sources	✓
JPA Agreement	✓

Fairfax Financing Authority	
GRADE:	F
Overview	◐
Budget	✗
Meetings	✗
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Firehouse Community Park Agency	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Gateway Improvement Authority	
GRADE:	B-
Overview	◐
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
JPA Agreement	✗

Gateway Refinancing Authority	
GRADE:	B-
Overview	◐
Budget	✓
Meetings	✓
Elected Officials	✓
Administrative Officials	◐
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
JPA Agreement	✗

Larkspur Marina Financing Authority	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin Clean Energy	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✗
Revenue Sources	✓
JPA Agreement	✓

APPENDIX M: Marin Joint Powers Authority Web Transparency Scorecards (cont'd)

Marin County Capital Improvements Financing Authority

GRADE: F

Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin County Hazardous and Solid Waste Joint Powers Authority

GRADE: B-

Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

Marin County Major Crimes Task Force

GRADE: F

Overview	✓
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin County Open Space Financing Authority

GRADE: F

Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin Emergency Radio Authority

GRADE: B

Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

Marin General Services Authority

GRADE: D

Overview	◐
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✓

Marin Municipal Water District Financing Corporation

GRADE: F

Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin Pupil Transportation Agency

GRADE: F

Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Marin Schools Insurance Authority

GRADE: C-

Overview	✓
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
JPA Agreement	✓

Marin Telecommunications Agency

GRADE: B-

Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✓
Contracts	◐
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

APPENDIX M: Marin Joint Powers Authority Web Transparency Scorecards (cont'd)

Marinet Consortium Joint Powers Authority	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Mill Valley Financing Authority	
GRADE:	D
Overview	✗
Budget	✓
Meetings	✗
Elected Officials	◐
Administrative Officials	✗
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	◐
JPA Agreement	✓

Northern CA Comm. Colleges Self Insurance Authority	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Novato Public Finance Authority	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✗
Elected Officials	◐
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Richardson Bay Regional Agency	
GRADE:	F
Overview	✓
Budget	✗
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Ross Valley Fire Department	
GRADE:	C-
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✗
Public Records	✗
Revenue Sources	✓
JPA Agreement	✗

Ross Valley Paramedic Authority	
GRADE:	B
Overview	✓
Budget	◐
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✓
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

San Rafael Joint Powers Financing Authority	
GRADE:	F
Overview	✗
Budget	✗
Meetings	✗
Elected Officials	✗
Administrative Officials	✗
Audits	✗
Contracts	✗
Public Records	✗
Revenue Sources	✗
JPA Agreement	✗

Sewerage Agency of Southern Marin	
GRADE:	C
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	◐
Audits	✗
Contracts	◐
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

Southern Marin Emergency Medical-Paramedic System	
GRADE:	B
Overview	✓
Budget	✓
Meetings	✓
Elected Officials	◐
Administrative Officials	✓
Audits	✓
Contracts	✗
Public Records	✓
Revenue Sources	✓
JPA Agreement	✓

APPENDIX N: Website Creation Software Tools

While the Grand Jury did not conduct a comprehensive evaluation of website creation software tools (and do not endorse any particular tool) we wanted to highlight the range of tools currently available to local agencies.

At the low-end of the cost spectrum there are a number of free tools to create a website (e.g., Weebly.com or Wordpress.com). These tools can create a basic functional website with little effort. However, using these tools to create "professional looking" results requires additional graphical and technical skills.

Digital Deployment's Streamline (GetStreamline.com) website creation software is designed specifically for California's special districts. Special District Leadership Foundation's web transparency checklist is integrated into the software, making it easy for the user to ensure their agency follows best practices. A district can create a (or migrate an existing) website in a matter of hours. The resulting website's appearance is Americans with Disabilities Act (ADA) compliant[28] and it is a responsive design adapting to the website visitor's device (e.g., a smartphone, a tablet, a laptop, etc.). Current annual pricing for Streamline ranges from $600-$6,000 including unlimited technical support, based on the agency's annual budget and California Special District Association (CSDA) membership status. While the transparency dashboard is designed for special districts, Streamline could be used by other types of local agencies.

CivicPlus (CivicPlus.com) offers website creation software for municipalities. Currently used by over 2000 agencies throughout the United States, the software promotes ease of use by making an agency's information accessible within two clicks. CivicPlus has over 25 modules that efficiently support an agency's functions, including, Community Connection, Bid Postings, and Citizen Request Tracker™. CivicPlus' strength is working with agency departments to create a consistent, attractive, and efficient visitor experience. Like Streamline's software, the resulting website is both ADA-compliant and has a responsive design. Pricing for CivicPlus varies based on the number of modules needed, agency size, and scope of work needed, with a one-time upfront payment, and recurring annual pricing ranging from $1,000-$100,000.

At the upper-end of the cost spectrum are customized solutions. Creating a modern website that meets government regulations is a specialized skill that requires either hiring a consultant or using an in-house IT department. Since IT departments are often busy with a myriad of technical challenges, and consultant fees can be high, it is not unusual for an agency's website content to be out-of-date.

[28] While federal government organizations must follow web accessibility guidelines under Section 508 of the Workforce Rehabilitation Act of 1973, there is not yet an ADA-compliant requirement for local agency websites.

GLOSSARY

- **Assessment District:** A method for financing public improvements.
- **County Service Area**: As defined by California Government Code §25210, allows for residents and property owners in unincorporated areas to finance and provide needed public facilities and services.
- **Dependent Special District:** A special district governed by an existing legislative body (e.g., a city council or board of supervisors).
- **Independent Special District:** A special district governed by an independent board of directors (either elected or appointed by another legislative body).
- **Joint Powers Agreement**: As defined by California Government Code §6503, a legal description of the purpose of the Joint Powers Authority, the power to be exercised, and the method and manner by which it will be accomplished.
- **Joint Powers Authority**: As defined by California Government Code §6500-6537, two or more public authorities that create a new legal entity to jointly work on a common problem (e.g., financing or regional wastewater treatment).
- **JPA**: see Joint Powers Authority. Alternately known as a Joint Powers Agency.
- **Local Agency**: California Government Code §6252 defines a local agency as including "*...a county; city, whether general law or chartered; city and county; school district; municipal corporation; district; political subdivision; or any board, commission or agency thereof...*"
- **Municipality:** A city or town government.
- **Principal Act**: A generic state law that applies statewide to all special districts of specific type.
- **Rail District:** A special district that provides rail service.
- **School District:** As defined by the United State Census Bureau, "*a geographic entity within which state, county, local officials, the Bureau of Indian Affairs, or the U.S. Department of Defense provide public educational services for the area's residents*"
- **Special Act**: A law specific to the unique needs of an area.
- **Special District**: As defined by California Government Code §56036, a separate local government with its own governing body that delivers public services to a particular area (e.g., fire protection or sewer maintenance). Special districts can either be independent or dependent.
- **Transparency:** As defined by OpenGovData.org, data that is: complete, primary, timely, accessible, machine processable, non-discriminatory, non-proprietary, and license-free.
- **Web Transparency**: The presentation of transparency information on an agency's website.

THIS MATERIAL HAS BEEN REVIEWED
BY THE TOWN MANAGER

DB

CORTE MADERA TOWN COUNCIL
STAFF REPORT

Report Date: May 12, 2016
Meeting Date: May 17, 2016
&
June 6, 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
- Original 2006 COP has a 10-year call, this refinance has an open call-"Make-Whole" Redemption Provision-see memo in Attachment #2
- Reserve Fund provided by insurance (same as 2006 COP)

BACKGROUND/DISCUSSION/ANALYSIS:

Going back as far as 1970, various Town Councils have entertained purchasing Park Madera Center as it is at the corner of Town Park directly across from the Community Center. I have been involved in that consideration three times: 1) early 1990's when Mr. Michael Goyer was Town Manager; 2) late 1990's when Mr. Jim Robinson was Town Manager; and 3) in 2006 when Mr. Jay Tashiro was Town Manager. In the Spring of 2006, the Town Council decided to attempt to purchase the Center. The acquisition occurred effective September 28, 2006 for a purchase price of $10,000,000 plus $575,000 of issuance costs for the 30-year Certificate of Participation issue, maturing February 1, 2037.

The appraisal necessary for the financing came in far below the realtor's estimate of $8,000,000, due to the below market rate of the rents being realized by the tenants in the Spring of 2006. Appraisals of the relevant properties used as collateral in the matter before the Council now are as follows (from December 2015 and January 2016 Weekly Reports).

PARK MADERA CENTER APPRAISAL

Four appraisals have been done over the years, and the dates and values are as follows:

May, 2006	$5,900,000	(Required for Bond Financing)
October, 2008	$8,160,000	(Staff Initiated)
October, 2014	$10,900,000	(Staff Initiated)
December, 2015	$11,230,000	(Required for Bond Refinancing)

The improvement over the past 9 years reflects bringing up the rental rates (with the exception of the gas station locked into a long term lease agreement, December 1, 2001 – December 1, 2031, by the prior owner of the Center), betterments done to the Center by the Town, and the improving economy driving the market value of the rental rates that can be charged.

TOWN HALL/FIRE STATION 14/FIRE STATION 13 APPRAISALS

The appraisals of the other two properties used as collateral are as follows:

Properties	May 2006	December 2015
300-342 Tamalpais Drive	$4,465,000	$3,230,000
5600 Paradise Drive	$825,000	$650,000

The value of the land has dropped from the May 2006 appraisals because the cost of construction is significantly higher. The appraisals assume the existing buildings have no practical market value for the highest and best use of the property and would be demolished and replaced with residential construction. The highest and best use of 300-342 Tamalpais is a 7-lot single-family residential subdivision, the same as the May 2006 appraisal. The highest and best use of 5600 Paradise is 1-single-family residential lot, the same as the May 2006 appraisal.

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, Mr. Christopher Lynch, and Mr. James Wawrzyniak-a new team member at Jones Hall). Attachment #3 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 #4 is the Preliminary Official Statement.

Attachment #5 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 very conservative maximum amount of $11,000,000. This amount includes 1) funding the Reserve Fund (to be provided by an insurance policy. The reserve fund would add to principal issuance and interest expense over the life of the issue and is used to pay the last installment of principal and interest. It serves as a partial security to investors if a temporary default would occur. The insurance policy saves money.), 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. Memo from Financial Consultant
3. List of Participants and Consultants & Financing Schedule
4. Preliminary Official Statement (provided only to Council Members – copies available at Town Hall)
5. 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 June 6, 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

i\office\wpwin\resolutions\town\Resolution 15.2016 2006 COP Refinance.doc

ATTACHMENT #2

MEMO FROM FINANCIAL CONSULTANT

NHA | ADVISORS
Strategy. Innovation. Solutions.

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

Office: 415.785.2025
www.NHAadvisors.com

MEMORANDUM

To: David Bracken, Town Manager

From: Craig Hill

Date: June 1, 2016

RE: Town of Corte Madera – Park Madera Center Financing Structure

Background

In September 2006, the Town of Corte Madera ("Town") issued $10,575,000 of taxable certificates of participation ("2006 COPs") to finance the acquisition of land and improvements to Park Madera Center (the "Center"). The original intention of the Town was to hold the property in its existing use (private shopping center) until such time as a master plan for either the existing recreation facilities or other potential public buildings could be determined.

The 2006 COP was secured by annual appropriations from the Town's general fund which was anticipated to be partially offset by rental income from the tenants in the Center. The 2006 COP was structured with a redemption provision allowing the Town to prepay the obligation on August 1, 2016 with no premium (only principal plus accrued interest).

Financing Plan

The Town has the opportunity to refinance the 2006 COP and reduce the interest rate from 6.10% to approximately 4.10% (to be established at the time the 2016 Refunding Certificates of Participation (the "2016 COP") are sold to investors), which is equivalent to approximately $80,000-$100,000 per year ($1,700,000-$2,000,000 in total debt service savings).

The 2016 COP can be structured with a number of redemption provisions; a traditional fixed-period call protection period (typically 8 or 10 years) or a "Make-whole" redemption provision that provides the Town with the option to pay off the 2016 COP at any time. We would expect that the Make-Whole provision would be for the initial 8 years, thereafter converting to a traditional no-premium redemption provision (payable at any time without penalty).

Under a Make-Whole redemption structure, the investor agrees to have the 2016 COP paid off at the Town's discretion with the provision that any call premium will be calculated based on the market changes compared to the time of issuance. As an example, if the 2016 COP is issued with an average coupon of 4.10% and interest rates moves up, the investor would not receive any premium because they are able to reinvest the funds in a higher interest-bearing investment. If interest rates were to drop after the issuance of the 2016 COP, the investor would be limited in their reinvestment options and therefore require a redemption premium to be calculated based on the U.S. Treasury market movement between the time of

issuance and the day of redemption. The redemption premium will take into consideration the remaining term of the 2016 COP (lowering the potential premium as time passes). Given the historical low of current market rates, it is not anticipated that interest rates will continue to drop in the foreseeable future thereby reducing the risk that the Town would be subject to a redemption premium if it decided to sell the Center and use the proceeds to redeem the 2016 COP.

Policy Considerations

The 2006 COP has an outstanding principal balance of $9,000,000. It is anticipated that the refinancing and issuance of the 2016 COP will increase the principal to $9,300,000-$9,500,000. Given the projected annual savings of $80,000-$100,000 per year, any termination of the financing within the first 3-5 years will mitigate the cash flow savings of a refinancing and effectively cost the Town the difference between the financing costs and the cash flow savings received to date.

If the Town Council believes that a decision to sell the Center will occur prior to 2019, strong consideration should be given to not completing the refinancing. The economic impact of any decision will not only be based on the timing of the 2016 COP redemption but also the price received for the Center. Given the volatility of real estate pricing over the last 10 years (Center was originally appraised at $5,900,000 (2006) and in December 2015 was appraised at $11,230,000) the overall financial impact to the Town will be based on factors including the sales price of the property, any potential redemption premium and the time from the issuance date (the longer – the more annual savings will be recognized).

NHA Advisors, LLC is registered as a Municipal Advisor with the SEC and Municipal Securities Rulemaking Board ("MSRB"). As such, NHA Advisors, LLC has a Fiduciary duty to Town and must provide both a Duty of Care and a Duty of Loyalty that entails the following.

Duty of Care

a) exercise due care in performing its municipal advisory activities;
b) possess the degree of knowledge and expertise needed to provide Town with informed advice;
c) make a reasonable inquiry as to the facts that are relevant to Town's determination as to whether to proceed with a course of action or that form the basis for any advice provided to District; and
d) undertake a reasonable investigation to determine that NHA Advisors, LLC is not forming any recommendation on materially inaccurate or incomplete information; NHA Advisors, LLC must have a reasonable basis for:
    i. any advice provided to or on behalf of Town;
    ii. any representations made in a certificate that it signs that will be reasonably foreseeably relied upon by Town, any other party involved in the municipal securities transaction or municipal financial product, or investors in District securities; and
    iii. any information provided to Town or other parties involved in the municipal securities transaction in connection with the preparation of an official statement.

Duty of Loyalty

NHA Advisors, LLC must deal honestly and with the utmost good faith with Town and act in Town's best interests without regard to the financial or other interests of NHA Advisors, LLC. NHA Advisors, LLC will eliminate or provide full and fair disclosure (included herein) to Issuer about each material conflict of interest (as applicable). NHA Advisors, LLC will not engage in municipal advisory activities with Town as a municipal entity, if it cannot manage or mitigate its conflicts in a manner that will permit it to act in Town's best interests.

ATTACHMENT #3

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

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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
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Corte Madera, CA 94925

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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 #4

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 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
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APPENDIX F	BOOK ENTRY PROVISIONS
APPENDIX G	TOWN OF CORTE MADERA STATEMENT OF INVESTMENT POLICY
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.

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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 June 6, 2016, and a resolution of the Board of Directors of the Corporation adopted on June 6, 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 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 maturing before 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, from any

source of available funds, at a prepayment price of 100% of the principal amount of Certificates or portions thereof to be prepaid, plus accrued but unpaid interest to the date fixed for prepayment, together with the Make-Whole Premium (as such term is defined herein).

The term "Make-Whole Premium" means, with respect to any Certificate to be prepaid, an amount provided to the Trustee by the Town which has been calculated by an Independent Banking Institution (as such term is defined herein) to be equal to the positive difference, if any, between:

(1) The sum of the present values, calculated as of the date fixed for prepayment of:

(A) Each portion of the Lease Payments designated as interest that, but for the prepayment, would have been payable on the Certificate or portion thereof being prepaid on each regularly scheduled Interest Payment Date occurring after the date fixed for prepayment through the maturity date of such Certificate (excluding any accrued interest for the period prior to the date fixed for prepayment); provided, that if the date fixed for prepayment is not a regularly scheduled Interest Payment Date with respect to such Certificate, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Certificate to the date fixed for prepayment; plus

(B) The portion of the Lease Payments designated as principal that, but for such prepayment, would have been payable on the maturity date of the Certificate or portion thereof being prepaid; minus

(2) The principal amount of the Certificate or portion thereof being prepaid.

The present values of the interest and principal payments referred to in clause (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the prepayment to the date fixed for prepayment on a semiannual basis (assuming a 360-day year consisting of twelve (12) 30-day months) at a discount rate equal to the Comparable Treasury Yield (as defined herein), plus 25 basis points.

The term "Comparable Treasury Yield" means the yield which represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the Independent Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Certificate being prepaid. The Comparable Treasury Yield will be determined as of the [third (3rd) Business Day] immediately preceding the applicable date fixed for prepayment. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the Certificate being prepaid, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to maturity of the Certificate being prepaid; and (ii) closest to and less than the remaining term to maturity of the Certificate being prepaid. Any weekly average yields calculated by

interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward.

If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price (each as defined herein) as of the date fixed for prepayment.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Banking Institution as having a maturity comparable to the remaining term to maturity of the Certificate being prepaid that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Certificate being prepaid.

"Independent Banking Institution" means an investment banking institution of national standing which is a primary United States government securities dealer in the City of New York designated by the Town (which may be one of the underwriters of the Certificates). If the Town fails to appoint an Independent Banking Institution at least 45 days prior to the date fixed for prepayment, or if the Independent Banking Institution appointed by the Town is unwilling or unable to determine the Comparable Treasury Yield, the Comparable Treasury Yield will be determined by an Independent Banking Institution designated by the Town.

"Comparable Treasury Price" means, with respect to any date on which a Certificate or portion thereof is being prepaid, either: (I) the average of five Reference Treasury Dealer quotations for the date fixed for prepayment, after excluding the highest and lowest such quotations; and (II) if the Independent Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Independent Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Independent Banking Institution, at 5:00 p.m. New York City time on the [third (3rd) Business Day] preceding the date fixed for prepayment.

"Reference Treasury Dealer" means a primary United States Government securities dealer in the United States appointed by the Town and reasonably acceptable to the Independent Banking Institution (which may be one of the underwriters of the Certificates). If the Town fails to select the Reference Treasury Dealers within a reasonable period of time, the Town will select the Reference Treasury Dealers.

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 for fiscal years 2010-11 and 2012-13, were filed 114 days and 108 days late, respectively. 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 - Revenues, Expenditures and Fund Balances
Fiscal Years 2012-13 through 2014-15 (Audited) and Fiscal Year 2015-16 (Estimated)

	Audited Fiscal Year 2012-13	Audited Fiscal Year 2013-14	Audited Fiscal Year 2014-15	Estimated Fiscal Year 2015-16(1)
Revenues:				
Taxes	$13,192,956	$14,988,429	$17,468,266	$17,627,500
Fines and forfeitures	6,553	13,766	13,446	5,000
Intergovernmental	673,926	628,073	772,896	746,000
Use of money and property	45,630	46,024	46,761	49,000
Charges for services	1,413,721	1,641,138	1,650,723	1,597,000
Other revenues	589,406	219,291	181,667	469,000
Total Revenues	15,922,192	17,536,721	20,133,759	20,493,500
Expenditures:				
Current:				
General government	1,838,868	2,015,679	2,400,982	2,575,300
Community development	894,455	1,073,133	1,117,964	1,394,300
Public safety	8,115,016	8,331,321	8,512,134	8,770,000
Public works	1,900,258	1,992,667	1,998,005	2,146,400
Cultural and leisure	985,860	1,021,612	1,120,333	1,129,600
Debt service:				
Principal	142,318	148,912	155,815	38,400
Interest	140,566	130,172	46,869	41,000
Capital outlay	725,734	683,147	880,339	2,670,300
Total Expenditures	14,743,075	15,396,643	16,232,441	18,765,300
Revenues over (under) expenditures	1,179,117	2,140,078	3,901,318	1,728,200
Other financing sources (uses):				
Proceeds from sale of assets	8,898	--	1,600	--
Operating transfers in (2)	--	--	--	--
Operating transfers out (2)	(603,388)	(773,910)	(796,046)	(678,200)
Total other financing sources (uses)	(594,490)	(773,910)	(795,046)	(678,200)
Net change in fund balance	584,627	1,366,168	3,106,272	1,050,000
Fund balance, July 1	1,545,622	2,130,249	3,496,417	6,602,700
Fund balance, June 30	$2,130,249	$3,496,417	$6,602,689	$7,652,700

(1) Represents the adopted budget for fiscal year 2015-16, as amended to reflect estimated actual results as of April 27, 2016.
(2) 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[1]	Adopted Budget Fiscal Year 2016-17[2]
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

(1) Represents the adopted budget for fiscal year 2015-16, as amended to reflect estimated actual results as of April 27, 2016.
(2) Represents the adopted budget for fiscal year 2016-17, as amended to reflect items that occurred in fiscal year 2015-16 (as of April 27, 2016) that will impact fiscal year 2016-17.
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. 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 (Budgeted)	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 2006-07 through 2015-16
(Dollars in thousands)

	Local Secured	Utility	Unsecured	Total	% Change
2006-07	$1,926,263,094	$596,474	$109,238,810	$2,036,098,378	--
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
2015-16	2,751,822,508	1,042,174	141,808,454	2,894,673,136	8.0

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

Property Owner	2015-16 Primary Land Use	% of Assessed Valuation	Total [1]
1.Corte Madera Village LLC	Commercial	$135,654,478	4.93%
2.770 Tamalapais Dr. Inc.	Commercial	98,842,497	3.59
3.Nordstrom Inc.	Commercial	60,028,046	2.18
4.Aimco Madera Vista LLC	Multi-Family Residential	58,285,796	2.12
5.195-205 Tamal Vista Boulevard LLC	Multi-Family Residential	47,344,540	1.72
6.JP Aptos Property LLC	Commercial	22,185,104	0.81
7.IJ Marketplace LLC	Commercial	19,425,000	0.71
8.Pasha Paradise Point LLC	Commercial	18,599,129	0.68
9.City Farm LLC	Single-Family Residential	18,418,400	0.67
10.Reis Family LLC	Commercial	18,003,051	0.65
11.Macy's Primary Real Estate Inc.	Commercial	15,023,125	0.55
12.Theodore J. Stevens, Trust	Commercial	11,388,996	0.41
13.House Properties 77 LP	Multi-Family Residential	8,460,376	0.31
14.201 Casa Buena Associates	Commercial	7,966,417	0.29
15.Simvest Real Estate IV LLC	Commercial	7,731,804	0.28
16.Corte Bella Associates LP	Multi-Family Residential	7,044,988	0.26
17.CSS Corte Madera	Commercial	6,823,751	0.25
18.Americana Motels Inc.	Commercial	6,685,802	0.24
19.Bovone Properties LLC	Commercial	6,446,960	0.23
20.Dennis A. Gilardi, Trust	Multi-Family Residential	6,114,364	0.22
		$580,472,624	21.09%

(1) 2015-16 Local Secured Assessed Valuation: $2,751,822,508.
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 May 1, 2016
(Unaudited)

2015-16 Assessed Valuation: $2,894,673,136

OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 5/1/16	
Marin Community College District	4.355%	$ 9,535,273	
Tamalpais Union High School District	7.371	9,172,104	
Larkspur School District	57.885	32,979,252	
Mill Valley School District	0.009	5,823	
Reed Union School District	4.450	1,428,895	
Marin Healthcare District	5.251	8,926,700	
Twin Cities Police Authority Community Facilities District No. 2008-1	43.405	7,489,561	
Town of Corte Madera 1915 Act Bonds	100.000	885,000	
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		$70,422,608	
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Marin County General Fund Obligations	4.348%	$ 4,003,963	
Marin County Pension Obligations	4.348	4,333,869	
Marin County Transit District General Fund Obligations	4.348	5,718	
Marin Community College District General Fund Obligations	4.355	113,266	
Town of Corte Madera General Fund Obligations	**100.000**	**9,176,091**	(1) (2)
Marin Municipal Water District General Fund Obligations	5.562	5,951	
Twin Cities Police Authority General Fund Obligations	45.830	188,860	
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$17,827,718	
COMBINED TOTAL DEBT		$88,250,326	(3)

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.43%
Total Direct Debt ($9,176,091)	**0.32%**
Combined Total Debt	3.05%

(1) Excludes issue to be sold.
(2) Includes share of Marin Emergency Radio Authority Bonds.
(3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.
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 #5

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, the Termination 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, the Termination 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, the Termination 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, the Termination 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, the Termination 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, the Termination 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, the Termination 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, the Termination 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 the following terms:

(a) 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.

(b) On any date before 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, together with the Make-Whole Premium (as such term is defined herein).

The term "Make-Whole Premium" means, with respect to any Lease Payment to be prepaid, an amount provided to the Trustee by the Town which has been calculated by an Independent Banking Institution (as such term is defined herein) to be equal to the positive difference, if any, between:

(1) The sum of the present values, calculated as of the date fixed for prepayment of:

(A) Each portion of the Lease Payments designated as interest that, but for the prepayment, would have been payable as the Lease Payment or portion thereof being prepaid on each regularly scheduled Interest Payment Date occurring after the date fixed for prepayment through the scheduled date of payment of such Lease Payment (excluding any accrued interest for the period prior to the date fixed for prepayment); provided, that if the date

fixed for prepayment is not a regularly scheduled Interest Payment Date with respect to such Lease Payment, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Lease Payment to the date fixed for prepayment; plus

(B) The portion of the Lease Payments designated as principal that, but for such prepayment, would have been payable on the scheduled date of payment of such Lease Payment or portion thereof being prepaid; minus

(2) The principal amount of the Lease Payment or portion thereof being prepaid.

The present values of the interest and principal payments referred to in clause (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the prepayment to the date fixed for prepayment on a semiannual basis (assuming a 360-day year consisting of twelve (12) 30-day months) at a discount rate equal to the Comparable Treasury Yield (as defined herein), plus 25 basis points.

The term "Comparable Treasury Yield" means the yield which represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the Independent Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to the scheduled date of payment of the Lease Payment being prepaid. The Comparable Treasury Yield will be determined as of the [third (3rd) Business Day] immediately preceding the applicable date fixed for prepayment. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to the scheduled date of payment of the Lease Payment being prepaid, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to the scheduled date of payment of the Lease Payment being prepaid; and (ii) closest to and less than the remaining term to the scheduled date of payment of the Lease Payment being prepaid. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward.

If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price (each as defined herein) as of the date fixed for prepayment.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Banking Institution as having a maturity comparable to the remaining term to the scheduled date of payment of the Lease Payment being prepaid that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to the scheduled date of payment of the Lease Payment being prepaid.

"Independent Banking Institution" means an investment banking institution of national standing which is a primary United States government securities dealer in the City of New York designated by the Town (which may be one of the underwriters of the Certificates). If the Town fails to appoint an Independent Banking Institution at least 45 days prior to the date fixed for prepayment, or if the Independent Banking Institution appointed by the Town is unwilling or unable to determine the Comparable Treasury Yield, the Comparable Treasury Yield will be determined by an Independent Banking Institution designated by the Town.

"Comparable Treasury Price" means, with respect to any date on which a Lease Payment or portion thereof is being prepaid, either: (I) the average of five Reference Treasury Dealer quotations for the date fixed for prepayment, after excluding the highest and lowest such quotations; and (II) if the Independent Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Independent Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Independent Banking Institution, at 5:00 p.m. New York City time on the [third (3rd) Business Day] preceding the date fixed for prepayment.

"Reference Treasury Dealer" means a primary United States Government securities dealer in the United States appointed by the Town and reasonably acceptable to the Independent Banking Institution (which may be one of the underwriters of the Certificates). If the Town fails to select the Reference Treasury Dealers within a reasonable period of time, the Town will select the Reference Treasury Dealers.

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.

(i) 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.

(ii) The Certificates maturing before 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, from any source of available funds, at a prepayment price of 100% of the principal amount of Certificates or portions thereof to be prepaid, plus accrued but unpaid interest to the date fixed for prepayment, together with the Make-Whole Premium (as such term is defined herein).

The term "Make-Whole Premium" means, with respect to any Certificate to be prepaid, an amount provided to the Trustee by the Town which has been calculated by an Independent Banking Institution (as such term is defined herein) to be equal to the positive difference, if any, between:

(1) The sum of the present values, calculated as of the date fixed for prepayment of:

(A) Each portion of the Lease Payments designated as interest that, but for the prepayment, would have been payable on the Certificate or portion thereof being prepaid on each regularly scheduled Interest Payment Date occurring after the date fixed for prepayment through the maturity date of such Certificate (excluding any accrued interest for the period prior to the date fixed for prepayment); provided, that if the date fixed for prepayment is not a regularly scheduled Interest Payment Date with respect to such Certificate, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Certificate to the date fixed for prepayment; plus

(B) The portion of the Lease Payments designated as principal that, but for such prepayment, would have been payable on the maturity date of the Certificate or portion thereof being prepaid; minus

(2) The principal amount of the Certificate or portion thereof being prepaid.

The present values of the interest and principal payments referred to in clause (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the prepayment to the date fixed for prepayment on a semiannual basis (assuming a 360-day year consisting of twelve (12) 30-day months) at a discount rate equal to the Comparable Treasury Yield (as defined herein), plus 25 basis points.

The term "Comparable Treasury Yield" means the yield which represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the Independent Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Certificate being prepaid. The Comparable Treasury Yield will be determined as of the [third (3rd) Business Day] immediately preceding the applicable date fixed for prepayment. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the Certificate being prepaid, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to maturity of the Certificate being prepaid; and (ii) closest to and less than the remaining term to maturity of the Certificate being prepaid. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward.

If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price (each as defined herein) as of the date fixed for prepayment.

"Comparable Treasury Issue" means the United States Treasury security selected by the Independent Banking Institution as having a maturity comparable to the remaining term to maturity of the Certificate being prepaid that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Certificate being prepaid.

"Independent Banking Institution" means an investment banking institution of national standing which is a primary United States government securities dealer in the City of New York designated by the Town (which may be one of the underwriters of the Certificates). If the Town fails to appoint an Independent Banking Institution at least 45 days prior to the date fixed for prepayment, or if the Independent Banking Institution appointed by the Town is unwilling or unable to determine the Comparable Treasury Yield, the Comparable Treasury Yield will be determined by an Independent Banking Institution designated by the Town.

"Comparable Treasury Price" means, with respect to any date on which a Certificate or portion thereof is being prepaid, either: (I) the average of five Reference Treasury Dealer quotations for the date fixed for prepayment, after excluding the highest and lowest such quotations; and (II) if the Independent Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Independent Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Independent Banking Institution, at 5:00 p.m. New York City time on the [third (3rd) Business Day] preceding the date fixed for prepayment.

"Reference Treasury Dealer" means a primary United States Government securities dealer in the United States appointed by the Town and reasonably acceptable to the Independent Banking Institution (which may be one of the underwriters of the Certificates). If the Town fails to select the Reference Treasury Dealers within a reasonable period of time, the Town will select the Reference Treasury Dealers.

(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" 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. <u>Repos must be between the municipal entity and a dealer bank or securities firm</u>

(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.

"Termination Agreement" means the Termination Agreement, dated as of June 1, 2016, by and among the Town, the Corporation and the 2006 Trustee.

"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:

DB

DISTRICT MANAGER

CORTE MADERA TOWN COUNCIL
STAFF REPORT

REPORT DATE: June 2, 2016
MEETING DATE: June 6, 2016

TO: TOWN MANAGER, MAYOR AND MEMBERS OF THE COUNCIL

FROM: REBECCA VAUGHN, TOWN CLERK

SUBJECT: CONSIDERATION OF APPROVING THE RESPONSE FROM THE TOWN OF CORTE MADERA TO THE MARIN COUNTY CIVIL GRAND JURY'S 2015-2016 WEB TRANSPARENCY REPORT CARD

* * * * * * *

STAFF RECOMMENDATION:
Approve the proposed response to the Marin County Civil Grand Jury.

OPTIONS:

1) The Council may approve the proposed response.
2) The Council may propose modifications to the proposed response.
3) The Council may reject the proposed response and provide further direction to staff.

TOWN MANAGER'S RECOMMENDATION:
Support staff's recommendation.

FISCAL IMPACT:
None

BACKGROUND:
In November 2015, the Marin County Civil Grand Jury issued preliminary report cards to 127 Marin County local government agencies. While no grades were assigned at that point, the report card presented numerous deficiencies in the availability of information to the public. Utilizing the Best Practices checklist provided by the Grand Jury, staff spent approximately two weeks updating content available on the website and improving accessibility by making scanned documents "searchable". Upon conclusion of the work, staff submitted the self-audit form to the Grand Jury.

On March 10, 2016, Grand Jury issued the final report titled, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*. As a result of the improvements completed, the Town was awarded a grade of "A+". The Town is required to provide a response to the report's recommendations within 90 days of the issue date. The Town's response is due by June 10, 2016. Pursuant to the Ralph M. Brown Act, governing bodies are required to present their comments and responses during a publicly noticed and agendized open meeting prior to submitting a response to the Grand Jury. Responses are maintained by the Grand Jury, and the Town, as public record.

FINDINGS

The Findings of the Grand Jury are as follows:

F1: As of January 4, 2016, 27 Marin local agencies lacked public websites (and of the 99 agencies that have web sites, 65 did not satisfy the Grand Jury's web transparency criteria as of that date.)

F2: Inspecting the Marin County Clerk's roster of Public Agencies, the Grand Jury discovered a majority of local agencies out of compliance per California Government Code Section 53051 (no filings or outdated filings).

F3: Effective January 1, 2015, Assembly Bill (AB) 2040 requires that if a public agency "maintains an Internet Web site, it shall post, in a conspicuous location on its Internet Web site, information on the annual compensation of its elected officials, officers, and employees that is submitted to the Controller under Section 53891." The Grand Jury discovered a majority of the agencies were out of compliance (and potentially at-risk for fines and/or audit), per California Government Code sections 53895, 53895.7, and 53896).

F4: The County of Marin does not currently publish a definitive list of all its dependent special districts and JPAs

F5: Marin County's Roster of Public Agencies is available for viewing only as hard copy at the office of the Marin County Clerk.

The Town was not requested to respond to any of the listed findings.

RECOMMENDATIONS

The Recommendations of the Grand Jury are as follows:

R1: The agency should improve its web transparency score to "B-" (or better), by updating its website and submitting the appropriate self-audit form. The form may be obtained by emailing: grandjury-audit@marincounty.org

R2: The agency should file and keep updated its Statement of Facts with the California Secretary of State and the Marin County Clerk as required by California Code §53051.

R3: The agency should update its website to include information of the annual compensation of its elected officials, officers and employees; and this information should also be submitted to the Controller, as required by Sections 12463 and 53909 of the California Government Code.

R4: The Marin County Board of Supervisors should create a comprehensive online "digital directory" with links to all County of Marin's dependent special districts and JPAs.

R5: To further improve web transparency, the County Clerk of Marin County should allow public remote Internet access to its Roster of Public Agencies.

The Town has been asked to respond to Recommendation 2.

Response to Recommendation 2: The Town will comply with this recommendation. The filing of a Statement of Facts form is not required for the Town, since the definition of "Public Agency" under California Government Code 53050 reads as follows:

> 53050. The term "public agency," as used in this article, means a district, public authority, public agency, and any other political subdivision or public corporation in the state, **but does not include the state or a county, city and county, or city.**

However, staff will be completing a Statement of Facts form for Sanitary District No. 2, which is a Subsidiary District to the Town of Corte Madera. Since Town Council members sit concurrently as Board Members of the Sanitary District, in the interest of transparency, the Town will file a Statement of Facts form with the California Secretary of State and with the office of the Marin County Clerk by June 10, 2016.

In conclusion, staff has found this report to be a useful tool in helping the Town to identify areas of improvement and has served to aid the Town in its goal of providing increased transparency and availability of information to the public. Using the guidelines and information provided by the Grand Jury, staff will continue to make updates to the website on a regular basis in an effort to enhance the quantity and quality of information available.

ATTACHMENTS:

1. Draft Letter in Response to the Marin County Civil Grand Jury Report.
2. Response Form
3. Grand Jury Report Dated March 10, 2016, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light* (Please see Attachment 3 to Agenda Item 7.I.i, Response from Sanitary District No. 2 to the Grand Jury Report)

ATTACHMENT 1

DRAFT LETTER IN RESPONSE TO
THE MARIN COUNTY CIVIL GRAND JURY REPORT

June 7, 2016

The Honorable Judge Kelly V. Simmons
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988

Victoria Harrison, Foreperson Pro tem
Marin County Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

Dear Foreperson Pro tem:

Thank you for your recent report, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light*. Pursuant to Penal Code 933.05, I am writing on behalf of the Town of Corte Madera, to respectfully respond to the report.

The Corte Madera Town Council reviewed the report and discussed the proposed response at its regular meeting held on June 6, 2016. The report requests that the Town respond to Recommendations 2. The Town's response is attached.

Please accept our appreciation for the service you provide to the residents of Marin County, and for the guidance you provided to our staff during the review process. The Town has found your report to be extremely useful in developing the Town's website into a robust tool for furthering communication and civic engagement with our residents and business owners.

Should you have any questions regarding this response, please contact the Town Clerk, Rebecca Vaughn, at 415-927-5085 or rvaughn@tcmmail.org.

Sincerely,

Sloan C. Bailey
Mayor

TOWN OF CORTE MADERA RESPONSE TO THE MARIN COUNTY CIVIL GRAND JURY REPORT, *2015-16 Web Transparency Report Card: Bringing Marin County's Local Governments to Light.*

The Town has been asked to respond to Recommendation 2:
"The agency should file and keep updated its Statement of Facts with the California Secretary of State and the Marin County Clerk as required by California Code §53051."

Response to Recommendation 2:
The Town will comply with this recommendation. The filing of a Statement of Facts form is not required for the Town, since the definition of "Public Agency" under California Government Code 53050 reads as follows:

> 53050. The term "public agency," as used in this article, means a district, public authority, public agency, and any other political subdivision or public corporation in the state, **but does not include the state or a county, city and county, or city.**

However, staff will be completing a Statement of Facts form for Sanitary District No. 2, which is a Subsidiary District to the Town of Corte Madera. Since Town Council members sit concurrently as Board Members of the Sanitary District, in the interest of transparency, the Town will file a Statement of Facts form with the California Secretary of State and with the office of the Marin County Clerk by June 10, 2016.

ATTACHMENT 2

RESPONSE FORM

RESPONSE TO GRAND JURY REPORT

Report Title: 2015-16 WEB TRANSPARENCY REPORT CARD

Report Date: March 10, 2016

Agenda Date: JUNE 6, 2016

Response by: SLOAN C. BAILEY Title: MAYOR

FINDINGS

- I (we) agree with the findings numbered: _____
- I (we) disagree *partially* with the findings numbered: _____
- I (we) disagree *wholly* with the findings numbered: _____

  (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.

  (Attach a summary describing the implemented actions.)

- Recommendations numbered R2 have not yet been implemented, but will be implemented in the future. *SEE ATTACHED

  (Attach a timeframe for the implementation.)

- Recommendations numbered _____ require further analysis.

  (Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered_____ will not be implemented because they are not warranted or are not reasonable.

  (Attach an explanation.)

Date: 6/07/16 Signed: _____

Sloan C. Bailey, Mayor

Number of pages attached____

ATTACHMENT 3

GRAND JURY REPORT DATED MARCH 10, 2016,
2015-16 WEB TRANSPARENCY REPORT CARD:
BRINGING MARIN COUNTY'S LOCAL GOVERNMENTS TO LIGHT

(To view this document, please see Attachment 3 to Agenda Item 7.I.i, Response from Sanitary District No. 2 to the Grand Jury Report)

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

TUESDAY, JUNE 21, 2016

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 Approval of Grading Plans for 1421 Casa Buena Drive Project
(Report from Kelly Crowe, Associate Civil Engineer)

5.III Approval of the Plans and Specifications and Authorization to Bid- 2015 Pavement Rehabilitation Project
(Report from Kelly Crowe, Associate Civil Engineer)

5.IV Second Reading and Adoption of Proposed Flood Plain Ordinance Revisions
(Report from Kelly Crowe, Associate Civil Engineer)

5.V Consideration of Cancellation of July 5, 2016 Town Council Meeting
(Report from Rebecca Vaughn, Town Clerk)

5.VI Receive and File Investment Transactions Monthly Report
(Report from George T. Warman, Jr., Director of Administrative Services/Town Treasurer)

5.VII 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:**

7. **BUSINESS ITEMS:**

7.I *TOWN ITEMS:*

7.I.i Report on Yellow School Bus Program
(Verbal report from Tiburon Vice Mayor Jim Fraser and Belvedere Councilmember Bob McCaskill)

7.I.ii 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.I.iii Consideration and Possible Action to Approve Town Council Subcommittee Recommendations for Appointments to Planning Commission, Parks and Recreation Commission and Flood Control Board
(Report from Rebecca Vaughn, Town Clerk)

DRAFT

7.I.iv Review of Draft July 5, 2016 Town Council Agenda

7.I.v Approval of Minutes of June 6, 2016 Town Council Meeting

7.II *SANITARY DISTRICT ITEMS:*

7.II.i Consideration and Possible Action to Approve 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)

7.II.ii Consideration and Possible Action to Approve 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.iii Consideration and Possible Action to Award a Construction Contract for the Paradise West Sewer Improvements Project
(Report from Nisha Patel, Senior Civil Engineer)

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 17, 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 17, 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: Town Manager/Town Engineer David Bracken
Director of Administrative Services/Town Treasurer George T. Warman, Jr.
Director of Planning and Building Adam Wolff
Assistant Town Attorney Judith Propp
Building Official Mark Flatter
Acting Deputy Fire Chief Pete Davis
Planning Customer Service Representative Tracy Hegarty

SALUTE TO THE FLAG: Mayor Bailey led in the Pledge of Allegiance.

II. Report Out of Closed Session from May 3, 2016 Regarding the Following Item:
PUBLIC EMPLOYEE APPOINTMENT [Govt. Code Sec. 54957]
Title: Town Manager

Mayor Bailey reported on the Closed Session the Town Council held at the last Town Council Meeting of May 3, 2016, stating that the Council discussed the Town Manager's position and there was no reportable action.

2. PRESENTATION – None

3. OPEN TIME FOR PUBLIC DISCUSSION - None

4. COUNCIL AND TOWN MANAGER REPORTS

- Town Manager Report – None

- Director of Planning & Building Report on Tamal Vista East Corridor Study

  - The Town continues to be on track with work prior to the moratorium's expiration in October.

- Council Reports

Councilmember Lappert gave the following report:

- The Ross Valley Paramedic Authority (RVPA) convened and discussions are centered on their financial picture, and improvements are underway.
- A meeting was held with the Larkspur-Corte Madera Fire Consolidation group and discussion will soon be held with respect to consolidation.

Councilmember Andrews had no report.

Councilmember Condon gave the following report:

- On Sunday, May 22nd the Centennial Classic Car Show will be held on Casa Buena Drive from 10AM to 3PM as presented by Marin Luxury Cars, the Town and the Lion's Club. There will be over 60 entries and the event will be free to the public.
- Weekend 100 will be held June 10-12 with activities held every day. She invited the public to view www.cortemadera100.com to obtain information.
  - The first event will be free dinner with fun and games at the Community Center.
  - The second event will start at 10AM at Town Park with events extending to the Village Shopping Center all day. Jimmy Z and the Great Band will play at 7PM and a fireworks display will start at approximately 9:15PM.
  - The third event will be on Sunday with Police and Fire playing softball at Town Park. A time capsule will be buried and a time capsule will be dug up from 25 years ago, with proclamations made by dignitaries.
- Age-Friendly Corte Madera wants to contribute to the Town for viewing the certificate presented by the World Health Organization in the Town Hall Council Chambers.

Vice Mayor Furst gave the following report:

- She attended the Central Marin Sanitation Agency meeting and reported on their long-term financial plan, stating fees will be increasing.
- She attended, as alternate for Councilmember Lappert, the Disaster Council meeting. There are many events coming up which include: 1) Senior Fair on May 26th at 2PM at the Community Center; 2) Fire Extinguisher Day at Fire Station 14 on May 21st;

Wildland Fire Evacuation Operations Awareness Course in Mill Valley on May 18th from 9AM to 12noon; Mill Valley's Evacuation Drill on May 21st; Marin Violent Encounter Exercise at Indian Valley Campus of College of Marin on May 24th; Sidewalk CPR Classes on June 11th at Town Park.

Mayor Bailey gave the following report:

- On May 18th at 6:15PM the Lion's Club is sponsoring Candidates Night at the Community Center. All 8 Supervisorial candidates are invited to speak and the debate begins at 7PM and he will be moderating the debate.
- He will be attending the Marin Clean Energy Board meeting on May 19th and the primary topic will be the impact of absorbing new communities in Northern California. A 7 ½% reduction in rates is expected for the upcoming year which will allow MCE to put aside reserves and keep rates stable.

5. CONSENT CALENDAR

Town Manager Bracken requested Item 5.V be removed and acted on separately.

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 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)

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)

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)

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)

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)

MOTION: Moved by Andrews, seconded by Condon, 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.II, 5.III, 5.IV, 5.VI and 5.VII

Item Removed from Consent Calendar:

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

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

Director of Administrative Services/Town Treasurer George T. Warman, Jr. stated this item has been included in his Monthly Reports for some time. The Park Madera Center bonds initially had a 10-year call which would mean bonds could be called and re-financed at no penalty effective February 1, 2016. Before the Council is a refinance to be effective August 1, 2016 which is the next time an interest payment is due.

The Council is being asked to consider adopting Resolution 15/2016 which approves a number of documents which he briefly described and the estimate for refinance would be $9,500,000. Outstanding bonds are $9 million and the extra $500,000 is a high estimate on refinance costs.

Mr. Warman explained that the bonds would be refinanced for their remaining 20 years

with no extension in the final maturity which is February 1, 2037. The projected annual debt service would be roughly a savings of ±$90,000 a year for 20 years. Assets were used to collateralize the initial issue which are the same and that includes the Center itself, the Town Hall building, and both fire stations and land. There is an 8 year call feature on this proposed issue at which time the refinance bonds could be called again if savings could be realized at no interest penalty. The other feature is that the Reserve Fund would be provided by an insurance policy.

Mr. Warman introduced Jones Hall representatives present as James Ruzicka, Jones Hall and Craig Hill of Northcress Hill and Ash Advisors (NHA). He reported on factors, stating that the outstanding bonds are $900,000, the high estimate of $11 million assumed that the Reserve Fund would be provided by bonds, and the existing issue is accounted for in an accrual, and not modified accrual, basis. The interest payment due is already in the adopted FY 2015/16 Town's Municipal Budget, and when bonds are marketed, the Town will realize savings from lower interest rates. Mr. Warman concluded stating that he and representatives were available for questions.

Vice Mayor Furst referred to the $11 million amount and the lower interest rate resulting in the sale of more bonds and asked if the projected savings would be less than $90,000. Mr. Warman replied no, stating that the Town would pay more principle and less interest.

Councilmember Andrews asked and confirmed that the bonds will be issued at a discount.

Craig Hill, NHA, stated there are investors that are looking to buy bonds at a discount and in this case they are issuing more bonds and getting less proceeds. They are making up for this by having a lower interest rate. They have been monitoring the market, and savings from last year would have been about $10,000 a year. The end costs would have been about 5.4% and less than the existing obligation. However, in today's market they are at 4.4% or 100 basis points lower than last year, resulting in a targeted savings of between $78,000 and $92,000 a year.

Vice Mayor Furst confirmed the interest rate was fixed. She noted the bonds are Certificates of Participation (COPs) which involves a lease and lease back. She asked if there is any exposure of the Town due to changes outside of their control.

Mr. Hill explained the COP structure which allows multiple buyers to participate. Interest rates are set at the time the Town signs a purchase contract with the underwriter and cannot change through maturity unless the Town refinances the bonds in the future.

Vice Mayor Furst asked and confirmed that the transaction has an 8 year call feature without penalty, and she asked about the time up until 8 years.

Mr. Hill said if the Town were to pay off the debt in 3 years, they would structure the payoff

so as to put money in escrow, but the investors will not get paid off by the 8th year and a trust could be set up which would include all interest and principle up to that 8th year.

Vice Mayor Furst asked for more information about the Reserve Fund for insurance. Mr. Hill explained that there is a debt service reserve fund requirement by investors in order to make payments if the Town somehow loses its ability due to fire or other catastrophe. Insurance companies will sell a surety bond which will cover the reserve fund which is the cost of approximately $35,000.

Vice Mayor Furst asked about insurance on the actual properties themselves, and Mr. Warman stated the properties are and have been insured and he briefly explained coverages, and he confirmed the Town is covered for estimated replacement value.

Councilmember Andrews asked for the insurance company for the surety bond and asked what would happen if the company' credit rating was negatively affected.

Mr. Hill said they price the surety bond with multiple insurance companies which write their bonding against their policies. He noted this is an investor risk if the rating of the insurer goes down, but he said the Town is not obligated to provide additional security at that point. Mr. Warman commented that this had occurred with the existing issue. The Town had no liability other than to report it.

James Ruzicka, Jones Hall, clarified how the legal documents work in response to Council questions, stating that there is no acceleration of lease payments, no foreclosure and the trustee represents the bondholders and would come to the Town looking for payment after looking to the insurer on the reserve policy.

Vice Mayor Furst asked that during the 20 year term do the corporations or counter party to the lease agreement have any input into whether or not the Town sells, refinances or makes material changes to the property. Mr. Ruzicka said no; the Town will continue doing what it is doing with the property and the structure proposed to be in place is the same as when the Town sold the original bonds in 2006. They are simply refinancing the 2006 bonds resulting in a reduced interest rate.

Mayor Bailey opened the public comment period.

ED GRAMMENS, Christmas Tree Hill, objected to the City owning the property and locking the Town into another 8 years. The Town is $2.2 million in debt and is losing $250,000 to $300,000 a month. He said the Town has an opportunity now to remove itself from the deal and spoke of his 30 year commercial real estate experience with Cushman and Wakefield. He suggested the Town arrive at a plan to dispose of the property in the interests of the community and taxpayers.

JACQUES YENI, Summit Drive, said the center was once owned by Mr. Peter Chan who owned the gas station and he sold the center to the Town for $10 million after it had been appraised for $5.5 million which was shocking. Knowing what the leases were bringing into the Town, he thought there would never be a way to get rents high enough to justify the price. He did not see how the Town would ever make the proposal work and is dismayed at what the Town is proposing to do.

EMMA BRIAN, Lakeside Drive, questioned the reason for the Town purchasing the property.

A SPEAKER said he heard that the Town purchased the property in order to build apartments on the property.

Mayor Bailey said if the Town decided it wanted to sell the property 6 months from now, he asked how the transaction of refinancing be affected and asked if it would inhibit the Town's ability to sell the property.

Mr. Hill stated there is a cost to it and his advice would be that if the Town was to contemplate selling the property in the next 4 years, they would recommend that this financing be structured in a way for no call protection. This means is that the interest rate paid today might be slightly higher than the current market rate, and also the Town would have to pay the accruing interest to those investors up to the redemption date or 8 years of interest.

Councilmember Lappert reported that he was on the Town Council at the time of the original purchase and explained the reason for the purchase. The Town had entered into a master plan for the 22-acre park and the property which is contiguous to the park. The Town Hall was envisioned to be moved to that property which would become part of the Town's municipal complex. Additionally, the Town was also fearful that a developer would purchase the property and build apartments and increase traffic problems. He said years later the center has been improved dramatically but the gas station has a 30 year lease which clouds the title.

Councilmember Condon added that part of the Town Park is owned by the Larkspur-Corte Madera School District and there had been talk about extending the school campus onto the park and acquiring the center which would enable the Town to extend the park if it were to be taken by the school district. The purchase was also to ensure that the Town Park remain viable for Town-related activities. Mr. Warman confirmed that the school district owns a little less than 25% of the Town park which would eliminate the playing fields if the district expanded.

Councilmember Andrews stated the Town was working on a financial plan this winter and he asked for the status. Mr. Bracken noted that this is separate from the item, but reported

that he will meet with Libby Siefel tomorrow morning and she should have a status report in the near future.

Mayor Bailey thanked local speakers for their comments and said people ask him his own view of the burden the Town has to maintain the property, and while the price was high, the Town's children and their children have the opportunity to enjoy the park, community center, and other civic opportunities which have a cost. The Town has to service that debt and the item tonight shows diligence on an annual basis to manage the debt service.

He said the recommendation reduces the Town's debt annually. Councilmembers Andrews and Furst are knowledgeable about the matter and he believes there were sensible reasons the plan got entered into and suggested adopting the staff's recommendation.

Vice Mayor Furst voiced reservations and said she did not think the Town necessarily needs to own the shopping center forever. Originally there was a plan to build a new community center and possibly move Town Hall there. Instead, the Town was awarded a modest grant to make impactful improvements to the Community Center and the Town is proud of the center. The Town will never be able to afford an impressive civic center complex, pool and community center unless it is willing to absorb steep costs.

She said in looking at what they have been able to do with the center, the Town was able to improve the bank, create Café Verde and Town Park Plaza, but the gas station has a lease for another 20 years. Pet Club and the other retail center are older, need work, and she does not think the Town needs to own this particular property. The Town is not planning on building a new community center or pool, moving Town Hall, and this is a conversation the Town has not had. She thought now seemed to be a good time to sell it before the start of another recession.

Councilmember Andrews referred to the financial plan and agreed the Council has not discussed this issue.

Councilmember Condon agreed and said what is before the Council is refinancing. To go into details on whether the Town wants to or does not want to maintain ownership would be something that would have to be agendized and not discussed now.

Mayor Bailey agreed this is another topic and he asked whether or not to adopt the interim measure to get some relief from lower interest rates or explore allowing an earlier call option within the refinance.

Mr. Warman stated the school district owns between 25% to 33% of Town Park and although they represented they do not anticipate expanding Neil Cummins School, for young families who want to live close to San Francisco, it is extremely difficult for them to purchase single family detached homes and he expects more families moving into the

WinCup property than the school district is projecting. Therefore, in the next 4-5 years, the district may have to seriously consider adding onto Neil Cummins School which would mean going into the park property, and this was one factor taken into the Town's original consideration.

He said at the time the Council decided to purchase the center in 2006 there were businesses inquiring as to that property as far as zoning and development options, and this was the reason the Council land banked the property. If at some time in the future if the Council decided it would want to sell and relocate Town Hall and the fire facilities, the best use in both instances was 7 single detached single family homes.

Councilmember Lappert supported the staff recommendation and made a motion, noting the topic is worthy of continued discussion. Councilmember Condon seconded the motion.

Vice Mayor Furst said she did not think there was a rush other than the risk of interest rates changing. She thinks it would be fool-hardy to lock the Town into 8 years. She suggested locking in the Town for 4 years or less and then spending some time considering what its long term financial plan is and using that time to review the zoning and potential future development if the Town were to sell the property.

Councilmember Andrews agreed with Vice Mayor Furst's comments.

Mayor Bailey agreed there would be no harm to explore this further and to continue the matter to the next Council meeting to review the cost difference in a 4 year or other call option. He thinks the Town should refinance in some way, but agreed the need to explore more options as to what is available to the Town and agreed this makes more sense.

Mr. Hill clarified that the resolution and draft documents do not specifically call out an 8 year call. This is usually negotiated as part of finalizing the terms of the transaction with the underwriter. While 8 years has been represented, there are a number of structures, such as a 'make whole' provision. At the time the Town would like to pay off the debt, there is a formula which indicates exactly what would need to be paid to bondholders to make them whole.

The public comment period was re-opened.

Mayor Bailey said he thought the primary difference in having the 8 year no call option was it got the Town a better interest rate.

Mr. Hill said there is a price point or interest rate an investor will take knowing that they are guaranteed they will receive interest for 8 years. If paid off in 4 years, the investor will make a decision and most likely want a higher interest rate.

Mayor Bailey asked if the discussion resulted in changing the 8 year call date and less than $90,000 savings, he suggested having this information before authorizing approval.

Mr. Hill said to clarify a fixed or hard call date there is no impact on the interest rate so savings would remain the same. The risk is that depending on when the Town Council pays off the debt or refinances it again, there is a market determination or formula which will tell the Town what the cost of paying off the investor will be. He would recommend that if there is any doubt by the Council or the Council wants to terminate the relationship with the property, the Town would want to maintain the flexibility to pay off the obligation and this should not drive the decision.

Mayor Bailey asked and confirmed with the Assistant Town Attorney that the Council would want to continue the matter if it wanted to research what its preferred terms and conditions would be.

Mr. Hill said they still have one month of work to go through a rating agency and negotiations and turning to the underwriter and investment banks to determine terms. He recommended that the Town agendize the item for discussion at its next meeting in June at which point more discussion can be held on the economic impact of different scenarios.

Councilmember Andrews said in terms of advanced pre-payment, he asked what the normal term lengths were. Mr. Ruzicka said the market is accepting of an 8 year term without penalty to the interest rates and shorter terms start to impact interest rates.

Mayor Bailey again called for public comments.

ED GRAMMENS appreciates Vice Mayor Furst's comments and suggested the Council look at the long-term impacts and the Town's future financial plan for the property. He said he would be happy to provide advice and suggested any refinancing be done for as short of a time period for flexibility purposes.

PHYLLIS GALANIS, Prince Royal Drive, asked if the Town knew what the property was now worth.

Mr. Warman stated the property is worth $11,230,000 was the appraised value in 2015.

JACQUES YENI said the property is worth what a willing buyer will pay for it. That buyer would look at what rents could be set at and improvement costs for investment. He has worked as an institutional securities salesman and there is a lot of negotiation to do with whoever the Town wants to deal with. The current representatives do this professionally for a living and he cautioned the Town and asked that it receive good advice.

Mayor Bailey asked if Councilmembers Andrews and Furst thought that if the Council

adopted the current resolution would retain control and freedom to exercise direction later or if they thought it was premature.

Vice Mayor Furst referred to the title of the agenda report which locks the Town into the current structure and she said she would not feel comfortable in voting to move forward at this time. She suggested continuing the matter and said the only issue would be that interest rates move up.

Mayor Bailey supported continuing the matter. He asked to call a vote on the existing motion.

MOTION: Moved by Lappert, seconded by Condon, and failed by the following vote: 3-2 (Ayes: Condon and Lappert; Noes: Andrews, Furst and Bailey)

To 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

Approve a Supplemental Appropriation of Both the Revenues and Expenditures of the Refinancing Transaction

Vice Mayor Furst suggested a motion to continue the matter and hold discussion regarding flexibility of the refinancing and future Town plans for the site.

Mayor Bailey noted that this would be a large discussion and Vice Mayor Furst said she would like the opportunity for the Council to bring up questions and hold discussion about its long-term plans for the property, as well as flexible refinancing options.

Councilmember Condon suggested delaying any long-term discussions regarding the property until after the summer vacation period is over or held in September. She suggested a series of workshops be held so the community can provide input.

Councilmember Andrews agreed and asked that some refinance scenarios be provided.

Councilmember Lappert said no matter what the Council decides, they are in negotiations with bond counsel and what the Council does not bind itself in any way. If more discussion is needed it can be further reviewed and occur separate from the current recommendation.

Mayor Bailey suggested narrowing direction and asked that the motion be to consider the approval of authority to execute the refinance with options presented, allowing the Council

to change its mind if it wants to sell the property. He said the urgency has to do with fluctuation in interest rates and he suggested continuing the matter to the next meeting to learn about options available to the Council. He did not want the next meeting to be anything other than a discussion about what long-term options the Town should keep in play so as to inform the interest rate and refinance terms.

Discussion ensued regarding clarification of the agenda's description, and Mr. Hill agreed to provide information at the next meeting regarding all options and call dates for bonds.

Vice Mayor Furst restated her motion and Councilmember Andrews seconded the motion.

MOTION: Moved by Furst, seconded by Andrew, and approved unanimously by the following vote: 4-1 (Ayes: Andrews, Condon, Furst and Bailey; Noes: Lappert)

To continue the matter to the June 7, 2016 Town Council meeting

6. PUBLIC HEARINGS

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)

Recusal: Mayor Bailey stated he lives about one block away and to avoid any appearance of impropriety, he recused himself from participating in the matter and left the dais.

Director of Planning and Building Adam Wolff gave the staff report and said the Council will consider whether property conditions at 14 Lakeside Drive constitute a public nuisance and potential options for abatement. He said he would introduce the item and then turn over the item to Building Official Mark Flatter who will discuss specific code violations and conditions found at the property. He said Acting Deputy Fire Chief Pete Davis is also present from the Fire Department and Assistant Town Attorney Judith Propp to answer questions.

Mr. Wolff discussed the location of the property, presented views from the front of the property, and said staff believes the property conditions particularly inside the house and the structural conditions of the house constitute a public nuisance pursuant to Section 9.04.020 and 9.04.030A, B1A and B3A of the Municipal Code. Staff recommends the Town Council make that determination this evening and said the code sections relate to those which define what a public nuisance is, violations which constitute a public nuisance, condition of disrepair and deterioration such that it can be considered a health, fire and safety hazard to occupants of the property or to the general public, and structures which are partially destroyed, damaged or otherwise dilapidated to be a fire, health, safety hazard

to occupants or nearby residents.

Mr. Wolff then referred to page 3 which outlines the considerable amount of time working with the owner to resolve building issues in response to neighborhood complaints. The property owner was initially responsive to staff, but contact was broken after issuance of the Notice of Abatement.

Building Official Mark Flatter provided a PowerPoint of the historical account of the events leading up to the recommendation as identified in the staff report. He presented photographs of fire damage, excessive storage in many rooms of the home, damage to the back bedroom, missing smoke detectors, use of dining room as a bedroom, overload of power strip, water damage to flooring and subfloor and possible damage to joists or girder system, egress violations, live electrical wires, a gas line which was cut off that served a furnace, two water lines that feed a bathroom, electrical hazards, exposed and unsupported wires, water entering the electrical meter box and subpanel, outside debris, garbage and rodent habitat, lack of heat to the home and fluctuating garbage service. He concluded by citing the various California Building and Fire Code violations affecting the property.

Mr. Wolff said staff's main concern is electrical issues and ensuring that repairs are done to ensure the house is habitable for the existing homeowner or occupant of the house. The homeowner is living in the house even given the limited entry determination made in 2005 and more recently with a Notice of Abatement from the Building Official.

Staff has recommended options identified in the staff report for the Council's consideration. There are a variety of ways to combine some of the options or separate them and while staff has concerns with occupancy and has indicated its recommendations, there are options to provide time and/or determine the home does not constitute a public nuisance.

Councilmember Condon asked and confirmed that some damage as a result of the 2005 fire is still a problem. Mr. Wolff added that some repairs have been made and some not fully completed.

Councilmember Condon noted that the problems began as early as 2003. The Town adopted its nuisance ordinance and the property is not only a hazard to the property owner but also surrounding neighbors. Mr. Wolff said most complaints received from neighbors related to the exterior of the home and garbage and he was not sure they are aware of the interior home conditions which need to be addressed as well.

Councilmember Lappert stated he has seen the property three times in the past and was familiar with the problems.

Battalion Chief Pete Davis discussed the Fire Department's philosophy on safety, neighbors' safety and the unpredictable nature of what could occur at the property which allows for

the rapid spread of fire.

Vice Mayor Furst opened the public comment period.

ANN O'BRIEN, 11 Lakeside, said she lives across the street from 14 Lakeside and said neighbors' concerns relate to the enormous amount of garbage on the property and rodent infestation. She said the state of filth in the property is a health and safety nuisance and a danger to the occupant and to neighbors, and they have exhausted their patience since 2003. She said there has been a citation from 2005 that the owner may not live in the property, yet the she lives there full-time and neighbors are concerned for her health and safety. She asked how soon garbage could be removed from the property, noted the lawn is about 4 feet high, and the Mosquito Abatement District and the Health Department have visited the property and she asked that something be done and asked how the Town will handle the matter.

GARY LAWLER said he and his wife Jenny own the house directly across the street and another house further down on Lakeside. They lived across the street when the fire occurred and watched over the last 11 years the Town not addressing the situation which gets worse year after year. He has seen the increasing outside garbage and cat collection and said the house is unfit for habitation. He provided a copy of the LinkedIn page where the homeowner has cited her low income status; however, she works for a dental company and he did not want this as a deterrent to address the situation and asked that the Town Council take immediate action.

JOSIE STEDSMAN, 12 Lakeside Drive, said she has lived next door to 14 Lakeside Drive in her home since 1986 and loves the Town. She never complained about the property, but the problems have escalated to the point where something needs to be done. The tree on the homeowner's property has pushed the fence and she is not able to open her back gate. She wrote a letter twice to the homeowner and the homeowner indicated she would do something. One year passed and the fence then was pushed too much and she had to put a 2x4 against her house's wall and her fence. The second letter indicated that the homeowner's tree was covering part of her roof, that she has difficulty cleaning the gutters and asked that it be trimmed but again, nothing happened. She then paid to have the tree cut from her side of the property. She cited the large amount of garbage which is piled up on the property and is now exposed outside of the plastic bags. She cited health and safety concerns and asked that something be done quickly.

HELGA KEYS, 13 Lakeside, said she is renting her home from Mr. and Mrs. Lawler and voiced concerns with health and safety for neighbors and the homeowner. A fire could occur at any time and the neighborhood could burn. She echoed all comments and asked that the Town Council address the matter.

SHIRLEY GATLAN, 14 Lakeside, said she does not live at the house but stays there late and

her friend picks her up. She lives in Novato and said there is heat in the house. She has water, heat, and a full bathroom and can stay at the house. She said she lost her job and did work for Wells Fargo Bank and temporarily worked at HPAG which is a health management organization in Southern California. She recently got a job in September and cannot apply for a loan. Her brother could not help her and she did what she could with what she had. As of March she got approved for a loan for $150,000 which she believes can fix what is wrong with the property. However, her brother also passed away in March. Therefore, she must wait until title cures until she can finish the loan process. She uncovered the water damage when she removed carpeting and this was not from the fire damage. There is only power in the kitchen, the main room, bathroom and the garage and none in the back half. She asked for an opportunity to fix it, said she tried to arrange garbage service with Mill Valley Refuse and she asked for help in re-bagging the garbage.

Vice Mayor Furst asked what the estimate is for getting the title cured. Ms. Gatlan said she has worked with the title company last week and they anticipate it will be a 30-day cure and another 3 weeks for the bank to approve the loan. She recognized the time to have improvements done and apologized to neighbors but is committed to getting improvements done.

Councilmember Lappert said this has been a subject he has dealt with since he was elected 11 years ago and he asked when Ms. Gatlan can assure him that all garbage will be removed from the outside of the house and visible to neighbors. Ms. Gatlan said the garbage can be removed by May 26th by Mill Valley Refuse and no garbage will be visible to any neighbor. She also said part of her lawn is mowed, but she ran out of electricity on her electric mower.

Councilmember Andrews suggested contacting a hauling company to clean up the yard, and Ms. Gatlan said she did not have the funds to pay for anything and just now has some savings to qualify for the loan.

Councilmember Condon said she was sorry for the challenges Ms. Gatlan had to face, but is concerned that problems have occurred over the last 13 years without remedy.

Vice Mayor Furst closed the public comment period and returned discussion to the Council.

Councilmember Lappert said he heard that garbage would be picked up by May 26th and this is the only point. The Building Official has told the owner she is not allowed to live in the house and he wanted to confirm this because Ms. Gatlan states she does live there.

Mr. Flatter said he reviewed the file and there is no documentation from the previous Building Official of any approval or allowance for the homeowner to move back into the building. Therefore, she is not allowed to live in the house.

Vice Mayor Furst said asked how to differentiate from Ms. Gatlan spending time at the home from living there, including late at night. Mr. Flatter stated limited access was set up so that she could access her belongings, work on the building and this does not mean she can occupy or live in or habitate the building.

Assistant Town Attorney Propp stated the Building Code defines "habitability" and generally the home must have some plumbing facilities, sleeping facilities, safe ingress/egress and heat, and most important is that when there is limited access one cannot stay in the home overnight. However, the owner can visit the property to remove things, fix things and any evidence of food or lengthy stays would give Town staff concern there is a violation.

Councilmember Condon said the Town has had problems with the property for almost 13 years that have not been resolved. She recalled that one thing that the nuisance ordinance does provide as a relief is that the Town would handle repairs and a lien placed on the property to be collected when the house sells or an option that it could be added to the property tax bill and when paid, dispersed to the Town.

She thinks one of the two alternatives should be exercised and she sympathizes with the homeowner but also feels the Town must assume some liability to neighbors near the property. The property fits well into a nuisance situation given pictures provided by Ms. O'Brien and difficulties of Ms. Stedsman and the impact to Mr. Lawler's property. There are severe health and safety issues that make the property completely unsafe and a fire could easily spread to neighboring properties. She thinks concerns merit the Council's considerations and she suggested no admittance to the property and that the Town temporarily absorbs the cost to address health and safety concerns which is impacting the lives of surrounding neighbors.

Councilmember Andrews asked about specific information if the Town were to affect repairs and lien on the property.

Ms. Propp said the Town code is unique in the fact that the Town has two options. If the Council were to direct staff to secure the property and spend a certain amount to make repairs for life safety, health or other issues as determined tonight the Town can return and proof up with costs of repairs.

Secondly, Section 9.04.010C allows the Town to include staff time and costs. The Town can place a lien on the property and not collect until the property is sold, but also the alternative to file a special assessment with the County Tax Collector/Assessor which would be imposed on the property owner immediately and the Town would not have to wait for a sale to occur. Additionally, the Town can invoice the property owner for full cost of abatement which includes costs of identifying, clarifying, abating the nuisance, levying the abatement, inspections and tracking of costs for repairs. It does not include interest

unless it is not paid.

Councilmember Lappert said his concern is the neighbors' health and safety and he proposed that 1) if garbage is not removed by May 26th, the Town will remove it; 2) authorize staff to spot check the property and maintain a log of their staff time; 3) that the Town mow the lawn; 4) that an electrician be hired by the Town to cut off power to all rooms except those necessary for the homeowner to enter the residence; 5) follow-up with the homeowner on the status of the loan.

He said he would not favor any liens and thinks the Town can address the neighbors' health and safety needs immediately and be able to recover funds assuming that Ms. Gatlan has a loan forthcoming. The Town should then charge Ms. Gatlan for any charges tracked for the identified work done.

Vice Mayor Furst said in looking at the 3 options outlined in the staff report it appears that Councilmember Lappert is choosing Option 3 which indicates that if the Council directs staff to take appropriate action to secure the property in the interest of public safety, including shutting off electricity and preventing access until such time code violations have been abated, this would require court authorizations and expenditure of Town funds for enforcement action.

Councilmember Lappert said he was not in favor of banning the homeowner from being able to access her home and said his suggestion was a modification of Option 3. The repair of the electric or mowing the lawn will not require a court order.

Ms. Propp stated since it is private property, the Town needs the homeowner's permission which could be granted as a condition and alternatively, a court order would be needed temporarily for staff or contractors to enter or be on the property. She noted that the Town is required to give notice to the property owner of the court hearing. The Council can set a time that if certain items are not addressed by a certain date, the Town can be authorized to obtain the court order. However, if a date certain is provided, the court order would take within one week depending on the day one is requested.

Councilmember Lappert suggested not obtaining a court order which may cloud the ability of the homeowner to get a loan. He asked Ms. Gatlan if she would give the Town authorization to coordinate with work to assist her in one week to mow the lawn and address the electrical problem.

Ms. Gatlan agreed to provide the Town with access to her property to do these things and clarified that the garbage would be picked up by Thursday, May 26th.

Councilmember Condon also noted that there are egress issues and she thinks safe ingress and egress within the home take place and be added.

Ms. Gatlan verbally agreed that this work could be done as well.

Chief Davis clarified that work needs to be done to the ceiling electrical wiring and service panel and the subpanel replacement if there is corrosion and remove all extension cords in the house.

Vice Mayor Furst summarized that immediate items that need addressing include: 1) outside garbage removed; 2) hallways cleared of storage to comply with the path of travel through the house; 3) abate electric risk by inspecting and repairing as needed the wiring in hallway ceiling, the service panel and subpanel; and 4) removal of all extension cords.

Councilmember Andrews asked if the roof also needed to be repaired, given it is leaking into the electrical panel. Chief Davis said yes and this should be added to work hand-in-hand with the electrical work.

All Councilmembers agreed with the proposed items of immediate need.

Vice Mayor Furst stated there is currently a 'no occupancy' notice on the home. The owner is there quite a bit and possibly living there which is a topic of debate. She said the subfloor may not be secure enough to walk on, and she asked if the Council wished to restrict her from accessing the home.

Councilmember Lappert suggested the Town cannot stop the homeowner from accessing her home and suggested prior to condemning the home, he suggested curing the immediate problems first. He asked that Ms. Gatlan alert the Town of receipt of loan funds.

Vice Mayor Furst said if the Town identifies this as a nuisance, these conditions can be made as part of their determination tonight.

Councilmember Condon said she personally thinks it is generous to allow the immediate items to be addressed and said because of past history, she was skeptical of seeing the items resolved. She voiced concerns of the safety of neighboring properties which is compelling and questioned whether the immediate items would be abated.

She suggested instead that the Council disallow access to the home and that immediate work be done by the Town and that the Town place a special assessment on the property. She confirmed with Ms. Propp that an itemization would return to the Council, that the Council would make a determination for appropriate charges and the information would be sent to the County to add to the tax rolls as a special assessment. When paid, the County would disperse the funds back to the Town.

Vice Mayor Furst asked about the deadline of May 26th for getting these items abated.

Councilmember Condon noted that she would defer this to the Town's counsel. Ms. Propp stated complaints received from neighbors over the many years and more recent months have put the Town on notice. They consistently take action by serving notices of abatement and the hearing is being held tonight. Each step takes time and there is risk if the Town does not move forward. But, if some reasonable diligence is seen, it would be in the Town's best interest. She cautioned that if voluntary agreement is not given for access and the Town goes to the court with a finding of nuisance for an immediate order, the court would have the option of granting additional time to the homeowner.

Councilmember Andrews asked and confirmed that the Town should also obtain written consent from the homeowner and that the request for the court order could be prepared ahead of time if work is not completed or the homeowner does not allow access to the property. She noted there may be delay due to the holiday weekend.

Mr. Flatter added that May 26th may be a tight timeframe to have an electrician begin on the work but staff would work on securing the work.

Vice Mayor Furst summarized that the most immediate items of concern would hopefully be done within the next 9 days and beyond that, the homeowner has a plan to take out a loan and make improvements to the property. She indicated that clearing title and finalizing the loan would take approximately 2 months. She suggested the Council move forward with declaring this a nuisance, securing written authorization from the property owner to allow the Town to address the noted items, per Mr. Flatter.

Chief Davis said one item he would like added to the list would be Item 4; installation of sheetrock once the electrical is completed which would protect residents from fire in the residence, and he said this is a small cost item. Councilmembers concurred with this addition.

Vice Mayor Furst summarized that immediate items that need addressing include: 1) receipt of written authorization by the homeowner to enter onto her property; 2) outside garbage removed by the homeowner; abate electric risk by removing all extension cords, repairing roof and wiring in the hallway ceiling, the service panel and subpanel, to be coordinated by Mr. Flatter; and 5) installation of sheetrock.

Vice Mayor Furst asked that staff track the homeowner obtaining building and occupancy permits, and to allow for inspections of work, and that if items are not completed, the matter can return to the Council. She suggested better enforcing the no occupancy requirement and asked how the Town could ensure the property is not occupied short of a court order.

Mr. Flatter stated the Town does not want the homeowner to access the property and the Town would shut off the gas and electric. Based on complaints, staff has visited the

property during early mornings and late nights, but this is difficult.

Mr. Flatter said currently the home is hazardous but not an eminent threat and the Council should consider this when determining whether or not the house is accessed in a limited fashion or must be locked down, as it is approved now for limited access. He said if the homeowner enters the house to take a nap, eat a sandwich or read a book, this does not qualify as limited access. Once the electrical work is done, the sheetrock installed, outside garbage removed, the next step is to look at the furnace and heat, and he said the only issue is the hallway rot on the floor which he was not sure how far it goes. Therefore, they are not at occupancy yet.

Vice Mayor Furst asked Ms. Gatlan for authorization to have the Town and its representatives to go onto the property to address immediate hazards. She asked that Ms. Gatlan have the garbage removed and hallways cleared in the next 9 days and to allow access immediately. The Council will then want Ms. Gatlan to complete clearing the title, move forward with the loan and return to the Town and obtain building permits. Throughout the entire process, she is not to live in the property and not resting or eating in the property.

Ms. Gatlan said she will need access to the home to do some of the work. She acknowledged that she is aware that she is not allowed to live in the property and was willing to grant the Town and its representatives to access to the property, and that the costs to address immediate hazards will be borne by her.

Ms. Propp suggested the Council adopt the resolution making the declaration of the nuisance and she said dates and conditions can be added to the resolution.

MOTION: Moved by Condon, seconded by Lappert, and approved unanimously by the following vote: 4-0-1 (Ayes: Andrews, Condon, Furst and Lappert; Noes: None; Recused: Bailey)

To adopt Resolution 16/2016 and direct staff to add the following conditions and timelines relating that immediate safety items which will be addressed and include: 1) verbal and written agreement has been given by the homeowner for the Town and its representatives to enter onto her property; 2) that outside garbage removed by the homeowner; that the electrical risk of is removed by removing all extension cords, repairing roof and wiring in the hallway ceiling, the service panel and subpanel, to be coordinated by Mr. Flatter; and 5) installation of sheetrock; and that Ms. Gatlan agrees not to live in the property.

Noted Present:
Mayor Bailey returned to the dais to participate in the remainder of the meeting.

7. BUSINESS ITEMS

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

Mayor Bailey suggested adding Consent Calendar Item 5.V to the agenda.

Vice Mayor Furst referred to the last page, last Town item which his approval of the minutes of June 6th and asked that this be amended to state May 17th.

Councilmember Condon asked again that amendment of the fees relating to filming be agendized and that the Town Attorney review the wording of the ordinance. Town Manager Bracken agreed to agendize the item for June 21, 2016.

Mayor Bailey asked for the following additions:

- A date certain for review of the junior second units.
- A date certain for considering a change of election date to be even years be agendized and follow-up information regarding percentages of voters in the Presidential election versus other election dates certain for this item; and
- Schedule an item for the Planning Commission to first meet and clarify easements and encroachments into required setbacks versus encroachment into the Town's right-of-way along the Tunnel Path and to review what the Town Council discussed years ago.

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

MOTION: Moved by Furst, seconded by Lappert, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Condon, Furst, Lappert and Bailey; Noes: None)

To approve the Minutes of May 3, 2016 Regular Meeting of the Town Council, as submitted

8. ADJOURNMENT

The meeting was adjourned at 10:42 p.m. to the next regular Town Council meeting on June 7, 2016 at Town Hall Council Chambers.