Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
September 27, 2022
Regular Meeting - 5:00 to 6:30 PM

Zoom details to call-in for public comment during a meeting:

1. **Dial Phone Number: (888) 475-4499**
2. **Enter Meeting ID: 810 6052 6108**
3. **Passcode: 805476**

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the zoom calling in steps listed above. Once the Mayor calls for public speakers, press *9 to raise your hand to inform the City Clerk you would like to speak during the public speaking section for that particular item on the agenda, while in the zoom waiting room.

IN ACCORDANCE WITH ASSEMBLY BILL 361 AND IN RESPONSE TO THE DECLARED STATE AND LOCAL EMERGENCIES DUE TO THE NOVEL CORONAVIRUS, THE LEGISLATIVE BODY WILL MEET IN-PERSON AND REMOTELY. TO PARTICIPATE REMOTELY VISIT **WWW.OXNARD.ORG.**

To find out how you may provide public comment, please refer to the instructions below or at **www.https://www.oxnard.org/city-meetings/**.

The public may view the meeting from home on Spectrum channel 10, Frontier channel 35, or YouTube at Youtube.com/oxnardnews. Video recordings of the meeting are typically available online following the meeting at the City's website at www.oxnard.org/city-meetings.

*Please see the link for the Measure M pre-recorded presentation video for each item listed on this agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE: Submit a speaker card to the City Clerk.

2. EMAIL COMMENTS OR SIGN UP TO SPEAK REMOTELY BEFORE THE MEETING

   a. Submit a request to speak remotely by no later than 3 p.m. on the day of the meeting by using the form available at **www.oxnard.org/citymeetings**.
   b. Submit an email to **cityclerk@oxnard.org** no later than 3 p.m. on the day of the meeting (indicate the agenda item number in the subject line). All email correspondence will be forwarded to the legislative body prior to the start of the meeting and made part of the legislative record.
   c. Contact the City Clerk's Office at (805) 385-7803 to submit your request.

3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING

   a. To provide public comment during the meeting dial (888) 475-4499 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the presiding officer announces the particular item on the agenda

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.
Agenda Item time estimates: (Presentation / Committee Discussion / Public Comment)

you want to speak on, press *9 to raise your hand while in the zoom waiting room. Once called on, press *6 to unmute your phone.

b. Public comments on agenda items will be taken following the announcement of the item. After the item is announced, members of the public may register or otherwise be recognized for the purpose of providing public comment.

Please review the Zoom instructions on the registration page to help ensure there are no technical difficulties during your comments and help you understand public comment procedures using Zoom. Detailed participation instructions can be found at www.oxnard.org/city-meetings.

In the event of a disruption which prevents a legislative body of the City of Oxnard from broadcasting a meeting using a call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comment using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on a meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. However, if any of the broadcast options are disrupted, but any of the other broadcast options is still available to the public, the legislative body may take further action on items appearing on a meeting agenda without waiting for the disrupted broadcast option(s) to be restored.

* The City has filed pre-election and post-election lawsuits regarding the validity of Measure M.

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker requests shall be submitted as set forth on the first page of this agenda. Speakers are limited to three minutes. After 30 minutes, if all speakers have not had the opportunity to speak, the remaining speakers will be given an opportunity to speak prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager/Executive Director/Secretary for administrative action or scheduled on a subsequent agenda for discussion. Persons wishing to speak on public hearing items should do so at the time of the hearing.

C. CONSENT AGENDA

1. City Clerk Department
SUBJECT: Approval of Minutes.
RECOMMENDATION: That the Finance & Governance Committee approve the minutes of the July 26, 2022 regular meeting as presented.
Contact: Rose Chaparro, (805) 385-7805

D. REPORTS

1. Finance Department
SUBJECT: Approval of 2022 Lease Revenue Bonds, Series A and B. (0/10/10)
RECOMMENDATION: 1) That the Finance and Governance Committee recommend that the City of Oxnard Financing Authority's Board of Directors approve a resolution authorizing the issuance of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

2) That the Finance and Governance Committee recommend that the City Council approve a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed

$36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

(Presentation will be live upon consultant's request).

Contact: Betsy George, (805) 200-5400

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

CONSENT AGENDA
AGENDA ITEM NO. C.1

DATE: September 27, 2022

TO: Finance & Governance Committee

FROM: Rose Chaparro, City Clerk, (805) 385-7805, rose.chaparro@oxnard.org

SUBJECT: Approval of Minutes.

RECOMMENDATION

That the Finance & Governance Committee approve the minutes of the July 26, 2022 regular meeting as presented.

BACKGROUND

Approval of Minutes.

STRATEGIC PRIORITIES

This agenda item is a routine operational item.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Rose Chaparro, City Clerk

ATTACHMENTS

1. MINUTES 07 26 2022 Finance & Governance

MINUTES
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
July 26, 2022

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 5:02 p.m., Chair John C. Zaragoza called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Member Gabriela Basua, Member Gabriel (Gabe) Teran, and Chair John C. Zaragoza were present in person.

Member Basua joined the meeting at 5:08 p.m.

Staff members Alexander Nguyen, City Manager; Shiri Klima, Deputy City Manager; Stephen M. Fischer, City Attorney; John Colamarino, Assistant Fire Chief; Betsy George, Chief Financial Officer; and Rose Chaparro, City Clerk were also present.

Staff members that participated via videoconference were Alexander Hamilton, Fire Chief and Eden Alomeri, Revenue & Licensing Director & Assistant City Treasurer.

Christian Sprunger, Assistant Vice President at NHA Advisors, also participated via videoconference.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received by Jim Lavery (City's pension obligation and Measure E Funds).

C. CONSENT AGENDA

1. City Clerk Department
SUBJECT: Approval of Minutes.
RECOMMENDATION: That the Finance & Governance Committee approve the minutes of the July 12, 2022 regular meeting as presented.

It was moved by Member Teran, seconded by Chair Zaragoza, to approve the Information/Consent item as presented. VOTE: Teran and Zaragoza voted in favor; the motion carried 2-0. Member Basua was absent during this vote.

D. REPORTS

1. Fire Department
SUBJECT: Purchase Order with Stonewell Bodies For Upfitting Eight (8) Command Vehicles in the amount of $869,632. (0/5/5)
RECOMMENDATION: That the Finance and Governance committee recommend that City Council:

1) Authorize the Mayor to execute a purchase order in the amount of $869,632 for the upfitting of

eight (8) Battalion Chief Command vehicles by Stonewell Bodies.

2) Adopt a resolution declaring the intent of the City to be reimbursed for certain capital expenditures from the proceeds of indebtedness related to the purchase eight (8) Battalion Chief Command vehicles.

John Colamarino, Assistant Fire Chief presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Chair Zaragoza, seconded by Member Basua, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

2. Finance Department
SUBJECT: Authorize Execution and Delivery of Schedule of Property to the Banc of America Master Equipment Lease/Purchase Agreement A-7667 for the Financing, and Leasing of Certain Equipment. (10/5/5)
RECOMMENDATION: That the Finance and Governance Committee recommend City Council adopt a resolution, approving and authorizing the execution of Equipment Schedule No. 26 to Agreement A-7667 Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp. in an amount not to exceed $1.4 million to reimburse the City for the purchase of eight Fire Battalion Chief vehicle chassis and provide financing for the upfitting cost of the eight chassis, authorizing the execution and delivery of other documents required in connection therewith, and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by the resolution.

Betsy George, Chief Financial Officer introduced Christian Sprunger with NHA Advisors, who presented and answered the Committee's questions. No public comments were received. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Teran, to approve the recommended action as presented. VOTE: Basua, Teran, and Zaragoza voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS (No requests were made.)

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Zaragoza adjourned the meeting at 5:31 p.m.

ROSE CHAPARRO
City Clerk

JOHN C. ZARAGOZA
Chair

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.1

DATE: September 27, 2022

TO: Finance & Governance Committee

FROM: Betsy George, Chief Financial Officer, (805) 200-5400, betsy.george@oxnard.org

SUBJECT: Approval of 2022 Lease Revenue Bonds, Series A and B. (0/10/10)

RECOMMENDATION

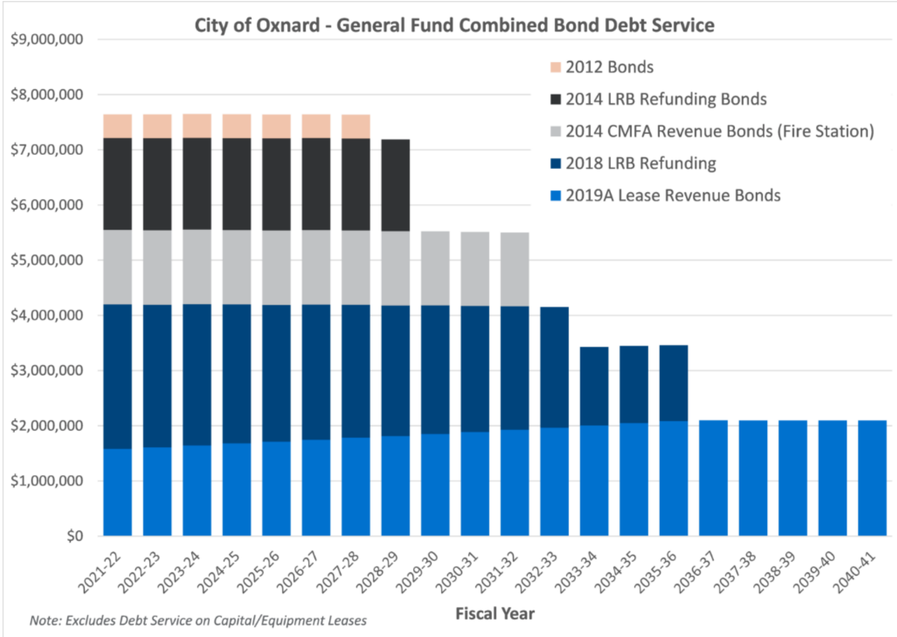
1) That the Finance and Governance Committee recommend that the City of Oxnard Financing Authority's Board of Directors approve a resolution authorizing the issuance of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

2) That the Finance and Governance Committee recommend that the City Council approve a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto.

(Presentation will be live upon consultant's request).

BACKGROUND

The City currently has five outstanding series of General Fund and Measure O Fund backed bonds that were issued between 2012 and 2019. The total outstanding par of these five bonds is just under $70 million and debt service is paid by the General Fund (Fund 101) and by the Measure O Fund (Fund 104). As shown in the graph on the next page, overall annual debt service payments are fairly level at about $7.65 million through fiscal year 2027-28 and then annual debt service decreases in FYs 2029, 2030, 2033, 2034, and 2037 as various bond issues mature, with no General-Fund backed debt payments currently scheduled beyond FY 2041.



In addition to these outstanding bonds, the City anticipates issuing the 2022 Lease Revenue Bonds, Series A ("2022A Bonds") to finance street and alleyway improvements, and issuing the 2022 Lease Revenue Bonds, Taxable Series B ("2022B Bonds", collectively the "2022 Bonds") to finance the implementation of Phases 3 and 4 of the City's ERP.

New Money Funding for Street & Alleyway Improvements

During the May 18, 2021, meeting, City Council directed staff to identify projects and funding options for the roadway improvements to increase the City's average PCI to a minimum of 70. City staff has identified the projects and a funding shortfall for those projects. Historically, the only source of guaranteed funding has come from Road Maintenance and Rehabilitation Account ("RMRA") revenues through SB-1. This funding source currently brings in approximately $4 million per year. In addition, the City plans to apply revenues from the General Fund and Measure O sales tax. Measure O currently generates approximately $16 million annually, of which a significant portion is applied towards City services and debt service for related outstanding obligations.

After applying all RMRA and available Measure O funds, City staff estimates a shortfall in funding in order to improve the roadway condition to a PCI of 70 by the target deadline. The current shortfall estimate is approximately $44 million, of which the City anticipates funding $30 million with proceeds generated through the issuance of 2022 Lease Revenue Bonds ("2022 Bonds"). The final term of the bonds is expected to be 25 years to align with the IRS requirements related to the useful life of the improvements being financed.

2022 Lease Revenue Bonds, Series A

Street Improvement Project Cost Estimates and Useful Life

Project Type	Cost Estimate (Millions)	Useful Life (Years)
Residential (2022-23)	$5.8	20
Concrete (2022-23)	$5.0	35
Residential (2023-24)	$8.0	20
Concrete (2023-24)	$3.5	35
Arterial (2023-24)	$7.1	15
Total	**$29.4**	
Calculated Weighted Average Useful Life	**23.13**	**Years**

New Money Funding for ERP Implementation
In addition to financing street and alleyway improvements, the City intends to issue the 2022B Bonds to finance the implementation of Phases 3 and 4 of the City's ERP system implementation. Previously, the City financed Phases 1 and 2 of the ERP implementation as part of the 2019 Lease Revenue Bonds. There is an additional need for $8 million in funding for Phase 3 and 4 ERP implementation. Because of IRS regulations related to the financing of software licensing, the bonds associated with the ERP implementation will need to be issued on a taxable basis. The final term for these bonds is expected to be 15 years.

ERP Implementation Phases:
Phase 1: Enterprise Financial Management (Core Financials) and Electronic Timesheets
Phase 2: Human Capital Management (HCM)
Phase 3: Energov (planning, permitting, and licensing)
Phase 4: Enterprise Asset Management (EAM)
Phase 5: Utility Billing

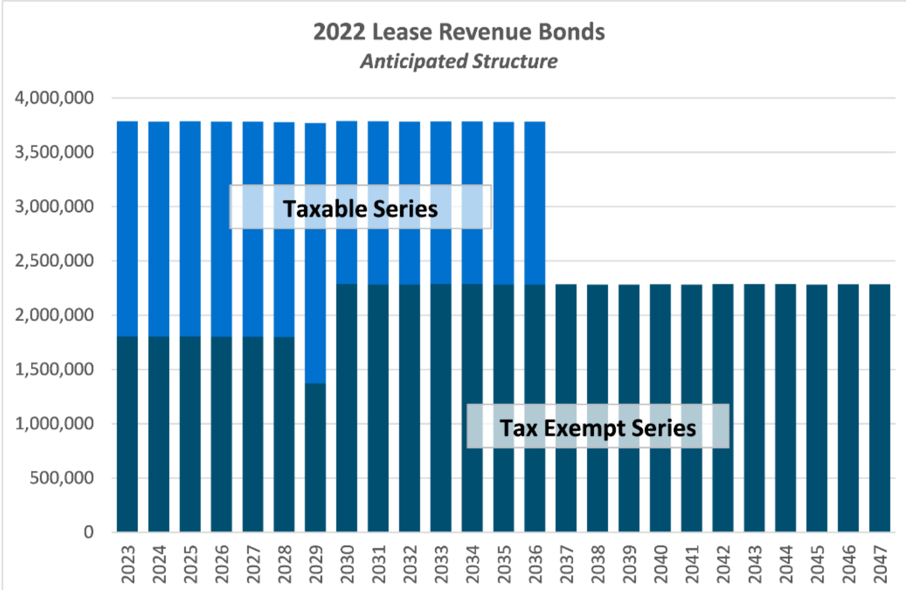
Refunding the 2012 Lease and 2014 Lease Revenue Bonds
A refunding of the 2012 Lease and the 2014 Lease Revenue Bonds would be advantageous to the City since it would strategically release the assets that are currently encumbered by those bonds and allow the City to continue using the assets leveraged in past financings without the need to encumber additional City properties for the 2022 Bonds. This would preserve currently un-encumbered core assets that the City can leverage for future planned projects, such as fire stations or an aquatic center. Based on current market rates, a refinancing of the 2012 Lease is expected to result in very slight net present value savings, while the refinancing of the 2014 Lease Revenue Bonds is expected to result in slight net present value dis-savings (i.e., refunding debt service slightly higher than prior 2014 Lease Revenue Bonds debt service). Although refunding the 2012 Lease and 2014 Lease Revenue Bonds does not meet the City's standard present value savings threshold as outlined in the City's Debt Management Policy, the Policy provides for alternative, strategic reasons to refund bonds without meeting that threshold.

The refunding of the 2014 Lease Revenue Bonds will preserve the option for the City to pay down the bonds in fiscal year 2024-25 as part of the Measure O weaning process, as discussed previously with City Council.

For both of these potential refundings, City staff and financing team will continue to evaluate the costs and benefits leading up to the bond sale, with the understanding that if the market rates go up considerably, one or both of the refundings may be excluded from the 2022 Bonds.

Anticipated Structure of the 2022 Bonds
The 2022B taxable series is anticipated to be amortized through Fiscal year 2035-2036 and will finance Phases 3 and 4 of the ERP implementation. The portion of the taxable series that refunds, the 2014 Lease Revenue Bonds will keep the same final maturity as the outstanding bonds. The 14-year term of the taxable series is shorter than the 25-year term of the 2022A Bonds to tie to the anticipated useful life of the ERP system. The majority of the 2022B Bonds are amortized early in the term (before fiscal year 2029-2030) to minimize the interest rate cost of the 2022B Bonds.

As shown in the graph below, it is anticipated that the tax exempt 2022A Bonds will "wrap" around the taxable 2022B Bonds, with the debt service on the 2022A Bonds at 2.3 million per year from fiscal year 2029-30 onward. This structure targets an aggregate debt service of $3.8 million per year through fiscal year 2035-36, with debt service stepping down to $2.3 million per year from fiscal year 2036-37 onward. This "wrap" around structure attempts to reduce the total aggregate debt service paid on the City's outstanding General Fund and Measure O debt over the next 10-15 years. Total debt service on all outstanding General Fund and Measure O Bonds is anticipated to be $9.4 million per year through fiscal year 2031-32 and decrease thereafter.



It is expected that the 2022 Bonds will utilize the 2019 Master Lease structure, which the City implemented in 2019. Accordingly, the 2022 Bonds will be issued on parity to the 2019 Bonds and be subject to many of the same terms and conditions of the 2019 Bonds. By using the 2019 Master Lease structure, the City has some additional flexibility with regard to which assets are included as the security for the 2022 Bonds and creates a "pool" of assets that can be pledged to the 2022 Bonds and future bonds to finance infrastructure needs, such as an aquatic center or fire stations. Pooling the City's assets under the 2019 Master Lease structure also prevents a potential the issue of some assets being viewed "non-essential" to investors, which could prevent some investors from buying the City's bonds.

Since a refunding of the 2012 Lease and the 2014 Lease Revenue Bonds will be included in the 2022 Bonds, the city can re-use the assets that were previously used as collateral for those prior bonds. The assets encumbered for those prior bonds are detailed in the table below and total $91.8 million in current insured value. As stated previously, the core strategy behind refunding the 2012 and 2014 Bonds is to unencumber these assets and make them available to the City for the 2022 Bonds and future financings while keeping other core City assets un-encumbered. The total expected par of the 2022 Bonds is about $50 million. As an example of the benefits of the Master Lease structure, utilizing an asset pool of $91.8 million under the 2019 Master Lease structure allows the City to also reuse those same assets for up to $41.8 million in future infrastructure projects.

Insured Values of Leased Assets for the 2022 Bonds

Property Address	Description	Current Insured Value	Current Pledge
305 W. 3rd Street	City Hall/Council Chambers & Civic Center	$18.9 M	2012 Lease
251 S. "A" Street	Library	$57.0 M	2014 LRBS
300 W. 3rd Street	Administrative Annex	$15.8 M	2014 LRBs
Total Insured Value		**$91.8 M**	

Legal Documents for Approval

The issuance of the 2022 Bonds will require the Board of the City of Oxnard Financing Authority and the City Council to approve resolutions authorizing amendments to the 2019 Indenture of Trust, a Facility Lease, Site Lease, and Assignment Agreement and approving an escrow agreement, a bond purchase agreement, and the preliminary official statement for the 2022 Bonds. Those legal and disclosure documents are briefly summarized below:

Authorizing Resolutions - the Authorizing Resolutions authorize the amendments to the 2019 legal documents, the escrow agreement, the bond purchase agreement, and the preliminary official statement. Those resolutions also authorize City staff to execute those legal documents for the 2022 Bonds, provided the final terms on each series are within not-to-exceed parameters identified therein.

First Supplement to the Indenture of Trust – this document supplements the 2019 Indenture of Trust to provide for the 2022 bonds and formalizes the relationship between the City of Oxnard Financing Authority (issuing the 2022 Bonds), the City of Oxnard, and Computershare Trust Company, N.A. as trustee for the 2022 Bonds. The Indenture describes key terms of the 2022 Bonds, including the payment terms and schedule, prepayment options, other covenants related to the 2022 Bonds, and other administrative items.

First Amendment to the Site Lease – this document amends the 2019 Site Lease to provide for the 2022 Bonds and details how the leased assets (underlying properties securing the bonds) are leased from the City to the Financing Authority.

First Amendment to Facility Lease – this document amends the 2019 Facility Lease to provide for the 2022 Bonds and details how the leased assets (underlying properties securing the bonds) are leased from the Financing Authority back to the City in exchange for annual rental payments made by the City to the Financing Authority.

First Amendment to Assignment Agreement – this document amends the 2019 Assignment Agreement to provide for the 2022 Bonds and details how the Financing Authority assigns its rights to receive annual rental payments from the City under the Facility Lease over to the Trustee of the 2022 Bonds.

Escrow Agreement – this document provides detailed instruction to Computershare Trust Company, N.A., regarding the process of refunding the 2012 Lease and 2014 Lease Revenue Bonds. As such, it details the establishment of required funds, the application of monies toward refunding the prior bonds, and logistical items related to required noticing and escrow management.

Bond Purchase Agreement – this document governs the relationship between the City and Stifel Nicolaus (the "Underwriter"). In this document, the Underwriter agrees to purchase all of the 2022 Bonds from the Financing Authority provided the terms and conditions set forth therein are satisfied. The Underwriter will then sell the 2022 Bonds to investors.

Preliminary Official Statement – this is the primary disclosure document for the 2022 Bonds and provides bond investors with information about the 2022 Bonds, the security for the 2022 Bonds and sources of payment, the state of the General Fund's finances and operations, and outlines key risk factors for bond investors to consider. The Preliminary Official Statement also details the continuing disclosure covenants the City will make with investors of the 2022 Bonds. Following a careful review by the City Council, staff, and financing team, this document will be widely distributed to the investing public as the Underwriter markets the 2022 Bonds.

Anticipated Timing of the 2022 Bonds

Date	**Activity**
Early October	Credit Rating Process
October 18, 2022	City Council and Authority Board Approve Financing
Late October	2022 Bond Sale, Verbal Award and Execution of Bond Purchase Agreement

Early November		Close Financing, money available for projects

STRATEGIC PRIORITIES

This agenda item supports the Organizational Effectiveness strategy. The purpose of the Organizational Effectiveness strategy is to reinforce, stabilize, improve, and strengthen the organizational foundation of the City in order to build a modern, high-functioning City government that effectively and efficiently supports the operating departments in providing high-quality services and programs for our residents and businesses.

This agenda item supports the Infrastructure and Natural Resources strategy. The purpose of the Infrastructure and Natural Resources strategy is to preserve and improve our roads, utilities, parks, trees, water supply and natural resources through effective planning, prioritization, and an equitable and efficient use of available funding.

FINANCIAL IMPACT

Based on current interest rates, we estimate that the annual debt service on the 2022 Bonds will be $3.8 million per year through fiscal year 2035-36, dropping to $2.3 million per year through 2046-47. The associated costs of issuance with the 2022 Bonds will be paid out of the financing. As mentioned earlier, refunding the 2012 Lease results in very slight present value savings, while refunding the 2014 Lease Revenue Bonds results in present value dis-savings relative to the prior debt service on those bonds.

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by the Municipal Advisor as of September 8, 2022.

Principal Amount. The Municipal Advisor has informed the City that, based on the City's purchase agreements, financing plan, and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds is $48,150,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the Bonds is 4.24%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is $1,012,090.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the Bonds, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the City for the Bonds is $50,422,079.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the bonds, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds is $78,047,498, which excludes any reserves or capitalized interest paid or funded with proceeds of the Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only as of September 8, 2022, and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2022 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Authority's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of the Bonds sold will be determined by the Authority based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic, national, international and other factors beyond the control of the Authority, or the Municipal Advisor.

Prepared by: NHA Advisor

ATTACHMENTS

1. Oxnard FG Committee Presentation - 2022 LRBs
2. Authority Resolution - Oxnard 2022 LRBs
3. City Resolution - Oxnard 2022 LRBs
4. Bond Purchase Agreement - Oxnard 2022 LRBs
5. Escrow Agreement - Oxnard 2022 LRBs
6. First Supplement to Indenture - Oxnard 2022 LRBs
7. First Amendment to Site Lease - Oxnard 2022 LRBs
8. First Amendment to Facility Lease - Oxnard 2022 LRBs
9. First Amendment to Assignment Agreement - Oxnard 2022 LRBs
10. POS - Oxnard 2022 LRBs

City of Oxnard

2022 Lease Revenue Bonds, Series A & B
(Street & Alleyway Improvements, ERP Phases 3 &4, Refundings)

PRESENTATION TO FINANCE & GOVERNANCE COMMITTEE

SEPTEMBER 27, 2022

NHA | ADVISORS
Financial & Policy Strategies. Delivered.

CITY OF OXNARD CALIFORNIA

Recommendation

- That the Finance and Governance Committee recommend that:
  - The City of Oxnard Financing Authority's Board of Directors adopt a resolution authorizing the issuance of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto
  - The City of Oxnard City Council adopt a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto

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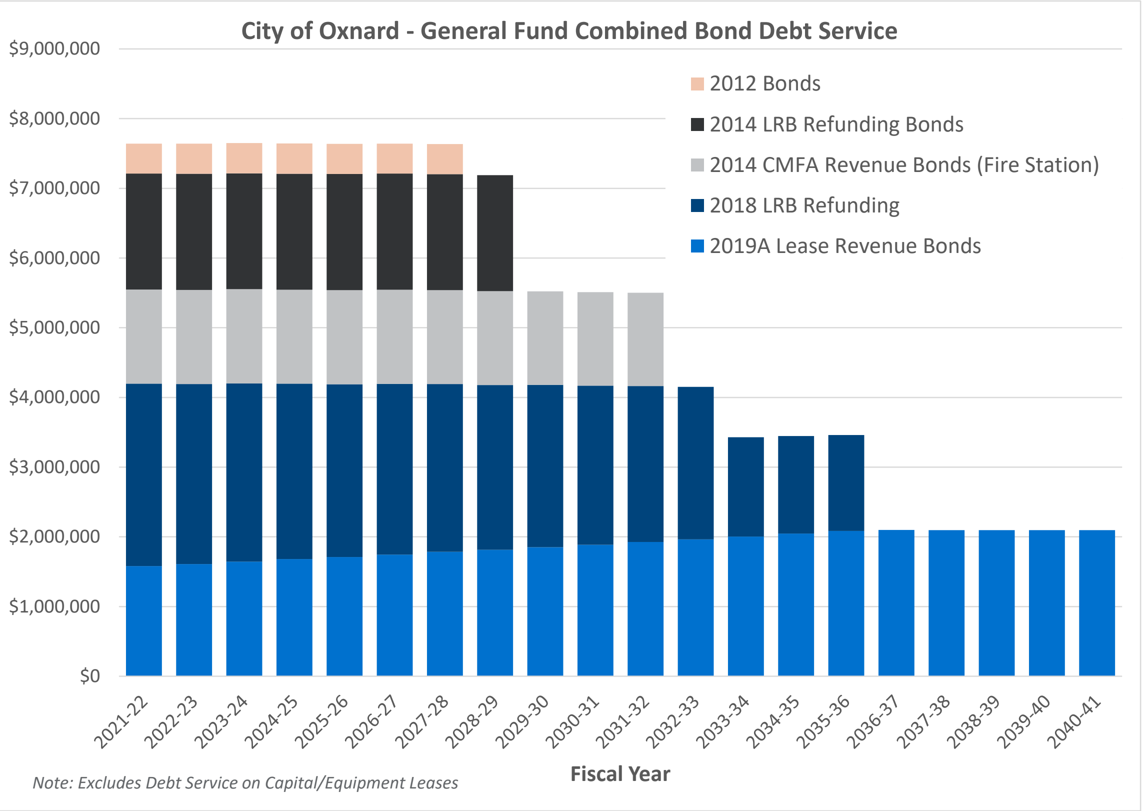
City's Financing Team

City of Oxnard Financing Authority	• Issuer for the 2022 Bonds
NHA Advisors	• City's municipal financial advisor
Best Best & Kreiger	• Disclosure Counsel
Nixon Peabody	• Bond Counsel
Stifel Nicolaus	• Underwriter
Computershare Trust Company	• Bond trustee

Background and Financing Need

- City has $70M of outstanding general fund debt
  - Current aggregate annual debt service of $7.65M per year through 2027-28
- City Council directed staff in May 2021 to work toward a minimum average PCI of 70 for City streets
  - City staff identified a bond funding need of $30 million
- City financed ERP Phases 1 and 2 implementation in 2019 and has a funding need of $8 million for implementation of Phases 3 and 4
- Total new money financing need of $38 million



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Refunding 2012 Lease and 2014 LRBs

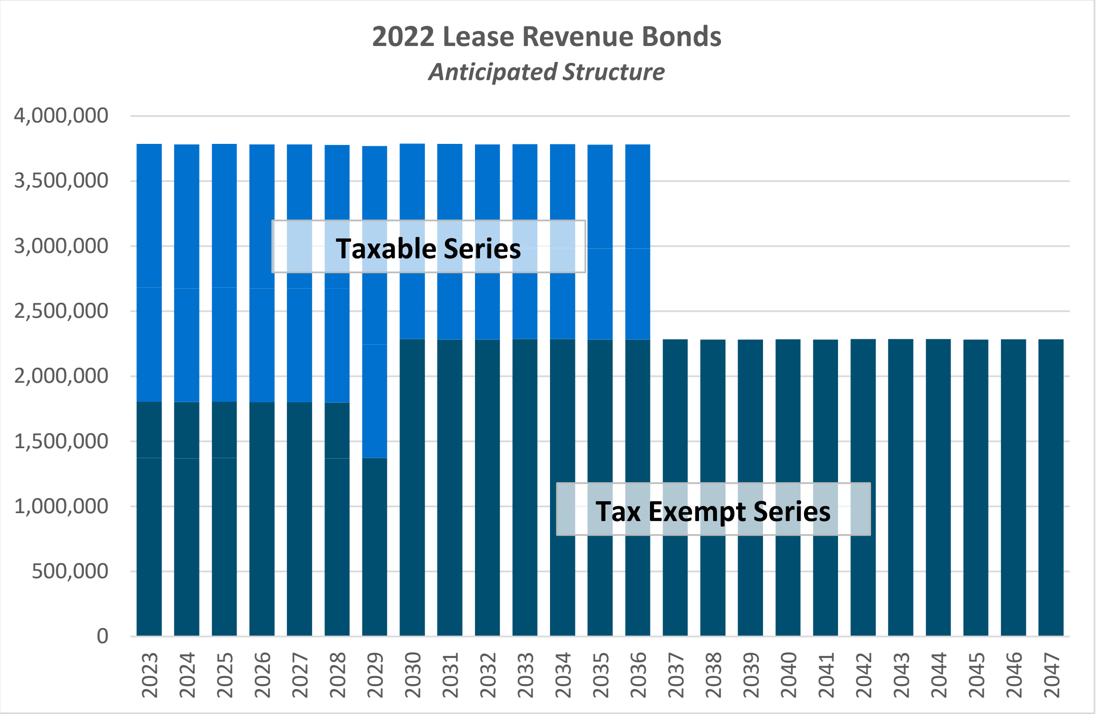
- Strategic refunding of the 2012 Lease and 2014 Lease Revenue Bonds (“2014 LRBs”) would allow the City to “recycle” the assets pledged to those bonds and use them as security for the 2022 Bonds
  - Allows the City to avoid tying up other City properties as security for the 2022 Bonds
- Based on current market rates, refunding the 2012 Lease has very slight present value savings, refunding the 2014 LRBs have slight present value dis-savings
  - Including the refundings increases the total 2022 Bonds par by $12.5 million to $51.3 million
- Combined, the assets related to the prior bonds provide $91.8M of insured asset value toward the 2022 Bonds and future financings

Insured Values of Leased Assets for the 2022 Bonds

Property Address	Description	Current Insured Value	Current Pledge
305 W. 3rd Street	City Hall/Council Chambers & Civic Center	$18.9 M	2012 Lease
251 S. “A” Street	Library	$57.0 M	2014 LRBS
300 W. 3rd Street	Administrative Annex	$15.8 M	2014 LRBs
Total Insured Value		**$91.8 M**	

Anticipated Structure of the 2022 Bonds

- Expected to utilize two series
  - Series A (tax exempt) – about $33 million
  - Series B (Taxable) – about $18.3 million
- Taxable Series B is amortized on the front end; tax exempt Series A is slightly "wrapped" around
  - Level $3.8M annual debt service through 2035-36 and then step down to level $2.3M annual debt service through 2046-47
- 2022 Bonds will utilize the 2019 Master Lease structure
  - 2022 Bonds will be on parity with 2019 Bonds and subject to the same terms and conditions
  - Allows for "pooling of assets" for future financing needs



Note: Based on market rates as of 9/8/2022, subject to change with the market

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Summary of Legal and Disclosure Documents

Authorizing Resolutions
- City Council and Financing Authority
- Authorize legal documents and authorize City staff to execute documents
- Identifies not-to-exceed amounts related to the Bonds

First Supplement to Indenture of Trust
- Establishes relationship with Trustee and key terms for the Bonds

First Amendment to Site Lease
- Identifies how the underlying assets are leased from City to the Financing Authority

Fist Amendment to Facility Lease
- Details how the underlying assets are leased back from Financing Authority to City in exchange for annual rental payments

First Amendment to Assignment Agreement
- Details how Financing Authority assigns rights to rental payments over to the Trustee for payment on the 2022 Bonds

Escrow Agreements
- Provides instructions to Trustee related to refunding of the 2012 Lease and 2014 LRBs

Bond Purchase Contract
- Governs relationship between Financing Authority and the Underwriter (Stifel Nicolaus)
- Details terms of sale for the 2022 Bonds (blanks will be filled in once the terms are known on the day of sale)

Preliminary Official Statement
- Primary disclosure document for the 2022 Bonds; widely distributed to the markets
- Includes the continuing disclosure agreement for ongoing disclosure to investors

Anticipated Timing

September 27, 2022:
Finance and Governance Committee Approval of Financing

Early October:
Credit Rating Process

October 18, 2022:
City Council Considers Financing

Late October:
Price Bonds

Early November:
Closing

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Recommendation

- That the Finance and Governance Committee recommend that:
  - The City of Oxnard Financing Authority's Board of Directors adopt a resolution authorizing the issuance of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto
  - The City of Oxnard City Council adopt a resolution approving the issuance by the City of Oxnard Financing Authority of (I) not to exceed $36,000,000 of City of Oxnard Public Financing Authority Lease Revenue Bonds, Series 2022A (Tax Exempt), and (II) not to exceed $20,000,000 of City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable); approving the execution and delivery of various related documents in connection with the offering and sale of such bonds; and other matters related thereto

Questions?

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF OXNARD FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF (I) NOT TO EXCEED $36,000,000 OF CITY OF OXNARD PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT), AND (II) NOT TO EXCEED $20,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022B (FEDERALLY TAXABLE); APPROVING THE EXECUTION AND DELIVERY OF VARIOUS RELATED DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Oxnard Financing Authority (the “Authority”) was established for the purpose, among others, of providing for the financing of public capital improvements for the City of Oxnard (the “City”); and

WHEREAS, the City desires to finance certain street improvement projects throughout the City (the “Street Improvement Project”); and

WHEREAS, the City has previously entered into a Lease/Purchase Agreement, dated as of August 1, 2012 (the “2012 Lease”), by and between the City and the Authority, of which 2,303,516 of principal component are currently outstanding; and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the Street Improvements Project and refund the 2012 Lease, to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the “Series 2022A Bonds”), in the aggregate principal amount of not to exceed $36,000,000; and

WHEREAS, the City desires to finance certain costs related to the second phase of implementation of a Software as a Service Agreement between the City and Tyler Technologies, Inc. (the “ERP Project,” and together with the Street Improvement Project, the “Projects”); and

WHEREAS, the Authority has previously issued its Lease Revenue Project and Refunding Bonds Series 2014, in the aggregate principal amount of $21,225,000, of which $9,635,000 are currently outstanding (the “Series 2014 Refunded Bonds”); and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the ERP Project and refund the Series 2014 Refunded Bonds to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the “Series 2022B Bonds,” and together with the Series 2022A Bonds, the "Series 2022 Bonds") in the aggregate principal amount of not to exceed $20,000,000; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds, the Authority desires to approve the form and distribution of a preliminary official statement (the "Preliminary Official Statement"); and

WHEREAS, the Authority also desires to approve in connection with the sale of the Series 2022 Bonds, the form of a Contract of Purchase (the "Contract of Purchase") by and among the Authority, the City and Stifel, Nicolaus & Company, Incorporated (the "Underwriter"); and

WHEREAS, in connection with the issuance of the Authority's Lease Revenue Bonds, Series 2019A (Federally Taxable), the Authority has previously entered into the following agreements:

(a) the Indenture, dated as of December 1, 2019 (the "2019 Indenture"), among the Authority, the City and Computershare Trust Company, N.A., as successor trustee (the "Trustee");

(b) the Site Lease, dated as of December 1, 2019 (the "2019 Site Lease") between the City and the Authority;

(c) the Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease") between the City and the Authority;

(d) the Assignment Agreement, dated as of December 1, 2019 (the "2019 Assignment Agreement") between the Authority and the Trustee;

WHEREAS, there have been presented to this meeting the proposed forms of the following documents:

(a) the First Supplement to Indenture, dated as of _______ 1, 2022 (the "First Supplement to Indenture"), among the Authority, the City and the Trustee;

(b) the First Amendment to Site Lease, dated as of _______ 1, 2022 (the "First Amendment to Site Lease") between the City and the Authority;

(c) the First Amendment to Facility Lease, dated as of _______ 1, 2022 (the "First Amendment to Facility Lease") between the City and the Authority;

(d) the First Amendment to Assignment Agreement, dated as of _______ 1, 2022 (the "First Amendment to Assignment Agreement") between the Authority and the Trustee;

(e) the Preliminary Official Statement; and

(f) the Contract of Purchase;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY OF OXNARD FINANCINGAUTHORITY AS FOLLOWS:

SECTION 1. Approval of Issuance of Series 2022A Bonds by the Authority. The issuance of the Series 2022A Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series 2022A Bonds shall not exceed $36,000,000, and (ii) the maturity of the Series 2022A Bonds shall not exceed June 1, 2052.

SECTION 2. Approval of Issuance of Series 2022B Bonds by the Authority. The issuance of the Series 2022B Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series Series 2022B Bonds shall not exceed $20,000,000 and (ii) the maturity of the Series Series 2022B Bonds shall not exceed June 1, 2042.

SECTION 3. Approval of the First Supplement to Indenture. The form of the First Supplement to Indenture, in order to supplement the 2019 Indenture, presented at this meeting is hereby approved and the Chairman, the Vice Chairman, the Executive Director, the Controller, the Secretary of the Authority (each an “Authorized Officer”) are hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Supplement to Indenture in substantially the form presented at this meeting with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The City Manager of the City shall serve as the Executive Director of the Authority.

SECTION 4. Approval of the First Amendment to Site Lease. The form of the First Amendment to Site Lease, in order to amend the 2019 Site Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Site Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 5. Approval of the First Amendment to Facility Lease. The form of the First Amendment to Facility Lease, in order to amend the 2019 Facility Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Facility Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Approval of the First Amendment to Assignment Agreement. The form of the First Amendment to Assignment Agreement, in order to amend the 2019 Assignment Agreement, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute, acknowledge and deliver the First Amendment to Assignment Agreement in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Approval of the Contract of Purchase. The Authority is hereby authorized to enter into the Contract of Purchase and each Authorized Officer is hereby authorized and directed to execute and deliver the Contract of Purchase on behalf of the Authority, in substantially the form presented to this meeting, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve in consultation with the Authority's financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof; provided, that the underwriting discount payable pursuant to the Contract of Purchase shall not exceed 0.325% of the aggregate principal amount of the Series 2022 Bonds and the true interest cost of the Series 2022A Bonds and the Series 2022B Bonds shall not exceed 5.0% and 6.0%, respectively.

SECTION 8. Approval of Official Statement. The Preliminary Official Statement is hereby approved and the same may be used and is hereby authorized to be used and distributed in the market by the Underwriter incident to the marketing of the Series 2022 Bonds. Each Authorized Officer is hereby authorized to (a) make such changes in such form of the Preliminary Official Statement as such officer, in consultation with the Authority's financial and legal consultants and the Underwriter, shall determine to be appropriate, and (b) on behalf of the Authority, to deem such Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Each Authorized Officer is authorized and directed to prepare a final Official Statement, with such additional information as may be permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, which final Official Statement shall be executed and delivered in the name and on behalf of the Authority by an Authorized Officer, and such Authorized Officer is authorized and directed to prepare, execute and deliver in the name and on behalf of the Authority any supplemental filings related to such final Official Statement.

SECTION 9. SB 1029 Representation. The Authority adopts and approves the Good Faith Estimates required by Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") and obtained by the City from the Underwriter and the Municipal Advisor.

The Authority confirms, that to the extent applicable, it adopts the City's stated debt management policies required by Senate Bill 1029 ("SB 1029"), and further represents that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Series 2022 Bonds.

SECTION 10. Other Acts. The officers and staff of the Authority are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with Authority Counsel and with Nixon Peaobdy LLP, the Authority's bond counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed. Any one of the Authorized Officers is hereby authorized and directed, for and in the name and on behalf of the Authority, to evaluate and select one or more municipal bond insurers for all or any portion of the Series 2022 Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

SECTION 11. Effective Date. This Resolution shall take effect upon adoption.

PASSED and ADOPTED this _______, 2022.

____
Chairman

ATTESTED:

____
Secretary

RESOLUTION NO. ______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING THE ISSUANCE BY THE CITY OF OXNARD FINANCING AUTHORITY OF (I) NOT TO EXCEED $36,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT), AND (II) NOT TO EXCEED $20,000,000 OF CITY OF OXNARD FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2022B (FEDERALLY TAXABLE); APPROVING THE EXECUTION AND DELIVERY OF VARIOUS RELATED DOCUMENTS IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS; AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Oxnard Financing Authority (the "Authority") was established for the purpose, among others, of providing for the financing of public capital improvements for the City of Oxnard (the "City"); and

WHEREAS, the City desires to finance certain street improvement projects throughout the City (the "Street Improvement Project"); and

WHEREAS, the City has previously entered into a Lease/Purchase Agreement, dated as of August 1, 2012 (the "2012 Lease"), by and between the City and the Authority, of which $2,303,516 of principal component are currently outstanding; and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the Street Improvements Project and refund the 2012 Lease, to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds"), in the aggregate principal amount of not to exceed $36,000,000 under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Law"); and

WHEREAS, the City desires to finance certain costs related to the second phase of implementation of a Software as a Service Agreement between the City and Tyler Technologies, Inc. (the "ERP Project," and together with the Street Improvement Project, the "Projects"); and

WHEREAS, the Authority has previously issued its Lease Revenue Project and Refunding Bonds Series 2014, in the aggregate principal amount of $21,225,000, of which $9,635,000 are currently outstanding (the "Series 2014 Refunded Bonds"); and

WHEREAS, the Authority and the City have determined, that it is necessary and desirable in order to finance the ERP Project and refund the Series 2014 Refunded Bonds to authorize the issuance, sale and delivery of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds"), in the aggregate principal amount of not to exceed $20,000,000 under the provisions of the Law; and

WHEREAS, as required by Section 6586.5 of the Law, the City has caused publication of a notice of a public hearing on the financing of the Projects once at least five days prior to the hearing in a newspaper of general circulation in the City; and

WHEREAS, this City Council held a public hearing at which all interested persons were provided the opportunity to speak on the subject of financing the Projects; and

WHEREAS, in connection with the issuance of the Series 2022 Bonds, the City desires to approve the form and distribution of a preliminary official statement (the "Preliminary Official Statement"); and

WHEREAS, the City also desires to approve in connection with the sale of the Series 2022 Bonds, the form of a Contract of Purchase (the "Contract of Purchase") among the Authority, the City and Stifel, Nicolaus & Company, Incorporated (the "Underwriter"); and

WHEREAS, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") requires that the City obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with SB 450, the City has obtained from NHA Advisors, as the City's municipal advisor, and the Underwriter, the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto; and

WHEREAS, Senate Bill 1029 ("SB 1029") was signed by the California Governor on September 12, 2016, and places additional responsibilities on any issuer of public debt including the adoption of debt management policies that meet certain criteria; and

WHEREAS, the City has represented that it is in compliance with the applicable SB 1029 pre-issuance requirements and that it expects to comply with all post-issuance requirements of SB 1029 applicable to the Series 2022 Bonds; and

WHEREAS, to fulfill the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934 (as amended, the "Rule"), the City will enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), whereby the City will agree to provide certain continuing disclosure reports; and

WHEREAS, in connection with the issuance of the Authority's Lease Revenue Bonds, Series 2019A (Federally Taxable), the City has previously entered into the following agreements:

(a) the Indenture, dated as of December 1, 2019 (the "2019 Indenture"), among the Authority, the City and Computershare Trust company, N.A., as successor trustee (the "Trustee");

(b) the Site Lease, dated as of December 1, 2019 (the "2019 Site Lease") between the City and the Authority;

(c) the Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease") between the City and the Authority;

WHEREAS, there have been presented to this meeting the proposed forms of the following documents:

(a) the First Supplement to Indenture, dated as of _______ 1, 2022 (the "First Supplement to Indenture"), among the Authority, the City and the Trustee;

(b) the First Amendment to Site Lease, dated as of _______ 1, 2022 (the "First Amendment to Site Lease") between the City and the Authority;

(c) the First Amendment to Facility Lease, dated as of _______ 1, 2022 (the "First Amendment to Facility Lease") between the City and the Authority;

(d) the Preliminary Official Statement;

(e) the Contract of Purchase;

(f) the Escrow Agreement; and

(g) the Continuing Disclosure Agreement;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oxnard, as follows:

SECTION 1. Findings and Determinations. Pursuant to the Law, and based on the information provided to the City Council by City staff and consultants, all as set forth in the proceedings and documents providing for the issuance and delivery of the Series 2022 Bonds, the City Council hereby finds and determines that the issuance of the Seires 2022 Bonds to finance the Projects and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Law, namely, demonstrable savings in bond preparation, bond underwriting and bond issuance costs, and employment benefits from undertaking the project in a timely fashion.

SECTION 2. Approval of Issuance of Series 2022A Bonds by the Authority. The issuance of the Series 2022A Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in, the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series 2022A Bonds shall not exceed $36,000,000, and (ii) the maturity of the Series 2022A Bonds shall not exceed June 1, 2052 .

SECTION 3. Approval of Issuance of Series 2022B Bonds by the Authority. The issuance of the Series 2022B Bonds by the Authority on the terms and conditions set forth in, and subject to the limitations specified in, the 2019 Indenture, as supplemented by the First Supplement to Indenture, and this Resolution, is hereby approved; provided, however, that (i) the aggregate principal amount of Series 2022B Bonds shall not exceed $20,000,000, and (ii) the maturity of the Series 2022B Bonds shall not exceed June 1, 2042.

SECTION 4. Approval of the First Supplement to Indenture. The form of the First Supplement to Indenture, in order to supplement the 2019 Indenture, presented at this meeting is hereby approved, and the Mayor, the City Manager, the Chief Financial Officer and the City Clerk, or his or her designee (each, an "Authorized Officer") are each hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Supplement to Indenture in substantially the form presented at this meeting with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof, including with respect to whether and what type(s) of credit enhancement supports the Series 2022 Bonds, or by other factors, as determined by the Authorized Officers in consultation with the City's financial and legal consultants as being in the best interests of the City.

SECTION 5. Approval of the First Amendment to Site Lease. The form of the First Amendment to Site Lease, in order to amend the 2019 Site Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Amendment to Site Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Approval of the First Amendment to Facility Lease. The form of First Amendment to Facility Lease, in order to amend the 2019 Facility Lease, presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the First Amendment to Facility Lease in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. Approval of the Contract of Purchase. The City is hereby authorized to enter into the Contract of Purchase and each Authorized Officer is hereby authorized and directed to execute and deliver the Contract of Purchase on behalf of the City, in substantially the form presented to this meeting, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve in consultation with the City's financial and legal consultants, which approval shall be conclusively evidenced by the execution and delivery thereof; provided, that the underwriting discount payable by the City pursuant to the

Contract of Purchase shall not exceed 0.325% of the aggregate principal amount of the Series 2022 Bonds and the true interest cost of the Series 2022A Bonds and the Series 2022B Bonds shall not exceed 5.0% and 6.0%, respectively.

SECTION 8. Approval of Official Statement. The Preliminary Official Statement is hereby approved and the same may be used and is hereby authorized to be used and distributed in the market by the Underwriter incident to the marketing of the Series 2022 Bonds. Each Authorized Officer is hereby authorized to (a) make such changes in such form of the Preliminary Official Statement as such officer, in consultation with the City's financial and legal consultants and the Underwriter, shall determine to be appropriate, and (b) on behalf of the City, to deem such Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). Each Authorized Officer is authorized and directed to prepare a final Official Statement, with such additional information as may be permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, which final Official Statement shall be executed and delivered in the name and on behalf of the City by an Authorized Officer, and such Authorized Officer is authorized and directed to prepare, execute and deliver in the name and on behalf of the City any supplemental filings related to such final Official Statement.

SECTION 9. Approval of the Escrow Agreement. The form of the Escrow Agreement presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the Escrow Agreement in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. Approval of Continuing Disclosure Agreement. The form of Continuing Disclosure Agreement presented at this meeting is hereby approved and each Authorized Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver the Continuing Disclosure Agreement in substantially the form presented at this meeting with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 11. Other Acts. The officers and staff of the City are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with the City Attorney or with Nixon Peaobdy LLP, as bond counsel, they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed. Any one of the Authorized Officers is hereby authorized and directed, for and in the name and on behalf of the City, to evaluate and select one or more municipal bond insurers for all or any portion of the Series 2022 Bonds and to execute and deliver such contracts and agreements with such bond insurers as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery.

SECTION 12. Effective Date. This Resolution shall take effect upon adoption.

PASSED and ADOPTED this _______, 2022.

____

Mayor

ATTESTED:

____

City Clerk

EXHIBIT A

GOOD FAITH ESTIMATES

The following information was obtained from the City's Municipal Advisor and the Underwriter, and is provided in compliance with Section 5852.1 of the California Government Code with respect to the base rental payments evidenced by the Series 2022A Bonds and the Series 2022B Bonds (collectively, the "Series 2022 Bonds"):

Series 2022A Bonds

1. *True Interest Cost of the Base Rental Payments Evidenced by the Series 2022A Bonds*. Assuming the estimated aggregate principal amount of the Series 2022A Bonds authorized to be issued by the Authority ($_____) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the base rental payments evidenced by the Series 2022A Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2022A Bonds, is ________%.

2. *Finance Charge of the Series 2022A Bonds*. Assuming the estimated aggregate principal amount of the Series 2022A Bonds authorized to be issued by the Authority ($________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the City's finance charge of the Series 2022A Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2022A Bonds), is $________.

3. *Amount of Proceeds to be Received*. Assuming the estimated aggregate principal amount of the Series 2022A Bonds authorized to be issued by the Authority ($_________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the City following the Authority's sale of the Series 2022A Bonds, less the finance charge of the Series 2022A Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Series 2022A Bonds, is $_________.

4. *Total Payment Amount*. Assuming the estimated aggregate principal amount of the Series 2022A Bonds authorized to be issued by the Authority ($_________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay base rental payments evidenced by the Series 2022A Bonds plus the finance charge of the Series 2022A Bonds described in paragraph 2 above not paid with the proceeds of the Series 2022A Bonds, calculated to the final base rental payment evidenced by the Series 2022A Bonds, is $_________.

Series 2022B Bonds

1. *True Interest Cost of the Base Rental Payments Evidenced by the Series 2022B Bonds*. Assuming the estimated aggregate principal amount of the Series 2022B Bonds

authorized to be issued by the Authority ($_____) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the base rental payments evidenced by the Series 2022B Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Series 2022B Bonds, is ________%.

2. *Finance Charge of the Series 2022B Bonds*. Assuming the estimated aggregate principal amount of the Series 2022B Bonds authorized to be issued by the Authority ($________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the City's finance charge of the Series 2022B Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Series 2022B Bonds), is $________.

3. *Amount of Proceeds to be Received*. Assuming the estimated aggregate principal amount of the Series 2022B Bonds authorized to be issued by the Authority ($_________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the City following the Authority's sale of the Series 2022B Bonds, less the finance charge of the Series 2022B Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Series 2022B Bonds, is $_________.

4. *Total Payment Amount*. Assuming the estimated aggregate principal amount of the Series 2022B Bonds authorized to be issued by the Authority ($_________) is sold, and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay base rental payments evidenced by the Series 2022B Bonds plus the finance charge of the Series 2022B Bonds described in paragraph 2 above not paid with the proceeds of the Series 2022B Bonds, calculated to the final base rental payment evidenced by the Series 2022B Bonds, is $_________.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from those presently estimated due to variations from these estimates in the timing of the sale of the Series 2022 Bonds, the actual principal amount of Series 2022 Bonds sold, the amortization of the Series 2022 Bonds sold and market interest rates at the time of sale. The date of sale and the amount of Series 2022 Bonds sold will be determined by the City based on need for improvement funds and other factors. The actual interest rates at which the Series 2022 Bonds will be sold will depend on the bond market at the time of sale. The actual amortization of the Series 2022 Bonds will also depend, in part, on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the City's control. The City Council has approved the execution and delivery of the First Amendment to Facility Lease including the base rental payments evidenced by the Series 2022 Bonds with a present value savings with respect to the refunding of the related refunded obligations in the aggregate of at least [3%] of the principal amount of the related refunded obligations in the aggregate using the yield on the Series 2022 Bonds as the discount rate.

City of Oxnard Financing Authority

$____________	**$__________**
Lease Revenue Bonds, Series 2022A (Tax-Exempt)	**Lease Revenue Bonds, Series 2022B (Federally Taxable)**

__________, 2022

CONTRACT OF PURCHASE

City of Oxnard Financing Authority
300 West Third Street
Oxnard, California 93030
Attention: Finance Department

City of Oxnard
300 West Third Street
Oxnard, California 93030
Attention: Finance Department

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the "Underwriter") offers to enter into this Contract of Purchase (this "Purchase Contract") with the City of Oxnard (the "City") and the City of Oxnard Financing Authority (the "Authority") with regard to the Bonds described below, which Purchase Contract, upon the acceptance hereof by the City and the Authority, will be binding upon the Authority, the City, and the Underwriter. This offer is made subject to the written acceptance of this Purchase Contract by the Authority and the City and the delivery of such acceptance to the Underwriter at or prior to 11:59 p.m., Pacific time, on the date hereof, and, if it is not so accepted, such offer may be withdrawn by the Underwriter upon written notice to the City and the Authority by the Underwriter at any time before its acceptance.

Each of the Authority and the City acknowledges and agrees that (i) the purchase and sale of the Bonds (as defined below) pursuant to this Purchase Contract is an arm's-length commercial transaction between the Authority and the City, collectively, and the Underwriter, (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 the agent or fiduciary of the Authority or the City, (iii) the Underwriter has not assumed an advisory or a fiduciary responsibility in favor of the Authority or the City 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 Authority or the City on other matters) and the Underwriter has no obligation to the Authority or the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase

Contract, and (iv) the Authority and the City have consulted their own legal, financial, and other advisors to the extent they have deemed appropriate.

1. Upon the terms and conditions and upon the basis of the representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Authority for reoffering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the $__________ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "2022A Bonds") and the $__________ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "2022B Bonds" and together with the 2022A Bonds, the "Bonds"). The purchase price of the 2022A Bonds shall be $___________ (representing the par amount of the 2022A Bonds, less original issue discount of $________, and less an Underwriter's discount of $________). The purchase price of the 2022B Bonds shall be $___________ (representing the par amount of the 2022B Bonds, less an Underwriter's discount of $________). [As an accommodation to the Authority, the Underwriter shall wire directly to the Insurer (defined below) $_______ representing the premium with respect to the Policy (defined below) and the Reserve Policy (defined below). The Preliminary Official Statement with respect to the Bonds, dated __________, 2022 (the "Preliminary Official Statement"), as amended to conform to the terms of this Purchase Contract, and dated the date hereof, and with such changes and amendments as are mutually agreed to by the Authority, the City, and the Underwriter, including the cover page, the appendices, and all information incorporated therein by reference, is herein collectively referred to as the "Official Statement." The Authority represents that it has deemed the Preliminary Official Statement to be final as of its date, except for information regarding the Insurer, the Policy and the Reserve Policy, either revision or addition of the offering price(s), yield(s) to maturity, selling compensation, aggregate denominational amount and maturity value, denominational amount and maturity value per maturity, delivery date, rating(s), and other terms of the Bonds that depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), by delivering a certificate to the Underwriter substantially in the form of Exhibit B attached hereto.

2. The Bonds shall mature on the dates and in the amounts, will bear interest at the rates and be subject to redemption, as set forth in Exhibit A hereto and as further described in the Official Statement. The Bonds shall be issued under and pursuant to the Indenture, dated as of December 1, 2019 (the "Original Indenture"), as supplemented by the First Supplement to Indenture, dated as of _________ 1, 2022 (the "First Supplemental Indenture," and together with the Original Indenture, the "Indenture"), each by and among the Authority, the City, and Computershare Trust Company, N.A. (the "Trustee"). The Bonds shall be secured by Revenues on a parity with the Authority's outstanding Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "2019 Bonds"). The Bonds shall be insured under a municipal bond insurance policy (the "Policy") from _________ (the "Insurer"). Additionally, the reserve fund for the Bonds shall be funded with a debt service reserve fund surety policy (the "Reserve Policy") to be issued by the Insurer. Capitalized terms used herein without definition shall have the meanings given to such terms in the Indenture.

3. The Underwriter shall make a bona fide public offering of all the Bonds at not in excess of the respective initial public offering prices to be set forth on the inside cover page of the Official Statement. The Underwriter reserves the right to change such initial offering prices as the Underwriter deems necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing such bonds into investment trusts) and others

at prices lower than the initial offering prices set forth on the inside cover page of the Official Statement. The Underwriter also reserves the right to (i) overallot or effect transactions that stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time. "Public offering" shall include an offering to a representative number of institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold.

4. The Authority hereby authorizes the use by the Underwriter of (i) the Indenture, (ii) the Facility Lease, dated as of December 1, 2019 (the "Original Facility Lease"), as amended by the First Amendment to Facility Lease, dated as of _______ 1, 2022 (the "First Amendment to Facility Lease" and together with the Original Facility Lease, the "Facility Lease"), each by and between the Authority and the City, (iii) the Site Lease, dated as of December 1, 2019 (the "Original Site Lease"), as amended by the First Amendment to Site Lease, dated as of _________ 1, 2022 (the "First Amendment to Site Lease, and together with the Original Site Lease, the "Site Lease"), each by and between the Authority and the City, (iv) the Continuing Disclosure Certificate, dated as of the Closing Date (the "Continuing Disclosure Certificate"), executed by the City and acknowledged and accepted by the dissemination agent named therein, (v) the Assignment Agreement, dated as of December 1, 2019 (the " Original Assignment Agreement"), as amended by the First Amendment to Assignment Agreement, dated as of ________ 1, 2022 (the "First Amendment to Assignment Agreement, and together with the Original Assignment Agreement, the "Assignment Agreement") each by and between the Authority and the Trustee, and (vi) the Official Statement, and any supplements or amendments thereto, and the information contained in each of such documents, in connection with the public offering and sale of the Bonds. The Authority 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 Bonds.

The Authority will deliver to the Underwriter, within seven (7) business days after the date of this Purchase Contract and in sufficient time to accompany any confirmation requesting payment from any customers of the Underwriter, copies of the Official Statement in final form (including all documents incorporated by reference therein) and any amendment or supplement thereto in such quantities as the Underwriter may reasonably request in order to comply with the obligations of the Underwriter pursuant to the Rule and the rules of the Municipal Securities Rulemaking Board. As soon as practicable following receipt thereof from the Authority, the Underwriter shall deliver the Official Statement to the Municipal Securities Rulemaking Board.

5. At 8:00 a.m., Los Angeles time, on ___________, 2022, or at such other time or on such other business day as shall have been mutually agreed upon by the Authority and the Underwriter (the "Closing Date"), the Authority will cause the Trustee to authenticate and deliver to the Underwriter at the office of The Depository Trust Company ("DTC") in New York, New York, or at such other place as the Authority and the Underwriter may mutually agree upon, the Bonds in fully-registered book-entry form, duly executed and registered in the name of Cede & Co., as nominee of DTC, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds by wire transfer payable in immediately available funds to or upon the order of the Authority at such place in Los Angeles, California, or New York, New York, as shall have been mutually agreed upon by the Authority and the Underwriter. Such delivery of and payment for the Bonds is referred to herein as the "Closing." The Bonds shall be made available for inspection by the Underwriter at least one business day before the Closing.

6. The Authority represents, warrants, and covenants to the Underwriter that:

(a) The Authority is a joint powers authority under Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code duly organized and validly existing under and by virtue of the Constitution and the laws of the State of California (the "State").

(b) The Authority has the legal right and power to issue and deliver the Bonds and to execute and deliver, and to perform its obligations under, the Indenture, the Facility Lease, the Site Lease, the Assignment Agreement and this Purchase Contract (collectively, the "Authority Documents"). The Authority has duly authorized the issuance and delivery of the Bonds and the execution and delivery of, and performance of its obligations under, the Authority Documents and, as of the date hereof, such authorizations are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the respective parties thereto, the Authority Documents will constitute legal, valid, and binding obligations of the Authority in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, the application of equitable principles relating to or affecting creditors' rights generally, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against joint powers authorities in the State. The Authority has complied, and will at the Closing be in compliance in all respects, with its obligations under the Authority Documents.

(c) The Bonds will be paid from Revenues consisting primarily of Base Rental Payments, as defined in and pursuant to the Facility Lease, which payments have been duly and validly authorized pursuant to applicable law.

(d) The Bonds will be issued in accordance with the Indenture and will conform in all material respects to the descriptions thereof contained in the Official Statement. The Indenture creates a valid pledge of, first lien upon, and security interest in, the pledged Revenues (including the Base Rental Payments).

(e) The information in the Preliminary Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy), as of its date, was true and correct in all material respects, and the information in the Preliminary Official Statement, as of its date, did not contain any misstatement of any material fact and did not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(f) The information in the Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy) is true and correct in all material respects, and the information in the Official Statement does not contain any misstatement of any material fact and does not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(g) The Authority covenants with the Underwriter that for twenty-five days after the Closing Date (the "Delivery Period"), if any event occurs 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 necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Authority shall notify the Underwriter thereof, 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 Authority will cooperate with the Underwriter and the City in the preparation of an amendment or supplement to the Official Statement, at the expense of the Authority and the City, in a form and in a manner approved by the Underwriter.

(h) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale, or distribution of the Bonds.

(i) If the Official Statement is supplemented or amended, the Official Statement, as so supplemented or amended, as of the date of such supplement or amendment, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) The Authority is not in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which the Authority is a party, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any of the foregoing.

(k) The authorization, execution, and delivery by the Authority of the Authority Documents, and compliance by the Authority with the provisions thereof, do not and will not conflict with or constitute a breach of or default by the Authority under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which it is bound or by which its properties may be affected.

(l) No authorization, consent, or approval of, or filing or registration with, any Governmental Authority (as defined below) or court is, or under existing requirements of law will be, necessary for the valid execution and delivery of, or performance by the Authority of its obligations under, the Authority Documents, other than any authorization, consent, approval, filing, or registration as may be required under the Blue Sky or securities laws of any state in connection with the offering, sale, or issuance of the Bonds. All authorizations, consents, or approvals of, or filings or registrations with, any Governmental Authority or court necessary for the valid issuance of, and performance by the Authority of its obligations under, the Bonds will have been duly obtained or made prior to the issuance of the Bonds (and disclosed to the Underwriter). As used herein, the term "Governmental Authority" refers to any legislative body or governmental official, department, commission, board, bureau, agency, instrumentality, body, or public benefit corporation.

(m) The Authority shall 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 Bonds 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 Bonds for investment under the laws of such states and other jurisdictions, and shall use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Authority shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(n) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending and served upon the Authority or, to the best knowledge of the Authority, threatened (i) in any way questioning the existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the Authority Documents, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby or any proceeding of the Authority taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority and its authority to pledge the Base Rental Payments; (iii) that may result in any material adverse change relating to the Authority that will materially adversely affect the Authority's ability to apply Revenues to pay the Bonds when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(o) Other than in the ordinary course of its business or as contemplated by the Official Statement, between the date of this Purchase Contract and the Closing Date the Authority will not, without the prior written consent of the Underwriter, offer or issue any certificates, bonds, notes, or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Revenues.

(p) Any certificate signed by any official or other representative of the Authority and delivered to the Underwriter pursuant to this Purchase Contract shall be deemed a representation and warranty by the Authority to the Underwriter as to the truth of the statements therein made.

7. The City represents, warrants, and covenants to the Underwriter that:

(a) The City is a municipal corporation of the State duly organized and validly existing under and by virtue of the Constitution and laws of the State and has the legal right and power to execute, deliver, and perform its obligations under the Indenture, the Facility Lease, the Site Lease, the Continuing Disclosure Certificate, the Escrow Agreement, dated _________ 1, 2022 (the "Escrow Agreement"), by and between the City and the Trustee, as prior trustee and escrow agent, related to the City of Oxnard Financing Authority Revenue Project and Refunding Bonds, Series 2014 (the "2014 Bonds"), and this Purchase Contract (collectively, the "City Documents").

(b) The City has the legal right and power to execute and deliver, and to perform its obligations under, the City Documents. The City has duly authorized the execution and delivery of, and the performance of its obligations under, the City Documents and as of the date hereof such authorizations are in full force and effect and have not been amended, modified, or rescinded. When executed and delivered by the respective parties thereto, the City Documents will constitute legal, valid, and binding obligations of the City in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws, the application of equitable principles relating to or affecting creditors' rights generally, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against cities in the State. The City has complied, and will at the Closing be in compliance in all respects, with its obligations under the City Documents.

(c) The Bonds will be paid from Revenues consisting primarily of Base Rental Payments, as defined in and pursuant to the Facility Lease, which payments have been duly and validly authorized pursuant to applicable law.

(d) The Bonds will be issued in accordance with the Indenture and will conform in all material respects to the descriptions thereof contained in the Official Statement. The Indenture creates a valid pledge of, first lien upon, and security interest in, the pledged Revenues (including the Base Rental Payments).

(e) The information in the Preliminary Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy), as of its date, was true and correct in all material respects, and the information in the Preliminary Official Statement, as of its date, did not contain any misstatement of any material fact and did not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(f) The information in the Official Statement (excluding any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy) is true and correct in all material respects, and the information in the Official Statement does not contain any misstatement of any material fact and does not omit any statement necessary to make the statements, in the light of the circumstances in which such statements were made, not misleading.

(g) To assist the Underwriter in complying with the Rule, the City will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement. The Official Statement describes the incidences during the last five years in which the City and its related entities have failed to comply with previous undertakings to provide annual continuing disclosure reports and notices of material events.

(h) The City covenants with the Underwriter that, during the Delivery Period, if any event occurs 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 necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter thereof, 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 City will cooperate with the Underwriter and the Authority in the preparation of an amendment or supplement to the Official Statement, at the expense of the Authority and the City, in a form and in a manner approved by the Underwriter.

(i) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale, or distribution of the Bonds.

(j) If the Official Statement is supplemented or amended, the Official Statement as so supplemented or amended, as of the date of such supplement or amendment, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The City is not in breach of or in default under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which the City is a party, and no event has occurred and is continuing that, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any of the foregoing.

(l) The authorization, execution, and delivery by the City of the City Documents, and compliance by the City with the provisions thereof, do not and will not conflict with or constitute a breach of or default by the City under any applicable constitutional provision, law, or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, consent, or other agreement to which it is bound or by which its properties may be affected.

(m) No authorization, consent, or approval of, or filing or registration with, any Governmental Authority or court is, or under existing requirements of law will be, necessary for the valid execution and delivery of, or performance by the City of its obligations under, the City Documents, other than any authorization, consent, approval, filing, or registration as may be required under the Blue Sky or securities laws of any state in connection with the offering, sale, or issuance of the Bonds.

(n) The City 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 Bonds 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 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the City shall not be required to execute a general consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(o) There is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending and served upon the City or, to the best knowledge of the City, threatened (i) in any way questioning the existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the City Documents, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby or any proceeding of the City taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the City and its authority to pledge the Base Rental Payments; (iii) that may result in any material adverse change relating to the City that will materially adversely affect the City's ability to pay Base Rental Payments when due; or

(iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(p) Other than in the ordinary course of its business or as contemplated by the Official Statement, between the date of this Purchase Contract and the Closing Date the City will not, without the prior written consent of the Underwriter, offer or issue any certificates, bonds, notes, or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by the same source of funds from which Base Rental Payments are to be paid.

(q) The financial statements of, and other financial information regarding, the City contained in the Official Statement fairly present the financial position and results of the operations of the City as of the dates and for the periods therein set forth, and, to the best of the City's knowledge, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, (ii) the unaudited financial statements have been prepared on a basis substantially consistent with the audited financial statements included in the Official Statement and reflect all adjustments necessary to that effect, and (iii) the other financial information has been determined on a basis substantially consistent with that of the City's audited financial statements included in the Official Statement.

(r) The Official Statement describes the incidences during the last five years in which the City and the City's related entities have failed to comply with previous undertakings to provide annual continuing disclosure reports and notices of material events.

(s) Any certificate signed by any official or other representative of the City and delivered to the Underwriter pursuant to this Purchase Contract shall be deemed a representation and warranty by the City to the Underwriter as to the truth of the statements therein made.

8. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties, and covenants of the Authority and the City contained herein and in the Authority Documents and City Documents to which each of the Authority or the City, as applicable, is a party, and the performance by the Authority and the City of their respective obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) The representations and warranties of the Authority and the City contained herein shall be true, complete, and correct in all material respects on the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriter at the Closing pursuant hereto shall be true, complete, and correct in all material respects at the Closing; the Authority and the City shall be in compliance with each of the agreements made by it in this Purchase Contract (unless such agreements are waived by the Underwriter); there shall not have occurred an adverse change in the financial position, results of operations, or financial condition of the City that materially adversely affects the ability of the City to pay Base Rental Payments when due or otherwise perform any of its obligations under the City Documents; and there shall not have occurred an adverse change in the financial position of the Authority that materially adversely affects the ability of the Authority to make payments of principal of and interest on the Bonds when due or otherwise perform any of its obligations under the Authority Documents.

(b) At the time of the Closing, the Authority Documents and the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented (except as may be agreed to in writing by the Underwriter); all actions that, in the opinion of Nixon Peabody LLP, Los Angeles, California, Bond Counsel ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby shall have been duly taken and shall be in full force and effect; and the City shall perform or shall have performed its obligations required under or specified in the City Documents to be performed at or prior to the Closing and the Authority shall perform or shall have performed its obligations required under or specified in the Authority Documents to be performed at or prior to the Closing.

(c) At the time of the Closing, the Official Statement (as amended and supplemented) shall be true and correct in all material respects, and shall not omit any statement or information necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) Except as disclosed in the Official Statement or in a schedule delivered to the Underwriter at the Closing, no decision, ruling, or finding shall have been entered by any court or Governmental Authority since the date of this Purchase Contract (and not reversed on appeal or otherwise set aside) that has any of the effects described in Section 8(f) hereof.

(e) (i) No default by the City or the Authority shall have occurred and be continuing in the payment of the principal of or premium, if any, or interest on any bond, note, or other evidence of indebtedness issued by the City or the Authority, respectively, and (ii) no bankruptcy, insolvency, or other similar proceeding in respect of the City or the Authority shall be pending or, to the knowledge of the City or the Authority, contemplated.

(f) The Underwriter may terminate this Purchase Contract by written notification to the Authority and the City if at any time after the date hereof and prior to the Closing:

(i) legislation shall have been enacted by the United States or the State or shall have been reported out of committee or be pending in committee, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation, proposed regulation, or a temporary regulation shall have been published in the Federal Register or any other release or announcement shall have been made by the Treasury Department of the United States or the Internal Revenue Service, with respect to Federal or State taxation upon revenues or other income or payments of the general character to be derived by the City or upon interest received on obligations of the general character of the Bonds, which, in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City), materially adversely affects the market for the Bonds; or

(ii) in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City or its municipal advisor), any of the following events materially adversely affects the market for the Bonds: (a) the United States shall have become engaged in hostilities that have resulted in a declaration of war or a national emergency or the President of the United States of America shall have committed the armed forces of the United States of America to combat so as to adversely affect the financial markets in the United States of America, (b) any other calamity or crisis in the financial markets of the United States or elsewhere, (c) the sovereign debt rating of the United States is downgraded by any major credit rating agency or a payment default occurs on United States Treasury obligations, or (d) a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any city, county, or other political subdivision located in the United States having a population of over 500,000; or

(iii) there shall have occurred a general suspension of trading on the New York Stock Exchange or other major exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission or any other Governmental Authority having jurisdiction, or a general banking moratorium shall have been declared by Federal, California, or New York authorities having jurisdiction and being in force; or

(iv) there shall have occurred an adverse change in the financial position, results of operations, or financial condition of the City that, in the reasonable opinion of the Underwriter (after consultation with, and receipt of advice from, the City), materially adversely affects the market for the Bonds; or

(v) any legislation, ordinance, rule, or regulation shall be introduced in, or be enacted by, any governmental body, department, or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered that, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(vi) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Bonds, or the issuance, offering, or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(vii) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, which restrictions materially adversely affect the ability of underwriters to trade obligations of the general character of the Bonds; or

(viii) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Authority's or the City's obligations secured in a like manner, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(ix) the commencement of any action, suit, or proceeding described in Section 6(n) or 7(o) that, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(x) any event occurring, or information becoming known that, in the reasonable judgment of the Underwriter, makes any statement or information contained in the Official Statement, as of its date, untrue in any material adverse respect, or has the effect that the Official Statement, as of its date, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) At or prior to the Closing, the Underwriter shall receive the following documents:

(1) the opinion of Bond Counsel, dated the Closing Date, in substantially the form included in the Official Statement as Appendix D, addressed to the Authority (and accompanied by reliance letters to the Underwriter, the City, and the Trustee);

(2) a supplemental opinion of Bond Counsel, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the Underwriter, to the effect that:

(ii) this Purchase Contract has been duly executed and delivered by the Authority and the City and (assuming due authorization, execution and delivery by and enforceability against the Underwriter) is valid and binding upon the Authority and the City, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally and to the application of equitable principles;

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

(iv) the statements contained in the Official Statement under the captions "INTRODUCTION," "THE BONDS," "THE FINANCING PLAN," "THE REFUNDING PLAN," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "TAX MATTERS," "APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS," "APPENDIX D—FORM OF BOND COUNSEL OPINION," and "APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATE," insofar as such statements expressly summarize certain provisions of the Indenture, the Facility Lease, the Site Lease, the Continuing Disclosure

Certificate, the Bonds, and the opinion of Bond Counsel concerning certain federal tax matters relating to the Bonds, are accurate in all material respects; and

(v) the 2014 Bonds have been defeased in accordance with the indenture pursuant to which such bonds were issued;

(3) an opinion of the City Attorney of the City, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the Authority and the Underwriter, to the effect that:

(i) the City is a municipal corporation and general law city duly organized and validly existing under and by virtue of the laws of the State;

(ii) the City has full legal power and lawful authority to enter into the City Documents and to perform its obligations thereunder;

(iii) the resolution of the City approving and authorizing the execution and delivery of the City Documents (the "City Resolution") was duly adopted at a meeting of the City Council of the City that was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the City Resolution is in full force and effect and has not been modified, amended, or rescinded as of the Closing Date;

(iv) the City Documents have been duly authorized, executed, and delivered by the City and, assuming due authorization, execution, and delivery by the other parties thereto, such documents constitute the legal, valid, and binding agreements of the City enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against cities in the State;

(v) to the best knowledge of such counsel, the execution and delivery by the City of the City Documents, and compliance by the City with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, or agreement to which the City is subject to or by which it is bound;

(vi) to the best knowledge of such counsel, the Official Statement (excluding therefrom financial statements and other statistical data included in the Official Statement, and any information with respect to DTC and the book-entry only system, the Insurer, the Policy and the Reserve Policy, as to which no view need be expressed) does not contain any 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 under which they were made, not misleading;

(vii) except as otherwise disclosed in the Official Statement, to the best knowledge of such counsel after reasonable investigation, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, regulatory agency, or public board or body, pending or, to the best knowledge of such counsel, threatened (a) in any way questioning the existence of the City or the titles of the officers of the City to their respective offices; (b) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the City Documents, or the payment or collection of any amounts from which the City will pay amounts due under the Lease or revenues or assets of the Authority pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby or any proceeding of the City taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the City and its authority to pledge the Base Rental Payments; (c) that may result in any material adverse change relating to the City that will materially adversely affect the City's ability to perform its obligations under the City Documents; or (d) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(viii) no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the City is required for the valid authorization, execution, and delivery by the City of the City Documents;

(4) an opinion of the City Attorney of the City, serving as General Counsel to the Authority, in form and substance satisfactory to the Underwriter, dated the Closing Date, addressed to the City and the Underwriter, to the effect that:

(i) the Authority is a joint powers authority under Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code duly organized and validly existing under and by virtue of the Constitution and the laws of the State;

(ii) the Authority has full legal power and lawful authority to enter into the Authority Documents and to perform its obligations thereunder;

(iii) the resolution of the Authority approving and authorizing the execution and delivery of the Authority Documents and approving the Official Statement (the "Authority Resolution") was duly adopted at a regular meeting of the governing board of the Authority that was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Authority Resolution is in full force and effect and has not been modified, amended, or rescinded as of the Closing Date;

(iv) the Authority Documents have been duly authorized, executed, and delivered by the Authority and, assuming due authorization, execution, and delivery by the other parties thereto, such documents constitute the legal, valid, and binding agreements of the Authority enforceable in accordance with their terms, subject to laws relating to bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases, and the limitations on legal remedies against joint powers authorities in the State;

(v) to the best knowledge of such counsel, the execution and delivery by the Authority of the Authority Documents, and compliance by the Authority with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, or agreement to which the Authority is subject to or by which it is bound;

(vi) except as otherwise disclosed in the Official Statement, to the best knowledge of such counsel after reasonable investigation, there is no action, suit, proceeding, inquiry, or investigation at law or in equity, before or by any court, regulatory agency, or public board or body, pending or, to the best knowledge of such counsel, threatened (a) in any way questioning the existence of the Authority or the titles of the officers of the Authority to their respective offices, (b) affecting, contesting, or seeking to prohibit, restrain, or enjoin the issuance of the Bonds or the execution or delivery of any of the Authority Documents, or the payment or collection of Revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby or any proceeding of the Authority taken with respect to any of the foregoing, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority and its authority to make the pledges set forth in the Indenture, (c) that may result in any material adverse change relating to the Authority that will materially adversely affect the Authority's ability to perform its obligations under the Authority Documents, or (d) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(vii) no authorization, approval, consent, or other order of the State or any other governmental authority or agency within the State having jurisdiction over the Authority is required for the valid authorization, execution, and delivery by the Authority of the Authority Documents;

(5) a letter from Best Best & Krieger LLP, Riverside, California, disclosure counsel to the Authority ("Disclosure Counsel"), dated the Closing Date, addressed to the Underwriter, to the effect that, based upon its participation in the preparation of the Official Statement as counsel to the Authority and without having undertaken to determine independently the fairness, accuracy, or completeness of the statements contained in the Preliminary Official Statement or the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the Closing Date (excluding therefrom the reports, financial and statistical data

and forecasts therein, the information with respect to DTC and the book-entry system, the information relating to the Insurer, its Policy and Reserve Policy, and the information included in the Appendices thereto, as to which no view need be expressed) contained or contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(6) a certificate of the City, in form and substance satisfactory to the Underwriter, dated the Closing Date, to the effect that;

(i) the representations and warranties of the City contained in this Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; and

(ii) there has been no material adverse change in the financial condition or results of operations of the City from the date of the Official Statement to the Closing Date;

(7) a certificate of the Authority, in form and substance satisfactory to the Underwriter, dated the Closing Date, to the effect that;

(i) the representations and warranties of the Authority contained in this Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; and

(ii) there has been no material adverse change in the financial condition or results of operations of the Authority from the date of the Official Statement to the Closing Date;

(8) a certificate, dated the date of the Preliminary Official Statement, from the Authority, in the form attached hereto as Exhibit B;

(9) an opinion of counsel to the Trustee, dated the Closing Date, addressed to the Underwriter, the Authority, and the City, to the effect that:

(i) the Trustee is a national banking association and is validly existing, duly qualified to do business and in good standing under the laws of each jurisdiction in which the performance of its duties under the Indenture, the Assignment Agreement and the Escrow Agreement (collectively, the "Trustee Documents") would require such qualification and has the requisite power and authority to execute, deliver and perform its obligations under the Trustee Documents;

(ii) the Trustee is duly eligible and qualified to act as Trustee under the Indenture;

(iii) the Trustee has all requisite power, authority and legal right to execute and deliver the Trustee Documents and to perform its obligations under the Trustee Documents, and has taken all necessary corporate action to authorize the execution and delivery of and the performance of its obligations under the Trustee Documents;

(iv) the Trustee has duly executed and delivered the Trustee Documents. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Trustee Documents are the legal, valid, and binding agreements of the Trustee enforceable against the Trustee in accordance with their terms, except to the extent enforceability thereof may be subject to (A) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights and remedies heretofore or hereafter enacted, and (B) the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(v) the Bonds have been duly authenticated by the Trustee;

(vi) the execution, delivery and performance of the Trustee Documents by the Trustee and the consummation of the transactions contemplated thereby do not and will not (a) to the knowledge of such counsel, conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument to which the Trustee is a party or by which the Trustee is bound or to which any of the property or assets of the Trustee or any of its subsidiaries is subject, (b) result in any violation of the provisions of the charter, articles of association, by-laws, or applicable resolutions of the Trustee, or (c) to the knowledge of such counsel, result in any violation of any statute or any order, rule, or regulation of any court or government agency or body having jurisdiction over the Trustee or any of its properties or assets; and

(vii) to the knowledge of such counsel, there are no actions, proceedings or investigations pending or threatened against the Trustee before any court, administrative agency or tribunal (a) asserting the invalidity of the Trustee Documents, (b) seeking to prevent the consummation of any of the transactions contemplated thereby, or (c) that might materially and adversely affect the performance by the Trustee of its obligations under, or the validity or enforceability of the Trustee Documents;

(10) a certificate, dated the Closing Date, signed by a duly authorized officer of the Trustee, to the effect that;

(i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the necessary power to enter into, accept, and administer the trusts created under the Indenture and to authenticate the Bonds;

(ii) the Trustee Documents have been duly authorized, executed, and delivered by a duly authorized officer of the Trustee, and the execution, delivery, and performance of the Trustee Documents has been duly authorized by all necessary action of the Trustee;

(iii) the Trustee Documents constitute the legal, valid, and binding obligations of the Trustee enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(iv) the Bonds have been duly authenticated by a duly authorized officer of the Trustee;

(v) no consent, approval, authorization, or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Trustee Documents or the performance by the Trustee of its duties and obligations under the Trustee Documents;

(vi) the execution and delivery by the Trustee of the Trustee Documents and compliance with the terms thereof will not conflict with, or result in a violation or breach of, or constitute a default under, any loan agreement, indenture, bond, note, resolution, or any other agreement or instrument to which the Trustee is a party or by which it is bound, or any law or any rule, regulation, order, or decree of any court or governmental agency or body having jurisdiction over the Trustee or any of its activities or properties (except that no representation, warranty, or agreement need be made with respect to any federal or State securities or blue sky laws or regulations);

(vii) the Trustee's action in executing and delivering the Trustee Documents will not contravene the articles or bylaws of the Trustee and is in full compliance with, and does not conflict with, any applicable law or governmental regulation currently in effect, and such action does not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound; and

(viii) there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court or governmental agency, public board, or body that has been served on the Trustee, or to the best knowledge of the Trustee, threatened against the Trustee which in the reasonable judgment of the Trustee would affect the existence of the Trustee or in any way contesting or affecting the validity or enforceability of the Trustee Documents or contesting the powers of the Trustee or its authority to enter into and perform its obligations thereunder;

(11) a letter from Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, counsel to the Underwriter ("Underwriter's Counsel"), dated the Closing Date, addressed to the Underwriter, in form and substance acceptable to the Underwriter;

(12) certified copies of the City Resolution, the Authority Resolution, and an incumbency resolution of the Trustee;

(13) copies each of the Authority Documents, the City Documents, and the Official Statement, duly executed and delivered by the respective parties thereto;

(14) evidence that the insured and underlying ratings on the Bonds of "__" and "__," respectively, from S&P Global Ratings, a Standard & Poor's Financial Services LLC business, are in full force and effect on the Closing Date;

(15) copies of the statements with respect to the sale of the Bonds required to be delivered to the California Debt and Investment Advisory Commission;

(16) evidence that a debt management policy which complies Sections 8855 of the California Government Code has been adopted by both the City and the Authority;

(17) a copy of the Blanket Letter of Representations to DTC relating to the Bonds signed by the Authority;

(18) a copy of an ALTA or CLTA title insurance policy in an amount equal to the aggregate principal amount of the Bonds and the outstanding 2019 Bonds, insuring the City's leasehold interest in the Property, subject only to permitted encumbrances or such other encumbrances approved in writing by the Underwriter;

(19) evidence satisfactory to the Underwriter of the issuance of the Policy by the Insurer;

(20) evidence satisfactory to the Underwriter that the Trustee shall have received the Reserve Policy from the Insurer;

(21) an opinion of counsel to the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel and Underwriter's Counsel, with respect to, among other matters, the Policy and the Reserve Policy, and disclosures relating thereto and to the Insurer in the Official Statement;

(22) a certificate of the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel, and Underwriter's Counsel, with respect to, among other matters, the Policy and the Reserve Policy;

(23) a tax and no-default certificate of the Insurer, in form and substance satisfactory to the Underwriter, Bond Counsel and Underwriter's Counsel;

(24) an arbitrage certificate with respect to the 2022A Bonds in form satisfactory to Bond Counsel;

(25) evidence that Federal Form 8038-G with respect to the 2022A Bonds has been executed by the Authority and will be filed with the Internal Revenue Service.

(26) a verification report from Causey Demgen & Moore P.C. dated the Closing Date, in form and substance satisfactory to the Underwriter; and

(27) such additional legal opinions, certificates, proceedings, instruments, and other documents as the Underwriter, Underwriter's Counsel, or Bond Counsel may reasonably request to evidence compliance by the City and the Authority with legal requirements, the accuracy, as of the time of Closing, of the Authority and the City's representations herein contained, and the due performance or satisfaction by the City and the Authority at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the City and the Authority.

If the City or the Authority shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Contract or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and none of the City, the Authority, or the Underwriter shall have any further obligation hereunder.

9.

(a) The Underwriter agrees to assist the Authority in establishing the issue price of the 2022A Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with copies of supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the 2022A Bonds. All actions to be taken by the Authority under this section to establish the issue price of the 2022A Bonds may be taken on behalf of the Authority by its municipal advisor, NHA Advisors, LLC, San Rafael, California (the "Municipal Advisor") and any notice or report to be provided to the Authority may be provided to the Municipal Advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Authority will treat the first price at which 10% of each maturity of the 2022A Bonds (the "10% test"), identified under the column "10% Test Used" in Exhibit A, is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of 2022A Bonds. If at that time the 10% test has not been satisfied as to any maturity of the 2022A Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold 2022A Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all 2022A Bonds of that maturity or (ii) the 10% test has been satisfied as to the 2022A Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel. For purposes of this section, if 2022A Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the 2022A Bonds.

(c) The Underwriter confirms that it has offered the 2022A Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column "Hold the Offering Price Rule Used," as of the date of this Purchase Contract, the maturities, if any, of the 2022A Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the 2022A Bonds, the Underwriter will neither offer nor sell unsold 2022A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(i) the close of the fifth (5th) business day after the sale date; or

(ii) the date on which the Underwriter has sold at least 10% of that maturity of the 2022A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the 2022A Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) to report the prices at which it sells to the public the unsold 2022A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2022A Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the 2022A Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of 2022A Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the 2022A Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the 2022A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the 2022A Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold 2022A Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the 2022A Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Authority acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the 2022A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the 2022A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the 2022A Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2022A Bonds.

(f) The Underwriter acknowledges that sales of any 2022A Bonds to any person that is a related party to an underwriter participating in the initial sale of the 2022A Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party;

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2022A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2022A Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the 2022A Bonds to the public);

(iii) a purchaser of any of the 2022A Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) "sale date" means the date of execution of this Purchase Contract by the Authority and the Underwriter.

10. The performance by each of the Authority and the City of its obligations is conditioned upon (i) the performance by the Underwriter of its obligations hereunder and (ii) receipt by the Authority, the City, and the Underwriter of opinions and certificates being delivered at the Closing by persons and entities other than Authority and the City.

11. No expenses and costs of the City or the Authority incident to the performance of the Authority's or the City's obligations in connection with the authorization, issuance, and sale of the Bonds to the Underwriter, such as the costs of preparation (including word processing, printing, and reproduction), distribution and delivery of the Preliminary Official Statement and the Official Statement, in reasonable quantities, fees of rating agencies, fees and expenses of any municipal advisor to the City, and fees and expenses of Bond Counsel or Disclosure Counsel for the City shall be paid by the Underwriter. Except as indicated above, all out-of-pocket expenses of the Underwriter, including the fees of Underwriter's counsel, the California Debt and Investment Advisory Commission fee, traveling, and other expenses and the fees and expenses of the Underwriter, shall be paid by the Underwriter.

12. Any notice or other communication to be given to the City under this Purchase Contract may be given by delivering the same in writing to the City of Oxnard, 300 West Third Street, Oxnard, California 93030, Attention: Chief Financial Officer, or to such other person as the Chief Financial Officer may designate in writing. Any notice or other communication to be given to the Authority under this Purchase Contract may be given by delivering the same in writing to the City of Oxnard Financing Authority, 300 West Third Street, Oxnard, California 93030, Attention: Controller, or to such other person as the Controller may designate in writing. 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, Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Sara Oberlies Brown, Managing Director. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the Authority.

13. For all purposes of this Purchase Contract, a default shall not be deemed to be continuing if it has been cured, waived, or otherwise remedied. This Purchase Contract shall be governed by and construed in accordance with the laws of the State applicable to contracts made and performed within the State.

14. This Purchase Contract may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

15. This Purchase Contract when accepted by the Authority and the City in writing shall constitute the entire agreement among the City, the Authority, and the Underwriter and is made solely for the benefit of the City, the Authority, and the Underwriter (including the successors or

assigns of the Underwriter approved by the City and the Authority). No other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties, and agreements of the City and the Authority contained in this Purchase Contract shall remain operative and in full force and effect regardless of (a) any investigation made by or on behalf of the Underwriter (but, if the Underwriter does discover by its investigation that the Official Statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Underwriter shall so notify the City and the Authority); (b) the delivery of and payment for the Bonds; and (c) any termination of this Purchase Contract.

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16. This Purchase Contract shall not be modified or amended without the prior written consent of the Underwriter, the City, and the Authority.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

____
Managing Director

Accepted at ______ PM as of the date hereof:

CITY OF OXNARD FINANCING
AUTHORITY

By: ___________________________________
Authorized Officer

CITY OF OXNARD

By: ___________________________________
Authorized Officer

EXHIBIT A

$__________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

Maturity Date (June 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*10% Test Used*	*Hold the Offering Price Rule Used*

T Term Bond
C

Redemption Provisions - 2022A Bonds

Optional Redemption. The 2022A Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The 2022A Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The 2022A Bonds maturing on June 1, ____ (the "Series 2022A Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022A Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	*Principal Amount to be Redeemed or Purchased*

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

$__________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

Maturity Date (June 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*

T Term Bond

Redemption Provisions - 2022B Bonds

Optional Redemption. The 2022B Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The 2022B Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The 2022B Bonds maturing on June 1, ____ (the "Series 2022B Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022B Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	*Principal Amount to be Redeemed or Purchased*

***Extraordinary Redemption from Condemnation Award or Insurance Proceeds*.** To the extent permitted or required by the Indenture, the 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

EXHIBIT B

City of Oxnard Financing Authority

$____________* **Lease Revenue Bonds, Series 2022A** **(Tax-Exempt)**	**$__________*** **Lease Revenue Bonds, Series 2022B** **(Federally Taxable)**

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that the undersigned is the duly appointed and acting representative of the City of Oxnard Financing Authority (the "**Authority**"), and as such is duly authorized to execute and deliver this Certificate on behalf of the Authority, and further hereby certifies and reconfirms on behalf of the Authority as follows:

(1) This Certificate is delivered in connection with the offering and sale of the above captioned bonds (the "**Bonds**") in order to enable the underwriter of the Bonds 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 Bonds, there has been prepared a Preliminary Official Statement, setting forth information concerning the Bonds, the City of Oxnard and the Authority (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 Bonds depending on such matters, all with respect to the Bonds.

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

Dated: __________, 2022

CITY OF OXNARD FINANCING AUTHORITY

By:____________________________________

Authorized Officer

* *Preliminary; subject to change*.

EXHIBIT I

$____________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated ("Stifel") hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the "Bonds").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) Stifel offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Contract of Purchase, dated __________, 2022, by and among Stifel, the City of Oxnard and the Issuer, Stifel has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (__________, 2022), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the City of Oxnard Financing Authority.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is __________, 2022.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in a Tax Certificate for the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Nixon Peabody, LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By:____

Name:______________________________________

Dated: ___________, 2022

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(Attached)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

ESCROW AGREEMENT

by and between the

CITY OF OXNARD

and

COMPUTERSHARE TRUST COMPANY, NA.
AS PRIOR TRUSTEE AND AS ESCROW BANK

Dated as of ________ 1, 2022

City of Oxnard Financing Authority
Lease Revenue Project and Refunding Bonds Series 2014

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Escrow Agreement"), executed and entered into as of _________ 1, 2022, is by and between the CITY OF OXNARD, a political subdivision duly organized and existing under the laws of the State of California (the "City") and COMPUTERSHARE TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as Prior Trustee (as defined herein) and as escrow bank (the "Escrow Bank").

W I T N E S S E T H:

WHEREAS, there are currently outstanding City of Oxnard Financing Authority Lease Revenue Project and Refunding Bonds Series 2014 (the "Prior Bonds");

WHEREAS, the Prior Bonds were issued under the Trust Agreement, dated as of November 1, 2014 (the "2014 Trust Agreement"), by and among the City of Oxnard Financing Authority (the "Authority"), a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), the City and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Prior Trustee");

WHEREAS, the Escrow Bank is the Prior Trustee under the 2014 Trust Agreement;

WHEREAS, the City and the Authority have determined that a savings will be realized by the City exercising its options to prepay its obligations under the Lease (as defined in the 2014 Trust Agreement) and cause the Authority to defease and redeem the Prior Bonds on June 1, 2024 (the "Redemption Date") at a redemption price (the "Redemption Price") equal to the principal amount of the Prior Bonds, plus the accrued but unpaid interest on the Prior Bonds to the Redemption Date;

WHEREAS, in order to provide the funds necessary to exercise said option, the Authority has caused to be sold $__________ aggregate principal amount of its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds"), pursuant to an Indenture, dated as of December 1, 2019, as supplemented by the First Supplement to Indenture, dated as of ________ 1, 2022, each by and among Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee"), the City and the Authority (as amended, the "Indenture"), and will use the proceeds to refund the Prior Bonds; and

WHEREAS, the Prior Bonds are subject to redemption on the Redemption Date and the City and the Authority have determined to provide for the call for redemption on the Redemption Date of the Prior Bonds outstanding on the Redemption Date;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the City and the Escrow Bank agree as follows:

Section 1. **Definitions.** Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the 2014 Trust Agreement.

Section 2. **The Escrow Fund.** (a) There is hereby established a fund (the "Escrow Fund") to be held as an irrevocably pledged escrow by the Escrow Bank, which the Escrow Bank shall keep separate and apart from all other funds of the Authority and the Escrow Bank and to be applied solely as provided in this Escrow Agreement.

Pending application as provided in this Escrow Agreement, amounts on deposit in the Escrow Fund are hereby pledged solely to the payment of the principal of and interest on the Prior Bonds as such payments become due and payable and the payment of Redemption Price on the Redemption Date, which amounts shall be held in trust by the Escrow Bank for the Owners of the Prior Bonds.

(b) Upon the authentication and issuance of the Series 2022B Bonds, there shall be deposited in the Escrow Fund $_________ received from the proceeds of the sale of the Series 2022B Bonds.

(c) Upon the deposit of moneys pursuant to Section 2(b) hereof, the moneys on deposit in the Escrow Fund will be at least equal to an amount sufficient to purchase the aggregate principal amount of [Treasuries] set forth in Exhibit A hereto (the "Exhibit A Securities"), which principal, together with all interest due or to become due on such Exhibit A Securities, and any uninvested cash held by the Escrow Bank in the Escrow Fund, will be sufficient to make the payments required by Section 4 hereof.

Section 3. **__Use and Investment of Moneys__.** (a) The Escrow Bank hereby acknowledges deposit of the moneys described in Section 2(b) hereof and agrees to invest $__________ of such moneys in the Exhibit A Securities upon receipt of certification by a nationally recognized firm of independent certified public accountants that the Exhibit A Securities will mature in such principal amounts and earn interest in such amounts and, in each case, at such times, so that sufficient moneys will be available from maturing principal and interest on the Exhibit A Securities, together with any uninvested moneys then held by the Escrow Bank in the Escrow Fund, to make all payments required by Section 4 hereof. Except as provided in Section 3(b) or Section 3(c) hereof, the balance of the moneys described in Section 2 hereof shall be held uninvested in the Escrow Fund.

(b) Upon the written request of the City, but subject to the conditions and limitations herein set forth, the Escrow Bank shall purchase substitute [Treasuries] for the [Treasuries] then held in the Escrow Fund with the proceeds derived from the sale, transfer, redemption or other disposition of [Treasuries] then on deposit in the Escrow Fund and any uninvested money then held by the Escrow Bank hereunder in accordance with the provisions of this Section. Such sale, transfer, redemption or other disposition of [Treasuries] then on deposit in the Escrow Fund and substitution of other [Treasuries] shall be effected by the Escrow Bank upon the written request of the City but only by a simultaneous transaction and only upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants addressed to the City, the Escrow Bank and the Bond Insurer that the [Treasuries] to be substituted, together with the [Treasuries] which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on such [Treasuries] held in the Escrow Fund, together with any uninvested moneys, to make all payments required by Section 4 hereof, which have not previously been made, and (ii) receipt by the Escrow Bank of an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the sale, transfer, redemption or other disposition and substitution of [Treasuries] will not adversely affect the exclusion of interest on any Prior Bonds from gross income for purposes of federal income taxation.

(c) Upon the written request of the City, but subject to the conditions and limitations herein set forth, the Escrow Bank will apply any moneys received from the maturing principal of or interest or other investment income on any [Treasuries] held in the Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of [Treasuries] pursuant to Section 3(b) hereof not required for the purposes of said Section: (i) to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, such moneys shall, upon the written request of the City, be transferred to the Trustee for deposit in the Interest Account established under the Indenture as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Prior Bonds or otherwise existing hereunder, and (ii) to the extent such moneys will be required for such purpose at a later date, shall, to the extent practicable, be invested or reinvested in [Treasuries] maturing at times and in amounts sufficient, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, to make such payment required by Section 4 hereof.

(d) All [Treasuries] purchased pursuant to this Escrow Agreement shall be deposited in and held for the credit of the Escrow Fund. Except as provided in this Section 3 hereof, no moneys or [Treasuries] deposited with the Escrow Bank pursuant to this Escrow Agreement nor principal of, or interest payments or other investment income on, any such [Treasuries] shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Prior Bonds as provided in Section 4 hereof.

(e) The Owners of the Prior Bonds shall have a first and exclusive lien on the moneys and [Treasuries] in the Escrow Fund until such moneys and [Treasuries] are used and applied as provided in this Escrow Agreement.

(f) The Escrow Bank shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

Section 4. Payment of Prior Bonds. From the maturing principal of the [Treasuries] held in the Escrow Fund and the investment income and other earnings thereon and any uninvested money then held in the Escrow Fund, the Escrow Bank shall apply such amounts as follows:

(a) pay principal of and interest on the Prior Bonds as such payments become due and payable through and including the Redemption Date; and

(b) on the Redemption Date, the Escrow Bank, as the Prior Trustee, shall pay the Redemption Price on the remaining Prior Bonds in accordance with the terms of the 2014 Trust Agreement.

To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the Prior Bonds, as shown in the then applicable escrow verification of the nationally recognized firm of independent certified public accountants, such excess shall be transferred to the Trustee for deposit in the Series 2022B Interest Fund established under the Indenture.

Section 5. Irrevocable Instructions to Mail Notices. The City hereby designates the Prior Bonds for optional redemption on the Redemption Date as indicated in Section 4 hereof and hereby irrevocably instructs the Escrow Bank, as the Prior Trustee, (1) to post notice with EMMA of defeasance of the Prior Bonds (substantially in the form of Exhibit B hereto) and (2) to timely provide mailed notice of redemption of the Prior Bonds (substantially in the form of Exhibit C hereto) in accordance with Section 4.03 of the 2014 Trust Agreement.

Section 6. Performance of Duties; Acknowledgement with Respect to Irrevocable Instructions. The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank, as the Prior Trustee, herein provided are in a form satisfactory to it.

Section 7. Escrow Bank's Authority to Make Investments. The Escrow Bank shall have no power or duty to invest any funds held under this Escrow Agreement except as provided in Section 3 hereof. The Escrow Bank shall have no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Escrow Agreement.

Section 8. **Indemnity.** To the extent permitted by law, the City hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless the Escrow Bank and its respective successors, assigns, agents, employees and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees, expenses and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Bank at any time in any way relating to or arising out of the execution, delivery and performance of this Escrow Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein, the purchase of any securities to be purchased pursuant thereto, the retention of such securities or the proceeds thereof and any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement; provided, however, that the City shall not be required to indemnify the Escrow Bank against the Escrow Bank's own negligence or willful misconduct or the negligence or willful misconduct of the Escrow Bank's respective successors, assigns, agents and employees or the material breach by the Escrow Bank of the terms of this Escrow Agreement. In no event shall the City or the Escrow Bank be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Escrow Agreement.

Section 9. **Responsibilities of Escrow Bank.** The Escrow Bank makes no representation as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the redemption of the Prior Bonds pursuant to the 2014 Trust Agreement or to the validity of this Escrow Agreement as to the City and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds) may be deemed to be conclusively established by a written certification of the City. Whenever the Escrow Bank shall deem it necessary or desirable that a matter specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds be proved or established prior to taking, suffering, or omitting any such action, such matter may be established only by a certificate signed by a nationally recognized firm of certified public accountants or such opinion of counsel of recognized standing in the field of law relating to municipal bonds.

The Escrow Bank undertakes to perform only such duties as are expressly set forth in this Escrow Agreement and no implied duties, covenants or obligations shall be read into this Agreement against the Escrow Bank.

The Escrow Bank may resign by giving written notice to the City, and upon receipt of such notice the City shall promptly appoint a successor Escrow Bank. If the City does not appoint a successor Escrow Bank within thirty days of receipt of such notice, the resigning Escrow Bank may petition a court of competent jurisdiction for the appointment of a successor Escrow Bank, which court may thereupon, upon such notice as it shall deem proper, appoint a successor Escrow Bank. Upon acceptance of appointment by a successor Escrow Bank, the resigning Escrow Bank shall transfer all amounts held by it in the Escrow Fund to such successor Escrow Bank and be discharged of any further obligation or responsibility hereunder.

Section 10. **Amendments.** The City and the Escrow Bank may (but only with the consent of the Owners of all of the Prior Bonds) amend this Escrow Agreement or enter into agreements supplemental to this Escrow Agreement.

Section 11. **Term.** This Escrow Agreement shall commence upon its execution and delivery and shall terminate on the date upon which the Prior Bonds have been paid in accordance with this Escrow Agreement.

Section 12. **Compensation.** The City shall from time to time pay or cause to be paid to the Escrow Bank the agreed upon compensation for its services to be rendered hereunder, and reimburse the Escrow Bank for all of its reasonable advances in the exercise and performance of its duties hereunder; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Escrow Agreement or otherwise.

Section 13. **Severability.** If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the City or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 14. **Counterparts.** This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Section 15. **Governing Law.** This Escrow Agreement shall be construed under the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the date first above written.

COMPUTERSHARE TRUST COMPANY, N.A., AS PRIOR TRUSTEE AND AS ESCROW BANK

By: ____
Authorized Signatory

CITY OF OXNARD

By: ____
City Manager

EXHIBIT A

[UNITED STATES TREASURY SECURITIES]

Type	Maturity Date	Par Amount	Interest Rate	Yield	Price

EXHIBIT B

NOTICE OF DEFEASANCE

NOTICE OF DEFEASANCE

CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE PROJECT AND REFUNDING BONDS SERIES 2014

Date of Issuance: November 20, 2014

CUSIP No.*	Maturity (June 1)	Rate	Amount
691875BV9	2023	5.000%	$1,185,000
691875BW7	2024	5.000	1,240,000
691875BX5	2025	5.000	1,305,000
691875BY3	2026	5.000	1,370,000
691875BZ0	2027	5.000	1,440,000
691875CA4	2028	5.000	1,510,000
691875CB2	2029	5.000	1,585,000

NOTICE IS HEREBY GIVEN, on behalf of the City of Oxnard Financing Authority (the "Authority") to the owners of the outstanding City of Oxnard Financing Authority Lease Revenue Project and Refunding Bonds Series 2014 (the "Bonds"), that pursuant to the Trust Agreement, dated as of November 1, 2014 (the "Trust Agreement"), by and among the Authority, the City of Oxnard (the "City") and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association, authorizing the issuance of Bonds, the lien of the Trust Agreement with respect to the Bonds has been discharged through the irrevocable deposit of cash and federal securities into the escrow fund (the "Escrow Fund"). The Escrow Fund has been established and is being maintained pursuant to that certain Escrow Agreement, dated as of _________ 1, 2022, by and between the City and Computershare Trust Company, N.A., as escrow bank. As a result of such deposit, the Bonds are deemed to have been paid and defeased in accordance with the Trust Agreement. The pledge of the funds provided for under the Trust Agreement and all other obligations of the Authority and the City to the owners of the Bonds shall hereafter be limited to the application of moneys in the Escrow Fund for the payment of the redemption price of the Bonds as described below.

The cash and federal securities held in the Escrow Fund are calculated to provide sufficient moneys to pay the principal of interest as such payments becomes due and payable through and including the redemption date of June 1, 2024 and to redeem the remaining Bonds in full on June 1, 2024 at a redemption price equal to 100% of the principal thereof plus accrued interest to such date.

Dated: _________, 2022 **COMPUTERSHARE TRUST COMPANY, N.A.**,
as Escrow Bank

* *CUSIP numbers are provided for convenience of reference only. None of the Authority, the City nor the Escrow Bank shall be held responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness in this Notice.*

EXHIBIT C

NOTICE OF FULL OPTIONAL REDEMPTION

NOTICE OF FULL OPTIONAL REDEMPTION

CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE PROJECT AND REFUNDING BONDS SERIES 2014

Date of Issuance: November 20, 2014

NOTICE IS HEREBY GIVEN pursuant to the terms of the Trust Agreement, dated as of November 1, 2014 (the "Trust Agreement"), by and among the City of Oxnard Financing Authority (the "Authority"), the City of Oxnard and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee"), that the bonds listed below have been selected for Full Redemption on June 1, 2024 (the "Redemption Date") at the price listed below of the principal amount (the "Redemption Price") together with interest accrued to the Redemption Date.

CUSIP No.*	Maturity (June 1)	Rate	Amount	Price
691875BX5	2025	5.000%	$1,305,000	100.00
691875BY3	2026	5.000	1,370,000	100.00
691875BZ0	2027	5.000	1,440,000	100.00
691875CA4	2028	5.000	1,510,000	100.00
691875CB2	2029	5.000	1,585,000	100.00

On the Redemption Date there will become due and payable on each of such Bonds the Redemption Price thereof, together with interest accrued thereon to the Redemption Date, and from and after such Redemption Date interest thereon shall cease to accrue and be payable. This notice and such redemption may be rescinded by the Authority on or prior to the date set for redemption. This notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Trust Agreement.

Payment of the redemption proceeds will be made on or after the redemption date upon presentation and surrender of the securities to:

By Mail or Courier Service	By Registered or Certified Mail	In Person, By Hand
[To be updated]	[To be updated]	[To be updated]

[Computershare Trust Company, N.A. policy does not allow the safekeeping of securities within Corporate Trust Operations for a period of longer than 30 days. Please DO NOT submit your securities

* *CUSIP numbers are provided for convenience of reference only. None of the Authority, the City nor the Escrow Bank shall be held responsible for the selection or use of the CUSIP numbers, nor is any representation made as to their correctness in this Notice.*

for payment more than 30 days in advance of the redemption date. A $25.00 wire transfer fee will be deducted from each payment requested to be made by wire. When inquiring about this redemption, please have the Bond number available. Please inform the customer service representative of the CUSIP number(s) of the affected Bond. Customer Service can be reached at [612-667-9764 or Toll Free at 1-800-344-5128].]**[Confirm/Update]**

IMPORTANT NOTICE

Under section 3406(a)(1) of the Internal Revenue Code, the Paying Agent making payment of interest or principal on securities may be obligated to withhold a percentage of the payment to a holder who has failed to furnish the Registrar with a valid taxpayer identification number, certification that the number supplied is correct, and that the holder is not subject to backup withholding. Holders of the bonds who wish to avoid the application of these provisions should submit either a completed IRS (Internal Revenue Service) Form W-9 (use only if the holder is a U.S. person, including a resident alien), when presenting the bonds for payment. See IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities. Publication 515 and W-8 forms and instructions are available through the IRS via their web site at www.irs.gov.

Dated: _______, 2024 **COMPUTERSHARE TRUST COMPANY, N.A.**,
as Escrow Bank

FIRST SUPPLEMENT TO INDENTURE

by and among

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee,

CITY OF OXNARD

and

CITY OF OXNARD FINANCING AUTHORITY

Dated as of ______, 2022

Relating to the

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

And

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

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FIRST SUPPLEMENT TO INDENTURE

THIS FIRST SUPPLEMENT TO INDENTURE (this "First Supplement to Indenture"), is made and entered into as of ________ 1, 2022, by and among COMPUTERSHARE TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as successor trustee (the "Trustee"), the CITY OF OXNARD, a political subdivision duly organized and existing under the laws of the State of California (the "City"), and CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority");

W I T N E S S E T H:

WHEREAS, the City previously leased certain real property and improvements thereon (the "2019 Leased Property") to the Authority pursuant to a Site Lease, dated as of December 1, 2019 (the "2019 Site Lease");

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease");

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "Series 2019A Bonds"), in the aggregate principal amount of $27,615,000, pursuant to an Indenture, dated as of December 1, 2019 (the "2019 Indenture" or the "Original Indenture") by and among the Trustee, as successor trustee to Wells Fargo Bank, National Association, the City and the Authority, and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019A Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019A Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City's $5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the "2012 Lease"), the City previously leased certain real property and improvements thereon (the "2012 Leased Property") to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the "2012 Site Lease");

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the "2012 Lease Agreement");

WHEREAS, in connection with the issuance of the Authority's $21,225,000 aggregate principal amount of Lease Revenue Project and Refunding Bonds Series 2014 (the "Series 2014 Refunded Bonds"), the City previously leased certain real property and improvements thereon (the "2014 Leased Property") to the Authority pursuant to a Property Lease, dated as of December 1, 2014 (the "2014 Property Lease");

WHEREAS, the Authority subleased the 2014 Leased Property back to the City pursuant to a Master Lease and Option to Purchase, dated as of December 1, 2014 (the "2014 Lease");

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds") pursuant to this First Supplement to Indenture and the Original Indenture (as so amended the "Indenture"), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City, [(ii) refund all the City's outstanding 2012 Lease], collectively referred to herein as the "2022A Project" and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;"

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, (ii) refund all the Authority's outstanding Series 2014 Refunded Bonds, collectively referred to herein as the "2022B Project," and together with the 2022A Project, the "2022 Projects" and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;"

WHEREAS, in order to accomplish such 2022 Projects, the Authority and the City are entering into a First Amendment to Site Lease, dated as of ________ 1, 2022, in order to amend the 2019 Site Lease, as so amended, the "2022 Site Lease," or simply the "Site Lease" (i) to include all of the [2012 Leased Property] and all of the 2014 Leased Property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the "Leased Property") and (ii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, in order to accomplish such 2022 Projects, the Authority and the City are entering into a First Amendment to Facility Lease, dated as of ________ 1, 2022, in order to amend the 2019 Facility Lease, as so amended, the "2022 Facility Lease," or simply the "Facility Lease" (i) to update the Leased Property, (ii) to increase the amount of Base Rental Payments payable thereunder and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Supplement to Indenture do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Supplement to Indenture;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to the Indenture.

(a) Section 1.01 of the Original Indenture is hereby amended by modifying and/or adding the following term:

Escrow Agreement

The term "Escrow Agreement" means the Escrow Agreement, dated as of _______ 1, 2022, between the Authority and Computershare Trust Company, N.A., as escrow bank providing for the defeasance and redemption of the Series 2014 Refunded Bonds.

(b) Section 1.01 of the Original Indenture is hereby amended by adding thereto the following definitions:

2012 Lease

The term "2012 Lease" has the meanings set forth in the preambles hereto.

Series 2014 Refunded Bonds

The term "Series 2014 Refunded Bonds" has the meanings set forth in the preambles hereto.

Series 2022A Bonds

The term "Series 2022A Bonds" means the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt).

Series 2022B Bonds

The term "Series 2022B Bonds" means the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable).

Series 2022 Bonds

The term "Series 2022 Bonds" means the Series 2022A Bonds and the Series 2022B Bonds.

Series 2022 Bonds Closing Date

The term "Series 2022 Bonds Closing Date" means ________, 2022.

2012 Lease

The term "2012 Lease" has the meanings set forth in the preambles hereto.

2022 Insurer

The term "2022 Insurer" means Build America Mutual Assurance Company.

2022A Policy

The term "2022A Policy" means the Municipal Bond Insurance Policy issued by the 2022 Insurer that guarantees the scheduled payment of principal or and interest on the Series 2022A Bonds when due.

2022A Reserve Policy

The term "2022A Reserve Policy" means the Municipal Bond Debt Service Reserve Insurance Policy issued by the 2022 Insurer and deposited into the 2022A Reserve Fund.

2022B Policy

The term "2022B Policy" means the Municipal Bond Insurance Policy issued by the 2022 Insurer that guarantees the scheduled payment of principal or and interest on the Series 2022B Bonds when due.

2022B Reserve Policy

The term "2022B Reserve Policy" means the Municipal Bond Debt Service Reserve Insurance Policy issued by the 2022 Insurer and deposited into the 2022B Reserve Fund.

Part 1.2. Amendments to Section 5.01(a) of the Indenture. Section 5.01(a) of the Indenture is hereby amended to read as follows:

> There is hereby established a special fund designated as the "Revenue Fund" which shall be held by the Trustee and which shall be kept separate and apart from all other funds and moneys held by the Trustee. Within the Revenue Fund, the Trustee shall establish and maintain (i) a separate fund designated the "Series 2019A Interest Fund" and a separate fund designated the "Series 2019A Principal Fund," (ii) a separate fund designated the "Series 2022A Interest Fund" and a separate fund designated the "Series 2022A Principal Fund" and (ii) a separate fund designated the "Series 2022B Interest Fund" and a separate fund designated the "Series 2022B Principal Fund." Upon the issuance of Additional Bonds, the Trustee shall also establish and maintain, within the Revenue Fund, a separate Interest Fund and a separate Principal Fund for each Series of Additional Bonds. The City hereby irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of its right, title and interest in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund), subject to the provisions hereof permitting the disbursement

thereof for or to the purposes and on the conditions and terms set forth herein, and in and to the Revenues, which shall be used for the punctual payment of the interest and principal of the Bonds and the Revenues shall not be used for any other purpose while any of the Bonds remain Outstanding. It is the intent of the parties hereto that the Authority shall not have any right, title, in or to the Revenues. In the event, however, that it should be determined that the Authority has any right, title or interest in or to the Revenues, then the Authority hereby irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of such right, title and interest, which shall be used for the punctual payment of the interest and principal of the Bonds. These pledges shall constitute a first and exclusive lien on the funds established hereunder and the Revenues in accordance with the terms hereof subject in all events to the power of the City and the Authority to cause the execution and delivery of Additional Bonds pursuant to Section 2.11 hereof which shall be on a parity with the Bonds Outstanding.

Part 1.3. Amendment to Exhibit A. Exhibit A to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

ADDITION OF ARTICLE XIII

Part 2.1. Addition of Article XIII. The 2019 Indenture is hereby amended and supplemented by adding thereto an additional Article as follows:

ARTICLE XIII

SERIES 2022A BONDS

Section 13.01. Authorization of Series 2022A Bonds. A second Series of Bonds is hereby created and designated "City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Tax-Exempt)." The aggregate principal amount of Series 2022A Bonds which may be issued and Outstanding under this Indenture shall not exceed $__________.

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2022A Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2022A Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2022A Bonds in the form and manner provided herein and that the Series 2022A Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The recital contained in the Series 2022A Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2022A Bonds shall be incontestable from and after their issuance.

The Series 2022A Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2022A Bonds (or any temporary Series 2022A Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 13.02. Terms of Series 2022A Bonds. The Series 2022A Bonds shall be issued in the aggregate principal amount of $_________. The Series 2022A Bonds shall be dated as of the date of initial delivery, shall be executed and delivered in the form of fully registered Series 2022A Bonds, without coupons, in Authorized Denominations, shall be payable in lawful money of the United States of America, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedule, subject to prior redemption as described in Article IV and Section 13.06 hereof:

Series 2022A Bonds

Maturity Date (June 1)	Principal Amount	Interest Rate

Each Series 2022A Bond shall bear interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of authentication, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Series 2022A Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Series 2022A Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Series 2022A Bond shall bear interest from such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Series 2022A Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

The interest on the Series 2022A Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the respective Owners of the Series 2022A Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest on any Series 2022A Bond shall be paid by check to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the Owner of the Series 2022A Bond not less than ten days prior thereto. The principal and premium, if any, of the Series 2022A Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of $1,000,000 or more in aggregate principal amount of the Series 2022A Bonds may request in writing that the Trustee pay the interest on the Series 2022A Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Section 13.03. **Form of Series 2022A Bonds.** The Series 2022A Bonds and the assignment to appear thereon shall be in substantially the forms set forth in Exhibit B hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 13.04. **Execution of Series 2022A Bonds.** The Chairman or Executive Director of the Authority is hereby authorized and directed to execute each of the Series 2022A Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2022A Bonds on behalf of the Authority. The signatures of such Chairman, Executive Director and Secretary may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Series 2022A Bonds shall cease to be such officer before the delivery of the Series 2022A Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2022A Bonds.

Only those Series 2022A Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit B hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2022A Bonds so authenticated and registered have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 13.05. **Deposit of Proceeds of Series 2022A Bonds; Other Moneys.** The proceeds received from the sale of the Series 2022A Bonds in the amount of $__________ (consisting of the par amount of the Series 2022A Bonds of $________, plus/less original issue premium/discount of $_________, less an underwriter's discount of $________, [less bond insurance and surety premium paid directly by the Underwriter on behalf of the Authority]), shall be transferred for deposit by the Trustee to the following respective funds or accounts:

(a) The Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.01 hereof the amount of $_________;

(b) The Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of $________; and

(c) The Trustee shall transfer to [Capital One Public Funding, LLC (the "Lender"), as assignee of the Authority under the Assignment Agreement dated August 1, 2012, between the Authority and the Lender related to the 2012 Lease,] the amount of $__________ for the [redemption/repayment] of the 2012 Lease.

The deposits required of the Trustee set forth above into funds or accounts shall be deemed made by the transfer of funds by the Trustee in accordance with the instructions of the City. To facilitate any transfers to or for the benefit of the City required in this Section, the Trustee may, in its discretion open a temporary fund or account on its records which shall be closed upon completion of such transfers.

Section 13.06. <u>Redemption of Series 2022A Bonds</u>. The Series 2022A Bonds shall be subject to redemption prior to their Principal Payment Date as set forth in this Section.

(a) *Extraordinary Redemption.* To the extent permitted or required by Section 5.03 or 5.04 hereof, the Series 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

(b) *Optional Redemption.* The Series 2022A Bonds maturing on or after June 1, 20___ are subject to optional redemption prior to maturity on or after June 1, 20___ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

(c) *Mandatory Sinking Account Redemption*. The Series 2022A Bonds maturing on June 1, 20__ (the "20___ Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, 20__, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such 20__ Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed or Purchased

If some but not all of the 20__ Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the 20__ Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of

$5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Section 13.07. 2022A Reserve Fund. There is hereby established a separate fund known as the "2022A Reserve Fund." The 2022A Reserve Fund shall serve solely as security for payments payable by the Authority with respect to the Series 2022A Bonds.

On the Series 2022 Bonds Closing Date, the Trustee shall credit the 2022A Reserve Policy to the 2022A Reserve Fund. The Trustee shall draw on the 2022A Reserve Policy and shall transfer such amounts to the Series 2022A Interest Fund and the Series 2022A Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to Section 5.02 to pay debt service on the Series 2022A Bonds. Notwithstanding anything herein to the contrary, neither the Authority nor the City will have any obligation to replace the 2022A Reserve Policy or to fund the 2022A Reserve Fund with cash if, at any time that the Series 2022A Bonds are Outstanding, (i) any rating assigned to the 2022 Insurer is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022A Reserve Policy.

The Trustee shall comply with all documentation relating to the 2022A Reserve Policy as shall be required to maintain the 2022A 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 Section 5.02.

Section 13.08. Insurer Provisions. All of the terms and provisions contained in the 2019 Indenture relating to the 2019A Insurer, the 2019A Policy and the 2019A Reserve Policy shall have the same force and effect with respect to the 2022 Insurer, the 2022A Policy and the 2022A Reserve Policy, as applicable.

ADDITION OF ARTICLE XIV

Part 2.2. Addition of Article XIV. The 2019 Indenture is hereby amended and supplemented by adding thereto an additional Article as follows:

ARTICLE XIV

SERIES 2022B BONDS

Section 14.01. Authorization of Series 2022B Bonds. A third Series of Bonds is hereby created and designated "City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable)." The aggregate principal amount of Series 2022B Bonds which may be issued and Outstanding under this Indenture shall not exceed $__________.

The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2022B Bonds and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2022B Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and that the Authority is now duly authorized, pursuant to each and every requirement of the Act, to issue the Series 2022B Bonds in the form and manner provided herein and that the Series 2022B Bonds shall be entitled to the benefit, protection and security of the provisions hereof.

The recital contained in the Series 2022B Bonds that the same are issued pursuant to the Act and pursuant hereto shall be conclusive evidence of their validity and of the regularity of their issuance, and all Series 2022B Bonds shall be incontestable from and after their issuance. The Series 2022B Bonds shall be deemed to be issued, within the meaning hereof, whenever the definitive Series 2022B Bonds (or any temporary Series 2022B Bonds exchangeable therefor) shall have been delivered to the purchaser thereof and the proceeds of sale thereof received.

Section 14.02. Terms of Series 2022B Bonds. The Series 2022B Bonds shall be issued in the aggregate principal amount of $_________. The Series 2022B Bonds shall be dated as of the date of initial delivery, shall be executed and delivered in the form of fully registered Series 2022B Bonds, without coupons, in Authorized Denominations, shall be payable in lawful money of the United States of America, and shall mature in the years and in the principal amounts and bear interest at the rates as set forth in the following schedule, subject to prior redemption as described in Article IV and Section 14.06 hereof:

Series 2022B Bonds

Maturity Date (June 1)	Principal Amount	Interest Rate

Each Series 2022B Bond shall bear interest from the Interest Payment Date to which interest has been paid or duly provided for next preceding its date of authentication, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Series 2022B Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Series 2022B Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Series 2022B Bond shall bear interest from such date of authentication; provided, however, that if, as shown by the records of the Trustee, interest shall be in default, each Series 2022B Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

The interest on the Series 2022B Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the respective Owners of the Series 2022B Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of Section 2.08 hereof. Payments of defaulted interest on any Series 2022B Bond shall be paid by check to the Owner as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the Owner of the Series 2022B Bond not less than ten days prior thereto. The principal and premium, if any, of the Series 2022B Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee.

The Owner of $1,000,000 or more in aggregate principal amount of the Series 2022B Bonds may request in writing that the Trustee pay the interest on the Series 2022B Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Section 14.03. **Form of Series 2022B Bonds.** The Series 2022B Bonds and the assignment to appear thereon shall be in substantially the forms set forth in Exhibit B hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 14.04. **Execution of Series 2022B Bonds.** The Chairman or Executive Director of the Authority is hereby authorized and directed to execute each of the Series 2022B Bonds on behalf of the Authority and the Secretary of the Authority is hereby authorized and directed to countersign each of the Series 2022B Bonds on behalf of the Authority. The signatures of such Chairman, Executive Director and Secretary may be by printed, lithographed or engraved by facsimile reproduction. In case any officer whose signature appears on the Series 2022B Bonds shall cease to be such officer before the delivery of the Series 2022B Bonds to the purchaser thereof, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until such delivery of the Series 2022B Bonds.

Only those Series 2022B Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit B hereto, executed manually and dated by the Trustee, shall be entitled to any benefit, protection or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the Series 2022B Bonds so authenticated and registered have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefit, protection and security hereof.

Section 14.05. **Deposit of Proceeds of Series 2022B Bonds; Other Moneys.** The proceeds received from the sale of the Series 2022B Bonds in the amount of $__________ (consisting of the par amount of the Series 2022B Bonds of $________, plus/less original issue premium/discount of $_________, less an underwriter's discount of $________, [less bond insurance and surety premium paid directly by the Underwriter on behalf of the Authority]), shall be transferred for deposit by the Trustee to the following respective funds or accounts:

(a) The Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.01 hereof the amount of $_________;

(b) The Trustee shall deposit in the Construction Fund established pursuant to Section 3.03 hereof the amount of $________; and

(c) The Trustee shall transfer to the Escrow Agent the amount of $__________ for deposit into the escrow fund established under the Escrow Agreement.

The deposits required of the Trustee set forth above into funds or accounts shall be deemed made by the transfer of funds by the Trustee in accordance with the instructions of the City. To facilitate any transfers to or for the benefit of the City required in this Section, the Trustee may, in its discretion open a temporary fund or account on its records which shall be closed upon completion of such transfers.

Section 14.06. Redemption of Series 2022B Bonds. The Series 2022B Bonds shall be subject to redemption prior to their Principal Payment Date as set forth in this Section.

(a) *Extraordinary Redemption.* To the extent permitted or required by Section 5.03 or 5.04 hereof, the Series 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium.

(b) *[Make-Whole Optional Redemption.]* **[to come if needed]**

(c) *Optional Redemption.* The Series 2022B Bonds maturing on or after June 1, 20___ are subject to optional redemption prior to maturity on or after June 1, 20___ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

(d) *Mandatory Sinking Account Redemption*. The Series 2022B Bonds maturing on June 1, 20__ (the "20___ Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, 20__, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such 20__ Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	Principal Amount to be Redeemed or Purchased

If some but not all of the 20__ Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the 20__ Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of $5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Section 14.07. 2022B Reserve Fund. There is hereby established a separate fund known as the "2022B Reserve Fund." The 2022B Reserve Fund shall serve solely as security for payments payable by the Authority with respect to the Series 2022B Bonds.

On the Series 2022 Bonds Closing Date, the Trustee shall credit the 2022B Reserve Policy to the 2022B Reserve Fund. The Trustee shall draw on the 2022B Reserve Policy and shall transfer such amounts to the Series 2022B Interest Fund and the Series 2022B Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to Section 5.02 to pay debt service on the Series 2022B Bonds. Notwithstanding anything herein to the contrary, neither the Authority nor the City will have any obligation to replace the 2022B Reserve Policy or to fund the 2022B Reserve Fund with cash if, at any time that the Series 2022B Bonds are Outstanding, (i) any rating assigned to the 2022 Insurer is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022B Reserve Policy.

The Trustee shall comply with all documentation relating to the 2022B Reserve Policy as shall be required to maintain the 2022B 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 Section 5.02.

Section 14.08. Insurer Provisions. All of the terms and provisions contained in the 2019 Indenture relating to the 2019A Insurer, the 2019A Policy and the 2019A Reserve Policy shall have the same force and effect with respect to the 2022 Insurer, the 2022B Policy and the 2022B Reserve Policy, as applicable.

PART 3

MISCELLANEOUS

Part 3.1. Effect of First Supplement to Indenture. This First Supplement to Indenture and all of the terms and provisions herein contained shall form part of the 2019 Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Indenture. The 2019 Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Supplement to Indenture and the terms of the 2019 Indenture (as in effect on the day prior to the effective date of this First Supplement to Indenture), the terms of this First Supplement to Indenture shall prevail.

Part 3.2. Execution in Counterparts. This First Supplement to Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 3.3. Effective Date. This First Supplement to Indenture shall become effective upon its execution and delivery.

[This space intentionally left blank]

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

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By: ________________________________
Authorized Officer

CITY OF OXNARD

By: ________________________________
Mayor

Attest:

By: ________________________________
City Clerk

CITY OF OXNARD FINANCING AUTHORITY

By: ________________________________
Executive Director

Attest:

By: ________________________________
Secretary

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

EXHIBIT B

FORM OF SERIES 2022 BONDS

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. R-__ $__________

CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES [2022A (TAX-EXEMPT)/ 2022B (FEDERALLY TAXABLE)]

Interest Rate	Maturity Date	Dated	CUSIP
%		_______, 2022	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM:

The CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority, duly created and lawfully existing under the Constitution and laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues, as hereinafter defined) to the registered owner specified above or registered assigns on the maturity date specified above (subject to any right of prior redemption provided for) the principal sum specified above, together with interest thereon from the Interest Payment Date (as defined below) to which interest has been paid or duly provided for next preceding its date of execution, unless such date of authentication shall be (i) prior to the close of business on June 1, 2023, in which case such Bond shall bear interest from its date of delivery, (ii) subsequent to a Record Date but before the related Interest Payment Date, in which case such Bond shall bear interest from such Interest Payment Date, or (iii) an Interest Payment Date to which interest has been paid in full or duly provided for, in which case such Bond shall bear interest from such date of authentication; *provided, however*, that if, as shown by the records of the Trustee, interest shall be in default, each Bond shall bear interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for. The term "Interest Payment Date" means [June 1, 2023] and each June 1 and December 1 thereafter. The term "Record Date" means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

The principal of this Bond shall be payable in lawful money of the United States of America at the corporate trust office of Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee") upon presentation and surrender of this Bond.

Payment of interest on this Bond due on or before the maturity or prior redemption, thereof shall be made to the person in whose name such Bond is registered, as of the Record

Date preceding the applicable interest payment date, on the registration books kept by the Trustee at its corporate trust office, such interest to be paid by check mailed by first class mail on such interest payment date to the registered owner at his address as it appears on such books. Interest on this Bond shall be payable in lawful money of the United States of America and shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. This Bond shall not be entitled to any benefit, protection or security under the Indenture, as hereinafter defined, or become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been signed by the Trustee.

The Owner of $1,000,000 or more in aggregate principal amount of the Bonds may request in writing that the Trustee pay the interest on such Bonds by wire transfer to an account in the United States of America and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "City of Oxnard Financing Authority Lease Revenue Bonds, [Series 2022A (Tax-Exempt)/ Series 2022B (Federally Taxable)]" (the "Bonds"), in the aggregate principal amount $________, all of like tenor and date (except for such variations, if any, as may be required to designate varying numbers, maturities and interest rates), and is issued under and pursuant to the provisions of an indenture, dated as of December 1, 2019, as amended by a First Supplement to Indenture, dated as of _______ 1, 2022 (the "Indenture"), by and among the Authority, the City of Oxnard (the "City") and the Trustee (copies of which are on file at the corporate trust office of the Trustee). Unless the context otherwise requires, capitalized terms not defined herein shall have the meanings ascribed to them in the Indenture.

The Bonds are issued to provide funds [(i) finance certain street improvement projects in the City, (ii) refund certain outstanding obligations of the City and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds."] [(i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, (ii) refund certain outstanding obligations of the Authority for the City, and (iii) pay the costs incurred in connection with the issuance of the Bonds;"] The Bonds are limited obligations of the Authority and are payable, as to interest thereon and principal thereof, solely from the revenues derived from Base Rental Payments paid by the City pursuant to a Facility Lease, dated as of August 1, 2019, as amended by a First Amendment thereto, dated as of _______ 1, 2022 (the "Facility Lease"), between the Authority, as lessor, and the City, as lessee, for the use and possession of the Leased Property as long as the City has such use and possession of the Leased Property, as well as from all other benefits, charges, income, proceeds, profits, receipts, rents and revenues derived by the Authority, as assignee of the City's rights under the Facility Lease, from operation or use of the Leased Property (the "Revenues"). All the Bonds are equally and ratably secured by the Revenues and enjoy the benefits of a security interest in the money held in the funds established pursuant to the Indenture (other than the Rebate Fund), subject to the provisions of the Indenture permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay

Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction. The obligation of the City to make the Base Rental Payments is subject to abatement during any period in which, by reason of material damage, destruction or title defect, there is substantial interference with the use and occupancy of the Leased Property or portions thereof or if the Leased Property or portions thereof are taken under the power of eminent domain, all as more particularly provided in the Facility Lease to which reference is hereby made.

To the extent and in the manner permitted by the terms of the Indenture, the provisions of the Indenture may be amended or supplemented by the parties thereto, in some instances without the consent of the registered owners of the Bonds. No such amendment or supplement shall (1) extend the Principal Payment Date of any Bond or reduce the rate of interest represented thereby or extend the time of payment of such interest or reduce the amount of principal represented thereby without the prior written consent of the registered owner of each Bond so affected, or (2) reduce the percentage of registered owners whose consent is required for the execution of any amendment hereof or supplement hereto without the prior written consent of the registered owners of all Bonds then Outstanding, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto, or (4) amend the amendment provisions of the Indenture without the prior written consent of the registered owners of all Bonds then Outstanding.

The Bonds are authorized to be executed and delivered in the form of fully registered Bonds without coupons, in denominations of five thousand dollars ($5,000) or any integral multiple thereof (each, an "Authorized Denomination").

This Bond is transferable by the Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Trustee in Los Angeles, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture; and upon surrender of this Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer, a new Bond or Bonds of Authorized Denominations of the same Principal Payment Date equal to the principal amount hereof will be executed and delivered by the Trustee to the Owner thereof in exchange or transfer herefor. The Trustee shall not be required to transfer or exchange any Bond during any period in which it is selecting Bonds for redemption, nor shall the Trustee be required to transfer or exchange any Bond or portion thereof selected for redemption from and after the date of mailing the notice of redemption. The Trustee may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the principal of, premium, if any, and interest on this Bond shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability on this Bond to the extent of the sum or sums so paid.

The Bonds are subject to redemption prior to maturity as described in the Indenture.

As provided in the Indenture, notice of redemption hereof or of any part hereof shall be mailed, first class postage prepaid, not less than 30 nor more than 60 days before the redemption date, to the Owner of this Bond at his or her address as it appears in the registration books maintained by the Trustee and as specified in the Indenture, but neither failure to receive any such notice nor any defect contained therein shall affect the validity of the proceedings for the redemption of this Bond. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, the interest represented hereby shall cease to accrue from and after the designated redemption date.

The Trustee has no obligation or liability to the registered owners of the Bonds for the payment of the interest or principal or redemption premiums, if any, on the Bonds; but rather the Trustee's sole obligation is to administer, for the benefit of the City, the Authority and the registered owners of the Bonds, the various funds established under the Indenture. The Authority has no obligation or liability whatsoever to the registered owners of the Bonds.

The Indenture provides that the occurrences of certain events constitute Events of Default. Subject to certain limitations and to the rights of the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding shall be entitled to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., 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.

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to U.S. Bank National Association, Los Angeles, California, or its successor, as trustee for the Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from BAM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Indenture or the Bonds, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the Trustee for the benefit of such owners under the Indenture, at laws or in equity.

IN WITNESS WHEREOF, the City of Oxnard Financing Authority has caused this Bond to be executed in facsimile by its Chairman and by its Secretary all as of **______________**, 2022.

CITY OF OXNARD FINANCING AUTHORITY

______________________________	______________________________
Secretary	Chairman

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within mentioned Indenture which has been authenticated and registered.

Dated: ___________, 2022

COMPUTERSHARE 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 ___________________ the within Bond and do(es) hereby irrevocably constitute and appoint _______________________ attorney to transfer such Bond on the register of the Trustee, with full power of substitution in the premises.

Dated: _________________________

SIGNATURE GUARANTEED BY:

____

____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: _________________________________

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
Nixon Peabody LLP
300 South Grand Avenue, Suite 4100
Los Angeles, California 90071
Attention: Danny Kim, Esq.

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

FIRST AMENDMENT TO SITE LEASE

by and between

CITY OF OXNARD
as Lessor

and

CITY OF OXNARD FINANCING AUTHORITY
as Lessee

Dated as of _________ 1, 2022

Relating to the

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

And

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

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FIRST AMENDMENT TO
SITE LEASE

THIS FIRST AMENDMENT TO SITE LEASE (this "First Amendment to Site Lease") executed and entered into as of **________** 1, 2022, is by and between the CITY OF OXNARD (the "City"), a city organized and validly existing under the Constitution and general laws of the State of California, as lessor, and the CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority"), as lessee.

RECITALS

WHEREAS, the City previously leased certain real property and improvements thereon (the "2019 Leased Property") to the Authority pursuant to the Site Lease, dated as of December 1, 2019 (the "2019 Site Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on December 3, 2019, as instrument number 20191210-00153817-0;

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease"), which was recorded in the Official Records on December 3, 2019, as instrument number 20191210-00153818-0;

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "Series 2019A Bonds"), in the aggregate principal amount of $27,615,000 pursuant to an Indenture, dated as of December 1, 2019, (the "2019 Indenture" or the "Original Indenture") among the Authority, the City and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee"), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019 Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City's $5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the "2012 Lease"), the City previously leased certain real property and improvements thereon (the "2012 Leased Property") to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the "2012 Site Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on [August 1, 2012], as instrument number **________________**;

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the "2012 Lease Agreement"), which was recorded in the Official Records on [August 1, 2012], as instrument number ________________;

WHEREAS, in connection with the issuance of the Authority's $21,225,000 aggregate principal amount of Lease Revenue Project and Refunding Bonds Series 2014 (the "Series 2014 Refunded Bonds"), the City previously leased certain real property and improvements thereon (the "2014 Leased Property") to the Authority pursuant to a Property Lease, dated as of December 1, 2014 (the "2014 Property Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on [December 1, 2014], as instrument number ________________;

WHEREAS, the Authority subleased the 2014 Leased Property back to the City pursuant to a Master Lease and Option to Purchase, dated as of December 1, 2014 (the "2014 Lease"), which was recorded in the Official Records on [December 1, 2014], as instrument number ________________;

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds") pursuant to the First Supplement to Indenture, dated as of _________ 1, 2022, by and between the City, the Authority and the Trustee and the Original Indenture (as so amended the "Indenture"), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City, [(ii) refund all the outstanding 2012 Lease], collectively referred to herein as the "2022A Project" and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;"

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, (ii) refund all the Authority's outstanding Series 2014 Refunded Bonds, collectively referred to herein as the "2022B Project," and together with the 2022A Project, the "2022 Projects" and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;"

WHEREAS, the 2019 Site Lease provides that, subject to the conditions set forth therein, the Authority may amend the 2019 Site Lease to for the purpose of affecting a Substitution or Removal, as further described in the 2019 Facility Lease;

WHEREAS, in addition, in order to accomplish such 2022 Projects, the Authority and the City are entering into this First Amendment to Site Lease, dated as of _________ 1, 2022, in order to amend the 2019 Site Lease, as so amended, the 2022 Site Lease," or simply the "Site Lease" (i) include all of the [2012 Leased Property] and all of the 2014 Leased Property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the "Leased Property"), and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Amendment to Site Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment to Site Lease;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to Section 2. Section 2(a) of the Site Lease is hereby amended to read as follows:

(a) The term hereof will commence on December 10, 2019 and shall end on June 1, 20__, the Expiry Date, unless such term is sooner terminated or is extended as hereinafter provided herein and in the Facility Lease. If prior to the Expiry Date all Base Rental Payments under the Facility Lease shall have been paid, or provision therefor has been made in accordance with Article X of the Indenture, the term hereof shall end simultaneously therewith.

Part 1.2. Amendment to Exhibit A. Exhibit A to the 2019 Site Lease is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Site Lease. This First Amendment to Site Lease and all of the terms and provisions herein contained shall form part of the 2019 Site Lease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Site Lease. The 2019 Site Lease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Site Lease and the terms of the 2019 Site Lease (as in effect on the day prior to the effective date of this First Amendment to Site Lease), the terms of this First Amendment to Site Lease shall prevail.

Furthermore, all of the terms and provisions contained in the 2019 Site Lease relating to the 2019A Insurer shall have the same force and effect with respect to the 2022 Insurer, as applicable.

Part 2.2. Execution in Counterparts. This First Amendment to Site Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 2.3. Effective Date. This First Amendment to Site Lease shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

[This space intentionally left blank]

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

CITY OF OXNARD

By:__________________________________
Mayor

ATTEST:

By: __________________________________
City Clerk

CITY OF OXNARD FINANCING AUTHORITY

By:__________________________________
Executive Director

ATTEST:

By: __________________________________
Secretary

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, described on the attached pages.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _________________, 2022, before me, ______________________________, Notary Public, personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____

4865-8989-3424.2

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _________________, 2022, before me, ______________________________, Notary Public, personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____

4865-8989-3424.2

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
Nixon Peabody LLP
300 South Grand Avenue, Suite 4100
Los Angeles, California 90071
Attention: Danny Kim, Esq.

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

FIRST AMENDMENT TO FACILITY LEASE
(Including Termination Agreement)

by and between

CITY OF OXNARD FINANCING AUTHORITY
as Lessor

and

CITY OF OXNARD
as Lessee

Dated as of _________ 1, 2022

Relating to the

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

And

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

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Page

FIRST AMENDMENT TO
FACILITY LEASE

THIS FIRST AMENDMENT TO FACILITY LEASE (this "First Amendment to Facility Lease") executed and entered into as of **________** 1, 2022, is by and between the CITY OF OXNARD FINANCING AUTHORITY, a joint powers authority duly organized and existing under and by virtue of the laws of the State of California, as lessor, and the CITY OF OXNARD (the "City"), a city organized and validly existing under the Constitution and general laws of the State of California, as lessee.

RECITALS

WHEREAS, the City previously leased certain real property and improvements thereon (the "2019 Leased Property") to the Authority pursuant to a Site Lease, dated as of December 1, 2019 (the "2019 Site Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on December 3, 2019, as instrument number 20191210-00153817-0;

WHEREAS, the Authority subleased the 2019 Leased Property back to the City pursuant to a Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease"), which was recorded in the Official Records on December 3, 2019, as instrument number 20191210-00153818-0;

WHEREAS, the Authority issued its City of Oxnard Financing Authority Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "Series 2019A Bonds"), in the aggregate principal amount of $27,615,000 pursuant to an Indenture, dated as of December 1, 2019, (the "2019 Indenture" or the "Original Indenture") among the Authority, the City and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee"), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the Series 2019 Bonds are secured by certain Base Rental Payments, as defined in the 2019 Facility Lease;

WHEREAS, the Original Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, in connection with the issuance of the City's $5,570,838 aggregate principal amount of 2012 Lease/Purchase Financing (the "2012 Lease"), the City previously leased certain real property and improvements thereon (the "2012 Leased Property") to the Authority pursuant to a Site Lease, dated as of August 1, 2012 (the "2012 Site Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on [August 1, 2012], as instrument number **________________**;

WHEREAS, the Authority subleased the 2012 Leased Property back to the City pursuant to a Lease/Purchase Agreement, dated as of August 1, 2012 (the "2012 Lease Agreement"), which was recorded in the Official Records on [August 1, 2012], as instrument number ________________;

WHEREAS, in connection with the issuance of the Authority's $21,225,000 aggregate principal amount of Lease Revenue Project and Refunding Bonds Series 2014 (the "Series 2014 Refunded Bonds"), the City previously leased certain real property and improvements thereon (the "2014 Leased Property") to the Authority pursuant to a Property Lease, dated as of December 1, 2014 (the "2014 Property Lease"), which was recorded in the official records of the County of Ventura (the "Official Records") on [December 1, 2014], as instrument number ________________;

WHEREAS, the Authority subleased the 2014 Leased Property back to the City pursuant to a Master Lease and Option to Purchase, dated as of December 1, 2014 (the "2014 Lease"), which was recorded in the Official Records on [December 1, 2014], as instrument number ________________;

WHEREAS, the Authority intends to issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds") pursuant to the First Supplement to Indenture, dated as of _________ 1, 2022, by and among the City, the Authority and the Trustee and the Original Indenture (as so amended the "Indenture"), and in accordance with the Joint Exercise of Powers Agreement and its powers thereunder and under the laws of the State of California;

WHEREAS, the proceeds of the Series 2022A Bonds will be applied by the City to (i) finance certain street improvement projects in the City (the "Street Improvement Projects"), [(ii) refund all the outstanding 2012 Lease], collectively referred to herein as the "2022A Project" and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;"

WHEREAS, the proceeds of the Series 2022B Bonds will be applied by the City to (i) finance the second phase of implementation costs of the enterprise resource planning software replacement project, (ii) refund all the Authority's outstanding Series 2014 Refunded Bonds, collectively referred to herein as the "2022B Project," and together with the 2022A Project, the "2022 Projects" and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;"

WHEREAS, the 2019 Facility Lease provides that, subject to the conditions set forth therein, the Authority may amend the 2019 Facility Lease to facilitate the issuance of Additional Bonds as provided in the 2019 Facility Lease;

WHEREAS, in addition, in order to accomplish such 2022 Projects, the Authority and the City are entering into this First Amendment to Facility Lease, dated as of _________ 1, 2022, in order to amend the 2019 Facility Lease, as so amended, the 2022 Facility Lease," or simply the "Facility Lease" (i) include all of the [2012 Leased Property] and all of the 2014 Leased Property as real property leased to the City, as more particularly described in Exhibit A attached hereto (the "Leased Property"), (ii) to increase the amount of Base Rental Payments payable thereunder and (iii) to make certain other modifications in order to provide for the execution and delivery of the Series 2022 Bonds in accordance with the provisions of the Indenture;

WHEREAS, the Authority and the City have determined that the sum of Base Rental Payments, including Base Rental Payments payable as provided herein, in any year is not in excess of the annual fair rental value of the Facilities; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this First Amendment to Facility Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this First Amendment to Facility Lease;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendments to Section 1.01. Section 1.01 of the Facility Lease is hereby amended by adding thereto the following definitions:

Expiry Date

"Expiry Date" means June 1, 20__

Original 2019 Base Rental Payments

The term "Original 2019 Base Rental Payments" means the portion of the Base Rental Payments set forth under the caption "Original 2019 Base Rental Payment Schedule" on Exhibit B hereto.

Series 2022A Base Rental Payments

The term "Series 2022A Base Rental Payments" means the portion of the Base Rental Payments set forth under the caption "Series 2022A Base Rental Payment Schedule" on Exhibit B hereto.

Series 2022B Base Rental Payments

The term "Series 2022B Base Rental Payments" means the portion of the Base Rental Payments set forth under the caption "Series 2022B Base Rental Payment Schedule" on Exhibit B hereto.

Part 1.2. Amendments to Section 4.01. Section 4.01 of the 2019 Facility Lease is amended by adding the following sentence:

> The parties hereto agree that the proceeds of the Series 2022A Bonds will be used to [(i) finance the Project, (ii) refund all the City's outstanding 2012 Lease and (iii) pay the costs incurred in connection with the issuance of the Series 2022A Bonds;"] The parties hereto agree that the proceeds of the Series 2022A Bonds will be used to[(i) finance the Project, (ii) refund all the Authority's outstanding Series 2014 Refunded Bonds and (iii) pay the costs incurred in connection with the issuance of the Series 2022B Bonds;"]

Part 1.3. Amendment to Exhibit A. Exhibit A to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit A hereto.

Part 1.4. Amendment to Exhibit B. Exhibit B to the 2019 Facility Lease is hereby amended to read in full as set forth in Exhibit B hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Facility Lease. This First Amendment to Facility Lease and all of the terms and provisions herein contained shall form part of the 2019 Facility Lease as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Facility Lease. The 2019 Facility Lease is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Facility Lease and the terms of the 2019 Facility Lease (as in effect on the day prior to the effective date of this First Amendment to Facility Lease), the terms of this First Amendment to Facility Lease shall prevail.

Furthermore, all of the terms and provisions contained in the 2019 Facility Lease relating to the 2019A Insurer shall have the same force and effect with respect to the 2022 Insurer, as applicable.

Part 2.2. Execution in Counterparts. This First Amendment to Facility Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the City) and sent by e-mail shall be deemed original signatures.

Part 2.3. Effective Date. This First Amendment to Facility Lease shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

Part 2.4. Termination of Property Lease. Upon the execution of this First Amendment to Facility Lease, the Site Lease, dated as of August 1, 2012, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number _______________, the Lease/Purchase Agreement, dated as of August 1, 2012, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number _______________, the Property Lease, dated as of December 1, 2014, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number

_______________, and the Master Lease and Option to Purchase, dated as of December 1, 2012, by and between the Authority and the City, and bearing Ventura County Clerk and Recorder document number _____________, shall each thereupon terminate and be of no further force or effect. **[Add Assignment Agreements?]**

.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF OXNARD FINANCING AUTHORITY

By: ________________________________
Executive Director

ATTEST:

By: ________________________________
Secretary

CITY OF OXNARD

By: ________________________________
Mayor

ATTEST:

By: ________________________________
City Clerk

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, described on the attached pages.

EXHIBIT B

ORIGINAL 2019 BASE RENTAL PAYMENT SCHEDULE

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
June 1, 2020	$585,000.00	$425,198.84	$1,010,198.84
December 1, 2020		441,891.53	441,891.53
June 1, 2021	665,000.00	441,891.53	1,106,891.53
December 1, 2021		435,261.48	435,261.48
June 1, 2022	710,000.00	435,261.48	1,145,261.48
December 1, 2022		427,937.83	427,937.83
June 1, 2023	755,000.00	427,937.83	1,182,937.83
December 1, 2023		419,693.23	419,693.23
June 1, 2024	805,000.00	419,693.23	1,224,693.23
December 1, 2024		410,500.13	410,500.13
June 1, 2025	860,000.00	410,500.13	1,270,500.13
December 1, 2025		399,887.73	399,887.73
June 1, 2026	910,000.00	399,887.73	1,309,887.73
December 1, 2026		387,975.83	387,975.83
June 1, 2027	970,000.00	387,975.83	1,357,975.83
December 1, 2027		374,454.03	374,454.03
June 1, 2028	1,035,000.00	374,454.03	1,409,454.03
December 1, 2028		359,508.63	359,508.63
June 1, 2029	1,095,000.00	359,508.63	1,454,508.63
December 1, 2029		343,149.33	343,149.33
June 1, 2030	1,165,000.00	343,149.33	1,508,149.33
December 1, 2030		325,161.73	325,161.73
June 1, 2031	1,235,000.00	325,161.73	1,560,161.73
December 1, 2031		305,475.83	305,475.83
June 1, 2032	1,315,000.00	305,475.83	1,620,475.83
December 1, 2032		284,928.95	284,928.95
June 1, 2033	1,395,000.00	284,928.95	1,679,928.95
December 1, 2033		261,646.40	261,646.40
June 1, 2034	1,480,000.00	261,646.40	1,741,646.40
December 1, 2034		236,575.20	236,575.20
June 1, 2035	1,575,000.00	236,575.20	1,811,575.20
December 1, 2035		207,799.95	207,799.95
June 1, 2036	1,670,000.00	207,799.95	1,877,799.95
December 1, 2036		177,289.05	177,289.05
June 1, 2037	1,745,000.00	177,289.05	1,922,289.05
December 1, 2037		145,407.90	145,407.90
June 1, 2038	1,805,000.00	145,407.90	1,950,407.90

* Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2038		111,076.80	111,076.80
June 1, 2039	1,875,000.00	111,076.80	1,986,076.80
December 1, 2039		75,414.30	75,414.30
June 1, 2040	1,945,000.00	75,414.30	2,020,414.30
December 1, 2040		38,420.40	38,420.40
June 1, 2041	2,020,000.00	38,420.40	2,058,420.40
Total	$27,615,000.00	$12,764,111.36	$40,379,111.36

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SERIES 2022A BASE RENTAL PAYMENT SCHEDULE

Payment Date[*]	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2022			
June 1, 2023			
December 1, 2023			
June 1, 2024			
December 1, 2024			
June 1, 2025			
December 1, 2025			
June 1, 2026			
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December 1, 2036			
June 1, 2037			
December 1, 2037			
June 1, 2038			
December 1, 2038			
June 1, 2039			
December 1, 2039			
June 1, 2040			

[*] Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2040			
June 1, 2041			

SERIES 2022B BASE RENTAL PAYMENT SCHEDULE

Payment Date[*]	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2022			
June 1, 2023			
December 1, 2023			
June 1, 2024			
December 1, 2024			
June 1, 2025			
December 1, 2025			
June 1, 2026			
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June 1, 2037			
December 1, 2037			
June 1, 2038			
December 1, 2038			
June 1, 2039			
December 1, 2039			
June 1, 2040			

[*] Due on each Base Rental Payment Date or that date three Business Day preceding each Interest Payment Date.

Payment Date*	Principal Component of Base Rental Payment	Interest Component of Base Rental Payment	Total
December 1, 2040			
June 1, 2041			

4890-6780-8816.2

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Facility Lease, dated as of December 1, 2019, by and between the City of Oxnard Financing Authority (the "Authority") and the City of Oxnard (the "City"), as amended and supplemented by the First Amendment to Facility Lease, dated as of ________ 1, 2022, by and between the Authority and the City, is hereby accepted by the undersigned on behalf of the City pursuant to authority conferred by resolution of the City Council of the City adopted on __________, 2022, and the City consents to recordation thereof by its duly authorized officer.

Dated as of ___________, 2022

CITY OF OXNARD

By: ________________________________

Chief Financial Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _________________, 2022, before me, ______________________________, Notary Public, personally appeared __________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On __________________, 2022, before me, ________________________________, Notary Public, personally appeared ____________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____

4890-6780-8816.2

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Danny Kim, Esq.
NIXON PEABODY LLP
300 South Grand Avenue, Suite 4100
Los Angeles, California 90071

(Space above for Recorder's use)

This document is recorded for the benefit of the City of Oxnard and the recording is fee-exempt under Section 6103 of the California Government Code and the recording is exempt under Section 27383 of the California Government Code and Section 11928 of the California Revenue and Taxation Code.

FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

by and between

CITY OF OXNARD FINANCING AUTHORITY,
as Assignor

and

COMPUTERSHARE TRUST COMPANY, N.A.,
as Trustee and Assignee

Dated as of _______ 1, 2022

Relating to the

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022A (Tax-Exempt)

And

$_________
City of Oxnard Financing Authority
Lease Revenue Bonds, Series 2022B (Federally Taxable)

ASSIGNMENT AGREEMENT

THIS FIRST AMENDMENT TO ASSIGNMENT AGREEMENT (the "First Amendment to Assignment Agreement"), executed and entered into as of ________ 1, 2022, is by and between the City of Oxnard Financing Authority (the "Authority"), a joint powers authority duly organized and existing under and pursuant to California Government Code Sections 6500 et seq. and Computershare Trust Company, N.A., as successor trustee to Wells Fargo Bank, National Association (the "Trustee"), a national banking association existing under and by virtue of the laws of the United States of America, as trustee under the Indenture (as hereinafter defined);

W I T N E S S E T H:

WHEREAS, the Authority and the City of Oxnard (the "City") have executed and entered into the Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease"), as amended by a First Amendment to Facility Lease, dated as of ________ 1, 2022 (the "First Amendment to Facility Lease," and, together with the 2019 Lease, the "Facility Lease") (which First Amendment to Facility Lease is recorded concurrently herewith), pursuant to which the Authority has leased that certain real property, as more particularly described in the Facility Lease (the "Leased Property") to the City;

WHEREAS, under and pursuant to the Facility Lease, the City is obligated to make rental payments to the Authority for the lease of the Leased Property to it;

WHEREAS, the Authority desires to assign without recourse all its rights to receive the Base Rental Payments (as defined in the Facility Lease) and certain other payments scheduled to be paid by the City under and pursuant to the Facility Lease to the Trustee;

WHEREAS, in consideration of such assignment and the execution and entering into of an Indenture, dated as of December 1, 2019 (the "2019 Indenture"), among the Authority, the City and the Trustee, the Authority issued its Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "Series 2019A Bonds"), in the aggregate principal amount of $27,615,000;

WHEREAS, in consideration of such assignment and the execution and entering into of a First Supplement to Indenture, dated as of ________ 1, 2022 (the "First Supplement to Indenture," and together with the 2019 Indenture, the "Indenture"), among the Authority, the City and the Trustee, the Authority will issue its Lease Revenue Bonds, Series 2022A (Tax-Exempt) (the "Series 2022A Bonds") , in the aggregate principal amount of $__________, and its Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds"), in the aggregate principal amount of $_________;

WHEREAS, the Indenture provides that, subject to the conditions set forth therein, in addition to the Series 2019A Bonds and the Series 2022 Bonds, the Authority may by execution of a Supplemental Indenture without the consent of the Owners, provide for the execution and delivery of Additional Bonds secured by additional Base Rental Payments;

WHEREAS, the execution and delivery of Additional Bonds secured by additional Base Rental Payments, and as required, any necessary amendments of the Facility Lease, may occur without amendment hereto;

WHEREAS, the Parties desire to amend the Assignment Agreement, dated as of December 1, 2019 (the "2019 Assignment Agreement"), by and between the Authority and the Trustee to include additional real property leased to the City pursuant to the First Amendment to the Site Lease and the First Amendment to the Facility Lease, as described in Exhibit A attached hereto and incorporated herein; and

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

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1. Amendment to Exhibit A. Exhibit A to the 2019 Assignment Agreement is hereby amended to read in full as set forth in Exhibit A hereto.

PART 2

MISCELLANEOUS

Part 2.1. Effect of First Amendment to Site Lease. This First Amendment to Assignment Agreement and all of the terms and provisions herein contained shall form part of the 2019 Assignment Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the 2019 Assignment Agreement. The 2019 Assignment Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this First Amendment to Assignment Agreement and the terms of the 2019 Assignment Agreement (as in effect on the day prior to the effective date of this First Amendment to Assignment Agreement), the terms of this First Amendment to Assignment Agreement shall prevail.

Part 2.2. Execution in Counterparts. This First Amendment to Assignment Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. The parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by the Authority) and sent by e-mail shall be deemed original signatures.

Part 2.3. **<u>Effective Date</u>.** This First Amendment to Assignment Agreement shall become effective upon the Series 2022 Bonds Closing Date (as defined in the Indenture).

[This space intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this First Amendment to Assignment Agreement by their officers thereunto duly authorized as of the day and year first above written.

CITY OF OXNARD FINANCING AUTHORITY

By: ______________________________
Executive Director

ATTEST:

By: ______________________________
Secretary

COMPUTERSHARE TRUST COMPANY, N.A., as Trustee

By: ______________________________
Authorized Signatory

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

All that certain real property, situated in the City of Oxnard, County of Ventura, State of California, as follows:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _____________, 2022, before me, ____________, Notary Public, personally appeared _________________________, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ________________________________ [SEAL]

4869-1115-1152.2

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF VENTURA)

On _____________, 2022, before me, _________________, Notary Public, personally appeared ________________________, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _______________________________ [SEAL]

PRELIMINARY OFFICIAL STATEMENT DATED ____, 2022

NEW ISSUE – BOOK-ENTRY ONLY

UNDERLYING RATING: S&P: "[__]"
(see "RATINGS" herein.)

In the opinion of Nixon Peabody LLP, Bond Counsel, subject to certain qualifications described herein, under existing statutes, regulations, rules and court decisions, and assuming certain representations and compliance with certain covenants and requirements described herein, the interest on the 2022A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, for tax years beginning after December 31, 2022, interest on the 2022A Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on certain corporations. In the further opinion of Bond Counsel, interest on the Series 2022B Bonds is not excluded from gross income for federal income tax purposes. Bond Counsel is of the opinion that interest on the 2022A Bonds and 2022B Bonds is exempt from California personal income taxes. See "TAX MATTERS" herein.

CITY OF OXNARD FINANCING AUTHORITY

$[____]*	**$[____]***
LEASE REVENUE BONDS	**LEASE REVENUE BONDS**
SERIES 2022A	**SERIES 2022B**
(FEDERALLY TAX-EXEMPT)	**(FEDERALLY TAXABLE)**

Dated: Date of Delivery **Due: June 1 as shown on inside cover.**

The City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022A (Federally Tax-Exempt) (the "Series 2022A Bonds") and the City of Oxnard Financing Authority Lease Revenue Bonds, Series 2022B (Federally Taxable) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Bonds") are being issued pursuant to the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California. The Bonds are payable from certain revenues and other moneys pledged under that certain Indenture, dated as of December 1, 2019 (the "Original Indenture"), by and among the City of Oxnard (the "City"), the City of Oxnard Financing Authority (the "Authority") and Wells Fargo Bank National Association [succeeded in interest by Computershare Trust Company, N.A., as supplemented by that certain First Supplement to Indenture, dated as of [DATE] (the "First Supplement to Indenture," and together with the Original Indenture, the "Indenture"), by and among the City of Oxnard (the "City"), the City of Oxnard Financing Authority (the "Authority") and Computershare Trust Company, N.A., as trustee (the "Trustee"). Revenues consist primarily of base rental payments (the "Base Rental Payments") to be made by the City for the right to use certain real property consisting of City Hall, a library, and the City's administrative annex (the "Leased Property") pursuant to that certain Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease"), as amended by that certain First Amendment to Facility Lease, dated as of [DATE] (the "2022 Facility Lease," and together with the 2019 Facility Lease, the "Facility Lease"), each by and between the Authority, as lessor, and the City, as lessee. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS." Capitalized terms used but not defined on the cover page of this Official Statement have the meanings ascribed herein.

The Authority has previously issued certain lease revenue bonds pursuant to the Original Indenture (the "Prior Bonds"), of which $[AMOUNT] principal amount is outstanding. Subject to satisfaction of certain conditions precedent, the Authority may issue additional bonds (the "Additional Bonds") under the Original Indenture. The Bonds will be issued as Additional Bonds under the Indenture. The Prior Bonds and the Bonds will be payable from Revenues on a parity with all other Additional Bonds issued under the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Parity Obligations; Additional Bonds" herein.

The Series 2022A Bonds are being issued to provide funds to (i) finance certain street improvement projects of the City, (ii) refund in full the Authority's outstanding obligations under that certain 2012 Lease/Purchase Agreement (the "2012 Lease"), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022A Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. The Series 2022B Bonds are being issued to provide funds to (i) finance the second phase of implementation costs of an enterprise resource planning software replacement project, (ii) advance refund in full the Authority's outstanding Lease Revenue Project and Refunding Bonds, Series 2014 (the "2014 Bonds"), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022B Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022B Bonds. See "THE FINANCING PLAN" and "THE REFUNDING PLAN."

The City will covenant under the 2022 Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the 2022 Facility Lease in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments. The City's obligation to make Base Rental Payments and Additional Payments under the 2022 Facility Lease is subject to abatement during any period in which, by reason of material damage, destruction, title defect, or condemnation of, the Leased Property, there is substantial interference with the City's right to use and occupy any portion of the Leased Property. See "RISK FACTORS — Abatement."

The Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Interest on Bonds is payable semiannually on June 1 and December 1 of each year commencing [December 1, 2022]. Purchasers will not receive certificates representing their interest in the Bonds. Individual purchases will be in principal amounts of $5,000 or integral multiples thereof. Principal of and interest and premium, if any, on the Bonds will be paid by Computershare Trust Company, N.A, as trustee, to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS — Book-Entry Only System" herein.

The Bonds are subject to optional and mandatory sinking account redemption prior to maturity as set forth herein. The Bonds are subject to extraordinary redemption as set forth herein. See "THE BONDS — Redemption."

The Bonds are special obligations of the Authority, payable solely from Revenues and the other assets pledged therefor under the Indenture. Neither the full faith and credit nor the taxing power of the Authority, the City, or the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds.

The obligation of the City to pay Base Rental Payments does not constitute an indebtedness of the City, the State of California, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction, and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation. The Authority has no power to tax.

[The scheduled payment of principal and interest on a portion, or all, of the Series 2022A Bonds and the Series 2022B Bonds (such maturities insured to be specified in the final Official Statement) when due will be guaranteed under municipal bond insurance policies for each respective series to be issued concurrently with the delivery of the Series 2022A Bonds and the Series 2022B Bonds by [INSURER]. See "BOND INSURANCE" herein.]

The Indenture establishes the 2022A Reserve Fund and the 2022B Reserve Fund which will serve as security for the applicable payments payable by the Authority under the Indenture with respect to the respective Bonds. Concurrently with the delivery of the Bonds, municipal bond debt service reserve insurance policies relating to the Series 2022A Bonds and the Series 2022B Bonds will be issued by [INSURER] (together, the "Reserve Policy") which the Trustee will credit to the respective reserve fund.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS
(See the Pages Immediately Following This Cover Page)

*

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Bonds will be offered respectively when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Nixon Peabody LLP, Bond Counsel. Best Best & Krieger LLP, Riverside, California, is acting as Disclosure Counsel to the City. Certain legal matters will be passed upon for the City and the Authority by its City Attorney and for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Company, Newport Beach, California, and for the Trustee by its counsel. It is anticipated that the Bonds will be available for delivery to DTC in New York, New York on or about [DATE].

[STIFEL LOGO]

Dated: [DATE].

$[PAR AMOUNT]
CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A (TAX-EXEMPT)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Maturity Date (June 1)	Principal Amount*	Interest Rate	Yield	CUSIP†

$__________ ___% Term Bond Due June 1, 20__, Yield: ___%; Price: ___, CUSIP† ___

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* *Preliminary, subject to change.*
† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of investors. None of the Authority, the City, the Underwriter, nor the Municipal Advisor are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.*

$[PAR AMOUNT]
CITY OF OXNARD FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022B (TAXABLE)

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Maturity Date (June 1)	Principal Amount*	Interest Rate	Yield	CUSIP†

$__________ ___% Term Bond Due June 1, 20__, Yield: ___%; Price: ___, CUSIP† ___

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* *Preliminary, subject to change.*

† *CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority and are included solely for the convenience of investors. None of the Authority, the City, the Underwriter, nor the Municipal Advisor are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.*

No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the Bonds other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. 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 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation, or sale.

This Official Statement is not to be construed as a contract with the purchasers or Owners or Beneficial Owners of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

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.

This Official Statement and the information contained herein are subject to completion or amendment 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 City or the Authority or any other parties described herein since the date hereof. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget," "intend," or similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "RISK FACTORS" and in APPENDIX A — "INFORMATION REGARDING THE CITY OF OXNARD."

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE, OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE, OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS WHICH COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS 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 BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT YIELDS HIGHER THAN THE PUBLIC OFFERING YIELDS STATED ON THE PAGES FOLLOWING THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a website; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

[INSURER INFORMATION]

CITY OF OXNARD
COUNTY OF VENTURA, CALIFORNIA
CITY COUNCIL AND CITY OF OXNARD FINANCING AUTHORITY

John C. Zragoza, Mayor
Bryan A. Macdonald, Mayor Pro Tem, District 4
Bert E. Perello, Councilmember, District 1
Oscar Madrigal, Councilmember, District 3
Gabriel Teran, Councilmember, District 2
Gabriela Basua, Councilmember, District 5
Vianey Lopez, Councilmember, District 6

CITY OFFICIALS

Alexander Nguyen, *City Manager*
Ashley Golden, *Assistant City Manager*
Shiri Klima, *Deputy City Manager*
Rose Chaparro, *City Clerk*
Stephen Fischer, *City Attorney*
Phillip S. Molina, *City Treasurer*
Betsy George, *Chief Financial Officer*
Mark Sewell, *Assistant Chief Financial Officer*

BOND COUNSEL

Nixon Peabody LLP
Los Angeles, California

DISCLOSURE COUNSEL

Best Best & Krieger LLP
Riverside, California

MUNICIPAL ADVISOR

NHA Advisors
San Rafael, California

TRUSTEE

Computershare Trust Company, N.A.
[*CITY, STATE*]

VERIFICATION AGENT

Causey Demgen & Moore P.C.
Denver, Colorado

TABLE OF CONTENTS

MAP OF THE CITY OF OXNARD

OFFICIAL STATEMENT

CITY OF OXNARD FINANCING AUTHORITY

$[____]*	**$[____]***
LEASE REVENUE BONDS	**LEASE REVENUE BONDS**
SERIES 2022A	**SERIES 2022B**
(FEDERALLY TAX-EXEMPT)	**(FEDERALLY TAXABLE)**

INTRODUCTION

This Official Statement (which includes the cover page and the appendices hereto) (the "Official Statement"), provides certain information concerning the sale and delivery of the City of Oxnard Financing Authority $[____]* Lease Revenue Bonds, Series 2022A (Federally Tax-Exempt) (the "Series 2022A Bonds"), and the City of Oxnard Financing Authority $[____]* Lease Revenue Bonds, Series 2022B (Federally Tax-Exempt) (the "Series 2022B Bonds," and together with the Series 2022A Bond, the "Bonds").

The Series 2022A Bonds are being issued to provide funds to (i) finance certain street improvement projects of the City, (ii) refund in full the Authority's outstanding obligations under that certain 2012 Lease/Purchase Agreement (the "2012 Lease"), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022A Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. The Series 2022B Bonds are being issued to provide funds to (i) finance the second phase of implementation costs of an enterprise resource planning software replacement project, (ii) advance refund in full the Authority's outstanding Lease Revenue Refunding Bonds, Series 2014 (the "2014 Bonds"), [(iii) purchase a municipal bond insurance policy and debt service reserve surety policy for the Series 2022B Bonds], and (iv) pay the costs incurred in connection with the issuance of the Series 2022B Bonds. See "THE FINANCING PLAN" and "THE REFUNDING PLAN."

The Bonds are payable from certain revenues and other moneys pledged under that certain Indenture, dated as of December 1, 2019 (the "Original Indenture"), by and among the City of Oxnard (the "City"), the City of Oxnard Financing Authority (the "Authority") and Wells Fargo Bank National Association, [succeeded in interest by Computershare Trust Company, N.A.], as supplemented by that certain First Supplement to Indenture, dated as of [DATE] (the "First Supplement to Indenture," and together with the Original Indenture, the "Indenture"), by and among the City of Oxnard (the "City"), the City of Oxnard Financing Authority (the "Authority") and Computershare Trust Company, N.A., as trustee (the "Trustee"). Revenues consist primarily of base rental payments (the "Base Rental Payments") to be made by the City for the right to use certain real property consisting of City Hall, a library, and the City's administrative annex (the "Leased Property") pursuant to that certain Facility Lease, dated as of December 1, 2019 (the "2019 Facility Lease"), as amended by that certain First Amendment to Facility Lease, dated as of [DATE] (the "2022 Facility Lease," and together with the 2019 Facility Lease, the "Facility Lease"), each by and between the Authority, as lessor, and the City, as lessee.

The Authority has previously issued certain lease revenue bonds pursuant to the Original Indenture (the "Prior Bonds"), of which $[AMOUNT] principal amount is outstanding. Subject to satisfaction of certain conditions precedent, the Authority may issue additional bonds (the "Additional Bonds") under the Original Indenture. The Bonds will be issued as Additional Bonds under the Indenture. The Prior Bonds and the Bonds will be payable from Revenues on a parity with all other Additional Bonds issued under the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Parity Obligations; Additional Bonds" herein.

Pursuant to that certain Site Lease, dated as of December 1, 2019 (the "2019 Site Lease"), as amended by that certain First Amendment to Site Lease, dated as of [DATE] (the "Amendment to Site Lease, and together with the Site Lease, the "Site Lease"), each by and between the City and the Authority, the City will lease the

* Preliminary, subject to change.

Leased Property to the Authority. Simultaneously with the execution and delivery of the Amendment to Site Lease, the Authority will sublease the Leased Property to the City under the 2022 Facility Lease. The Facility Lease will obligate the City to make Base Rental Payments to the Authority.

Upon the issuance of the Bonds, the Trustee and the Authority will execute and deliver that certain First Amendment to Assignment Agreement, dated as of [DATE] (the "Amendment to Assignment"), which amends that certain Assignment Agreement, dated as of December 1, 2019 (the "2019 Assignment Agreement," and together with the Amendment to Assignment, the "Assignment Agreement"), pursuant to which the Authority will grant, transfer, and assign to the Trustee (i) all the Authority's rights to receive the Base Rental Payments under and pursuant to the Facility Lease, (ii) the right to take all actions under the Facility Lease, (iii) the right of access more particularly described in the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Facility Lease as lessor thereunder.

The City will covenant under the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments, subject to abatement as provided in the Facility Lease. Additional Payments consist of fees, costs and expenses and all administrative costs of the Authority relating to the Leased Property including, without limiting the generality of the foregoing, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee (to the extent not paid or otherwise provided for out of the proceeds of the sale of the Bonds), fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Authority or charges required to be paid by it to comply with the terms of the Bonds or the Indenture.

Base Rental Payments and Additional Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the City's right to use and occupy the Leased Property or any portion thereof. See "RISK FACTORS — Abatement." Abatement of Base Rental Payments under the Facility Lease, to the extent that payment is not made from alternative sources as set forth below, would result in all Owners receiving less than the full amount of principal of and interest on the Bonds. To the extent that proceeds of insurance are available, Base Rental Payments (or a portion thereof) may be made during periods of abatement.

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM REVENUES AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, OR THE STATE OF CALIFORNIA (THE "STATE"), OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

THE OBLIGATION OF THE CITY TO PAY BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY, THE STATE, OR ANY OF ITS POLITICAL SUBDIVISIONS IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

[THE SCHEDULED PAYMENT OF PRINCIPAL AND INTEREST ON A PORTION, OR ALL, OF THE SERIES 2022A BONDS AND THE SERIES 2022B BONDS (SUCH MATURITIES INSURED TO BE SPECIFIED IN THE FINAL OFFICIAL STATEMENT) WHEN DUE WILL BE GUARANTEED UNDER MUNICIPAL BOND INSURANCE POLICIES (TOGETHER, THE "POLICIES") FOR EACH RESPECTIVE SERIES TO BE ISSUED CONCURRENTLY WITH THE DELIVERY OF THE SERIES 2022A BONDS AND THE SERIES 2022B BONDS BY [INSURER]. SEE "BOND INSURANCE" HEREIN.]

The Indenture establishes the 2022A Reserve Fund and the 2022B Reserve Fund (together, the "Reserve Fund") which will serve as security for the applicable payments payable by the Authority under the Indenture with respect to the respective Bonds. Concurrently with the delivery of the Bonds, municipal bond debt service reserve insurance policies relating to the Series 2022A Bonds and the Series 2022B Bonds will be issued by [INSURER] (together, the "Reserve Policy") which the Trustee will credit to the respective reserve fund.

The City has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board for purposes of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission certain annual financial information and operating data and, in a timely manner, notice of certain listed events. These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5). See "CONTINUING DISCLOSURE" herein for a description of the specific nature of the annual report and notices of listed events and a summary description of the terms of the disclosure certificate pursuant to which such reports are to be made.

Computershare Trust Company, N.A. [CITY, STATE], will act as Trustee with respect to the Bonds. The Bonds will be issued subject to the approval as to their legality by Nixon Peabody LLP, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by Best Best & Krieger LLP, as Disclosure Counsel. The City Attorney will pass on certain legal matters for the City and the Authority. Certain legal matters will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California, and for the Trustee by its counsel.

Certain events could affect the ability of the City to make the Base Rental Payments when due. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Bonds.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and, except for a budget discussion for fiscal years 2022-23 through 2026-27, is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future. See Appendix A for financial and operating information related to the City.

The summaries or references to the Indenture, the Facility Lease, the Site Lease, the Assignment Agreement and other documents, agreements, and statutes referred to herein, and the description of the Bonds included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references, and descriptions are qualified in their entireties by reference to each such document or statute. All capitalized terms used in this Official Statement (unless otherwise defined herein) which are defined in the Indenture or the Facility Lease shall have the meanings set forth therein, some of which are summarized in APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS."

SOURCES AND USES OF FUNDS

The sources and uses of funds with respect to the Bonds and certain funds held with respect to the 2014 Bonds and prepayment of the 2012 Lease are shown below.

	Series 2022A Bonds	Series 2022B Bonds	Total
Sources			
Principal Amount			
[Plus/Less] [Net] Original Issue [Premium/Discount]			
[2014 Bond Funds]			
Total Sources			
Uses			
2012 Lease Prepayment			
2014 Bonds Escrow Fund			
Project Fund			
Cost of Issuance[1]			
Total Uses			

(1) Includes legal, municipal advisory, rating agency, premium for municipal bond insurance policies and debt service reserve surety policies, Underwriter's Discount, printing fees, and other miscellaneous costs of issuance.

THE FINANCING PLAN

Series 2022A Bonds

The City intends to apply a portion of the proceeds of the sale of the Series 2022A Bonds to finance certain street improvement projects in the City. The City currently maintains approximately 905 lane miles of streets and 132 miles of alleys. The City has identified certain roadways that require repair and maintenance and is undertaking roadway improvement projects (the "Street Project"). The Street Project is anticipated to be funded with revenues from the City's Road Maintenance and Rehabilitation Account, revenues from the City's Measure "O," an allocation of 2022-23 reserve funds of the City, and a portion of the proceeds of the Series 2022A Bonds. [ADDITIONAL DETAILS OF THE STREET PROJECT TO COME]

Series 2022B Bonds

The City intends to apply a portion of the proceeds of the sale of the Series 2022B Bonds to finance phase two of its enterprise resource planning system (the "ERP System"). The City has contracted with Tyler Technologies, Inc. to establish and maintain the ERP System. The ERP System software will replace paper-based processes and 1980s green-screen technology. It offers significant efficiencies to residents, businesses, and City support operations. For example, the resident portal, which is available in Spanish, will allow for online sign-up or discontinuation of water, sewer, and solid waste utility services, online permit applications, inspection scheduling and fee payment with a single customer account. Businesses and residents alike will be able to utilize electronic plan review and to track the permitting and plan check process online. City vendors will be able to submit invoices online and track payments. Also, various internal support processes such as timesheets, payroll, procurement, budgeting and various accounting workflows will become automated, which will increase accuracy, efficiency and transparency. The City anticipates the total cost of the ERP System to be approximately $15 million, which includes certain one-time implementation costs as well as annual maintenance costs. The City will be implementing the ERP System in two phases over five years, the first phase of which was financed with a portion of the proceeds of the Authority's Lease Revenue Bonds, Series 2019A (Federally Taxable) (the "2019A Bonds") in the amount of $[_____]. A portion of the proceeds of the Series 2022B Bonds are financing the second, and final, phase of the ERP System.

THE REFUNDING PLAN

Series 2022A Bonds

Pursuant to that certain Lease/Purchase Agreement, dated as of August 1, 2012, by and between the City and the Authority, the City delivered obligations in the aggregate principal amount of $5,570,838 (the "2012 Lease"). The 2012 Lease refunded in full the City's Certificates of Participation, Series 1999.

Upon delivery of the Series 2022A Bonds, a portion of the proceeds of the Series 2022A Bonds will be transferred to [Capital One Public Funding, LLC] (the "2012 Lender"), as assignee of the Authority in connection with the 2012 Lease, for the prepayment in full of the 2012 Lease.

Series 2022B Bonds

Pursuant to that certain Trust Agreement, dated as of November 1, 2014, by and among the City, Authority, and Wells Fargo Bank, National Association, as trustee, the Authority issued its Lease Revenue Project and Refunding Bonds, Series 2014 (the "2014 Bonds"), in the aggregate principal amount of $21,225,000. Proceeds of the 2014 Bonds were used to refund the Authority's Lease Revenue Refunding Bonds, 2003 Series A issued by the Authority on May 22, 2003, and to finance the construction and improvements of certain streets and roadways within the City.

Upon the delivery of the Series 2022B Bonds, a portion of the proceeds of the Series 2022B Bonds, [together with amounts held in certain funds established in connection with the 2014 Bonds,] will be deposited into an escrow fund (the "Escrow Fund") established under an escrow agreement (the "Escrow Agreement") by and between the City and Computershare Trust Company, N.A., as escrow agent, to advance refund all of the outstanding 2014 Bonds. Amounts in the Escrow Fund will be held in cash or invested in certain obligations of the United States of America. Any investments will be scheduled to mature in such amounts and at such times and bear interest at such rates as to provide amounts, together with the cash held therein, sufficient to pay interest and principal due on the outstanding 2014 Bonds from the date of closing of the Series 2022B Bonds through June 1, 2024, and to redeem and defease on June 1, 2024, the outstanding 2014 Bonds maturing on and after June 1, 2025, at a redemption price equal to the principal amount thereof, without premium.

2014 Bonds to be Refunded

Maturity Date (June 1)	Principal Amount	Interest Rate	Redemption Date	CUSIP
2023	$ 1,185,000	5.000%	June 1, 2023[1]	691875 BV9
2024	1,240,000	5.000	June 1, 2024[1]	691875 BW7
2025	1,305,000	5.000	June 1, 2024	691875 BX5
2026	1,370,000	5.000	June 1, 2024	691875 BY3
2027	1,440,000	5.000	June 1, 2024	691875 BZ0
2028	1,510,000	5.000	June 1, 2024	691875 CA4
2029	1,585,000	5.000	June 1, 2024	691875 CB2

(1) Paid at maturity.

This Official Statement does not constitute notice or an advance notice of redemption of the 2014 Bonds.

Verification

Upon delivery of the Bonds, Causey Demgen & Moore P.C. will deliver its independent certified public accountants verification report on the mathematical accuracy of certain computations contained in schedules provided to them which were prepared on behalf of the City by the Underwriter, relating to (i) the sufficiency of the anticipated receipts from the securities and/or cash deposited with the Escrow Agent (the "Escrow Securities") to pay, when due, the principal of (whether at maturity or upon earlier redemption), interest on, and redemption premium, if any, on the 2014 Bonds, and (ii) the sufficiency of the amounts transferred to the 2012 Lender to prepay in full the 2012 Lease.

DEBT SERVICE SCHEDULES

Set forth below is the annualized debt service with respect to the Bonds, assuming no optional redemptions prior to maturity.

Fiscal Year	Series 2022A Bonds Principal	Series 2022A Bonds Interest	Total Series 2022A Bonds

Fiscal Year	Series 2022B Bonds Principal	Series 2022B Bonds Interest	Total Series 2022B Bonds

THE LEASED PROPERTY

The Leased Property consists of [three] City buildings as follows (1) City Hall, including City Council Chambers and the Civic Center, and the City's Administrative Annex, all located at 305 W. 3rd Street in Oxnard, which, together, currently encompass approximately [___] square feet of total floor space and house [____], and which were constructed in [YEAR]; and (2) the City's library located at 251 S. "A" Street in Oxnard, which consists of a [___] square feet of total floor space and houses a library [and ___] and which was constructed in [YEAR]. The total insured value of the Leased Property is approximately $[____]. [The insured value of the buildings does not include the value of the land underlying the buildings.]

Under the Facility Lease, the City has the right to substitute or release all or portion of the Leased Property subject to the prior written consent of [INSURER] and certain conditions precedent. The City will have the right to further amend the Facility Lease to provide for additional lease payments so long as, among other conditions, the value of the Leased Property is sufficient. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Additional Bonds" and "— Substitution and Removal of Property."

THE BONDS

General

The Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof. The Bonds shall bear interest from their date of delivery and such interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds will be paid semiannually on June 1 and December 1 (each, an "Interest Payment Date") of each year, commencing June 1, 2022.

The interest on the Bonds will be paid in lawful money of the United States. The interest on the Bonds shall be payable on each Interest Payment Date by check sent by first class mail by the Trustee to the Owners of the Bonds as of the Record Date for such Interest Payment Date at their addresses shown on the books required to be kept by the Trustee pursuant to the provisions of the Indenture. The principal and premium, if any, of the Bonds shall be payable upon presentation and surrender thereof on maturity or on redemption prior thereto at the Principal Corporate Trust Office of the Trustee. The term "Record Date," as defined in the Indenture, means the close of business on the 15th day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

The Owner of $1,000,000 or more in aggregate principal amount of the Bonds may request in writing that the Trustee pay the interest on the Bonds by wire transfer to an account in the United States of America, and the Trustee shall comply with such request for all Interest Payment Dates following the 15th day after receipt of such request.

Redemption*

<u>Series 2022A Bonds</u>

Optional Redemption. The Series 2022A Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The Series 2022A Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

* Preliminary, subject to change.

Mandatory Sinking Account Redemption. The Series 2022A Bonds maturing on June 1, ____ (the "Series 2022A Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022A Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	**Principal Amount to be Redeemed or Purchased**

If some but not all of the Series 2022A Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022A Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of $5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the Series 2022A Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022A Bonds plus accrued interest thereon to the date fixed for redemption, without premium. See "RISK FACTORS – Possible Insufficiency of Insurance Proceeds."

Series 2022B Bonds

Optional Redemption. The Series 2022B Bonds maturing on or before June 1, 20__, are not subject to optional redemption. The Series 2022B Bonds maturing on or after June 1, 20__ are subject to optional redemption prior to maturity on or after June 1, 20__ at the option of the City, in whole, or in part, on any date, at a redemption price equal to the principal amount of the Series 2022B Bonds to be redeemed, plus accrued but unpaid interest to the redemption date.

Mandatory Sinking Account Redemption. The Series 2022B Bonds maturing on June 1, ____ (the "Series 2022B Term Bonds") shall be subject to redemption from Mandatory Sinking Account Payments in part on June 1, ____, and on each June 1 thereafter, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium, as follows; provided, however, that in lieu of redemption thereof, such Series 2022B Term Bonds may be purchased by the Authority and tendered to the Trustee:

Sinking Fund Redemption Date (June 1)	**Principal Amount to be Redeemed or Purchased**

If some but not all of the Series 2022B Term Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of Mandatory Sinking Account Payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022B Term Bonds so redeemed by reducing each such future Mandatory Sinking Account Payment on a pro rata basis (as nearly as practicable) in integral multiples of $5,000, as shall be designated pursuant to written notice which shall include a revised Mandatory Sinking Account Payment schedule filed by Authority with the Trustee.

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. To the extent permitted or required by the Indenture, the Series 2022B Bonds are subject to redemption on any date prior to their respective maturity dates, as a whole, or in part, at the written direction of the City, from the net proceeds of any insurance or condemnation award with respect to the Leased Property or portions thereof, at a redemption price equal to the principal amount of the Series 2022B Bonds plus accrued interest thereon to the date fixed for redemption, without premium. See "RISK FACTORS – Possible Insufficiency of Insurance Proceeds."

Selection of Bonds for Redemption. Whenever provision is made in the Indenture for the redemption (other than sinking account redemption) of less than all of the Bonds of a series, the Trustee shall select the Bonds of such series to be redeemed from all Bonds of such series not previously called for redemption, in such maturities as the Authority shall designate (and randomly within any maturity). For purposes of such selection, all Bonds shall be deemed to be comprised of individual Bonds of denominations of $5,000 principal amount and such portions shall be treated as separate Bonds, which may be separately redeemed.

Notice of Redemption. Notice of redemption shall be mailed by first class mail by the Trustee, on behalf and at the expense of the City, not less than 30 nor more than 60 days prior to the redemption date to the respective Owners of Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee and, unless otherwise instructed by the Authority, provided by the Trustee to the MSRB. Each notice of redemption shall state the date of such notice, the Bonds to be redeemed, the Series and date of issue of such Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity are to be redeemed, the distinctive certificate numbers of the Bonds of such maturity to be redeemed and, in the case of Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice of optional redemption shall also state that such redemption may be rescinded by the City and that, unless such redemption is so rescinded, and provided that on said date funds are available for payment in full of the Bonds then called for redemption, on said date there will become due and payable on each of such Bonds the redemption price thereof or of said specified portion of the principal amount thereof in the case of a Bond to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice.

Failure by the Trustee to give notice of redemption pursuant to Indenture to any one or more of the information services or securities depositories, or the insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. The failure of any Owner to receive any redemption notice mailed to such Owner and any defect in the notice so mailed shall not affect the sufficiency of the proceedings for redemption.

The City has the right to send a conditional optional redemption notice and such conditional notice may be rescinded by providing written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent. Further, the City may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the Owners of the Bonds so called for redemption. The actual receipt by the Owner of any Bond of such notice of rescission will not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice will not affect the validity of the rescission.

Partial Redemption of Bonds. Whenever less than all the Outstanding Bonds of a series maturing on any one date are called for redemption at any one time, the Trustee shall select the Bonds to be redeemed from the Outstanding Bonds of such series maturing on such date not previously selected for redemption, randomly in any manner which the Trustee deems appropriate.

Effect of Redemption. If notice of redemption has been duly given as set forth in the Indenture and moneys for the payment of the redemption price of the Bonds to be redeemed are held by the Trustee, then on the redemption date designated in such notice the Bonds so called for redemption shall become payable at the redemption price specified in such notice; and from and after the date so designated, interest on the Bonds so called for redemption shall cease to accrue, such Bonds shall cease to be entitled to any benefit or security under the Indenture, and the Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price represented thereby. The Trustee shall, upon surrender for payment of any of the Bonds to be redeemed, pay such Bonds at the redemption price thereof.

Book-Entry Only System

General. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Bonds (the "Beneficial Owners"), in the denominations set forth above, under the book-entry system maintained by DTC only through brokers and dealers who are or act through DTC Participants (as defined in Appendix F) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Bonds.

Transfer and Exchange of Bonds. The following provisions regarding the exchange and transfer of the Bonds apply only during any period in which the Bonds are not subject to DTC's book-entry system. While the Bonds are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC.

All Bonds may be presented for transfer by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, on the books required to be kept by the Trustee pursuant to the provisions of the Indenture, upon surrender of such Bonds for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form acceptable to the Trustee. The Trustee may treat the Owner of any Bond as the absolute owner of such Bond for all purposes, whether or not such Bond shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the principal of, premium, if any, and interest on such Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability of by such Bond to the extent of the sum or sums so paid.

Whenever any Bonds shall be surrendered for transfer, the Trustee shall execute and deliver new Bonds in the same principal amount in Authorized Denominations. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

The Bonds may be presented for exchange at the Principal Corporate Trust Office of the Trustee, for a like aggregate principal amount of Bonds of other Authorized Denominations. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee shall not be required to transfer or exchange any Bond during the period in which the Trustee is selecting Bonds for redemption, nor shall the Trustee be required to transfer or exchange any Bond or portion thereof selected for redemption from and after the date of mailing the notice of redemption thereof.

BOND INSURANCE

[TO COME]

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Pledge of Revenues

Pursuant to the Site Lease, the City leases the Leased Property to the Authority. The Authority leases the Leased Property back to the City pursuant to the Facility Lease in exchange for the payment of Base Rental Payments. The Base Rental Payments are equal to the principal of and interest on the Bonds when due. The Bonds shall be special obligations of the Authority, payable solely from the Revenues and other assets pledged therefor under the Indenture.

Under the Indenture, "Revenues" includes all Base Rental Payments pursuant to the Facility Lease, and all other benefits, charges, income, proceeds, profits, receipts, rents and revenues derived by the Authority from the operation or use of the Leased Property, including interest or profits from the investment of money in certain accounts or funds pursuant to the Indenture. See "RISK FACTORS" and Appendix A. The City will covenant in the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease as a separate line item in its annual budgets and to make the necessary annual appropriations therefor, subject to abatement as provided in the Facility Lease.

It is the intent of the parties to the Indenture that the Authority shall not have any right, title, or interest in or to the Revenues. In the event, however, that it should be determined that the Authority has any right, title, or interest in or to the Revenues, then the Authority irrevocably pledges and transfers to the Trustee, for the benefit of the Owners, all of such right, title, and interest, which shall be used for the punctual payment of the interest and principal of the Bonds. These pledges shall constitute a first and exclusive lien on certain funds established under the Indenture and the Revenues in accordance with the terms thereof.

The Authority, pursuant to the Assignment Agreement, will unconditionally grant, transfer, and assign to the Trustee without recourse (i) all its rights to receive the Base Rental Payments under and pursuant to the Facility Lease, (ii) the right to take all actions under the Facility Lease, (iii) the right of access more particularly described in the Facility Lease, and (iv) any and all other rights and remedies of the Authority in the Facility Lease as lessor thereunder; provided, that so long as no default in payment of Base Rental Payments under the Facility Lease shall have occurred or be continuing, the Authority shall have and may exercise all rights of the Authority under the Facility Lease other than the right to receive the Base Rental Payments (which rights to receive have been assigned to the Trustee). The City will pay Base Rental Payments directly to the Trustee, as assignee of the Authority. See "— Base Rental Payments" below. Pursuant to the Facility Lease and the Indenture, the Authority may issue Additional Bonds payable from the Base Rental Payments on a parity with the Bonds. See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — INDENTURE — Proceedings for Authorization of Additional Bonds."

THE BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM REVENUES AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY, OR THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

Base Rental Payments

The City will agree under the Facility Lease to pay to the Trustee, as assignee of the Authority, the Base Rental Payments no later than the 3rd Business Day prior to each Interest Payment Date (the "Base Rental Payment Date") on which such Base Rental Payment is due. All Base Rental Payments received by the Trustee will be deposited by the Trustee in the Revenue Fund to be established under the Indenture (the "Revenue Fund"). Such payments of Base Rental Payments will be paid or payable by the City for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property.

Base Rental Payments for each Lease Year or portion thereof during the term of the Facility Lease shall constitute, together with the Additional Payments, the total amount due for such Lease Year or portion thereof and shall be paid or payable by the City for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property. Pursuant to the Indenture, on each Interest Payment Date, the Trustee will transfer amounts in the Revenue Fund as are necessary to the Interest Fund and the Principal Fund to provide for the payment of the interest on and principal of the Bonds.

The City will covenant in the Facility Lease to take such action as may be necessary to include all Base Rental Payments and Additional Payments in its operating budget for each fiscal year and to make all necessary appropriations for such Base Rental Payments and Additional Payments, subject to abatement as provided in the Facility Lease. See "DEBT SERVICE SCHEDULE."

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Payments

The Facility Lease requires the City to pay to the Authority or the Trustee, as Additional Payments thereunder in addition to the Base Rental Payments, such amounts as shall be required for the payment all costs and expenses incurred in connection with the execution, performance, or enforcement of the Facility Lease or the assignment thereof, the Indenture, or the respective interests in the Leased Property and the lease of the Leased Property by the Authority to the City thereunder, including but not limited to all fees, costs, and expenses and all administrative costs of the Authority relating to the Leased Property. Such fees and costs include, without limitation, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee (to the extent not paid or otherwise provided for out of the proceeds of the sale of the Bonds), fees of auditors, accountants, attorneys or engineers, insurance premiums, and all other reasonable and necessary administrative costs of the Authority or charges required to be paid by it to comply with the terms of the Bonds or the Indenture.

Additional Payments will be billed to the City by the appropriate party from time to time, together with a statement certifying that the amount billed has been incurred or paid for one or more of the items constituting Additional Payments, or that such amount is then so payable for such items. Amounts so billed shall be paid by the City not later than the latest time as such amounts may be paid without penalty or, if no penalty is associated with a late payment of such amounts, within thirty (30) days after receipt of a bill by the City for such amounts.

Abatement

Base Rental Payments and Additional Payments are paid by the City in each Lease Year or portion thereof for and in consideration of the right of the use and possession of, and the continued quiet use and enjoyment of, the Leased Property. During any period in which, by reason of material damage, destruction, title defect, or condemnation, there is substantial interference with the use and possession by the City of any portion of the Leased Property, rental payments due under the Facility Lease with respect to the Leased Property shall be abated to the extent that the annual fair rental value of the portion of the Leased Property in respect of which there is no substantial interference is less than the annual Base Rental Payments, in which case rental payments shall be abated only by an amount equal to the difference.

In the event the City assigns, transfers, or subleases any or all of the Leased Property or other rights under the Facility Lease, as permitted by the Facility Lease, for purposes of determining the annual fair rental value available to pay Base Rental Payments, annual fair rental value of the Leased Property shall first be allocated to payments required under the Facility Lease. The City waives the benefits of California Civil Code Sections 1932(2) and 1933(4) and any and all other rights to terminate the Facility Lease by virtue of any such interference and the Facility Lease shall continue in full force and effect.

Abatement shall continue for the period commencing with the date of such damage, destruction, title defect, or condemnation and ending with the substantial completion of the work of repair or replacement of the portions of the Leased Property so damaged, destroyed, defective, or condemned.

Notwithstanding the foregoing, to the extent there are (a) amounts held by the Trustee in the Revenue Fund, (b) amounts received in respect of rental interruption insurance, and (c) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds, Base Rental Payments and Additional Payments will not be abated as provided above but, rather, will be payable by the City as a special obligation payable solely from said funds and accounts.

Any abatement of rental payments pursuant to the Facility Lease is not considered an Event of Default as defined in the Facility Lease. See "RISK FACTORS – Abatement," herein. See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — FACILITY LEASE — Rental Abatement."

Substitution and Removal of Property

The Authority and the City may amend the Facility Lease, upon prior written consent of [INSURER], to substitute other real property and/or improvements (the "Substituted Property") for existing Leased Property and/or to remove real property (including undivided interests therein) and/or improvements from the definition of Leased Property, upon compliance with all of the conditions set forth in the Facility Lease. After a substitution or removal, the part of the Leased Property for which the substitution or removal has been effected shall be released from the leasehold under the Facility Lease and under the Site Lease. No substitution or removal shall take place under the Facility Lease until the City delivers to the Authority and the Trustee the following:

(a) A certificate of the City containing a description of all or part of the Leased Property to be released and, in the event of a substitution, a description of the Substituted Property to be substituted in its place;

(b) A certificate of the City (i) stating that the annual fair rental value of the Leased Property after a substitution or removal, in each year during the remaining term of the Facility Lease, is at least equal to the maximum annual Base Rental Payments payable thereunder attributable to the Leased Property prior to said substitution or removal, as determined by the City on the basis of commercially reasonable evidence of the fair rental value of the Leased Property after said substitution or removal; and (ii) demonstrating that the useful life of the Leased Property after substitution or removal equals or exceeds the remaining term of the Facility Lease;

(c) An opinion of counsel to the effect that the amendments to the Facility Lease and to the Site Lease contemplating substitution or removal have been duly authorized, executed and delivered and constitute the valid and binding obligations of the City and the Authority enforceable in accordance with their terms;

(d) (1) In the event of a substitution, a policy of title insurance in an amount equal to the same proportion of the principal amount as the principal portion of the Base Rental Payments for the Substituted

Property bears to the total principal portion of the Base Rental Payments payable under the Facility Lease, insuring the City's leasehold interest in the Substituted Property (except any portion thereof which is not real property) subject only to Permitted Encumbrances, together with an endorsement thereto making said policy payable to the Trustee for the benefit of the Owners of the Bonds, and (2) in the event of a partial Removal, evidence that the title insurance in effect immediately prior thereto is not affected;

(e) In the event of a substitution, a certificate of the City to the effect that the exceptions, if any, contained in the title insurance policy referred to in (d) above do not interfere with the beneficial use and occupancy of the Substituted Property described in such policy by the City for the purposes of leasing or using the Substituted Property; and

(f) Evidence that the City has complied with the covenants to secure and maintain the insurance coverage with respect to the Substituted Property as set forth in the Facility Lease.

See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS."

Action on Default

If the City defaults under the Facility Lease it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or in equity, or granted pursuant to the Facility Lease; provided, however, that notwithstanding anything in the Facility Lease or in the Indenture to the contrary, there shall be no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. After the occurrence of an Event of Default hereunder, the City will surrender possession of the Leased Property to the Authority, if requested to do so by the Authority, or by the Trustee or the Owners of the Bonds in accordance with the provisions of the Indenture.

> (1) *No Termination: Repossession and Re-Letting on Behalf of City*. In the event the Authority does not elect to terminate the Facility Lease in the manner hereinafter provided for in subparagraph (2) below, the Authority with the consent of the City, which consent is irrevocably given under the Facility Lease, may repossess the Leased Property and re-let for the account of the City, in which event the City's obligation will continue to accrue from year to year in accordance with the Facility Lease and the City will continue to receive the value of the use of the Leased Property from year to year in the form of credits against its obligation to pay Base Rental Payments. The obligations of the City shall remain the same as prior to such default to pay Base Rental Payments whether the Authority re-enters or not. The City agrees to and shall remain liable for the payment of all Base Rental Payments and the performance of all conditions contained herein and shall reimburse the Authority for any deficiency arising out of the re-letting of the Leased Property, or, in the event the Authority is unable to re-let the Leased Property, then for the full amount of all Base Rental Payments to the end of the term of the Facility Lease, but said Base Rental Payments and/or deficiency shall be payable only at the same time and in the same manner as provided above for the payment of Base Rental Payments hereunder, notwithstanding such repossession by the Authority or any suit brought by the Authority for the purpose of effecting such repossession of the Leased Property or the exercise of any other remedy by the Authority.
>
> Under the Facility Lease, the City irrevocably appoints the Authority as the agent and attorney-in-fact of the City to repossess and re-let the Leased Property in the event of default by the City in the performance of any covenants contained in the Facility Lease to be performed by the City and to remove (any removal to be done with reasonable prudence) all personal property connected to or made a part of the Leased Property, to place such property in storage or other suitable place in the City for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss, or damage whatsoever arising or occasioned by any such repossession and re-letting of the Leased Property. Additionally, pursuant to the Facility Lease, the City has waived any and all claims for damages caused or which may be caused by the Authority in repossessing the

Leased Property as provided in the Facility Lease and all claims for damages that may result from the destruction of or the injury to the Leased Property and all claims for damage to or loss of any property belonging to the City that may be in or upon the Leased Property.

The City has agreed that the terms of the Facility Lease constitute full and sufficient notice of the right of the Authority to re-let the Leased Property in the event of such repossession without effecting a surrender of the Facility Lease, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of the Facility Lease irrespective of the term for which such re-letting is made or the terms and conditions of such re-letting or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate the Facility Lease shall vest in the Authority to be effected in the sole and exclusive manner provided for in subparagraph (2) below. The City has further waived the right to any rental amounts obtained by the Authority in excess of the Base Rental Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-letting the Leased Property. In the event that the liability of the City under the corresponding subsection of the Facility Lease is held to constitute indebtedness or liability in any year exceeding the income and revenue provided for such year, the Authority, or the Trustee, or the Owners as assignees of the Authority, shall not exercise the remedies provided in this subsection.

(2) *Termination: Repossession and Re-Letting*. In the event of the termination of the Facility Lease by the Authority at its option and in the manner provided in the Facility Lease on account of default by the City (and notwithstanding any repossession of the Leased Property by the Authority in any manner whatsoever or the sale or re-letting of the Leased Property), the City nevertheless agrees to pay to the Authority all costs, losses, or damages, but not Base Rental Payments, howsoever arising or occurring payable at the same time and in the same manner as is provided in the Facility Lease in the case of payment of Base Rental Payments. Any proceeds of the re-letting or other disposition of the Leased Property or the sale of the improvements located on the Leased Property by the Authority shall, after payment of the fees and expenses of the Trustee and other Additional Payments, be deposited into the Revenue Fund and be applied in accordance with the provisions of the Indenture. Any surplus received by the Authority from such sale or re-letting shall be the absolute property of the Authority, and the City shall have no right thereto nor shall the City be entitled to any credit in the event of a surplus in the rentals received by the Authority for the Leased Property. Neither notice to pay rent or to deliver up possession of the Leased Property given pursuant to law nor any proceeding taken by the Authority to recover possession of the Leased Property shall by itself operate to terminate the Facility Lease, and no termination of the Facility Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate the Facility Lease. The City covenants and agrees that no surrender of the Leased Property or of the remainder of the term of the Facility Lease or any termination of the Facility Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice. No such termination shall be effected whether by operation of law or acts of the parties to the Facility Lease, except only in the manner expressly provided in the Facility Lease. There is no provision for the acceleration of debt service on the Bonds in the Indenture or of Base Rental Payments in the Facility Lease upon the happening of an event of default. See "RISK FACTORS — Limited Recourse on Default; No Acceleration of Base Rental."

In each and every case during the continuance of an event of default under the Indenture, the Trustee or the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding (subject to the provisions of the Indenture) shall be entitled, upon notice in writing to the City and the Authority, to exercise any of the remedies granted to the City under the Facility Lease to the Authority under the Facility Lease and, in addition, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by the Indenture or by the Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right.

For purposes of certain actions of Owners under the Indenture and the Facility Lease, such as certain consents and amendments and the direction of remedies following default, Owners do not act alone and may not control such matters to the extent such matters are not supported by the requisite number of the Owners of all Bonds and Additional Bonds, if any.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Facility Lease and the Indenture, see APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS — FACILITY LEASE — Maintenance; Taxes; Insurance and Other Charges — Insurance."

Bond Insurance

[TO COME]

Reserve Funds

Concurrently with the closing of the Series 2022A Bonds, the Trustee shall credit the 2022A Reserve Policy in the amount of $__________ to the 2022A Reserve Fund. The Trustee shall draw on the 2022A Reserve Policy and shall transfer such amounts to the Series 2022A Interest Fund and the Series 2022A Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture to pay debt service on the Series 2022A Bonds. Neither the Authority nor the City will have any obligation to replace the 2022A Reserve Policy or to fund the 2022A Reserve Fund with cash if, at any time that the Series 2022A Bonds are Outstanding (i) any rating assigned to [INSURER], the insurer, is downgraded, suspended, or withdrawn, or (ii) amounts are not available for any reason under the 2022A Reserve Policy.

Concurrently with the closing of the Series 2022B Bonds, the Trustee shall credit the 2022B Reserve Policy in the amount of $__________ to the 2022B Reserve Fund. The Trustee shall draw on the 2022B Reserve Policy and shall transfer such amounts to the Series 2022B Interest Fund and the Series 2022B Principal Fund, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture to pay debt service on the Series 2022B Bonds. Neither the Authority nor the City will have any obligation to replace the 2022B Reserve Policy or to fund the 2022B Reserve Fund with cash if, at any time that the Series 2022B Bonds are Outstanding, (i) any rating assigned to [INSURER], the insurer, is downgraded, suspended or withdrawn, or (ii) amounts are not available for any reason under the 2022B Reserve Policy.

Insurance

General. The Facility Lease requires that the City maintain certain insurance coverages on the Leased Property for loss due to property damage, title defect, loss of use, and other liability as follows:

All Risk Insurance. A policy or policies of insurance (excluding earthquake and flood insurance) against loss or damage to the Property known as "all risk." Such insurance shall be provided by an insurer rated no less than "A" by A. M. Best and shall be maintained at all times in an amount not less than the greater of the full replacement value of the Leased Property or the aggregate principal amount of the principal component of the then-remaining Base Rental Payments payable under the Facility Lease.

General Liability Insurance. General liability coverage against claims for damages including death, personal injury, bodily injury, or property damage arising from operations involving the Leased Property. Such insurance shall afford protection with a combined single limit of not less than $2,000,000 per occurrence with respect to bodily injury, death, or property damage liability, or such greater amount as may from time to time be recommended by the City's risk management officer or an independent insurance consultant retained by the City for that purpose; provided, however, that such obligations may be satisfied by self-insurance.

Workers' Compensation Insurance. Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the California Labor Code, or any act hereafter enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the City in connection with the Property and to cover liability for compensation under any such act; provided, however, that such obligations may be satisfied by self-insurance.

Rental Interruption Insurance. The Facility Lease requires the City to maintain rental interruption insurance to cover the loss, total or partial, of the use of any part of the Leased Property as a result of any of the hazards covered by the property insurance required by the Facility Lease and described under "— *Property Insurance*" above in an amount equal to twice the maximum annual Base Rental Payments under the Facility Lease. The City is not permitted to self-insure its obligation to maintain rental interruption insurance. Such rental interruption insurance may be included in the policy or policies for property insurance required by the Facility Lease and described under "— Property Insurance" above without increasing the aggregate limits for coverage with respect to any hazard covered thereby. The net proceeds any rental interruption insurance shall be payable to the Trustee and deposited in the Revenue Fund to be applied to the payment of principal and interest on the Bonds as they become due, in accordance with the Indenture.

Title Insurance. A CLTA policy or policies of title insurance for the Leased Property in an amount not less than the initial aggregate principal amount of the Bonds. Such policy or policies of title insurance shall show fee title and the leasehold estate to the Leased Property in the name of the City and a leasehold estate in the name of the Authority, subject to permitted encumbrances as will not, in the opinion of the Authority, materially adversely affect the use and possession of the Leased Property and will not result in the abatement of Base Rental Payments payable by the City under the Facility Lease. Such policy shall insure the City's leasehold estate in the Leased Property subject only to such exceptions as do not materially affect the City's right to the use and occupancy of the Leased Property.

Notwithstanding the generality of the foregoing, the City shall not be required to maintain or cause to be maintained more insurance than is specifically referred to above or any policies of insurance other than standard policies of insurance with standard deductibles offered by reputable insurers on the open market.

The City self-insures up to certain amounts and purchases additional coverage from commercial carriers as described in Appendix A hereto under "INFORMATION REGARDING THE CITY OF OXNARD — Risk Management." See also APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS."

Use of Property and Title Insurance and Condemnation Proceeds. If, prior to the termination of the term of the Facility Lease, (a) the Leased Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Leased Property or any portion thereof or the estate of the City or the Authority in the Leased Property or any portion thereof is defective or shall be taken under the exercise of the power of eminent domain, then the City and the Authority will cause the net proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification, improvement, or replacement of the damaged, destroyed, defective, or condemned portion of the Leased Property, and any balance of the net proceeds remaining after such work has been completed shall be paid to the City; *provided* the proceeds of such insurance or condemnation award together with any other moneys then available for the purpose are at least sufficient to prepay the aggregate annual amounts of principal and interest components of the Base Rental Payments due and attributable to the portion of the Leased Property so destroyed, damaged, defective, or condemned (determined by reference to the proportion which the annual fair rental value of the destroyed, damaged, defective, or condemned portion thereof bears to the annual fair rental value of the Leased Property), the City may elect not to repair, reconstruct, or replace the damaged, destroyed, defective, or condemned portion of the Leased Property and instead apply such proceeds to the redemption of Outstanding Bonds pursuant to the Indenture.

The City shall only prepay less than all of the principal components of the then-remaining Base Rental Payments if the annual fair rental value of the Leased Property after such damage, destruction, title defect, or condemnation is at least equal to the aggregate annual amount of the principal and interest components of the Base Rental Payments not being prepaid.

In the event that the proceeds, if any, of said insurance or condemnation award are insufficient either to (i) repair, rebuild, or replace the Leased Property so that the fair rental value of the Leased Property would be at least equal to the Base Rental Payments, or (ii) to redeem all the Outstanding Bonds, then the City may, in its sole discretion, budget and appropriate an amount necessary to effect such repair, rebuilding, or replacement or prepayment; *provided* that the failure of the City to so budget and/or appropriate shall not be a breach of or default under the Facility Lease.

Additional Bonds

The Bonds will be issued as Additional Bonds under the Indenture payable from Revenues on parity with all other outstanding Bonds under the Indenture. The Authority has previously issued the Prior Bonds pursuant to the Original Indenture payable from Revenues. The Facility Lease and Indenture authorize the Authority to issue other Additional Bonds on a parity with the Bonds and the Prior Bonds upon the satisfaction of certain conditions precedent set forth in the Indenture; provided that prior to or concurrently with the execution and delivery of the Additional Bonds, the City and the Authority must enter into an amendment to the Facility Lease and satisfy certain conditions precedent under the Facility Lease, providing for an increase in the Base Rental Payments. The Facility Lease, however, may not be amended in a manner such that the sum of Base Rental Payments, including Base Rental Payments payable pursuant to such amendment, in any year is in excess of the annual fair rental value of the Leased Property and other land and improvements leased to the City thereunder. See APPENDIX B — "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS."

THE AUTHORITY

The Authority is a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California pursuant to a Joint Exercise of Powers Agreement, dated as of October 8, 1991, as amended on April 21, 1992, by and among the City, the Oxnard Community Development Commission (as successor to the Redevelopment Agency of the City of Oxnard), and the Housing Authority of the City of Oxnard. The Authority was created to finance the cost of any capital improvement, working capital, or liability and other insurance needs, or projects wherever there are significant public benefits, as determined by the City.

THE CITY

The City is located in western Ventura County (the "County") on the shore of the Pacific Ocean. The City is approximately 65 miles northwest of the City of Los Angeles, 35 miles southeast of the City of Santa Barbara, and 6 miles south of the county seat of the County. The City is the most populous city in the County, with a population estimated at 200,050 in 2022, accounting for over 24% of the County's population. The City has a diversified economic base composed of agriculture and related business, retail, various services, and governmental agencies.

The City was incorporated as a general law city on June 30, 1903, and operates under a council-manager form of government. The City is governed by an elected mayor holding a two-year term and six councilmembers elected by districts for four-year overlapping terms. For financial and demographic information regarding the City see APPENDIX A — "INFORMATION REGARDING THE CITY OF OXNARD."

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Bonds. They do not purport, however, to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Bonds. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations – Security for the Bonds

The Bonds are special obligations of the Authority, payable solely from Revenues and the other assets pledged under the Indenture. Neither the full faith nor credit of the Authority, the City, or the State, or any political subdivision thereof, is pledged to the payment of the Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State or of any political subdivision thereof in contravention of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City or the State has levied or pledged any form of taxation.

Although the Facility Lease does not create a pledge, lien, or encumbrance upon the funds of the City, the City is obligated under the Facility Lease to pay the Base Rental Payments and Additional Payments from any source of legally available funds, subject to abatement as provided in the Facility Lease, and the City will covenant in the Facility Lease that it will take such action as may be necessary to include all Base Rental Payments and Additional Payments due under the Facility Lease in its annual budgets and to make necessary annual appropriations for all such rental payments, subject to abatement. The City is currently liable and may become liable on other obligations payable from general revenues. See "CITY FINANCIAL INFORMATION — Long Term Liabilities" in Appendix A attached hereto for a description of the City's long-term and other obligations payable from general revenues.

Abatement

In the event of substantial interference with the City's right to use and occupy any portion of the Leased Property by reason of damage to, or destruction, or condemnation of the Leased Property, or any defects in title to the Leased Property, Base Rental Payments will be subject to abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Abatement." In the event that such portion of the Leased Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City's rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for which funds are available from (a) amounts held by the Trustee in the Revenue Fund, and (b) amounts, if any, otherwise legally available to the Trustee for payments in respect of the Bonds under the Indenture, or in the event that casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Leased Property or redemption of the Bonds, there could be insufficient funds to make payments to Owners in full. The City has covenanted in the Facility Lease to maintain rental interruption insurance in an amount equal to twice the maximum annual Base Rental Payments under the Facility Lease.

If damage, destruction, title defect, or eminent domain proceedings with respect to the Leased Property results in abatement of the Base Rental Payments related to such Leased Property and if such abated Base Rental Payments, if any, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and eminent domain proceeds, if any, are insufficient to make all payments of principal and interest with respect to the Outstanding Bonds during the period that the Leased Property is being replaced, repaired, or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Facility Lease and the Indenture, no remedy is available to the Owners for nonpayment under such circumstances. See APPENDIX B – "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – FACILITY LEASE – Rental Abatement."

Substitution or Release of Leased Property

The Facility Lease provides that, upon the satisfaction of the conditions specified therein, the City may release from the Facility Lease any portion of the Leased Property or substitute alternate real property for any or all of the Leased Property. Thus, all or a portion of the Leased Property could be replaced or could be released altogether, subject to conditions described in the Facility Lease. Such replacement or release could have an adverse impact on the security for the Bonds, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See APPENDIX B "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – FACILITY LEASE," AND See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Substitution and Removal of Property."

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Limited Secondary Market

There can be no guarantee that there will be a secondary market for purchase or sale of the Bonds or, if a secondary market exists, that the Bonds can or could be sold for any particular price.

Seismic Activity

Generally, within the State, some level of seismic activity occurs on a regular basis. Periodically, the magnitude of a single seismic event can cause significant ground shaking and damage to property located at or near the center of such seismic activity. An earthquake along one of the faults in the vicinity, either known or unknown, could cause a number of casualties and extensive property damage. The effects of such a quake could be aggravated by aftershocks and secondary effects such as fires, landslides, dam failure, liquefaction, and other threats to public health, safety, and welfare. The potential direct and indirect consequences of a major earthquake can easily exceed the resources of the City and would require a high level of self-help, coordination, and cooperation.

The City is located in the vicinity of several known active earthquake faults, heightening the risks associated with seismic events, and the City cannot provide assurances that the Leased Property would not be significantly damaged if a seismic event were to occur. The City does not currently maintain earthquake insurance coverage for the Leased Property.

Wildfire Conditions

Although the City is not located in a very high fire hazard severity zone (as designated by the California Department of Forestry and Fire Protection), the County includes areas where there is high or extreme danger of wildfires during dry months and during periods of prolonged drought. In December 2017, the County, along with neighboring Santa Barbara County experienced a massive wildfire known as the Thomas Fire, which burned approximately 282,000 acres, destroyed over 1,000 structures, and damaged an additional 280 structures. Additionally, the County experienced the Easy Fire on October 30, 2019 which burned over 1,500 acres and required evacuations, and on November 1, 2019, the Maria Fire which burned more than 9,000 acres and required nearby evacuations. In August 2020, the County experienced the Holser Fire which burned over 3,000 acres and the Moc Fire which burned over 2,800 acres. None of these fires affected the Leased Property.

In recent years, portions of California have experienced wildfires that have burned hundreds of thousands of acres and destroyed thousands of homes and structures, even in areas not previously thought to be prone to wildfires. Such areas affected by wildfires are more prone to flooding and mudslides that can further lead to the destruction of homes. There can be no assurances that wildfires will not occur within the County or within the City. Property damage due to wildfire could result in a significant decrease in the market value of property in the City and in the ability or willingness of property owners to pay property taxes when due.

Risks Associated with Global Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common and extreme weather events will become more frequent and more intense as a result of increasing global temperatures attributable to atmospheric pollution.

The Fourth National Climate Assessment, published by the U.S. Global Change Research Program in November 2018 (NCA4), finds that rising temperatures, sea level rise, and more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to increasingly disrupt and damage infrastructure, ecosystems, social systems, property, and regional economies and industries that depend on natural resources and favorable climate conditions.

Coastal portions of the City are located along the Pacific Ocean and have experienced rising sea levels which could cause severe flooding and the loss of property. Additionally, the City could be subject to impacts from tsunamis in the event of an earthquake occurring off-shore.

Beyond the direct adverse material effect of global climate change itself, present, pending and possible regulations aimed at curbing the effects of climate change may directly or indirectly materially adversely affect the market value of property in the City and its ability or willingness of property owners to pay property taxes when due.

Hazardous Substances

The City is unaware of the existence of hazardous substances which require remedial action on or near the Leased Property. It is possible, however, such substances do currently or potentially exist and that the City is not aware of them. The existence or discover of hazardous materials may limit the beneficial use of the Leased Property.

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 California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance 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 and adversely affect the operations and finances of the City, may result in the reduction in the assessed value of property, and therefor property tax revenue.

Cybersecurity

The City relies on computers and technology to conduct its operations. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. The City owns and operates its own enterprise class data network serving the municipal city government and its operations. The City has retained information technology professionals to support, maintain and protect these operations locally in a purpose-built and physically secure environment. This network and its operations are governed by and in compliance with all applicable governmental regulations as well as the City's own administrative regulations. Within the City's operations and guidance is an active cyber-security program designed to protect from, and to quickly identify and mitigate, a multitude of complex security threats. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates. [To date, there have been no significant cyber-attacks on the City's computers and technologies.]

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the

City's computer and technology could negatively impact the City's operations, and the costs related to such attacks could be substantial.

The City maintains cybersecurity insurance in an amount equal to [$2 million] per incident.

Limited Recourse on Default; No Acceleration of Base Rental Payments

Failure by the City to make Base Rental Payments or Additional Payments required to be made under the Facility Lease, or failure to observe and perform any other terms, covenants, or conditions contained in the Facility Lease or in the Indenture for a period of thirty (30) days after written notice of such failure and request that it be remedied has been given to the City by the Authority or the Trustee, constitute events of default under the Facility Lease and permit the Trustee or the Authority to pursue any and all remedies available. In the event of a default, notwithstanding anything in the Facility Lease or in the Indenture to the contrary, there is no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and APPENDIX B — "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

If the City defaults on its obligation to make Base Rental Payments with respect to the Leased Property, the Trustee, as assignee of the Authority, may retain the Facility Lease and hold the City liable for all Base Rental Payments thereunder on an annual basis and enforce any other terms or provisions of the Facility Lease to be kept or performed by the City, and will also have the right to re-enter and re-let the Leased Property. Due to the specialized nature of the Leased Property, no assurance can be given that the Trustee will be able to re-let any portion of the Leased Property so as to provide rental income sufficient to make payments of principal of and interest on the Bonds in a timely manner, and the Trustee is not empowered to sell the Leased Property for the benefit of the Owners of the Bonds. In addition, due to the governmental function of the Leased Property, it is not certain whether a court would permit the exercise of the remedies of repossession and re-letting with respect thereto. Any suit for money damages would be subject to limitations on legal remedies against cities in California, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Moreover, there can be no assurance that such re-letting will not adversely affect the exclusion of any interest component of the Series 2022A Bonds from federal or state income taxation.

Limitations on Remedies

The enforcement of any remedies provided in the Facility Lease and the Indenture could prove both expensive and time consuming. The enforceability of the rights and remedies of the Owners and the obligations of the City may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equitable principles, including but not limited to concepts of materiality, reasonableness, good faith, and fair dealing, which may limit the specific enforcement under state law of certain remedies, and the possible unavailability of specific performance or injunctive relief, regardless of whether considered in a proceeding in equity or law; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose.

Although the Facility Lease and the Indenture provide that if the City defaults the Trustee may re-enter the Leased Property and re-let the Leased Property, portions of the Leased Property may not be easily recoverable, and even if recovered, could be of little value to others because of the specialized nature of the Leased Property. Additionally, the Trustee may have limited ability to re-let the Leased Property to provide a source of rental payments sufficient to pay the principal of and interest on the Bonds. Furthermore, due to the governmental nature of the Leased Property, it is not certain whether a court would permit the exercise of the remedy of re-letting with respect thereto.

Alternatively, the Trustee may terminate the Facility Lease and proceed against the City to recover damages pursuant to the Facility Lease. Any suit for money damages would be subject to limitations on legal remedies against public agencies in the State, including a limitation on enforcement of judgement against funds needed to serve the public welfare and interest.

Bond Counsel has limited its opinion as to the enforceability of the Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditors' rights. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation, or modification of the rights of the Owners of the Bonds.

Bankruptcy

Under Chapter 9 of the United States Bankruptcy Code (Title 11, United States Code) (the "Bankruptcy Code"), which governs bankruptcy proceedings of public entities such as the City, no involuntary bankruptcy petition may be filed against a public entity. Upon satisfaction of certain prerequisite conditions, however, a voluntary bankruptcy petition may be filed by the City. The filing of a bankruptcy petition results in a stay against enforcement of remedies under agreements to which the bankrupt entity is a party. A bankruptcy filing by the City could thus limit remedies under the Facility Lease. A bankruptcy debtor may choose to assume or reject executory contracts and leases, such as the Facility Lease. In the event of rejection of a lease by debtor lessee, the leased property is returned to the lessor and the lessor has a claim for a limited amount of the resulting damages.

Under the Indenture, the Trustee holds a security interest in the Revenues, including Base Rental Payments, for the benefit of the Owners of the Bonds, but such security interest arises only when the Base Rental Payments are actually received by the Trustee following payment by the City. The Leased Property is not subject to a security interest, mortgage, or any other lien in favor of the Trustee for the benefit of Owners. In the event of a bankruptcy filed by the City and the subsequent rejection of the Facility Lease by the City, the Authority would recover possession of the Leased Property and the Trustee, as assignee of the Authority, would have a claim for damages against the City. The Trustee's claim would constitute a secured claim only to the extent of Revenues in the possession of the Trustee; the balance of such claim would be unsecured.

Bankruptcy proceedings would subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently entail risks of delay, limitation, or modification of their rights with respect to the Bonds. In a bankruptcy case, the amount recovered by Owners of the Bonds could be affected by whether the Facility Lease is determined to be a "true lease" or a loan or other financing arrangement (a "financing lease"), and the Owners' recovery could be reduced in either case. If the Facility Lease is determined by the bankruptcy court to constitute a "true lease" (rather than a financing lease), the City could choose not to perform under the Facility Lease by rejecting it and the claim of the Owners could be substantially limited pursuant to Section 365 of the Bankruptcy Code to a fraction of the scheduled amount of Base Rental Payments, and that reduced claim amount could be impaired as an unsecured claim under a plan of adjustment. If a bankruptcy court were to treat the Facility Lease as a financing lease then, under a plan of adjustment, the priority, payment terms, collateral, payment dates, payment sources, covenants and other terms or provisions of the Facility Lease and the Bonds may be altered. Such a plan could be confirmed even over the objections of the Trustee and the Owners, and without their consent. For example, the amount of the Base Rental Payments from the City might be substantially reduced because of the power of the bankruptcy court under the Bankruptcy Code to adjust secured claims to the value of their collateral, which, as described above, could be limited to the Revenues held by the Trustee. In addition there can be a substantial disparity in treatment based on the nature of the Leased Property. Whether the Facility Lease is characterized by the bankruptcy court as a true lease or a financing lease, either scenario could result in the Owners not receiving the full amount of the principal and interest due on the Bonds.

Actions could be taken in a bankruptcy of the City that could adversely affect the exclusion of interest on the Series 2022A Bonds from gross income for federal income tax purposes. In addition, there may be other possible effects of the bankruptcy of the City that could result in delays or reductions in payments of the principal of and interest on the Bonds, or in other losses to the Owners of the Bonds.

Possible Insufficiency of Insurance Proceeds

The Facility Lease obligates the City to keep in force various forms of insurance, subject to deductibles, for repair or replacement of the Leased Property in the event of damage, destruction, or title defects, subject to certain exceptions. The Authority and the City make no representation as to the ability of any insurer to fulfill its obligations under any insurance policy obtained pursuant to the Facility Lease, and no assurance can be given as to the adequacy of any such insurance to fund necessary repair or replacement or to pay principal of and interest on the Bonds when due. In addition, insurance for certain risks, such as earthquakes and floods, are not required under the Facility Lease. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Insurance."

No Liability of Authority to the Owners

Except as expressly provided in the Indenture, the Authority will not have any obligation or liability to the Owners of the Bonds with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed by it contained in the Facility Lease or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

Loss of Tax Exemption

As discussed under the heading "TAX MATTERS," certain acts or omissions of the City in violation of its covenants in the Indenture and the Facility Lease, as well as certain other matters, could result in the interest on the Series 2022A Bonds being includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Series 2022A Bonds. Should such an event of taxability occur, the Series 2022A Bonds would not be subject to special prepayment and would remain Outstanding until maturity or until prepaid under the provisions of the Indenture.

COVID-19

The global outbreak in 2020 of the novel coronavirus COVID-19 ("COVID-19") was declared to be a pandemic by the World Health Organization and had an adverse effect on, among other things, the national economy, the global supply chain, international travel, and travel-related industries. The outbreak of COVID-19 has negatively affected the national and local economy and financial markets, and may continue to negatively affect economic output worldwide and within the State and the City. On June 15, 2021 the Governor terminated the executive orders that imposed the prior stay at home directors and the State's Blueprint for a Safer Economy plan. As of June 15, 2021, the vast majority of restrictions imposed after March 2020 were terminated.

The ongoing pandemic and the actions taken by the federal, State, and local governments had a significant impact on the State and City operations and finances. Although various measures were implemented to address the impacts of the pandemic on the City's operations and finances, the City cannot predict the effectiveness and duration of these measures. The actual impact of COVD-19 on the City, its economy, and its finances will depend on future events, including future events outside of the control of the City.

Dependence on State for Certain Revenues

In 2008, the State began experiencing the most significant economic downturn and financial pressure since the Great Depression of the 1930s. Despite the recent significant budgetary improvements, according to the State, there remain a number of major risks and pressures that threaten the State's financial condition, including a stock market correction, federal policy, slower global growth, and a national recession. The State's revenues (particularly the personal income tax) can be volatile and correlate to overall economic conditions. There can be no assurances that the State will not face fiscal stress and cash pressures again, or that other changes in the State or national economies will not materially adversely affect the financial condition of the State.

The City cannot predict the extent of any budgetary problems the State will encounter in future fiscal years, and it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the impact that State budgets will have on the City's finances and operations or what actions will be taken in the future by the State Legislature and the Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control.

A number of the City's revenues are collected and dispersed by the State (such as sales tax and motor-vehicle license fees) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State, there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State's efforts to address any such related State financial difficulties.

See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Proposition 1A" and "— Proposition 22" below.

Current Initiatives

There is currently one petition for initiatives which has been filed with the City Clerk authored by citizens of the City which, if passed by voters, could impact the City's finances and governance. Currently, the County's elections division is verifying that the petition signatures are adequate and if deemed adequate, such initiatives will be placed on the November 8, 2022 ballot. The initiative is described briefly below.

Oxnard Term Limits Act. This initiative is proposed by citizens. This initiative would limit the mayor and council members to no more than two consecutive four-year terms.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from Base Rental Payments made from the City's General Fund. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS." Articles XIIIA, XIIIB, XIIIC and XIIID of the State Constitution, Propositions 62, 111, 218, 1A and 22, and certain other provisions of law discussed below are included in this Official Statement to describe the potential effect of these Constitutional and statutory measures on the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

Article XIIIA of the State Constitution

On June 6, 1978, State voters approved Proposition 13, which added Article XIIIA to the State Constitution. Article XIIIA, as amended, limits the amount of any ad valorem tax on real property to 1% of the full cash value thereof, except that additional ad valorem property taxes may be levied to pay debt service: (i) on indebtedness approved by the voters prior to December 1, 1978; (ii) on bonded indebtedness approved by a two-thirds vote on or after December 1, 1978, for the acquisition or improvement of real property; or (iii) bonded indebtedness incurred by a school district, community college district, or county office of education for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on 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 has 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, including a general economic downturn, 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.

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 1% property tax is automatically levied by counties and distributed according to a formula among taxing agencies.

Increases in 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 shown at full cash 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 percent of taxable value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Article XIIIB of the State Constitution

In addition to the limits that Article XIIIA imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual "appropriations limit" imposed by Article XIIIB which effectively limits the amount of such revenues that such entities are permitted to spend. Article XIIIB, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues and the investment proceeds thereof, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds. Article XIIIB also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized as of January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each local government's actual appropriations be tested against its limit every two years.

If the aggregate "proceeds of taxes" for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

The City's appropriations have never exceeded the limitation on appropriations under Article XIIIB.

Articles XIIIC and XIIID of the State Constitution

On November 5, 1996, State voters approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIIIC and XIIID to the State Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments and property-related fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote and taxes for specific purposes, even if deposited in the City's General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs, such as hearings and stricter and more individualized benefit requirements and findings. These provisions include, among other things: (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel; (ii) a requirement that assessments must confer a "special benefit," as defined in Article XIIID, over and above any general benefits conferred; (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party; and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the City is unable to continue to collect these revenues, the services and programs funded with these revenues would have to be curtailed and/or the City's General Fund might have to be used to support them. The City is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by the fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the City's General Fund to continue to support such activities.

Article XIIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. In November 2016, the voters within the City approved an initiative to repeal increases to the City's wastewater service charges which were adopted in January 2016. No assurance can be given that the voters of the City will not, in the future, approve an additional initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election and: (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed; (d) prohibits the imposition of ad valorem taxes on real property by local governmental entities except as permitted by Article XIIIA; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after July 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of *Santa Clara County Local Transportation Authority v. Guardino*, upheld the constitutionality of Proposition 62. In this case, the court held that a countywide sales tax of one-half of one percent was a special tax that, under Section 53722 of the Government Code, required a two-thirds voter approval. Because the tax received an affirmative vote of only 54.1%, this special tax was found to be invalid. The decision did not address the question of whether or not it should be applied retroactively.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the California Supreme Court released its decision in one of these cases, *Howard Jarvis Taxpayers Association v. City of La Habra, et al*. In this case, the court held that public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

The City has not experienced any substantive adverse financial impact as a result of the passage of Proposition 62.

Proposition 1A

Proposition 1A was approved by the voters at the November 2, 2004 election. Proposition 1A amended the State Constitution to, among other things, reduce the Legislature's authority over local government revenue sources by placing restrictions on the State's access to local governments' property, sales, and vehicle license fee revenues as of November 3, 2004. Beginning with Fiscal Year 2008-09, the State may borrow up to eight percent of local property tax revenues, but only if the Governor proclaims such action is necessary due to a severe State fiscal hardship and two–thirds of both houses of the Legislature approves the borrowing. The amount borrowed is required to be paid back within three years. The State also will not be able to borrow from local property tax revenues for more than two fiscal years within a period of 10 fiscal years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the statewide local sales tax.

Many of the provisions of Proposition 1A have been superseded by Proposition 22 enacted in November 2010 and described below.

Proposition 22

On November 2, 2010, the voters of the State approved Proposition 22, known as "The Local Taxpayer, Public Safety, and Transportation Protection Act" ("Proposition 22"). Proposition 22, among other things, broadens the restrictions established by Proposition 1A. While Proposition 1A permits the State to appropriate or borrow local property tax revenues on a temporary basis during times of severe financial hardship, Proposition 22 amends Article XIII of the State Constitution to prohibit the State from appropriating or borrowing local property tax revenues under any circumstances. The State can no longer borrow local property tax revenues on a temporary basis even during times of severe financial hardship. Proposition 22 also prohibits the State from appropriating or borrowing proceeds derived from any tax levied by a local government solely for the local government's purposes. Furthermore, Proposition 22 restricts the State's ability to redirect redevelopment agency property tax revenues to school districts and other local governments and limits uses of certain other funds although this provision no longer has any meaningful impact given the statewide dissolution of redevelopment agencies. Proposition 22 is intended to stabilize local government revenue sources by restricting the State government's control over local revenues. The City cannot predict whether Proposition 22 will have a beneficial effect on the City's financial condition.

Proposition 26

On November 2, 2010, State voters also approved Proposition 26. Proposition 26 amends Article XIIIC of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (a) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

Proposition 19

On November 3, 2020, "Proposition 19" was approved by the electorate. Proposition 19 amended California Constitution Article XIIIA to permit eligible homeowners to transfer tax assessments anywhere in the State, narrow existing special rules for inherited properties, and broaden the scope of triggers for reassessment of properties. Any additional revenues and net savings resulting from Proposition 19 will be allocated to fire protection services and reimbursing local governments for taxation-related changes. The City cannot make any assurance as to what effect the implementation of Proposition 19 will have on City revenues or assessed valuation of real property in the City.

Possible Future Initiatives

Articles XIIIA, XIIIB, XIIIC and XIIID and Propositions 218, 111, 62, 1A, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the City.

TAX MATTERS

[NORTON ROSE TO UPDATE]

Series 2022A Bonds

Federal Income Tax. The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2022A Bonds. The summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. Such authorities may be repealed, revoked, or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those described below. The summary generally addresses Series 2022A Bonds held as capital assets within the meaning of Section 1221 of the Code and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, persons holding such Series 2022A Bonds as a hedge against currency risks or as a position in a "straddle," "hedge," "constructive sale transaction" or "conversion transaction" for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than original purchasers that acquire Series 2022A Bonds at their initial issue price except where otherwise specifically noted. Potential purchasers of the Series 2022A Bonds should consult their own tax advisors in determining the federal, state, local, foreign and other tax consequences to them of the purchase, holding and disposition of the Series 2022A Bonds.

Neither the Authority nor the City have sought and nor will they seek any rulings from the Internal Revenue Service with respect to any matter discussed herein. No assurance can be given that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the tax characterizations and tax consequences set forth below.

Series 2022B Bonds [TBD]

U.S. Holders. As used herein, the term "U.S. Holder" means a beneficial owner of Bonds that is (a) an individual citizen or resident of the United States for federal income tax purposes, (b) a corporation, including an entity treated as a corporation for federal income tax purposes, created or organized in or under the laws of the United States or any State thereof (including the District of Columbia), (c) an estate whose income is subject to federal income taxation regardless of its source, or (d) a trust if a court within the United States can exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust. Notwithstanding clause (d) of the preceding sentence, to the extent provided in Treasury regulations, certain trusts in existence on August 20, 1996, and treated as United States persons prior to that date that elect to continue to be treated as United States persons also will be U.S. Holders. In addition, if a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) holds Bonds, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If a U.S. Holder is a partner in a partnership (or other entity or arrangement treated as a partnership for federal income tax purposes) that holds Bonds, the U.S. Holder is urged to consult its own tax advisor regarding the specific tax consequences of the purchase, ownership and dispositions of the Bonds.

Taxation of Interest Generally. Interest on the Series 2022A Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code and so will be fully subject to federal income taxation. Purchasers will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2022A Bonds. In general, interest paid on the Series 2022A Bonds and recovery of any accrued original issue discount and market discount will be treated as ordinary income to a bondholder, and after adjustment for the foregoing, principal payments will be treated as a return of capital to the extent of the U.S. Holder's adjusted tax basis in the Series 2022A Bonds and capital gain to the extent of any excess received over such basis.

Recognition of Income Generally. Section 451(b) of the Code provides that purchasers using an accrual method of accounting for U.S. federal income tax purposes may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such purchaser. In this regard, the IRS issued proposed regulations which provide that, with the exception of certain fees, the rule in section 451(b) will generally not apply to the timing rules for original issue discount and market discount, or to the timing rules for de minimis original issue discount and market discount. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential applicability of these rules and their impact on the timing of the recognition of income related to the Bonds under the Code.

The Bonds

Original Issue Discount. The following summary is a general discussion of certain federal income tax consequences of the purchase, ownership and disposition of Bonds issued with original issue discount ("Discount Bonds"). A Bond will be treated as having been issued with original issue discount if the excess of its "stated redemption price at maturity" (defined below) over its issue price (defined as the initial offering price to the public at which a substantial amount of the Bonds of the same maturity have first been sold to the public, excluding bond houses and brokers) equals or exceeds one quarter of one percent of such Bond's stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of an installment obligation, its weighted average maturity).

A Bond's "stated redemption price at maturity" is the total of all payments provided by the Bond that are not payments of "qualified stated interest." Generally, the term "qualified stated interest" includes stated interest that is unconditionally payable in cash or property (other than debt instruments of the Authority) at least annually at a single fixed rate or certain floating rates.

In general, the amount of original issue discount includible in income by the initial holder of a Discount Bond is the sum of the "daily portions" of original issue discount with respect to such Discount Bond for each day during the taxable year in which such holder held such Discount Bond. The daily portion of original issue discount on any Discount Bond is determined by allocating to each day in any "accrual period" a ratable portion of the original issue discount allocable to that accrual period.

An accrual period may be of any length, and may vary in length over the term of a Discount Bond, provided that each accrual period is not longer than one year and each scheduled payment of principal or interest occurs at the end of an accrual period. The amount of original issue discount allocable to each accrual period is equal to the difference between (i) the product of the Discount Bond's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period) and (ii) the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a Discount Bond at the beginning of any accrual period is the sum of the issue price of the Discount Bond plus the amount of original issue discount allocable to all prior accrual periods minus the amount of any prior payments on the Discount Bond that were not qualified stated interest payments. Under these rules, holders generally will have to include in income increasingly greater amounts of original issue discount in successive accrual periods.

Holders utilizing the accrual method of accounting may generally, upon election, include in gross income all interest (including stated interest, acquisition discount, original issue discount, de minimis original issue discount, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) on a Bond by using the constant yield method applicable to original issue discount, subject to certain limitations and exceptions.

Holders that use an accrual method of accounting may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such holder as discussed under "Recognition of Income Generally" above. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential applicability of this rule and its impact on the timing of the recognition of income related to the Bonds under the Code.

Market Discount. A holder who purchases a Bond at a price which includes market discount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) in excess of a prescribed de minimis amount will be required to recharacterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such holder will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a Bond as ordinary income to the extent of any remaining accrued market discount or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such holder on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

A holder of a Bond who acquires such Bond at a market discount also may be required to defer, until the maturity date of such Bond or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the holder paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Bond in excess of the aggregate amount of interest (including original issue discount) includable in such holder's gross income for the taxable year with respect to such Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Bond for the days during the taxable year on which the holder held the Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bondholder elects to include such market discount in income currently as described above.

Holders that use an accrual method of accounting may be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such holder as discussed under "Recognition of Income Generally" above. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential applicability of this rule and its impact on the timing of the recognition of income related to the Bonds under the Code.

Bond Premium. A holder of a Bond who purchases such Bond at a cost greater than its remaining redemption amount will have amortizable bond premium. If the holder elects to amortize this premium under Section 171 of the Code (which election will apply to all Bonds held by the holder on the first day of the taxable year to which the election applies and to all Bonds thereafter acquired by the holder), such a holder must amortize the premium using constant yield principles based on the holder's yield to maturity. Amortizable bond premium is generally treated as an offset to interest income, and a reduction in basis is required for amortizable bond premium that is applied to reduce interest payments. Purchasers of Bonds who acquire such Bonds at a premium should consult with their own tax advisors with respect to federal, state and local tax consequences of owning such Bonds.

Surtax on Unearned Income. Section 1411 of the Code generally imposes a tax of 3.8% on the "net investment income" of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this provision in their particular circumstances.

Sale or Redemption of Bonds. A bondholder's adjusted tax basis for a Bond is the price such holder pays for the Bond plus the amount of original issue discount and market discount previously included in income and reduced on account of any payments received on such Bond other than "qualified stated interest" and any amortized bond premium. Gain or loss recognized on a sale, exchange, or redemption of a Bond, measured by the difference between the amount realized and the bondholder's tax basis as so adjusted, will generally give rise to capital gain or loss if the Bond is held as a capital asset (except in the case of Bonds acquired at a market discount, in which case a portion of the gain will be characterized as interest and therefore ordinary income).

If the terms of a Bond are materially modified, in certain circumstances, a new debt obligation would be deemed "reissued," or created and exchanged for the prior obligation in a taxable transaction. Among the modifications which may be treated as material are those related to the redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. In addition, the defeasance of a Bond under the defeasance provisions of the Indenture could result in a deemed sale or exchange of such Bond.

EACH POTENTIAL HOLDER OF BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING (1) THE TREATMENT OF GAIN OR LOSS ON SALE, REDEMPTION OR DEFEASANCE OF THE BONDS, AND (2) THE CIRCUMSTANCES IN WHICH BONDS WOULD BE DEEMED REISSUED AND THE LIKELY EFFECTS, IF ANY, OF SUCH REISSUANCE.

Non-U.S. Holders. The following is a general discussion of certain United States federal income tax consequences resulting from the beneficial ownership of Bonds by a person other than a U.S. Holder, a former United States citizen or resident, or a partnership or entity treated as a partnership for United States federal income tax purposes (a "Non-U.S. Holder").

Subject to the discussion of backup withholding and the Foreign Account Tax Compliance Act ("FATCA"), payments of principal by the Authority or any of its agents (acting in its capacity as agent) to any Non-U.S. Holder will not be subject to federal withholding tax. In the case of payments of interest to any Non-U.S. Holder, however, federal withholding tax will apply unless the Non-U.S. Holder (1) does not own (actually or constructively) 10 percent or more of the voting equity interests of the Authority, (2) is not a controlled foreign corporation for United States tax purposes that is related to the Authority (directly or indirectly) through stock ownership, and (3) is not a bank receiving interest in the manner described in Section 881(c)(3)(A) of the Code. In addition, either (1) the Non-U.S. Holder must certify on the applicable IRS Form W-8 (series) (or successor form) to the Authority, its agents or paying agents or a broker under penalties of perjury that it is not a U.S. person and must provide its name and address, or (2) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business and that also holds the Bonds must certify to the Authority or its agent under penalties of perjury that such statement on the applicable IRS Form W-8 (series) (or successor form) has been received from the Non-U.S. Holder by it or by another financial institution and must furnish the interest payor with a copy.

Interest payments may also be exempt from federal withholding tax depending on the terms of an existing Federal Income Tax Treaty, if any, in force between the U.S. and the resident country of the Non-U.S. Holder. The U.S. has entered into an income tax treaty with a limited number of countries. In addition, the terms of each treaty differ in their treatment of interest and original issue discount payments. Non-U.S. Holders are urged to consult their own tax advisor regarding the specific tax consequences of the receipt of interest payments, including original issue discount. A Non-U.S. Holder that does not qualify for exemption from withholding as described above must provide the Authority or its agent with documentation as to his, her, or its identity to avoid the U.S. backup withholding tax on the amount allocable to a Non-U.S. Holder. The documentation may require that the Non-U.S. Holder provide a U.S. tax identification number.

If a Non-U.S. Holder is engaged in a trade or business in the United States and interest on a Bond held by such holder is effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding tax discussed above (provided that such holder timely furnishes the required certification to claim such exemption), may be subject to United States federal income tax on such interest in the same manner as if it were a U.S. Holder. In addition, if the Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (subject to a reduced rate under an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments. For purposes of the branch profits tax, interest on a Bond will be included in the earnings and profits of the holder if the interest is effectively connected with the conduct by the holder of a trade or business in the United States. Such a holder must provide the payor with a properly executed IRS Form W-8ECI (or successor form) to claim an exemption from United States federal withholding tax.

Generally, any capital gain realized on the sale, exchange, retirement or other disposition of a Bond by a Non-U.S. Holder will not be subject to United States federal income or withholding taxes if (1) the gain is not effectively connected with a United States trade or business of the Non-U.S. Holder, and (2) in the case of an individual, the Non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition, and certain other conditions are met.

For newly issued or reissued obligations, such as the Bonds, FATCA imposes U.S. withholding tax on interest payments and, for dispositions after December 31, 2018, gross proceeds of the sale of the Bonds paid to certain foreign financial institutions (which is broadly defined for this purpose to generally include non-U.S. investment funds) and certain other non-U.S. entities if certain disclosure and due diligence requirements related to U.S. accounts or ownership are not satisfied, unless an exemption applies. An intergovernmental agreement between the United States and an applicable non-U.S. country may modify these requirements. In any event, bondholders or beneficial owners of the Bonds shall have no recourse against the Authority, nor will the Authority be obligated to pay any additional amounts to "gross up" payments to such persons, as a result of any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or government charges with respect to payments in respect of the Bonds. It should be noted, however, that on December 13, 2018, the IRS issued Proposed Treasury Regulation Section 1.1473-1(a)(1) which proposes to remove gross proceeds from the definition of "withholdable payment" for this purpose.

Non-U.S. Holders should consult their own tax advisors with respect to the possible applicability of federal withholding and other taxes upon income realized in respect of the Bonds.

Information Reporting and Backup Withholding. For each calendar year in which the Bonds are outstanding, the Authority, its agents or paying agents or a broker is required to provide the IRS with certain information, including a holder's name, address and taxpayer identification number (either the holder's Social Security number or its employer identification number, as the case may be), the aggregate amount of principal and interest paid to that holder during the calendar year and the amount of tax withheld, if any. This obligation, however, does not apply with respect to certain U.S. Holders, including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts and annuities.

If a U.S. Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or under-reports its tax liability, the Authority, its agents or paying agents or a broker may be required to make "backup" withholding of tax on each payment of interest or principal on the Bonds. This backup withholding is not an additional tax and may be credited against the U.S. Holder's federal income tax liability, provided that the U.S. Holder furnishes the required information to the IRS.

Under current Treasury Regulations, backup withholding and information reporting will not apply to payments of interest made by the Authority, its agents (in their capacity as such) or paying agents or a broker to a Non-U.S. Holder if such holder has provided the required certification that it is not a U.S. person (as set forth in the second paragraph under "Non-U.S. Holders" above), or has otherwise established an exemption (provided that neither the Authority nor its agent has actual knowledge that the holder is a U.S. person or that the conditions of an exemption are not in fact satisfied).

Payments of the proceeds from the sale of a Bond to or through a foreign office of a broker generally will not be subject to information reporting or backup withholding. Information reporting (but not backup withholding), however, may apply to those payments if the broker is one of the following: (i) a U.S. person; (ii) a controlled foreign corporation for U.S. tax purposes; (iii) a foreign person 50-percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a United States trade or business; or (iv) a foreign partnership with certain connections to the United States.

Payment of the proceeds from a sale of a Bond to or through the United States office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

The preceding federal income tax discussion is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Bonds, including the tax consequences under federal, state, local, foreign and other tax laws and the possible effects of changes in those tax laws.

State Taxes. Bond Counsel is of the opinion that interest on the Bonds is exempt from personal income taxes of the State of California under present State law. Bond Counsel expresses no opinion as to other state or local tax consequences arising with respect to the Bonds nor as to the taxability of the Bonds or the income therefrom under the laws of any state other than California.

Changes in Law and Post Issuance Events. Legislative or administrative actions and court decisions, at either the federal or state level, could have an impact on the inclusion in gross income of interest on the Bonds for federal or state income tax purposes, and thus on the value or marketability of the Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or otherwise. It is not possible to predict whether any such legislative or administrative actions or court decisions will occur or have an adverse impact on the federal or state income tax treatment of holders of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Bonds.

IN ALL EVENTS, ALL INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE BONDS.

Considerations for Erisa and Other U.S. Benefit Plan Investors. The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain fiduciary obligations and prohibited transaction restrictions on employee pension and welfare benefit plans subject to Title I of ERISA ("ERISA Plans"). Section 4975 of the Code imposes essentially the same prohibited transaction restrictions on tax-qualified retirement plans described in Section 401(a) and 403(a) of the Code, which are exempt from tax under Section 501(a) of the Code, other than governmental and church plans as defined herein ("Qualified Retirement Plans"), and on Individual Retirement Accounts ("IRAs") described in Section 408(b) of the Code (collectively, "Tax-Favored Plans"). Certain employee benefit plans such as governmental plans (as defined in Section 3(32) of ERISA) ("Governmental Plans"), and, if no election has been made under Section 410(d) of the Code, church plans (as defined in Section 3(33) of ERISA) ("Church Plans"), are not subject to ERISA requirements. Additionally, such Governmental and Church Plans are not subject to the requirements of Section 4975 of the Code but may be subject to applicable federal, state or local law ("Similar Laws") which is, to a material extent, similar to the foregoing provisions of ERISA or the Code. Accordingly, assets of such plans may be invested in the Bonds without regard to the ERISA and Code considerations described below, subject to the provisions of Similar Laws.

In addition to the imposition of general fiduciary obligations, including those of investment prudence and diversification and the requirement that a plan's investment be made in accordance with the documents governing the plan, Section 406 of ERISA and Section 4975 of the Code prohibit a broad range of transactions involving assets of ERISA Plans and Tax-Favored Plans and entities whose underlying assets include plan assets by reason of ERISA Plans or Tax-Favored Plans investing in such entities (collectively, "Benefit Plans") and persons who have certain specified relationships to the Benefit Plans ("Parties In Interest" or "Disqualified Persons"), unless a statutory or administrative exemption is available. The definitions of "Party in Interest" and "Disqualified Person" are expansive. While other entities may be encompassed by these definitions, they include, most notably: (1) fiduciary with respect to a plan; (2) a person providing services to a plan; (3) an employer or employee organization any of whose employees or members are covered by the plan; and (4) the owner of an IRA. Certain Parties in Interest (or Disqualified Persons) that participate in a prohibited transaction may be subject to a penalty (or an excise tax) imposed pursuant to Section 502(i) of ERISA (or Section 4975 of the Code) unless a statutory or administrative exemption is available. Without an exemption an IRA owner may disqualify his or her IRA.

Certain transactions involving the purchase, holding or transfer of the Bonds might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Code if assets of the Authority were deemed to be assets of a Benefit Plan. Under final regulations issued by the United States Department of Labor (the "Plan Assets Regulation"), the assets of the Authority would be treated as plan assets of a Benefit Plan for the purposes of ERISA and Section 4975 only of the Code if the Benefit Plan acquires an "equity interest" in the Authority and none of the exceptions contained in the Plan Assets Regulation is applicable. An equity interest is defined under the Plan Assets Regulation as an interest in an entity other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there can be no assurances in this regard, it appears that the Bonds should be treated as debt without substantial equity features for purposes of the Plan Assets Regulation. This determination is based upon the traditional debt features of the Bonds, including the reasonable expectation of purchasers of Bonds that the Bonds will be repaid when due, traditional default remedies, as well as the absence of conversion rights, warrants and other typical equity features. The debt treatment of the Bonds for ERISA purposes could change subsequent to issuance of the Bonds. In the event of a withdrawal or downgrade to below investment grade of the rating of the Bonds or a characterization of the Bonds as other than indebtedness under applicable local law, the subsequent purchase of the Bonds or any interest therein by a Benefit Plan is prohibited.

Without regard, however, to whether the Bonds are treated as an equity interest for such purposes, though, the acquisition or holding of Bonds by or on behalf of a Benefit Plan could be considered to give rise to a prohibited transaction if the Authority or the Trustee, or any of their respective affiliates, is or becomes a Party in Interest or a Disqualified Person with respect to such Benefit Plan.

Most notably, ERISA and the Code generally prohibit the lending of money or other extension of credit between an ERISA Plan or Tax-Favored Plan and a Party in Interest or a Disqualified Person, and the acquisition of any of the Bonds by a Benefit Plan would involve the lending of money or extension of credit by the Benefit Plan. In such a case, however, certain exemptions from the prohibited transaction rules could be applicable depending on the type and circumstances of the plan fiduciary making the decision to acquire a Bond. Included among these exemptions are: Prohibited Transaction Class Exemption ("PTCE") 96-23, regarding transactions effected by certain "in-house asset managers"; PTCE 90-1, regarding investments by insurance company pooled separate accounts; PTCE 95-60, regarding transactions effected by "insurance company general accounts"; PTCE 91-38, regarding investments by bank collective investment funds; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers." Further, the statutory exemption in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides for an exemption for transactions involving "adequate consideration" with persons who are Parties in Interest or Disqualified Persons solely by reason of their (or their affiliate's) status as a service provider to the Benefit Plan involved and none of whom is a fiduciary with respect to the Benefit Plan assets involved (or an affiliate of such a fiduciary). There can be no assurance that any class or other exemption will be available with respect to any particular transaction involving the Bonds, or that, if available, the exemption would cover all possible prohibited transactions.

By acquiring a Bond (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a plan, its fiduciary) is deemed to (a) represent and warrant that either (i) it is not acquiring the Bond (or interest therein) with the assets of a Benefit Plan, Governmental plan or Church plan; or (ii) the acquisition and holding of the Bond (or interest therein) will not give rise to a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or Similar Laws, and (b) acknowledge and agree that a Benefit Plan may not purchase the Bonds (or any interest therein) at any time that the ratings on the Bonds are withdrawn or downgraded to below investment grade or the Bonds have been characterized as other than indebtedness for applicable local law purposes. A purchaser or transferee who acquires Bonds with assets of a Benefit Plan represents that such purchaser or transferee has considered the fiduciary requirements of ERISA, the Code or Similar Laws and has consulted with counsel with regard to the purchase or transfer.

In addition, each purchaser and each transferee (and if the purchaser or transferee is a Benefit Plan, its fiduciary) of a Bond that is a Benefit Plan is deemed to represent and warrant that: (a) the decision to acquire the Bonds was made by the plan fiduciary; (b) the plan fiduciary is independent of the Authority, Trustee, and Underwriter; (c) the plan fiduciary meets the requirements of 29 C.F.R. § 2510.3 21(c)(1) and specifically is either a bank as defined in Section 202 of the Investment Advisers Act of 1940 or similar institution that is regulated and supervised and subject to periodic examination by a U.S. state or U.S. federal agency; an insurance carrier which is qualified under the laws of more than one U.S. state to perform the services of managing, acquiring or disposing of assets of a Benefit Plan; an investment adviser registered under the Investment Advisers Act of 1940 or, if not registered as an investment adviser under the Investment Advisers Act by reason of paragraph (1) of Section 203A of the Investment Advisers Act, is registered as an investment adviser under the laws of the U.S. state in which it maintains its principal office and place of business; a broker dealer registered under the Exchange Act; or holds, or has under its management or control, total assets of at least $50 million (provided that this clause shall not be satisfied if the plan fiduciary is an individual directing his or her own individual plan account or is a relative of such individual); (d) the plan fiduciary is capable of evaluating investment risks independently, both in general and with regard to particular transactions, and investment strategies, including the purchase or transfer of the Bonds; (e) the plan fiduciary is a "fiduciary" with respect to the plan within the meaning of Section (21) of ERISA, Section 4975 of the Code, or both, and is responsible for exercising independent judgment in evaluating the acquisition, transfer or holding of the Bonds; (f) none of the Authority, Trustee, or Underwriter has exercised any authority to cause the Benefit Plan to invest in the Bonds or to negotiate the terms of the Benefit Plan's investment in the Bonds; and (g) the plan fiduciary has been informed: (1) that none of the Authority, Trustee, or Underwriter are undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the plan's acquisition or transfer of the Bonds and (2) of the existence and nature of the Authority's, Trustee's, or Underwriter's financial interests in the Benefit Plan's acquisition or transfer of the Bonds.

None of the Authority, Trustee, or Underwriter is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the acquisition or transfer of the Bonds by any Benefit Plan.

Because the Authority, Trustee, Underwriter or any of their respective affiliates may receive certain benefits in connection with the sale of the Bonds, the purchase of the Bonds using plan assets of a Benefit Plan over which any of such parties has investment authority or provides investment advice for a direct or indirect fee may be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code or Similar Laws for which no exemption may be available. Accordingly, any investor considering a purchase of

Bonds using plan assets of a Benefit Plan should consult with its counsel if the Authority, the Trustees or the Underwriters or any of their respective affiliates has investment authority or provides investment advice for a direct or indirect fee with respect to such assets or is an employer maintaining or contributing to the Benefit Plan.

Any ERISA Plan fiduciary considering whether to purchase the Bonds on behalf of an ERISA Plan should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment and the availability of any of the exemptions referred to above. Persons responsible for investing the assets of Tax-Favored Plans that are not ERISA Plans should seek similar counsel with respect to the prohibited transaction provisions of the Code and the applicability of Similar Laws.]

CERTAIN LEGAL MATTERS

The validity of the Bonds and certain other legal matters are subject to the respective approving opinions of Nixon Peabody LLP, Bond Counsel. Best Best & Krieger LLP, is acting as Disclosure Counsel for the City. The City Attorney will pass on certain legal matters for the City and Authority. Complete copy of the proposed form of opinion of Bond Counsel is contained in Appendix D hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Bond Counsel and Disclosure Counsel will receive compensation from the City contingent upon the sale and delivery of the Bonds. From time to time, Bond Counsel and Disclosure Counsel represent the Underwriter on matters unrelated to the Bonds. Certain legal matters will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. Counsel to the Underwriter will receive compensation contingent upon that issuance of the Bonds.

ABSENCE OF LITIGATION

Except as described below, to the best knowledge of the City and the Authority, there is no action, suit or proceeding pending or threatened either restraining or enjoining the execution or delivery of the Bonds, the Site Lease, the Facility Lease, the Assignment Agreement, or the Indenture, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Authority or the City taken with respect to any of the foregoing.

[TO BE CONFIRMED]

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company (the "Underwriter"). The Underwriter will purchase the Series 2022A Bonds from the Authority at an aggregate purchase price of $__________ (representing the principal amount of the Series 2022A Bonds, plus $__________ of original issue premium and less $__________ of Underwriter's discount). The Underwriter will purchase the Series 2022B Bonds from the Authority at an aggregate purchase price of $__________ (representing the principal amount of the Series 2022B Bonds, plus $__________ of original issue premium and less $__________ of Underwriter's discount).

The Bonds are offered for sale at the initial yields stated on the pages following the cover page of this Official Statement, which may be changed from time to time by the Underwriter. The Bonds may be offered and sold to certain dealers at yield higher than the public offering yields.

RATINGS

[In connection with the issuance and delivery of the Bonds, S&P Global Ratings ("S&P") is expected to assign its municipal bond rating of "[__]" to the Bonds with the understanding that, upon delivery of the Series Bonds, policies insuring the payment when due of the principal of and interest on each series of Bonds will be issued by [INSURER]. S&P has assigned an underlying credit rating of "[__]" to the Bonds. Such ratings reflect only the views of S&P and any desired explanation of the significance of such ratings should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such 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 either rating may have an adverse effect on the market price of the Bonds. The Underwriter has not undertaken any responsibility either to bring to the attention of the owners of the Bonds a proposed change in or proposed withdrawal of any rating or to oppose any such proposed revision or withdrawal.]

MUNICIPAL ADVISOR

NHA Advisors, LLC, San Rafael, California, served as municipal advisor (the “Municipal Advisor”) to the Authority and the City with respect to the sale of the Bonds. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

NHA Advisors, is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CONTINUING DISCLOSURE

The City will covenant for the benefit of the Owners of the Bonds to provide annually certain financial information and operating data relating to the Bonds and the City (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. For a complete listing of items of information which will be provided in each Annual Report and further description of the City’s undertaking with respect to the Annual Report and certain enumerated events, see APPENDIX E — “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The Annual Report is to be provided by the City not later than March 1 after the end of the City’s fiscal year, commencing with the report for fiscal year 2022-23 with respect to the Bonds. Each Annual Report will be filed by the City with the Municipal Securities Rulemaking Board. These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”).

[TO COME]

The City and its related entities subsequently made all remedial filings of all annual operating data, audited financial statements, and significant event notices covering the prior five-year period and have taken steps, which include the hiring of NHA Advisors, LLC as its dissemination agent. Additionally, the Oxnard Housing Authority amended its continuing disclosure undertaking relating to outstanding Oxnard Housing Authority indebtedness to modify the filing deadline date for subsequent reports beginning in 2018 from October 31 to March 31 to ensure compliance with future continuing disclosure.

FINANCIAL STATEMENTS OF THE CITY

Included herein as Appendix C are the audited financial statements of the City as of and for the year ended June 30, 2021, together with the report thereon dated December 30, 2021 of Eadie & Payne, LLP, Riverside, California, certified public accountants (the “Auditor”). Such audited financial statements have been included herein in reliance upon the report of the Auditor. The Auditor has not been engaged to perform and has not performed, since the date of its report (December 30, 2021) included in Appendix C to this Official Statement, any procedures on the financial statements addressed in such report. The Auditor also has not performed any procedures relating to this Official Statement.

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Indenture, the Facility Lease, the Site Lease and other documents are available, upon request, and upon payment to the City of a charge for copying, mailing and handling, from the City Clerk at the City of Oxnard, 300 West 3rd Street, Oxnard, California 93030.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the City and the purchasers or Owners of any of the Bonds.

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

CITY OF OXNARD FINANCING AUTHORITY

By: ____________________________________
Alexander Nguyen, Executive Director

CITY OF OXNARD

By: ____________________________________
Alexander Nguyen, City Manager

APPENDIX A

INFORMATION REGARDING THE CITY OF OXNARD

General

The City of Oxnard (the "City") was incorporated in 1903 and is located in western Ventura County (the "County") on the shore of the Pacific Ocean. The City is approximately 65 miles northwest of the City of Los Angeles, 35 miles southeast of the City of Santa Barbara, and 6 miles south of the county seat of the County. The City is the most populous city in the County, with a population estimated at 200,050 as of 2022, accounting for approximately 24% of the County's population. The City has a diversified economic base composed of agriculture and related business, retail, various services, and governmental agencies.

The City provides the full range of municipal services including public safety (police and fire), street construction and maintenance, solid waste collection and disposal, water and sewer utilities, culture and recreation, public improvements, planning and zoning, and general administrative and support services.

Transportation

Oxnard is served by all major modes of transportation. Both U.S. Highway 101 and State Highway 1 pass through the City, linking it with the Los Angeles metropolitan area and Santa Barbara County. Rail passenger service is provided by AMTRAK, which has a station in the City. Two trains pass through daily in each direction and stop at the Oxnard station. Metrolink provides commuters from the Oxnard Transportation Center with several daily routes to the Los Angeles basin, including downtown Los Angeles. Union Pacific Railroad provides freight rail service through the City. The Ventura County Railroad Company connects Port Hueneme, the Ormond Beach Industrial Area, the Naval Construction Battalion Center, and surrounding industrial areas to the Union Pacific line. The Port of Hueneme, owned and operated by the Oxnard Harbor District, an independent special district, is the only commercial deep-draft harbor between Los Angeles and San Francisco. The port has five 600- to 700-foot berths and a 35-foot entrance channel depth. The Channel Islands Harbor, owned and operated by the County of Ventura, is a modern 3,000 slip boat marina, which also serves the Oxnard area in the capacity of a recreational marina and covers approximately 310 acres. The Oxnard Airport is operated by Ventura County as a general and commercial aviation airfield. The Oxnard Airport handles passenger as well as cargo services. Local bus service is provided by Gold Coast Transit, a regional public transit agency funded by the County and member cities. Service is available in Ojai, Ventura, Oxnard, and Port Hueneme. The Greyhound bus line provides passenger and parcel service from its Oxnard station. A multi-modal transportation center located in downtown Oxnard brings together all these forms of transportation.

Education

There are 35 elementary, 8 junior high, and 5 senior high schools located in and immediately around the City, plus eight parochial and private schools. The City is served by Oxnard College, a California community college. The 119-acre campus is located on Rose Avenue between Channel Islands Boulevard and Pleasant Valley Road. Oxnard College currently offers degree and certificate programs. The California State University campus at Channel Islands (CSUCI) opened in fall 2002 and has a current enrollment of over 7,400 students. In addition, two campuses of the University of California, Santa Barbara (UCSB) and Los Angeles (UCLA), one campus of the California State University, Northridge (CSUN), and two private universities, Pepperdine and California Lutheran University, are within a 50-minute drive.

Recreation

The City offers its residents a wide range of recreational facilities. The beach, marina neighborhood, and regional parks add up to nearly 1,500 acres of park land. McGrath State Beach Park, located south of the Santa Clara River mouth, covers approximately 295 acres and includes over a mile of ocean frontage. Overnight camping and day picnics are the main use of that park. Oxnard Beach Park includes approximately 62 acres with concession stands and facilities for day picnics and sports. Silver Strand Beach, south of the Harbor entrance, and Hollywood Beach, north of the entrance, are day beach facilities. Channel Islands Harbor is a recreational boating marina administered by Ventura County. The City has over 30 neighborhood parks located throughout the City. A tennis and softball center is located at Community Center Park. Additionally, Wilson Park contains the largest senior citizen center in the County.

The City owns River Ridge Golf Club, consisting of two 18-hole championship golf courses, the Vineyard Course and the Victoria Lakes Course. The City also owns a 1,600-seat Performing Arts & Convention Center located on Hobson Way in the center of the City.

City Council and Management

The City was incorporated as a general law city on June 30, 1903, and operates under a council-manager form of government. The City is governed by an elected Mayor holding a four-year term and six councilmembers elected by districts for four-year overlapping terms.

The members of the City Council and the expiration dates of their respective terms are as follows:

CITY OF OXNARD
City Council

Name	Term Expires
John C. Zaragoza, *Mayor*	2024
Bryan A. MacDonald, *Mayor Pro Tem*	2024
Bert E. Perello, *Councilmember*	2022
Oscar Madrigal, *Councilmember*	2024
Gabe Teran, *Councilman*	2022
Gabriela Basua, *Councilwoman*	2022
Vianey Lopez, *Councilmember*	2024

City Management

The City Manager's office oversees all of the City's departments responsible for City services and operations. The following is a brief overview of the experience of key City staff:

City Manager. Mr. Alexander Nguyen was appointed City Manager in July 2018. Mr. Nguyen came to the City with 20 years of municipal experience from the cities of Oakland, Alameda and Riverside. In Oakland, he served two years as Chief of Staff for a City Council office and 11 years as Chief of Staff for the elected City Attorney, where he was also co-creator and Executive Director of the Neighborhood Law Corps. In Alameda, Mr. Nguyen served as Assistant City Manager. He also led the effort to build the city's first dedicated emergency operations center, along with a new fire station. In Riverside, Mr. Nguyen also served as Assistant City Manager and led the effort to design a new Main Library and City Archive in the downtown area. He also led the city's Office of Homeless Solutions, which developed Riverside's homeless policy and Housing First Plan. His portfolio in Riverside also included police, fire, parks, museum and citizens police review commission.

Assistant City Manager. Ms. Ashley Golden, Director of Oxnard's Development Services, was appointed as Assistant City Manager in December 2018. Ms. Golden has more than 14 years of experience with the City's development services department where she provided oversight and administrative resources for planning, code compliance, and building & engineering services. She was appointed Director of Development Services in 2015 and has previously served as interim Assistant City Manager when there was a vacancy in 2016 and 2018. She also has more than three years of experience with the Sacramento Housing and Redevelopment Agency as Redevelopment Planner and Community Development Program technician.

Deputy City Manager. Ms. Shiri Klima was appointed Deputy City Manager in January 2019, to oversee the Finance, Information Technology and Human Resources Departments. Ms. Klima served as an Assistant City Attorney in Oxnard for over two years and has a decade of experience with municipal government, having advised many cities including Indio, Highland, Yucaipa, Rancho Palos Verdes, Beverly Hills, Agoura Hills and Wasco as well as a workforce development joint powers authority in southeast L.A. County.

Chief Financial Officer. [BIO TO COME]

Assistant Chief Financial Officer. [BIO TO COME]

Employee Relations

As of [June 30, 2021], the City had approximately [1,328] full-time employees and [__] part-time employees. Such amounts do not include the City's temporary and seasonal workers which totaled [__] employees as of [June 30, 2021]. Temporary workers are not represented by an employee association. In accordance with the provisions of California Government Code Section 3500, the City participates in labor negotiations with its employee associations. The result of the negotiation processes are memorialized in memoranda of understanding (MOU's) reached between the City and the City employee associations. The table below lists the City's six employee associations and the approximate membership as of [June 30, 2021], as well as the unrepresented executive employees.

Unit/Affiliation	Number of Members	MOU Expiration
International Association of Fire Fighters	[__]	[__]
International Union of Operating Engineers, Local No. 501 AFL-CIO		
Oxnard Mid Manager's Association		
Oxnard Peace Officers Association		
Oxnard Public Safety Managers Association		
Services Employees International Union Local 721, CLC		
Unrepresented and Executive Employees		N/A

Source: City.

[The City does not currently have any outstanding material labor disputes.]

Risk Management

The City provides general liability and workers' compensation insurance under self-insurance programs with an annual limit per occurrence of $1 million for each program. Excess insurance in the layer of $1 million to $15 million per occurrence/$18 million annual aggregate is purchased for general liability claims and statutory coverage is purchased for workers' compensation claims. The City contracts with outside service agencies to assist in the administration of the self-insurance programs. Estimated liabilities related to outstanding workers' compensation and public liability claims, including estimates for incurred but not reported claims, are based upon actuarial studies and are recorded in internal service funds.

In August 1988, the City adopted a resolution to execute a Joint Powers Agreement (JPA) creating the Big Independent Cities Excess Pool Joint Powers Authority (BICEP), a risk management pool. Through BICEP, five cities (Oxnard, Ventura, Huntington Beach, Santa Ana, West Covina) share the cost of insuring catastrophic general liability losses incurred by the members for claims between $1 million and $25 million, thereby eliminating the need for individual excess commercial insurance policies. The purpose of this JPA is to jointly fund the purchase of reinsurance and the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjustment, and legal defense service. BICEP is governed by a five-member board of directors representing each member city. Each member is appointed and serves at the pleasure of the member city council.

All funds of the City participate in general liability and workers' compensation insurance programs and make payments to internal service funds on the basis of loss experience and exposure. The total unpaid claims and claims adjustment expense liability (long-term obligations) of $32,782,000, which includes the amounts identified below under "-General Liability" and "-Workers' Compensation" recorded at June 30, 2021, is based on results of actuarial studies and includes an estimate for claims incurred but not reported at the balance sheet date. The City has not established a trust to offset such costs. Claims liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of payouts, and other economic and societal factors. General liability and workers' compensation liabilities are carried at present value using a discount rate of 1.0%.

General Liability

The City is self-insured for general liability claims up to $1,000,000. The City purchases commercial excess liability insurance with limits of $15 million per occurrence with an aggregate limit of $18 million annually. Prior to fiscal year 2019-20, the City was covered through the Big Independent Cities Excess Pool (BICEP) for claims between $1,000,000 and $25,000,000. Self-insured general liability claims are administered through a third-party administrator, with the City Attorney's approval required for settlements over $15,000. Litigated claims are settled directly through the City Attorney's Office. The City Council delegates (a) to the Risk Manager or his/her designee the authority to reject, allow, settle or compromise claims or actions against the City up to $15,000 and (b) to the City Manager and the City Attorney joint authority to allow, settle, or compromise claims or actions against the City up to $50,000 per claim or action. [A liability review committee established by the City Council, which consists of the City Attorney, the Risk Manager, the Chief Financial Officer, the Police Chief and representatives of departments and divisions with the highest instances of public liability or property damage claims, have been delegated the authority to settle or compromise claims or actions against the City greater than $50,000, and up to $75,000 per claim or action. A settlement of any claim or action requiring payment in excess of $75,000 must be presented to City Council.

The City's excess general liability insurance premium for Fiscal Year 2020-21, inclusive of brokerage fees, was $719,800. During the past five-year period, the average claims filed each year for general liability amounted to 207 claims per year totaling $1,280,143 per year (an average of $6,172 per claim). In addition, there have been no insurance settlements that have exceeded the City's insurance coverage for each of the past three years.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2021 was $6,344,805.

Workers' Compensation

The City is self-insured for workers' compensation claims up to $1,000,000. For claims over $1,000,000, the City has purchased excess workers' compensation insurance through the CSAC Excess Insurance Authority (CSAC-EIA), a California risk-sharing Joint Powers Authority. The claims are processed by a third-party administrator similar to general liability claims.

The City's premium for workers' compensation insurance coverage in Fiscal Year 2020-21 was $309,659.

Within the City's self-insured program for workers' compensation, there has been an average of 313 claims filed per year for the past five years, with an average of approximately $4,688,681 per year in total reported losses (an average of $14,980 per claim). In addition, there have been no insurance settlements that have exceeded the City's insurance coverage for each of the past three years.

The total unpaid claims and claims adjustment expense liability (long-term obligations) recorded at June 30, 2021 was $28,919,771. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Insurance" in the Official Statement for the requirement to maintain certain insurance coverage under the Facility Lease.

[No significant reduction in insurance coverage occurred during the last two fiscal years.]

CITY FINANCIAL INFORMATION

Accounting and Financial Reporting

The basic financial statements of the City are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

The City's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for services. The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements, such as the City's general fund (the "General Fund"), are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the applicable fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures, however, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Property taxes and taxpayer-assessed tax revenues, net of estimated refunds and uncollectible amounts, and interest associated with the applicable fiscal period are all considered subject to accrual and so have been recognized as revenues of the then-current fiscal period. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Budget Procedure, Current Budget and Historical Budget Information

The City's fiscal year begins on July 1 of each year and ends on June 30 of the subsequent year. The annual budget serves as the foundation for the City's financial planning and control. The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year. The City Council also adopts annual financial plans for the enterprise and internal service funds and five-year capital budget plans for capital expenditures accounted for primarily in proprietary funds.

The City Manager and City staff review estimates of revenues and expenditures for each City department for the ensuing fiscal year. At least 30 days prior to the beginning of each fiscal year, the City Manager submits the proposed budget to the City Council. After reviewing and making such revisions as it deems advisable, the City Council determines the time for the holding of a public meeting to discuss the proposed budget. At the conclusion of the public meeting, the City Council further considers the proposed budget and makes any revisions that it deems advisable. On or before June 30, the City Council adopts the budget with revisions, if any, by the affirmative vote of at least a majority of the members of the City Council.

The budget for fiscal year 2022-23 was approved on [June 7, 2022] (the "Adopted Budget"). The Adopted Budget projects General Fund revenues to be approximately $[208,195,175], an increase of approximately [4.3]% from the fiscal year 2021-22 adopted budget of approximately $199.5 million. The most significant revenue increases are approximately $3.2 million in property tax revenues and $4 million in sales tax revenue over the adopted budget revenue for fiscal year 2021-22. The Adopted Budget projects General Fund expenditures of approximately $[216.1] million in fiscal year 2022-23, an increase of approximately [7.6]% from General Fund expenditures in the fiscal year 2021-22 adopted budget of approximately $[200.8] million.

Set forth below is the adopted General Fund budget versus actual comparison for fiscal year 2020-21, with variance.

TABLE 1
CITY OF OXNARD
GENERAL FUND BUDGET VERSUS ACTUAL(1)
FISCAL YEAR 2020-21
(in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes				
Property Taxes	$ 61,114	$ 61,114	$ 61,260	$ 146
Sales Tax	43,094	43,094	67,923	24,830
Transient Occupancy Tax	4,786	4,786	4,267	(519)
Business License Tax	5,905	5,905	5,965	60
Franchise Tax	3,844	3,844	3,905	61
Deed Transfer Tax	707	707	911	204
Licenses and Permits	2,668	3,021	3,968	947
Intergovernmental	2,116	2,116	6,172	4,056
Charges for Services	19,197	20,089	18,017	(2,072)
Fines and Forfeitures	2,933	2,933	1,852	(1,080)
Interest on Investments	473	473	348	(125)
Special Assessments	445	445	492	47
Miscellaneous	2,360	3,421	2,610	(811)
Total Revenues	149,640	151,946	177,690	25,745
Expenditures				
Current				
General Government	18,483	17,398	16,501	897
Public Safety	91,081	93,462	93,487	(25)
Transportation	6,712	6,952	6,151	801
Community Development	12,703	16,094	12,546	3,547
Culture, Leisure and Library Services	19,481	19,219	17,734	1,484
Capital Outlay	7,305	8,007	4,797	3,210
Debt Service				
Principal	712	712	820	(108)
Interest and Fiscal Charges	534	509	502	8
Total Expenditures	157,011	162,353	152,539	9,814
Excess of Revenues Over/(Under) Expenditures	(7,371)	(10,407)	25,152	35,559
Other Financing Sources/(Uses)				
Reimbursement of IUF Fees	-	(5,000)	(36,471)	(31,471)
Transfer out golf course	-	-	(1,236)	(1,236)
Net Transfers	(6,456)	(6,783)	(5,728)	1,055
Total Other Financing Sources/(Uses)	(6,456)	(11,783)	(43,435)	(31,653)
Net Change in Fund Balance	$ (13,827)	$ (22,190)	$ (18,284)	$ 3,906

Source: City's Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Set forth below is the adopted budget for fiscal year 2022-23 and the projected budgets for fiscal years 2023-24 through 2026-27. The following is solely an estimated forecast of General Fund revenues and expenditures of the City based upon current conditions in the City. The City cannot make any guarantees that such estimates will materialize as set forth below.

TABLE 2
CITY OF OXNARD
GENERAL FUND BUDGET FORECAST
FISCAL YEARS 2022-23 through 2026-27[(1)]

GENERAL FUND	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**
Revenues:					
Property Tax	$ 66,734,379	$ 68,069,067	$ 70,111,139	$ 72,214,473	$ 73,658,762
Sales Tax – Measure E	55,061,000	57,043,196	59,039,708	61,047,058	63,122,658
Sales Tax	40,602,752	42,064,451	43,536,707	45,016,955	46,547,531
Franchises	4,171,695	4,213,412	4,255,546	4,298,101	4,341,082
Business License Tax	6,719,875	6,787,074	6,854,945	6,923,494	6,992,729
Transient Occupancy Tax	5,602,162	5,658,184	5,714,766	5,771,914	5,829,633
Deed Transfer Tax	985,175	995,027	1,004,977	1,015,027	1,025,177
Building Fees & Permits	1,751,284	1,768,797	1,786,485	1,804,350	1,822,394
Intergovernmental	2,465,849	2,515,166	2,565,469	2,616,778	2,669,114
Service Fees & Charges	6,891,170	6,960,082	7,029,683	7,099,980	7,170,980
Fines & Forfeitures	2,608,294	2,634,377	2,660,721	2,687,328	2,714,201
Indirect Cost Reimbursement	8,283,085	8,531,578	8,787,525	9,051,151	9,322,686
Interest Income	896,078	896,078	896,078	896,078	896,078
Transfers In-Other Income	2,013,671	2,013,671	2,013,671	2,013,671	2,013,671
Other Revenue	3,204,820	3,204,820	3,204,820	3,204,820	3,204,820
Special Assessments	203,886	207,964	212,123	216,365	220,692
Total Revenue	**$ 208,195,175**	**$213,562,944**	**$219,674,363**	**$225,877,543**	**$ 231,552,208**
Expenditures:					
Regular Salaries	$ 73,051,982	$ 75,243,541	$ 79,233,347	$ 81,610,347	$ 84,058,657
Part-time Wages	1,833,700	1,833,700	1,833,700	1,833,700	1,833,700
Overtime	8,129,947	8,129,947	8,129,947	8,129,947	8,129,947
Pension (CaIPERS+PARS)	18,355,350	18,580,738	19,607,279	19,169,926	19,119,314
Health/Insurance/Benefits	20,825,449	21,450,212	22,093,718	22,756,530	23,439,226
Retiree Medical	2,101,359	2,143,386	2,186,254	2,229,979	2,274,579
Workers Comp/Safety Program	6,630,346	6,762,953	6,898,212	7,036,176	7,176,900
Other Personnel Costs	99,458	101,447	103,476	105,546	107,657
Vacancy Savings	(6,166,588)	(7,759,253)	(8,116,896)	(8,355,229)	(8,600,609)
Subtotal Personnel	$124,861,003	$ 126,486,671	$ 131,969,038	$134,516,922	$137,539,371
Services & Supplies	$ 20,339,108	$ 20,745,890	$ 21,903,308	$ 22,341,374	$ 22,788,201
Internal Service	20,614,377	21,232,808	21,869,792	22,525,886	23,201,663
Utilities	4,499,605	4,589,597	4,681,389	4,775,017	4,870,517
Animal Shelter	2,156,159	2,263,967	2,377,165	2,496,023	2,620,824
Other Expense	2,284,516	2,330,206	2,376,810	2,424,346	2,472,833
Debt Service[(2)]	1,875,689	1,875,688	1,875,688	-	-
Lease Pymt Cap Growth Fees	1,013,749	1,004,616	988,611	973,881	962,295
Capital Outlay	528,000	538,560	549,331	560,318	571,524
Transfers Out-Assess Dists	197,407	197,407	197,407	197,407	197,407
Transfers Out-Grants	50,138	50,138	50,138	50,138	50,138
Transfers Out-Debt Service[(2)]	6,826,178	10,855,102	11,928,104	11,515,976	12,506,183
Transfers Out-Storm Water	1,716,778	1,751,114	1,786,136	1,821,859	1,858,296
Transfers Out-Capital Outlay	12,849,377	8,515,865	7,815,865	6,965,865	5,300,000
Transfers Out-ISF/OPD Training	132,935	132,935	132,935	132,935	132,935
Infrastructure Use Fee Repayment	10,000,000	9,500,000	-	-	-
Contingencies	6,184,628	9,992,645	8,203,174	10,965,604	10,894,294
Total Expenditures	**$216,129,647**	**$222,063,209**	**$218,704,891**	**$ 222,263,551**	**$225,966,481**
Net Revenue (Deficit)	$ 7,934,472)	$ (8,500,265)	$ 969,472	$ 3,613,991	$ 5,585,727
Beginning Fund Balance	40,896,706	32,962,234	24,461,969	25,431,441	29,045,432
Ending Fund Balance	**$32,962,234**	**$24,461,969**	**$25,431,441**	**$29,045,432**	**$34,631,159**
Unassigned Balance as % of Total Exp	15.3%	11.0%	11.6%	13.1%	15.3%

(1) The following sets forth the underlying assumptions for the General Fund forecast presented in this table:
- Property Tax revenue projections incorporate property tax consultant's projection of approximately 2% to 3% annual growth based on combined effects of inflation adjustment allowed annually by Proposition 13; Proposition 8 revaluations; new construction; and property ownership changes.
- Sales Tax revenue projections for Bradley Burns base (1%) and Measure E (1.5%) incorporate sales tax consultant's projection of annual growth from FY 2023-24 onward, atop a base forecast by staff for current and budget year, incorporating results year-to-date, national consumer spending data, and short-term consensus economic forecast for U.S. economy.
- Business License Tax projections assume leveling out at 1% annual growth.
- Transient Occupancy Tax (TOT) projections assume 1% annual growth after FY 2022-23.
- Other Revenues / Fees projections assume 1% annual growth
- Regular Salaries assumed to grow 3% annually from combined step and COLA increases..
- Pension Costs reflect projections by CalPERS and MassMutual (for PARS) of future payments for unfunded accrued liabilities, and normal cost contribution rate changes. An additional $15,749,860 of public safety pension costs in FY 2022-23 will be paid from the proceeds of the public safety property tax approved by Oxnard voters in 1951.
- Vacancy Savings assumption of 6 % for FY 2022-23 and 7.5% for subsequent years.
- Non-personnel Costs including Services & Supplies assumed to grow 2% annually.
- Debt Service drops by $1.9 million in FY 2025-26 after the 2015 loan from the Measure O Fund to the General Fund is fully retired in FY 2024-25.
- Transfers Out-Debt Service increases from FY 2022-23 base year as follows: FY 2023-24 $4.2 million, FY 2024-25 $5.2 million, FY 2025-26 $4.8 million, and FY 2026-27 $5.8 million to reflect estimated additional debt service for planned Capital Improvement Proacts, Aquatic Center, Senior Center and Fire Station Replacements.
- Capital Outlay includes Capital Improvement Program (CIP) for FY 2022-23, and projected CIP for subsequent years based on 2022-27 Five Year Capital Improvement Program.

(2) Does not account for the Bonds.

Source: Adopted Budget of the City for fiscal year 2022-23.

Comparative Change in Fund Balance of the City General Fund

The table below presents the City's audited General Fund Statement of Revenues, Expenditures and Change in Fund Balance for fiscal years 2016-17 through 2020-21.

TABLE 3
CITY OF OXNARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND GROUP
FISCAL YEARS 2016-17 THROUGH 2020-21

	2016-17	2017-18	2018-19	2019-20	2020-21
REVENUES[1]					
Taxes	$109,470,295	$112,368,183	$120,903,292	$118,930,205	$144,231,483
Licenses and permits	3,473,506	2,524,505	3,007,750	2,777,998	3,967,887
Intergovernmental	1,839,567	1,908,513	2,259,907	1,769,163	6,172,234
Charges for Services	23,524,718	19,345,462	20,895,034	22,658,976	18,016,882
Fines and Forfeitures	2,376,171	2,367,166	2,368,800	3,282,319	1,852,220
Interest on Investments	362,830	383,016	1,847,513	776,023	347,612
Special Assessments	530,151	536,113	528,790	493,497	492,244
Miscellaneous	4,068,970	5,244,292	7,664,832	4,500,462	2,609,806
Total Revenues	$145,646,208	$144,677,250	$159,475,918	$155,188,643	$177,690,368
EXPENDITURES[2]					
Current:					
General Government	$ 13,295,412	$ 17,635,849	$ 17,251,171	$ 21,354,077	$ 16,501,005
Public Safety	76,500,306	82,483,021	86,529,178	92,090,922	93,487,162
Transportation	1,591,295	6,176,942	5,519,634	5,795,027	6,150,873
Community Development	9,362,535	10,606,545	11,385,339	12,115,326	12,546,149
Culture and Leisure	17,477,538	18,914,570	19,968,684	-	-
Library Services	3,483,561	3,311,739	3,196,990	-	-
Culture, Leisure and Libraries[3]				21,407,281	17,734,480
Capital Outlay	1,319,347	2,826,991	5,417,773	1,038,678	4,797,421
Debt Service:					
Principal	690,000	715,000	745,000	780,000	820,000
Interest and Fiscal Charges	667,544	608,242	574,539	567,706	501,535
Total Expenditures	$124,387,538	$143,278,899	$150,588,308	$155,149,017	$152,538,625
Excess of Revenues Over (Under) Expenditures	$ 21,258,670	$ 1,398,351	$ 8,887,610	$ 39,626	$ 25,151,743
OTHER FINANCING SOURCES (USES)					
Reimbursement of IUF Fees[4]	-	-	-	-	(36,470,697)[4]
Transfer to Golf Course Fund	-	-	-	-	(1,236,347)
Transfers In	46,960	4,801,088	4,240,137	5,614,357	1,609,003
Transfers Out	(9,416,588)	(12,005,796)	(11,355,702)	(11,217,411)	(7,337,227)
Total Other Financing Sources (Uses)	$ (9,369,628)	$ (7,204,708)	$ (7,115,565)	$ (5,603,054)	$ (43,435,268)
Net Change in Fund Balances	11,889,042	(5,806,357)	1,772,045	(5,563,428)	(18,283,525)
Fund Balances, July 1	34,288,072	46,268,790	40,462,433	42,234,478	38,340,504
Prior Period Adjustment	91,676	-	-	1,669,454	(208,913)
Fund Balances, June 30	$ 46,268,790	$ 40,462,433	$ 42,234,478	$ 38,340,504	$ 19,848,066

(1) Revenues of the street maintenance and pension override tax funds are not legally available to pay debt service on the Bonds. Those amounts are $[__].

(2) Expenditures from the street maintenance and pension override tax funds are [__].

(3) Beginning in fiscal year 2019-20, the expenditures previously listed as separate line items "Culture and Leisure" and "Library Services" were combined into one line item for purposes of the City's audits.

(4) Related to Infrastructure Use Fee Litigation.

Source: City of Oxnard Comprehensive Annual Financial Reports for Fiscal Years Ended June 30, 2017-2021.

Comparative General Fund Group Balance Sheets of the City

The table below presents the City's audited General Fund Group Balance Sheets for fiscal years 2016-17 through 2020-21.

TABLE 4
CITY OF OXNARD
GENERAL FUND GROUP BALANCE SHEETS
FIVE YEAR COMPARISON
FISCAL YEARS 2016-17 THROUGH 2020-21

	2016-17	2017-18	2018-19	2019-20	2020-21
ASSETS[1]					
Cash and cash equivalents	$39,640,935	$35,830,461	$42,276,708	$36,762,494	$39,912,571
Accounts and other receivables	4,770,932	3,643,938	3,241,621	3,379,987	3,511,338
Due from other funds	4,438,064	5,878,372	5,921,153	8,869,987	8,150,400
Due from other government	9,698,347	8,821,609	10,640,180	9,852,706	24,477,137
Due from Successor Agency	42,184	8,809	297,915	534,539	182,760
Other assets	-	377,086	377,045	438,539	-
Total Assets	$58,590,462	$54,560,275	$62,754,622	$59,8838,252	$76,234,206
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Liabilities:					
Accounts payable	$ 3,780,851	$ 3,439,160	$ 6,080,193	$4,464,768	$6,357,719
Other liabilities	6,840,403	6,457,069	11,322,272	13,873,239	15,968,284
Due to other funds	121,139	3,211,474	2,113,680	2,098,537	14,371,920
Due to other agencies	408,725	3,381	-	-	-
Advances from other funds	1,109,527	984,753	856,237	723,865	19,470,697
Unearned revenues	61,027	2,005	140,812	337,339	217,520
Total Liabilities	$12,321,672	$14,097,842	$20,513,194	$21,497,748	$56,386,140
DEFERRED INFLOWS OF RESOURCES					
Deferred inflow on receivables and loans	-	-	6,950	-	-
Total Deferred Inflows of Resources	-	-	$20,520,144	$21,497,748	$56,386,140
FUND BALANCES					
Restricted for:					
Debt service	-	-	-	-	-
Transportation Systems	-	-	-	-	-
Maintenance Districts	-	-	-	-	-
Streets and Traffic improvements/maintenance	-	10,558,537	10,402,918	-	-
Infrastructure developments	835,296	-	-	-	-
Housing	-	-	-	-	-
Culture and Leisure	-	-	125,065	-	-
Public safety	-	-	-	-	-
Grants	-	-	-	-	-
Committed to:					
Measure "O" eligible services	-	-	22,560,234	18,020,835	18,314,275
General Plan Maintenance	-	-	-	1,127,968	-
Streets and Traffic Improvements/Maintenance	-	-	-	13,917,604	4,582,215
Assigned to:					
Capital Projects	11,303,187	-	-	-	-
Measure "O" Service Enhancement	10,480,885	12,662,261	-	-	-
Other Purposes	1,499,019	-	282,831	-	-
Unassigned	22,150,403	17,241,635	8,863,430	5,274,097	(3,048,424)
Total Fund Balances	$46,268,790	$40,462,433	$42,234,478	$38,340,504	$19,848,066
Total Liabilities and Fund Balances	$58,590,462	$54,560,275	$62,754,622	$59,838,252	$76,234,206

(1) Includes assets attributable to the street maintenance and pension override tax funds, revenues of which are not pledged towards the repayment of the Bonds.

Source: City of Oxnard Comprehensive Annual Financial Reports for fiscal years ended June 30, 2017-2021.

Major Revenues

The City's General Fund derives its revenues from a variety of sources including *ad valorem* property taxes, sales taxes, transient occupancy tax, business licenses, franchise tax, and other miscellaneous revenues. The City's total General Fund revenues for selected major revenue sources for the past eight fiscal years and an estimate for fiscal year 2021-22 are set forth below.

TABLE 5
CITY OF OXNARD
GENERAL FUND
SELECTED MAJOR REVENUE SOURCES
FISCAL YEARS 2013-14 THROUGH 2021-22

Fiscal Year	Property Tax	Sales Tax[(2)]	Business License	Transient Occupancy Tax	Franchise Tax
2013-14	$42,115,585	$25,777,859	$5,125,801	$4,239,111	$3,507,431
2014-15	44,964,466	27,385,772	5,104,859	4,649,292	3,619,684
2015-16	48,476,175	29,937,421	5,422,499	5,044,231	3,473,814
2016-17	50,886,499	29,918,706	5,348,086	5,174,427	3,238,967
2017-18	53,262,254	29,665,172	5,570,488	5,749,572	3,548,671
2018-19	[__]				
2019-20					
2020-21					
2021-22[(1)]					

(1) Estimated
(2) Does not include Measure O sales tax revenues.
Source: The City.

Property Taxes

Property taxes have historically provided the largest tax revenue source for the City. In fiscal year 2020-21, property taxes allocated to the General Fund were approximately $61,260,000, providing 42% of General Fund tax revenues and approximately 34% of total General Fund revenues. In California, property which is subject to *ad valorem* taxes is classified as "secured" or "unsecured." The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens, arising pursuant to State Law, on the secured property, regardless of the time of the creation of other liens. The valuation of property is determined as of January 1 each year, and installments of taxes levied upon secured property become delinquent on the following December 10th and April 10th of the subsequent calendar year. Taxes on unsecured property are due July 1, and become delinquent August 31.

Secured and unsecured properties are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The exclusive means of forcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes that are delinquent. The taxing authority has four methods of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder's Office in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvement or possessory interest belonging or taxable to the assessee.

A ten percent penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, beginning on the July 1 following a delinquency, interest begins accruing at the rate of 1.5% per month on the amount delinquent. Such property may thereafter be redeemed by the payment of the delinquent taxes and the ten percent penalty, plus interest at the rate of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county tax collector. A ten percent penalty also applies to the delinquent taxes or property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on the varying dates related to the tax billing date.

Legislation enacted in 1984 (Section 75 *et seq*. of the Revenue and Taxation Code of the State of California), provides for the supplemental assignment and taxation of property as of the occurrence of a change in ownership or completion of new construction. Previously, statutes enabled the assessment of such changes only as of the next tax lien date following the change and thus delayed the realization of increased property taxes from the new assessment for up to 14 months. Collection of taxes based on supplemental assessments occurs throughout the year. Taxes due are prorated according to the amount of time remaining in the tax year, with the exception of tax bills dated January 1 through May 31, which are calculated on the basis of the remainder of the current fiscal year and the full 12 months of the next fiscal year.

In the past, the State Legislature has shifted property taxes from cities, counties, and special districts to the Educational Revenue Augmentation Fund. The term "ERAF" is often used as a shorthand reference for this shift of property taxes. In 1992-93 and 1993-94, in response to serious budgetary shortfalls, the State Legislature and administration permanently redirected over $3 billion of property taxes from cities, counties, and special districts to schools and community college districts. The 2004-05 State budget included an additional $1.3 billion shift of property taxes from certain local agencies, including the City, to occur in fiscal years 2004-05 and 2005-06. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Proposition 1A" and "— Proposition 22" for a description of certain limitations on the State's authority over local government revenue sources.

See "— Retirement System — Public Safety Pension Tax Override" below for a description of a voter-approved tax for purposes of paying certain costs of safety-employees retirement benefit costs.

Certain counties in the State operate under a statutory program entitled Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"). Under the Teeter Plan local taxing entities receive 100% of their tax levies net of delinquencies, but do not receive interest or penalties on delinquent taxes collected by the county. The County has not adopted the Teeter Plan, and consequently the Teeter Plan is not available to local taxing entities within the County, such as the City. The City's receipt of property taxes is therefore subject to delinquencies and the County will pay to the City only actual amounts collected.

The table below sets forth the secured assessed valuations for property in the City for the fiscal years 2015-16 through 2021-22.

TABLE 6
CITY OF OXNARD
SECURED ASSESSED VALUATION
FISCAL YEARS 2015-16 THROUGH 2021-22

Fiscal Year	Real Property Assessed Valuation	Improvements	Personal Property and Fixtures	Real Property Exemption	Total[(1)]
2015-16	$7,524,935,223	$ 9,235,587,057	$484,103,591	$596,265,796	$16,648,360,075
2016-17	8,010,572,045	9,584,286,045	471,713,825	622,075,731	17,444,496,369
2017-18	8,531,793,444	10,014,926,190	494,381,868	673,441,349	18,367,660,153
2018-19	[__]				
2019-20					
2020-21					
2021-22					

(1) Equals real property assessed valuation plus personal property assessed valuation, less real property exemptions, plus personal property assessed valuation.

Source: [__]

The table below sets forth secured property tax collections and delinquencies in the City as of June 30, 2021 for previous five fiscal years. The City's receipt of its property tax revenues is impacted by delinquencies in payment, as well as by the collection of interest and penalties on past delinquencies.

TABLE 7
CITY OF OXNARD
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEARS 2016-17 THROUGH 2020-21

		Collected within the Fiscal Year of the Levy			Total Collections to Date	
Year Ended June 30	Total Tax Levy for Fiscal Year[(1)*]	Amount[(2)*]	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2017	61,751,329	58,086,482	94.07%	1,523,414	59,609,896	96.53%
2018	68,260,701	65,473,266	95.92	903,482	66,376,748	97.24
2019	71,278,856	68,423,547	95.99	1,290,711	69,714,258	97.80
2020	73,286,724	71,206,672	97.16	1,175,364	72,382,036	98.77
2021	82,559,732	77,736,649	94.16	1,714,499	79,451,148	96.23

(1) Sourced from the City of Oxnard Finance Department
(2) Sourced from the County of Ventura
* Correction – Property tax levy and collection amounts include secured and unsecured property taxes, property tax in lieu of vehicle license fee (VLP), public safety property tax and distributions from the Redevelopment Property Tax Trust Fund (RPTTF), and exclude special assessments.

Source: Unaudited Schedule IX of City of Oxnard Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2021.

The top ten property taxpayers in the City for fiscal year 2020-21 are shown in the below table.

TABLE 8
CITY OF OXNARD
TOP TEN PROPERTY TAXPAYERS
FISCAL YEAR 2020-21

	Property Owner	Land Use	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
1.	Procter & Gamble Paper Products	Manufacturing	$ 316,482,826	1.43%
2.	Essex Arbors LP	Apartments	227,354,461	1.03
3.	SOCM I LLC	Real Estate	133,606,603	0.60
4.	Serenade Apts Properties Owner LLC	Apartments	116,088,168	0.53
5.	HAAS Automation Inc.	[Manufacturing]	111,346,900	0.50
6.	G I IX Esplanade Property	Real Estate	96,890,957	0.44
7.	California Resources Petroleum(1)	Petroleum	85,501,514	0.39
8.	New-Indy Oxnard LLC	Manufacturing	83,281,530	0.38
9.	450 Forest Park Apartments LLC	Apartments	78,628,740	0.36
10.	Duesenberg Investment Company	Real Estate	78,242,020	0.35
	Top Ten Total		**$ 932,698,873**	**6.01%**
	City Total Taxable Assessed Value		**$22,088,200,428**	**100.00%**

(1) Pending appeals on parcels.

Source: HdL Coren & Cone, as shown in unaudited Schedule VIII of the City's Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Sales Taxes

[In fiscal year 2020-21, sales tax receipts were approximately $67,923,000, providing approximately 47% of General Fund tax revenues and approximately 38% of total General Fund revenues. Pursuant to the City's Adopted Budget for fiscal year 2022-23, sales tax receipts (including Measure E revenues) are projected to be $, providing approximately 95,663,752% of projected General Fund tax revenues and approximately 45.9% of total General Fund revenues for fiscal year 2022-23.]

Sale tax receipts for fiscal year 2020-21 increased by approximately $21.6 million over fiscal year 2019-20 year-end results. The City attributes this increase to increased sales tax revenues from Measure "E," which imposed a 1.5 cent local transaction and use tax (see below), and stronger sales driven by federal stimulus and less than anticipated COVID-19 impact.

In November 2008, City voters approved a one-half cent sales tax increase known as "Measure O." Collection of Measure O sales taxes began in April 2009 and will sunset in 2029. Measure O sales taxes represent a general purpose tax, and the City's policy is to use additional revenue generated from Measure O sales taxes to improve services to the community by adding and improving City facilities and programs. Measure O sales tax revenues have strengthened the City's cash and fund balance positions, growing from $8.9 million in Fiscal Year 2009-10 to $15.1 million in Fiscal Year 2018-19. Measure O sales tax revenues are held in a separate fund which is within the General Fund group of funds. Measure O sales tax revenue is already incorporated in the sales tax revenue figures used above.

A petition was circulated to place an initiative on the November 3, 2020 ballot providing for the early termination of Measure O if the City does not meet certain specific pavement standards for city streets and alleys. The measure provides that if the network of streets and alleys owned by the City does not meet the following Pavement Condition Index (PCI) criterion, based on a numerical scale from 0 to 100, Measure O would expire on the dates set forth below:

Date of Compliance	PCI Criterion	Date of Termination of Measure O
9/30/2022	65	3/31/2023
9/30/2024	70	3/31/2025
9/30/2026	75	3/31/2027
9/30/2028	80	3/31/2029

The petition gained enough signatures and, after the results of pre-election litigation, was placed on the November 3, 2020 ballot as Measure "N." Measure "N" was passed by the City's voters. The City's finances would be affected if and only if the pavement condition standards cited above are not met for the City-owned street and alley network by the specific dates of compliance. In the most extreme case, the approximately $15 million annual revenue to the Measure "O" (Half-Cent Sales Tax) Fund would cease six (6) years prior to its currently scheduled expiration date of March 31, 2029. In such case, the City, upon approval of the City Council, would need to offset several expenditures currently funded by Measure "O," including terminating certain capital improvement and maintenance projects. Conversely, if the Citywide pavement conditions are met on the various trigger dates, then Measure "N" would have no effect on the Measure "O" (Half-Cent) Sales Tax Fund and the City's finances. Additionally, Measure "N" permits the City Council to extend the half-cent sales tax for additional five (5) year periods beyond the currently scheduled termination date of March 31, 2029 if a third party civil engineering consultant finds that the PCI for the City-owned street and alley network is at least 80 by April 1, 2028.

The following table shows historical sales tax revenues from Fiscal Years 2009-10 through 2020-21.

Fiscal Year Ended June 1	Measure O Sales Tax Revenues	All Other Sales Tax Revenues	Total Sales Tax Revenues
2010	$ 8,908,667	$19,194,384	$28,103,051
2011	11,161,453	22,235,284	33,396,737
2012	13,268,841	24,184,283	37,453,124
2013	10,091,602	25,064,411	35,156,013
2014	12,509,580	25,777,859	38,287,439
2015	13,398,405	27,385,772	40,624,737
2016	13,225,990	29,937,421	43,163,411
2017	14,174,002	29,918,706	44,092,707
2018	13,753,704	29,665,172	43,418,876
2019	[__]		48,518,650
2020			46,320,415
2021			67,923,383[1]

(1) Includes additional revenues from Measure "E."
Source: The City.

Measure "E" – Supplemental Transactions and Use Tax

At the November 3, 2020 election, the City's voters approved Measure "E," the "City of Oxnard 911 Safety, Medical Response, Financial Recovery, and Accountability Measure," which imposes a 1.5 cent local transaction and use tax (sales tax) within the City. All proceeds of the tax go to the City's General Fund and are available for any municipal purpose. The new City-wide tax rate became effective on April 1, 2021. The Measure "E" tax generated $12.6 million in additional General Fund revenue in fiscal year 2020-21, and is projected to generate $51.9 million in fiscal year 2021-22. [CONFIRM WITH CITY IF POLICY EXISTS REGARDING USE OF MEASURE E REVENUES]

Pension Override Tax

The City collects a tax dedicated to paying fire and police safety employee pension costs in the California Public Employees Retirement System (PERS) which was approved by voters in 1951. This tax is referred to as the "Carman Override" based upon the California Supreme Court case *Carman v. Alvord* in which the Court ruled that voter approved pension costs constituted debt that could be supported by a tax levy in excess of the 1% maximum allowed by Proposition 13 (California Constitution, Article XIIIA). The tax can finance pension benefits in effect on July 1, 1978. There is no sunset on such tax. Each year, the City determines the amount of eligible costs that can be covered by the Carman Override. The City is also limited by a maximum tax rate of $0.076637 per $100 of assessed valuation. The City's current tax rate for the Carman Override is $[___] per $100 of assessed valuation. The City's Adopted Budget forecasts collecting $[__] of Carman Override revenues, representing [__]% of the total expected safety plan PERS costs of $[__].

Transient Occupancy Tax

A transient occupancy tax is imposed on persons staying thirty (30) days or less in a hotel, motel, inn or other lodging place within the City. There are currently [17 hotels, 52 vacation rentals, and one recreational vehicle park] within the City and subject to the transient occupancy tax. [The City anticipates the addition of two hotels which are currently under construction.] The current transient occupancy tax rate is [10]% of the room rate. There is no sunset on the transient occupancy tax. Payments are made to the City on a monthly basis and are deposited to the City's General Fund. In fiscal year 2020-21, transient occupancy tax receipts were $4,267,463, providing approximately 2.95% of General Fund tax revenues and approximately 2.4% of total General Fund revenues. [Based on unaudited estimated results, fiscal year 2021-22 transient occupancy tax receipts of approximately $[___] are expected to contribute approximately [__]% of General Fund tax revenues and approximately [__]% of total General Fund revenues.] The City's Adopted Budget forecasts approximately $5,602,162 in transient occupancy tax receipts in fiscal year 2022-23.

Other Taxes and Fees

The City collects other taxes and fees which provide a smaller source of revenue for the General Fund. Such taxes and fees include, but are not limited to franchise taxes, property transfer taxes, business licenses and penalties and interests.

State of California Motor Vehicle In-Lieu Payments

The City also received a portion of Department of Motor Vehicles license fees ("VLF") collected Statewide. Fifteen years ago, the Statewide VLF was reduced by approximately two-thirds. The Stat, however, continued to remit to cities and counties the same amount that those local agencies would have received if the VLF had not been reduced, known as the "VLF backfill." The State VLF backfill was phased out, and as of Fiscal Year 2011-12 all of the VLF is now received through an in-lieu payment from State property tax revenues.

Long-Term Liabilities

The City has numerous long term liabilities which are described in detail in APPENDIX C — "AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021." The following table summarizes the City's changes in long-term debt and liabilities as of June 30, 2021, excluding business activities not paid by the General Fund. The table below does not include long-term liabilities related to pension or post-employment benefit plans. See "— Retirement System" and "Other Post-Employment Benefits" below. The table below does not include long-term liabilities related to the City's Water Fund, Wastewater Fund, Environmental Resources Fund, or of the Oxnard Housing Authority Fund. See

APPENDIX C — "AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021— Note II, G."

TABLE 9
CITY OF OXNARD
LONG-TERM LIABILITIES
FISCAL YEAR 2020-21

GOVERNMENTAL ACTIVITIES:	Balance (July 1, 2020)	Additions	Reductions	Balance (June 30, 2021)	Due Within One Year
Lease Revenue Bonds					
Lease Revenue Project and Refunding Bonds, Series 2014[3]	$11,835,000	-	$(1,075,000)	10,760,000	$1,125,000
Lease Revenue Refunding Bonds, Series 2018	25,140,000	-	(1,390,000)	23,750,000	1,430,000
Lease Revenue Refunding Bonds, Series 2019A	27,030,000	-	(665,000)	26,365,000	710,000
Unamortized premiums	5,577,438	-	(297,927)	5,279,511	-
Unamortized discounts	(21,212)	-	1,015	(20,197)	-
Revenue Bonds					
Gas Tax Revenue Refunding Bonds, Series 2020	16,905,000	-	(665,000)	16,240,000	710,000
Unamortized discounts	2,897,310	-	(11,026)	2,886,284	-
Capital Leases					
B of A Capital Lease 2009[1] 2009 CIP lease purchase, draw #10	61,639	-	(61,639)	-	-
B of A Capital Lease 2018, Draw #21 & #22	3,454,885	-	(841,226)	2,613,659	837,961
2012 Lease Purchase[2]	2,968,737	-	(327,974)	2,640,763	337,247
2014 Lease Purchase - Fire Station 8	11,366,695	-	(820,000)	10,546,695	850,000
TOTAL GOVERNMENTAL ACTIVITIES	$107,215,492	-	$(6,153,777)	$101,061,715	$6,000,208

(1) 2009 CIP lease purchase consisted of multiple schedules based on draw requests.
(2) To be refunded by the Series 2022A Bonds.
(3) To be refunded by the Series 2022B Bonds.

Source: City of Oxnard Comprehensive Annual Financial Report for fiscal year ended June 30, 2021.

Retirement System

City's Pension Plans. The City provides pension benefits to its employees through four defined benefit plans: CalPERS Miscellaneous Plan, CalPERS Police Plan, CalPERS Fire, and the Retirement Enhancement Plan. For the year ended June 30, 2021, pension expense for all plans totaled $53,023,507.

CalPERS. The City contributes to the California Public Employees Retirement System ("PERS"), a multiple-employer, public employee defined benefit plan, which acts as a common investment and administrative agent for participating public entities within the State. The City's membership is reported within three plans classified into two categories: safety members (police and fire) and miscellaneous members (all other regular employees).

PERS issues a separate comprehensive annual financial report, and annual actuarial reports for the City's retirement plans. Copies of PERS' annual financial report may be obtained from their executive office at 400 "P" Street, Sacramento, California 95814, or at their website at http://www.calpers.ca.gov. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

All City personnel are eligible to participate in PERS, becoming vested after five years of service. Monthly retirement benefits are payable for life in an amount equal to a specified percentage as follows:

Miscellaneous Employees	2% at age 55 (hire date prior to January 1, 2013) 2% at age 62 (hire date on or after January 1, 2013)
Police Employees	3% at age 50 (hire date prior to January 1, 2013) 2.7% at age 57 (hire date prior to January 1, 2013)
Fire Employees	3% at 50 (hire date prior to January 1, 2013) 2.7% at age 57 (hire date prior to January 1, 2013)

For employees hired on or before December 31, 2012 ("classic" employees), the benefits are calculated at the highest consecutive 12 months for miscellaneous employees and safety employees multiplied by a total number of years employed. For new (PEPRA) members, hired January 1, 2013 or later, final compensation is the average annual pensionable compensation for a 36-consecutive-month period of employment.

For employees hired on or before December 31, 2012, required employee contributions to PERS are 7% of compensation for miscellaneous employees and 9% of compensation for safety employees, which the City currently pays for regular employees. Under the California Public Employees' Pension Reform Act of 2013 (PEPRA), for new employees hired on or after January 1, 2013, the required employee contributions to PERS are 6.00% of compensation for miscellaneous employees, 13.75% of compensation for safety police employees, and 12.25% of compensation for safety fire employees. The City is required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by the PERS actuaries and actuarial consultants and adopted by the PERS Board of Administration. The City does not provide contributions to any portion of the required employee contributions.

PERS uses a modification of the entry age normal actuarial cost method, which is a projected benefit cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued.

The City's total contributions to PERS for the fiscal years ended June 30, 2019, 2020, and 2021 were $30,242,219 , $34,811,449 and $36,544,053, respectively. Contribution rates for each participating employer are determined based on the benefit structure established.

[Currently, a significant portion of the contribution requirements for police and fire are funded with a voter-approved property tax override. [The maximum property tax rate is $0.076637 per $100 of assessed values within the City] (except a portion of land annexed to the City in 1969). For Fiscal Year 2022-23, the estimated normal cost for police employees is $7,048,393 and the estimated minimum unfunded actuarial liability payment is approximately $8,174,228. For Fiscal Year 2022-23, the estimated normal cost for fire employees is $2,487,529 and the estimated minimum unfunded actuarial liability payment is approximately $5,374,991. For Fiscal Year 2022-23, the estimated normal cost for PEPRA fire employees is $463,760 and the estimated minimum unfunded actuarial liability payment is approximately $22,960. For Fiscal Year 2022-23, the property tax override is expected to generate approximately $[__] million.]

The funded status of each plan as of June 30, 2020, on an actuarial value of assets basis is as follows (dollar amounts in thousands):

	Market Value of Assets (MVA)	**Actuarial Accrued Liability (AAL)**	**Unfunded AAL (UAAL)**	**Funded Ratio (MVA / AAL)**	**Covered Payroll**
Police	$310,126,232	$419,224,349	$109,098,117	74.0%	$25,600,769
Fire	115,788,683	176,577,564	60,788,881	65.6	8,943,441
Fire PEPRA	3,105,569	3,472,355	366,786	89.4	3,129,659
Miscellaneous	376,483,366	529,151,648	152,668,282	71.1	55,032,327

Source: CalPERS Actuarial Reports for each plan dated July 2021.

The projections below assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. Actuarial contribution rates during this project period could be significantly higher or lower than the projection shown below. The projected normal cost percentages in the projections below reflect that the normal cost will continue to decline over time as new employees are hired into PEPRA or other lower cost benefit tiers.

The projected rates for each plan as of June 30, 2020, the most recent actuarial valuation, are as follows:

Projected Future Employer Contribution Rates

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Police	25.38%	24.7%	24.1%	23.4%	22.8%	22.2%
Fire	25.64%	25.6%	25.6%	25.6%	25.6%	25.6%
Fire PEPRA	13.66%	13.7%	13.7%	13.7%	13.7%	13.7%
Miscellaneous	9.45%	9.4%	9.3%	9.2%	9.1%	9.0%

Source: CalPERS Actuarial Reports for each plan dated July 2021.

The City cannot anticipate accuracy of the projections above or to what extent the contribution requirements of the City will increase in future years.

Public Agency Retirement System Retirement Enhancement Plan. The City established a Public Agency Retirement System Retirement Enhancement Plan ("PARS") effective January 1, 2003, for selected groups of miscellaneous employees (non-safety), Service Employees International Union (SEIU), International Union of Operating Engineers (IUOE), Management, and one of the two groups of Confidential employees. PARS is a defined benefit 401(a) tax-qualified multiple agency trust. PARS meets the requirements of a pension trust under California Government Code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. For employees meeting the eligibility requirements, the plan provides a benefit equal to the "3% at 60" plan factor (formula is a static 3% at age 60 and older), less the PERS "2% at 55" plan factors for all years of City service plus any military service purchased through PERS (prior to July 1, 2003) while an employee of the City.

Eligibility for an immediate benefit is defined as reaching age 50, completing five years of service, and retiring concurrently from both the City and PERS after leaving City employment. In addition, a deferred benefit would be available to participants who complete five years of service. The City has full discretionary authority to control, amend, modify or terminate this plan at any time.

Employees and the City contribute a total of 8% of eligible employees' gross wages. Current employee and City contributions by employee groups are as follows:

	City Contributions	Employee Contributions
IUOE	2.7%	5.3%
SEIU	3.5	4.5
Management	3.0	5.0
Confidential	2.5	5.5

In addition, the City is required to contribute the remaining amounts necessary to fund the benefit to its members using the actuarial basis recommended by PARS actuarial consultants. Copies of PARS annual financial report may be obtained from the PARS Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, CA 92660, or at their website at http://www.pars.org. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

For fiscal year ended June 30, 2021, the City contributed $3,427,026 to PARS, and recognized a pension benefit of $1,811,860 for the plan.

The City implemented GASB Statement No. 84, Fiduciary Activities, for fiscal year ended June 30, 2021. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are fiduciary activities. The provisions of this statement are effective for fiscal years beginning after December 15, 2019. The City determined that the Oxnard Community Development Commission Successor Agency and the Retirement Enhancement Defined Benefit Pension Trust are fiduciary in nature under the provisions of GASB Statement No. 84. There were changes in the recognition and presentation of fiduciary fund statements of the custodial funds as a result of implementing this standard.

Other Post-Employment Benefits. The City provides post-employment benefits for retired employees. Employees who retire from the City and receive a PERS pension are eligible for post-employment medical benefits. Retirees can enroll in any of the available PERS medical plans. This benefit continues for the life of the retiree and surviving spouse. Benefit provisions for PERS are established by the Public Employees Retirement Law (Part 3 of the California Government Code, Section 20000 *et seq*.). PERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the PERS annual financial report may be obtained from the PERS Executive Office, 400 "P" Street, Sacramento, California 95814, or at their website at http://www.calpers.ca.gov. The foregoing reference to an internet website is made for reference and convenience only; the information contained within the website has not been reviewed by the City or the Authority and is not incorporated in this Official Statement by reference.

The City contributes the minimum amount allowed under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act. The City's required monthly contribution for calendar years 2020 and 2019 were $139 and $136, respectively. The statutory contribution will be indexed by the Medical CPI each year. The required contribution is based on pay-as-you-go financing requirements. Retirees must contribute any premium amounts in excess of the City contribution.

The City's total OPEB liability of $55,141,842 was measured as of June 30, 2020, and was determined by an actuarial valuation as of July 1, 2019. For the year ended June 30, 2021, the City recognized an OPEB expense of $5,174,715.

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 healthcare cost trends. Amounts determined regarding the funded status are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

For additional information with respect to the City's OPEB plan, Appendix C – AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021."

CITY FINANCIAL POLICIES

Reserve Policies

The City's reserve policies require adequate reserves will be maintained for all known liabilities, including payable employee leave balances, workers' compensation, and self-insured retention limits. The City's goal is to maintain an operating reserve equal to twelve percent (12%) of the General Fund operating budget. The operating reserve is available to cover cash flow requirements, meet unanticipated revenue shortfalls, take advantage of unexpected opportunities, invest in projects with a rapid payback, ensure against physical or natural disasters, and provide interest earnings. Additionally, the City desires to maintain operating reserves in the utility funds equal to twenty-five percent (25%) of the operating budgets.

Debt Policy

Pursuant to Resolution No. 15,105 the City has adopted a debt management policy (the "Debt Management Policy") in compliance with California Government Code Section 8855. The Debt Management Policy sets forth the purposes for which long-term debt financings may be undertaken (i.e. for projects that will provide benefit to constituents over multiple years). The Debt Management Policy provides that the City will limit the debt ratio of annual principal and interest due during a fiscal year to 10% of the General Fund Budget.

City Capital Management Policy

The City's Capital Management Policy requires an annual update of the five-year Capital Improvement Program ("CIP"), including anticipated funding sources for projects. During each budget cycle the five-year CIP is reviewed and approved by the City Council. Such policy requires staff to evaluate each proposed project against the City's capital project priority criteria, which include health and safety, asset preservation and new or expanded City services.

City Investment Policy

[The City invests its funds in accordance with the City's Investment Policy, most recently amended on July 30, 2019. In accordance with Section 53600 *et seq.* of the California Government Code, idle cash management and investment transactions are the responsibility of the City Treasurer. The City's Investment Policy sets forth the policies and procedures applicable to the investment of City funds and designates eligible investments. The Investment Policy sets forth a stated objective, among others, of ensuring the safety of invested funds by limiting credit and market risks. Funds are invested in the following order of priority:

- Safety of Principal;
- Liquidity; and
- Yield.

Eligible investments are generally limited to managed investment pools, including but not limited to the Local Agency Investment Fund which is operated by the California State Treasurer, U.S. Treasury bills, notes and bonds, obligations issued by United States Government agencies, obligations issued by a federal agency or United States government-sponsored enterprise, debt issued by a municipal agency, FDIC-insured or negotiable certificates of deposit rated "Aa" or better by Moody's or "AA-" or better by Standard & Poor's, repurchase agreements, medium term corporate notes and municipal bonds with maturities of five years or less and rated "A" to "AAA" by Moody's Investor's Service, Inc. or Standard and Poor's Rating Services, banker's acceptances and commercial paper rated A1/P1, as applicable, or better.

The City Treasurer is required to provide a quarterly report to the City Manager and the City Council showing the type of investment, date of maturity, amount invested, current market value, rate of interest, and other such information as may be required by the City Council. At June 30, 2021, the par value of the City's investment portfolio was $365,039,290 (not including the City's Enhanced Retirement Trust and cash in banks or on hand). As of such date, the City had invested approximately 24.3% of its investment portfolio in California LAIF, 58.7% in federal agency securities, 16% held by a trustee, and less than 1% of its investment portfolio in each the County Investment Pool, municipal bonds, and a certificate of deposit. For additional information with respect to the City's cash and investments, see the audited financial statements for fiscal year 2020-21 attached to the Official Statement as Appendix C.]

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population

The City's population has decreased from approximately 201,418 in 2012 to approximately 200,050 in 2022. The following table shows the approximate changes in population in the City, the County, the State, and the United States for the years 2012 through 2022.

TABLE 11
POPULATION ESTIMATES
CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2012 THROUGH 2022[1]

Year	City	County	California	United States
2012	201,418	836,774	37,971,427	313,874,218
2013	203,169	843,220	38,321,459	316,057,727
2014	205,301	848,621	38,622,301	318,386,421
2015	207,471	852,505	38,952,462	320,742,673
2016	208,603	854,886	39,214,803	323,071,342
2017	208,987	855,973	39,504,609	325,147,121
2018	209,269	857,415	39,740,508	327,167,434
2019	209,879	856,598	39,927,315	328,231,337
2020	205,950	841,219	39,648,938	331,501,080
2021	200,480	840,093	39,303,157	331,893,745
2022	200,050	833,652	39,185,605	332,838,183

(1) Unless otherwise noted, estimates for City, County, and State are as of January 1, and for the United States are as of July 1.

Source: California Department of Finance (Report E-4 Population Estimates for Cities, Counties and the State, 2011-2020 with 2010 Census Benchmarks and 2021-22 with 2020 Census Benchmark); for United States: United States Bureau of the Census.

Personal Income

Personal Income is the income that is received by all persons from all sources. Personal Income is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

The personal income of an area is the income that is received by, or on behalf of, all the individuals who live in the area; therefore, the estimates of personal income are presented by the place of residence of the income recipients.

The following tables show the personal income and per capita personal income for the County, the State and United States from 2012 through 2020.

TABLE 12
PERSONAL INCOME
COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2010-2020

Year	County of Ventura	California	United States
2012	41,563,660	1,827,166,900	14,003,346,000
2013	42,045,001	1,857,200,900	14,189,228,000
2014	44,266,607	1,980,736,800	14,969,527,000
2015	46,380,512	2,125,430,300	15,681,233,000
2016	47,741,677	2,218,457,800	16,092,713,000
2017	49,183,016	2,318,644,400	16,845,028,000
2018	51,035,138	2,431,822,000	17,681,159,000
2019	53,344,954	2,544,235,000	18,402,004,000
2020	56,728,142	2,763,312,000	19,607,447,000

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table summarizes per capita personal income for the City, the County, the State and the United States for the years 2012 through 2020. This measure of income is calculated as the personal income of the residents of the area divided by the resident population of the area.

TABLE 13
PER CAPITA PERSONAL INCOME[(1)]
COUNTY OF VENTURA, STATE OF CALIFORNIA, AND UNITED STATES
CALENDAR YEARS 2012-2020

Year	County of Ventura	California	United States
2012	49,879	48,121	44,548
2013	50,189	48,502	44,798
2014	52,566	51,266	46,887
2015	54,849	54,546	48,725
2016	56,371	56,560	49,613
2017	57,981	58,813	51,573
2018	60,238	61,509	53,817
2019	63,190	64,333	55,724
2020	67,422	69,958	59,147

(1) Per capita personal income is the total personal income divided by the total mid-year population estimates of the U.S. Bureau of the Census. All dollar estimates are in current dollars (not adjusted for inflation).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

The following table summarizes the labor force, employment, and unemployment figures over the past six years for the Oxnard-Thousand Oaks-Ventura Metropolitan Statistical Area ("MSA"), the State of California and the nation as a whole.

TABLE 14
LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT
OXNARD-THOUSAND OAKS-VENTURA METROPOLITAN STATISTICAL AREA
ANNUAL AVERAGE FOR CALENDAR YEARS 2017 THROUGH 2022

Year and Area	Labor Force	Employment[1]	Unemployment[2]	Unemployment Rate(%)[3]
2017				
MSA	423,700	404,500	19,200	4.5%
State of California	19,185,400	18,258,100	927,300	4.8
United States[4]	160,320,000	153,337,000	6,982,000	4.4
2018[5]				
MSA	423,000	406,800	16,300	3.9%
State of California	19,289,500	18,468,100	821,400	4.3
United States[4]	162,075,000	155,761,000	6,314,000	3.9
2019				
MSA	422,100	406,600	15,500	3.7%
State of California	19,409,400	18,612,600	796,800	4.1
United States[4]	[__]			
2020				
MSA	409,400	373,300	36,100	8.8%
State of California	18,931,100	16,996,700	1,934,500	10.2
United States[4]				
2021	404,900	380,000	24,900	6.2%
MSA	18,923,200	17,541,900	1,381,200	7.3
State of California				
United States[4]				
2022[5]				
MSA	409,200	396,200	13,000	3.2%
State of California	19,237,100	18,486,400	750,800	3.9
United States[4]				

(1) Includes persons involved in labor-management trade disputes.
(2) Includes all persons without jobs who are actively seeking work.
(3) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures in this table.
(4) Not strictly comparable with data for prior years.
(5) As of July 2022.
Note: Data is not seasonally adjusted.
Source: California Employment Development Department and U.S. Department of Labor, Bureau of Labor Statistics.

The table below summarizes employment by industry in the MSA from 2017 to 2021. Trade, Transportation and Utilities, Retail Trade, Education and Health Services, Professional and Business Services and Government are the largest employment sectors in the MSA.

TABLE 15
ANNUAL AVERAGE INDUSTRY EMPLOYMENT
OXNARD-THOUSAND OAKS-VENTURA
METROPOLITAN STATISTICAL AREA
CALENDAR YEARS 2017-2021
(IN THE THOUSANDS)

Industry Title	2017	2018	2019	2020	2021
Total Farm	23,800	24,300	24,700	25,000	23,400
Total Nonfarm	304,900	308,500	312,100	290,200	296,900
Total Private	258,000	262,700	265,000	245,500	252,500
Mining and Logging	900	900	900	900	900
Mining, Logging and Construction	16,600	17,700	18,000	17,700	17,900
Construction	15,700	16,800	17,100	16,800	17,000
Manufacturing	25,600	26,200	26,600	25,800	26,300
Trade, Transportation and Utilities	58,600	58,100	57,100	52,900	55,100
Wholesale Trade	12,700	12,500	12,500	11,900	12,000
Retail Trade	39,800	39,200	38,300	34,900	36,500
Transportation, Warehousing and Utilities	6,100	6,300	6,300	6,100	6,600
Information	5,300	5,400	5,200	4,000	3,900
Financial Activities	16,900	16,400	15,900	15,700	15,500
Professional and Business Services	42,200	42,900	44,400	42,600	43,500
Educational and Health Services	45,900	47,700	49,600	48,300	48,700
Leisure and Hospitality	37,200	37,800	38,500	30,200	33,000
Other Services	9,600	9,500	9,700	8,300	8,800
Government	46,900	46,900	47,100	44,700	44,400
Total, All Industries	328,700	332,800	336,800	315,200	320,300

Source: State of California, Employment Development Department, Labor Market Information Division, Oxnard-Thousand Oaks-Ventura Annual Average Labor Force and Industry Employment, March 2021 Benchmark.

Commercial Activity

The following table summarizes the annual volume of taxable transactions within the City for the years 2016 through 2021.

TABLE 16
TABLE OF TAXABLE SALES BY CATEGORY
CITY OF OXNARD
CALENDAR YEARS 2016 THROUGH 2021
ADJUSTED FOR ECONOMIC DATA
(000'S)

	2016	2017	2018	2019	2020	2021
Motor Vehicle and Parts Dealers	$ 596,911,284	$ 610,449,669	$ 596,570,616	$600,705,950	$ 576,720,436	$ 636,172,333
Home Furnishings and Appliance Stores	147,257,458	146,130,441	143,011,416	135,172,946	116,514,538	155,007,191
Building Material and Garden Equipment and Supplies Dealers	152,212,526	171,303,597	212,383,840	47,854,294	244,526,289	268,065,948
Food and Beverage Stores	118,224,838	138,404,317	155,163,426	155,055,308	155,964,041	159,508,945
Gasoline Stations	185,779,608	193,578,251	220,672,141	219,005,850	150,726,338	216,003,623
Clothing and Clothing Accessories Stores	121,865,488	122,142,546	121,784,101	124,302,658	94,247,909	141,693,586
General Merchandise Stores	316,496,497	328,406,863	340,937,936	351,057,417	364,082,620	423,502,446
Food Services and Drinking Places	294,177,130	319,053,446	323,948,572	342,640,017	296,700,472	379,996,534
Other Retail Group	197,738,936	171,384,463	157,914,525	157,740,958	138,808,371	158,615,009
Total Retail and Food Services	$2,130,663,765	$2,200,853,593	$2,272,386,573	$2,300,883,393	$2,138,291,014	$2,538,565,615
All other outlets	553,400,971	580,323,296	617,209,797	644,572,588	618,190,924	754,325,716
Total all outlets	$2,684,064,736	$2,781,176,889	$2,889,596,370	2,945,455,981	$2,756,481,938	$3,292,891,331

Sources: California Department of Tax and Fee Administration.

APPENDIX B

SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE YEAR ENDED JUNE 30, 2021

APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the City of Oxnard, California (the "City") in connection with the issuance of $_________ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Refunding Bonds, Series 2022A (Federally Taxable) and $_________ aggregate principal amount of the City of Oxnard Financing Authority Lease Revenue Refunding Bonds, Series 2022B (Federally Tax-Exempt) (together, the "Bonds"). The Bonds are being issued pursuant to that certain Indenture, dated as of December 1, 2019 (the "Indenture"), by and among the City, the City of Oxnard Financing Authority (the "Authority"), and Wells Fargo Bank National Association, as trustee, as supplemented by that certain First Supplement to Indenture, by and among the City, the Authority, and Computershare Trust Company, N.A (the "Trustee").

Capitalized terms not defined herein shall have the meaning set forth in the Indenture. The City covenants and agrees as follows:

Section 1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as the foregoing capitalized terms are hereinafter defined).

Section 2. Definitions. The following capitalized terms shall have the following meanings:

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Dissemination Agent" shall mean NHA Advisors, San Rafael, California, or any successor Dissemination Agent designated in writing by the City, which has filed with the City a written acceptance of such designation.

"Financial Obligation" shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section (5)(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

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

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access ("EMMA") website of the MSRB, currently located at http://emma.msrb.org.

"Official Statement" shall mean the Official Statement for the Bonds dated [DATE], as amended or supplemented.

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

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

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent by written direction to such Dissemination Agent to, not later than March 1 after the end of the City's fiscal year (which currently ends on June 30), commencing with the report due for the fiscal year ended June 30, 2022, provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City may be submitted separately from and later than the balance of the Annual Report if they are not available by the date required above for the filing of the Annual Report.

An Annual Report shall be provided at least annually notwithstanding any fiscal year longer than 12 calendar months. The City's fiscal year is currently effective from July 1 to the immediately succeeding June 30 of the following year. The City will promptly notify the MSRB of a change in the fiscal year dates.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the City shall provide the Annual Report to the Dissemination Agent (if the Dissemination Agent is not the City). If by fifteen (15) Business Days prior to the date specified in (a) for the Annual Report, the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall notify the City of such failure to receive the report. If the Dissemination Agent is other than the City, the City 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 it hereunder. The Dissemination Agent may conclusively rely upon such certification of the City and shall have no duty or obligation to review such Annual Report.

(c) If the City fails to provide an Annual Report by the date required in subsection (a), the Dissemination Agent shall send a notice of such failure to file to the MSRB, in the form required by the MSRB.

Section 4. Content of Annual Report. The City's Annual Report shall contain or include by reference:

(a) Financial Statements. The audited financial statements of the City for the most recent fiscal year of the City then ended. If the City prepares audited financial statements and if the audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain any unaudited financial statements of the City in a format similar to the financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. Audited financial statements of the City shall be audited by such auditor as shall then be required or permitted by State law. Audited financial statements, if prepared by the City, shall be prepared in accordance with generally accepted accounting principles as prescribed for governmental units by the Governmental Accounting Standards Board; provided, however, that the City may from time to time, if required by federal or state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the City shall modify the basis upon which its financial statements are prepared, the City shall provide a notice of such modification to the MSRB, including a reference to the specific federal or state law or regulation specifically describing the legal requirements for the change in accounting basis.

(b) Financial and Operating Data. Numerical and tabular information for the immediately preceding Fiscal Year of the type contained in Appendix A to the Official Statement, as follows:

1. A table comparing general fund budget to actual results for the most recently completed fiscal year;

2. Major tax revenue sources for the general fund for the most recently completed fiscal year;
3. Property tax levies, collections, and delinquencies for the most recently completed fiscal year; and
4. Update on the City's long term debt outstanding as of the most recently completed fiscal year.

With respect to requirement 1 above, if the adopted budget for the fiscal year during which the Annual Report is filed does not need not be reported.

Financial information relating to the City referenced in Section 4(b) may be updated from time to time, and such updates may involve displaying data in a different format or table or eliminating data that is no longer available.

The City has not undertaken in this Disclosure Certificate to provide all information an investor may want to have in making decisions to hold, sell or buy Bonds but only to provide the specific information listed above.

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 City or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;

2. Unscheduled draws on debt service reserves reflecting financial difficulties;

3. Unscheduled draws on credit enhancements reflecting financial difficulties;

4. Substitution of credit or liquidity providers, or their failure to perform;

5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB);

6. Tender offers;

7. Defeasances;

8. Rating changes;

9. Bankruptcy, insolvency, receivership or similar event of the obligated person; or

10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

Note: for the purposes of the event identified in subparagraph (9), 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 Wells Fargo 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.

(b) The City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten business days after the occurrence of the event:

1. Unless described in paragraph 5(a)(5), notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

2. Modifications to rights of Bond holders;

3. Optional, unscheduled or contingent Bond calls;

4. Release, substitution, or sale of property securing repayment of the Bonds;

5. Non-payment related defaults;

6. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. Appointment of a successor or additional trustee or the change of name of a trustee; or

8. Incurrence of a Financial Obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the City shall determine if such event would be material under applicable federal securities laws.

(d) If the City learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the City shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsections (b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds pursuant to the Indenture.

Section 6. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Certificate must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance or payment in full of all of the Bonds. If such termination occurs prior to the final maturity date of the Bonds, the City shall give notice of such termination in a filing with the MSRB.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such

Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Certificate.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City 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, 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or Beneficial Owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City 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 notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any Owner or Beneficial Owner of Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture or the Facility Lease, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. A Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save such Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, if any, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: [DATE]

CITY OF OXNARD, CALIFORNIA

By: ___________________________________
Alexander Nguyen, Executive Director

Acknowledged and Accepted:
NHA Advisors, as Dissemination Agent

By: ___________________________________
Authorized Officer

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The following information has been provided by DTC for use in securities offering documents, and the Authority and the City take no responsibility for the accuracy or completeness thereof. Neither the Authority nor the City can give or does give any assurances that DTC, DTC Direct Participants or DTC Indirect Participants will distribute to the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds 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 Bond certificate will be issued for each issue of the Bonds, 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 an S&P Global Ratings 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 on such website is not incorporated herein.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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. None of the Authority, the City or the Trustee will have any responsibility or obligation to such Direct Participants and Indirect Participants or the persons for whom they act as nominees with respect to the Bonds. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture and the Facility Lease. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority 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 the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments with respect to the Bonds 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 the Trustee, on payable dates 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, the Authority, the City or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority, the City or the Trustee, 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 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest and other payments with respect to the Bonds to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Bonds and other related transactions by and between DTC, the Direct Participants, the 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 the Direct Participants, the 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 the Participants, as the case may be.

In the event that the book-entry system is discontinued as described above, the requirements of the Indenture will apply.

THE TRUSTEE, AS LONG AS A BOOK-ENTRY ONLY SYSTEM IS USED FOR THE BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES TO OWNERS TO ONLY DTC. ANY FAILURE OF DTC TO ADVISE ANY DTC PARTICIPANT, OR OF ANY DTC PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER, OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

]TBD]