



Midpeninsula Regional  
Open Space District

R-16-98  
Meeting 16-01  
August 10, 2016

## **FINANCING AUTHORITY AGENDA ITEM 1**

### **AGENDA ITEM**

Resolution Authorizing the Early Redemption and Execution of All Necessary Documents in Connection with the 2016 Green Bonds

### **EXECUTIVE DIRECTOR AND CONTROLLER'S RECOMMENDATION**

Adopt a Resolution of the Board of Directors of the Midpeninsula Regional Open Space District Financing Authority authorizing the early redemption of the 2007 Series A Revenue Refunding Bonds and 2011 Revenue Bonds, and Approving Forms and Execution of an Escrow Agreement, and Authorizing the taking of all necessary actions in connection with the 2016 Green Bonds.

### **DISCUSSION**

In order to achieve significant cash flow savings over the next 25 years, District staff is proposing to refinance the Financing Authority's 2007 Series A Revenue Refunding Bonds and the callable portion of the 2011 Revenue Bonds (together "Prior Bonds") in order to take advantage of today's very low interest rates and achieve significant debt service savings.

#### Attachments

1. Resolution Authorizing the Execution and Delivery of Documents in Connection with the Refinancing of the Authority's Outstanding 2007 Series A Revenue Refunding Bonds and the 2011 Revenue Bonds, and Approving Related Documents and Official Actions
2. 2016 Bonds Escrow Agreement

Responsible Manager:  
Stefan Jaskulak, Chief Financial Officer

Prepared by:  
Lisa Tulee, Senior Management Analyst

Contact Person:  
Stefan Jaskulak, Chief Financial Officer

**MIDPENINSULA REGIONAL OPEN SPACE DISTRICT FINANCING AUTHORITY****RESOLUTION NO. 16-\_\_\_\_\_****RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT FINANCING AUTHORITY AUTHORIZING THE EARLY REDEMPTION OF REVENUE BONDS, SERIES 2007 AND REVENUE BONDS, SERIES 2011, AND APPROVING FORMS AND EXECUTION OF AN ESCROW AGREEMENT, AND AUTHORIZING THE TAKING OF ALL NECESSARY ACTIONS IN CONNECTION THEREWITH.**

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WHEREAS, the Midpeninsula Regional Open Space District (the “District”) previously issued certain outstanding refunding promissory notes (the “2007 Notes”) currently held by the Midpeninsula Regional Open Space District Financing Authority (the “Authority”), the payment of which secures the Authority’s outstanding 2007 Series A Revenue Refunding Bonds (1996 and 1999 Refinancing Project) (the “2007 Authority Bonds”);

WHEREAS, the Authority heretofore issued its 2007 Authority Bonds pursuant to an Indenture of Trust, dated as of January 1, 2007 (the “2007 Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “2007 Trustee”);

WHEREAS, the Authority heretofore entered into a Lease Agreement, dated as of May 1, 2011, by and between the District and the Authority, under which the District makes lease payments to the Authority (the “Lease Payments”);

WHEREAS, the Authority heretofore issued its 2011 Revenue Bonds (the “2011 Authority Bonds” and, together with the 2007 Authority Bonds, the “Authority Bonds”) pursuant to an Indenture of Trust dated as of May 1, 2011 (the “2011 Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “2011 Trustee”);

WHEREAS, the Authority has assigned its right to receive the Lease Payments to the 2011 Trustee as security and the source of payment for the 2011 Authority Bonds;

WHEREAS, the outstanding 2007 Authority Bonds are subject to optional redemption on September 1, 2016 and on any date thereafter, and the outstanding 2011 Authority Bonds maturing on and after September 1, 2022 are subject to optional redemption on September 1, 2021 and on any date thereafter;

WHEREAS, the District intends to issue its Midpeninsula Regional Open Space District Green Bonds, 2016 Refunding (the “2016 Green Bonds”) to refund its outstanding obligations under the 2007 Notes and thereby direct the redemption of the 2007 Authority Bonds, and to prepay a portion of its obligations under the Lease Agreement thereby providing

funds for the defeasance and redemption of the portion of the 2011 Authority Bonds that are subject to optional redemption (such callable 2011 Authority Bonds, together with the outstanding 2007 Authority Bonds, the “Prior Bonds”);

WHEREAS, this Board of Directors of the Authority (this “Board”) hereby determines that it is desirable to assist the District in this refinancing by calling the 2007 Authority Bonds for redemption, and by using the proceeds received from the District’s 2016 Green Bonds to redeem the 2007 Authority Bonds and, to establish an escrow agreement to provide for the defeasance and redemption of the callable portion of the 2011 Authority Bonds;

WHEREAS, this Board has been presented with a form of an Escrow Agreement related to the callable 2011 Authority Bonds by and between the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the “Escrow Agent”); and

WHEREAS, the Authority has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Midpeninsula Regional Open Space District Financing Authority, as follows:

Section 1. The Authority hereby specifically finds and declares that the statements, findings and determinations of the Authority set forth above are true and correct.

Section 2. The Authority hereby determines that it is necessary and in the best interest of the Authority to assist the District by providing for the redemption and defeasance of the Prior Bonds by the payment of the outstanding principal of and accrued interest on such bonds to the respective dates of redemption thereof from the proceeds of the District’s 2016 Green Bond and investment earnings thereon.

Section 3. The form of Escrow Agreement by and between the District, the Authority and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, on file with the Secretary of the Board is hereby approved. The Chairperson, Treasurer or Controller of the Authority (each an “Authorized Authority Officer”) are hereby severally authorized and directed to execute and deliver the Escrow Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Escrow Agent is hereby authorized and directed to give notice of redemption of the callable 2011 Authority Bonds to be redeemed as shall be required by the Escrow Agreement and pursuant to the terms of the Indenture with respect to the 2011 Authority Bonds.

Section 4. The officers of the Authority are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the call and redemption of the Prior Bonds described herein and otherwise give effect to and comply with the terms and intent of this Resolution, including, but not limited to, determination of the appropriate redemption dates, providing for the purchase of escrow securities, and engaging certified public accountants to verify the sufficiency of funds deposited in escrow. The Members of the Board, the Secretary of the Board, the Authorized Authority

Officers, and the other officers of the Authority are hereby severally authorized and directed to execute and deliver any and all certificates and representations necessary or desirable to accomplish the transactions set forth above.

Section 5. All actions heretofore taken by the officers and agents of the Authority with respect to the transactions contemplated hereby are hereby ratified, confirmed and approved.

Section 6. This Resolution shall take effect from and after its date of adoption.

\* \* \* \* \*

PASSED AND ADOPTED this 10th day of August, 2016 by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Secretary  
Board of Directors

\_\_\_\_\_  
President  
Board of Directors

**APPROVED AS TO FORM:**

\_\_\_\_\_  
General Counsel

SECRETARY’S CERTIFICATE

I, \_\_\_\_\_, Secretary of the Board of the Midpeninsula Regional Open Space District Financing Authority, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said Authority duly and regularly held at the regular meeting place thereof on the 10th day of August, 2016, of which meeting all of the members of said Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 330 Distel Circle, Los Altos, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand and the seal of the Midpeninsula Regional Open Space District Financing Authority this \_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Authority Secretary

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ESCROW AGREEMENT

Dated as of September 1, 2016

by and between the

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

and

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT FINANCING AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.  
as Escrow Agent

RELATING TO THE  
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT  
FINANCING AUTHORITY 2011 REVENUE BONDS

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## ESCROW AGREEMENT

This Escrow Agreement (the “Escrow Agreement”), dated as of September 1, 2016, by and among the Midpeninsula Regional Open Space District, a regional open space district duly organized and existing under and by virtue of the laws of the State of California (the “District”), the Midpeninsula Regional Open Space District Financing Authority, a joint powers authority duly organized and existing under the laws of the State of California (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having a corporate trust office in Los Angeles, California, and being qualified to accept and administer the escrow hereby created (the “Escrow Agent”);

### WITNESSETH:

WHEREAS, the District previously entered into a Lease Agreement (the “Lease Agreement”), dated as of May 1, 2011, by and between the District and the Authority, under which the District remits lease payments to the Authority (the “Lease Payments”); and

WHEREAS, the Authority duly issued and delivered \$20,500,000 principal amount of its 2011 Revenue Bonds (the “Bonds”) under an Indenture (the “Indenture”) dated as of May 1, 2011, by and between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the “2011 Trustee”), of which \$[\_\_\_\_\_] principal amount is currently outstanding; and

WHEREAS, the Authority has assigned its right to receive the Lease Payments to the 2011 Trustee as security and the source of payment for the Bonds;

WHEREAS, the outstanding Bonds maturing on and after September 1, 2022 are subject to optional redemption on September 1, 2021 (the “Redemption Date”) and on any date thereafter; and

WHEREAS, pursuant to a Resolution of the District adopted on \_\_\_\_\_, 2016, the District is issuing its Midpeninsula Regional Open Space District Green Bonds, 2016 Refunding (the “2016 Green Bonds”), in part to prepay a portion of its obligation under the Lease Agreement, and thereby cause the defeasance of the Bonds described in Schedule 1 attached hereto (the “Refunded Bonds”) and to cause the redemption of the Refunded Bonds on the Redemption Date; and

WHEREAS, the Escrow Agent hereby confirms that the Refunded Bonds are Outstanding (as defined in the Indenture) under the Indenture as of the date hereof and have not been previously defeased and redeemed and the Authority hereby confirms that the right to defease and redeem the Refunded Bonds had not been sold or previously exercised; and

WHEREAS, in order to implement the foregoing, the District has taken action, on behalf of itself and the Authority, to cause to be delivered to the Escrow Agent, for deposit in the Escrow Fund hereinafter referred to, the sum of \$[\_\_\_\_\_] from the proceeds of the 2016 Green Bonds, a portion of which sum will be used to purchase those certain United States



Treasury obligations (the “Escrow Securities”) listed in Schedule 2 attached hereto, the receipts from the interest on and principal of which Escrow Securities, together with the unexpended money from such initial deposit into the Escrow Fund, will be sufficient, as certified by Causey, Demgen & Moore Inc., certified public accountants, in their Verification Report on file with the District and the Escrow Agent, to provide for the prepayment of the Lease Agreement with respect to the portion of the Lease Payments allocable to the Refunded Bonds, listed in Schedule 3 attached hereto, which the Escrow agent is hereby directed to apply to the payment and redemption of the Refunded Bonds at the times and in the amounts and subject to the limitations provided in Section 2 hereof;

NOW, THEREFORE, the District, the Authority and the Escrow Agent hereby agree as follows:

Section 1. Establishment and Maintenance of the Escrow Fund. The Escrow Agent agrees to establish and maintain the Escrow Fund (the “Escrow Fund”) until all the Refunded Bonds have been paid and redeemed as provided in Section 2 hereof, and to hold the Escrow Securities and the money (whether constituting the initial deposit in the Escrow Fund or constituting receipts from the sale of or the maturity of the Escrow Securities) in the Escrow Fund at all times as a separate escrow account wholly segregated from all other securities, investments or money held by it. All Escrow Securities and money in the Escrow Fund are hereby irrevocably pledged to secure the payment and redemption of the Refunded Bonds as provided in Section 2 hereof (the “Refunding Requirements”); provided, that any money held in the Escrow Fund that is not used for the payment and redemption of the Refunded Bonds as provided in Section 2 hereof shall be repaid to the District free from the trust created by the Escrow Agreement.

The Escrow Agent shall hold all Escrow Securities, whether acquired as initial investments, subsequent investments or reinvestments hereunder, and the money received from time to time as principal and interest thereon, in trust, to secure, and for the payment of the Refunding Requirements, and shall collect the principal of and interest on the Escrow Securities held by it hereunder promptly as such principal and interest become due.

Section 2. Payment from the Escrow Fund. The Escrow Agent is hereby irrevocably instructed to, and the Escrow Agent hereby agrees to, sell and collect and deposit in the Escrow Fund the proceeds of the Escrow Securities held in the Escrow Fund, and to use such proceeds, together with any other money deposited in the Escrow Fund, to make the interest payments on the Refunded Bonds as they come due until the Redemption Date to (as such payments are set forth on Schedule 3 attached hereto) and on the Redemption Date to redeem all Refunded Bonds at the redemption price thereof, together with the interest accrued thereon to, but not including, the Redemption Date, at the times and places and in the manner specified in the Indenture.

Section 3. Accounting for Escrow; Substitutions. The moneys and the Escrow Securities from time to time accounted for in the Escrow Fund shall not be subject to withdrawal by the District or the Authority nor otherwise subject to the order of the District or Authority except as otherwise provided in Section 2 hereof.

There shall be no exchange or substitution of the Escrowed Securities, except upon (i) the written direction of the Authority, (ii) receipt by the District, the Authority and the 2011 Trustee of a new verification report, prepared by an independent certified public accountant, verifying the sufficiency of the escrow to pay the Refunding Requirements of the Refunded Bonds in full on their respective interest payment dates or redemption dates and (iii) receipt of an opinion of nationally recognized bond counsel to the effect that such exchange or substitution will not adversely affect the exemption from federal income tax of interest on the 2016 Green Bonds or Refunded Bonds.

Section 4. Investments and Reinvestments. The Escrow Agent shall have no obligation by virtue of the Escrow Agreement, general trust law or otherwise to make any investment or reinvestment of any moneys in the Escrow Fund at any time except as otherwise provided in this Escrow Agreement or as hereafter directed by the Authority and upon (i) receipt of an opinion of nationally recognized bond counsel to the effect that such investment or reinvestment will not adversely affect the exemption from federal income tax of interest on the 2016 Green Bonds or the Refunded Bonds and (ii) receipt by the District, the Authority and the 2011 Trustee of a new verification report, prepared by an independent certified public accountant, verifying the sufficiency of the escrow to pay the Refunding Requirements of the Refunded Bonds in full on their respective interest payment dates or redemption dates. Except as is otherwise directed by the Authority in accordance with the provisions of this Escrow Agreement, any moneys in the Escrow Fund not needed to pay the principal of, premium, if any, or interest on the Refunded Bonds on any payment date therefor shall be held by the Escrow Agent uninvested.

The District and the Authority acknowledge that to the extent regulations of the Comptroller of the Currency of other applicable regulatory entity grant the District and/or the Authority the right to receive brokerage confirmations of security transactions as they occur, the District and the Authority will not receive such confirmations to the extent permitted by law. The Escrow Agent will furnish the District and the Authority periodic cash transaction statement which shall include detail for all investment transactions made by the Escrow Agent hereunder.

Section 5. Deficiencies in the Escrow Fund. If at any time it shall appear to the Escrow Agent that the money in the Escrow Fund will not be sufficient to make all payments required by Section 2, the Escrow Agent shall notify the District and the Authority in writing as soon as reasonably practicable of such fact, stating the amount of such deficiency and the reason therefor, and the District shall use its best efforts to obtain and deposit with the Escrow Agent for deposit in the Escrow Fund, from any legally available moneys, all such additional money as may be required to provide for the payment and redemption of the Refunded Bonds in accordance with the conditions and terms of the Indenture and hereof; provided, that the Escrow Agent shall in no event or manner be responsible for the failure of the District to make any such deposit.

Section 6. Notice of Redemption; Notice of Defeasance.

(a) The Authority hereby irrevocably instructs the Escrow Agent to give timely notice of the redemption of the Refunded Bonds to Bondholders in accordance with Section 4.03 of the Indenture, and said notice shall be substantially in the form of the notices attached hereto as Exhibit A and Exhibit B.

(b) The Escrow Agent, acting as 2011 Trustee and dissemination agent (the “Dissemination Agent”), is hereby irrevocably instructed to provide notice, on the earliest practicable date, of the defeasance of the Refunded Bonds in accordance with Section 5(f) of the Continuing Disclosure Agreement between the District and the Escrow Agent, in its capacity as Dissemination Agent thereunder, related to the Refunded Bonds in the form set forth in Exhibit C.

#### Section 7. Compensation and Indemnification of the Escrow Agent.

(a) The District shall pay the Escrow Agent a one-time fee for its services hereunder and shall reimburse the Escrow Agent for its reasonable out-of-pocket expenses (including but not limited to the reasonable fees and expenses, if any, of its counsel or accountants) incurred by the Escrow Agent in connection with these services, all as more particularly agreed upon by the District and the Escrow Agent; provided, that these fees and expenses shall in no event be deducted from the Escrow Fund.

(b) The District and the Authority agree to indemnify the Escrow Agent and its agents, directors, officers and employees, and hold the Escrow Agent and its agents, directors, officers and employees harmless from, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind (including, without limitation, reasonable fees and disbursements of counsel or accountants for the Escrow Agent) which may be imposed on, incurred by, or asserted against the Escrow Agent or such other party at any time by reason of its performance of Escrow Agent’s services, in any transaction arising out of the Escrow Agreement or any of the transactions contemplated herein, unless due to the negligence or willful misconduct of the particular indemnified party. The provisions of this section shall survive the removal or resignation of the Escrow Agent.

#### Section 8. Functions of the Escrow Agent.

(a) The Escrow Agent undertakes to perform only such duties as are expressly and specifically set forth in the Escrow Agreement and no implied duties or obligations shall be read into the Escrow Agreement against the Escrow Agent.

(b) The Escrow Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, and shall be protected and indemnified as stated in the Escrow Agreement, in acting, or refraining from acting, upon any written notice, instruction, request, certificate, document, electronic mail, facsimile transmission, report or opinion furnished to the Escrow Agent and believed by the Escrow Agent to have been signed or presented by the proper party, and it need not investigate any fact or matter stated in such notice, instruction, request, certificate, document, electronic mail, facsimile transmission, report or opinion.

(c) The Escrow Agent shall not have any liability hereunder except to the extent of its own negligence or willful misconduct. In no event shall the Escrow Agent be liable for any special, indirect or consequential damages, even if parties know of the possibility of such damages. The Escrow Agent shall have no duty or responsibility under the Escrow Agreement in the case of any default in the performance of agreements or covenants contained in the Indenture or in the case of the receipt of any written demand with respect to such default. The

Escrow Agent is not required to resolve conflicting demands to money or property in its possession under the Escrow Agreement.

(d) The Escrow Agent may consult with counsel of its own choice (which may be counsel to the District) and, notwithstanding anything to the contrary contained herein, the opinion of such counsel shall be full and complete authorization to take or suffer in good faith any action in accordance with such opinion of counsel.

(e) The Escrow Agent shall not be responsible for any of the recitals or representations contained herein, and shall not be liable for any action or omission of the District under the Escrow Agreement.

(f) The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the Escrow Securities and money in the Escrow Fund to pay and redeem the Refunded Bonds as provided in Section 2 hereof.

(g) Whenever in the administration of the trust of the Escrow Agreement the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate of the District, and such certificate shall, in the absence of negligence or willful misconduct on the part of the Escrow Agent, be full warrant to the Escrow Agent for any action taken or suffered by it under the provisions of the Escrow Agreement upon the faith thereof.

Section 9. Amendment of the Escrow Agreement. The Escrow Agreement may not be revoked or amended by the parties hereto unless there shall first have been filed with the District, the Authority and the Escrow Agent (i) an unqualified opinion of a nationally recognized bond counsel that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds, and (ii) unless such amendment is not materially adverse to the interests of the registered owners of the Refunded Bonds, the written consent of the registered owners of all the Refunded Bonds.

Section 10. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given if received or sent by first class mail, as follows:

If to the District:

Midpeninsula Regional Open Space District  
330 Distel Circle  
Los Altos, California 94022  
Attention: General Manager

If to the Authority:

Midpeninsula Regional Open Space District Financing Authority

330 Distel Circle  
Los Altos, California 94022  
Attention: Authorized Officer

If to the Escrow Agent:

The Bank of New York Mellon Trust Company, N.A.  
400 South Hope Street, Suite 500  
Los Angeles, California 90071  
Attention: Corporate Trust Department

Section 11. Severability. If any section, paragraph, sentence, clause or provision of the Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence, clause or provision shall not affect any of the remaining provisions of the Escrow Agreement.

Section 12. Governing Law. The Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 13. Execution. The Escrow Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the District, the Authority and the Escrow Agent have caused the Escrow Agreement to be executed each on its behalf as of the day and year first above written.

MIDPENINSULA REGIONAL OPEN SPACE  
DISTRICT

By \_\_\_\_\_  
General Manager

MIDPENINSULA REGIONAL OPEN SPACE  
DISTRICT FINANCING AUTHORITY

By \_\_\_\_\_  
Authorized Officer

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.  
as Escrow Agent

By \_\_\_\_\_  
Authorized Officer

SCHEDULE 1Refunded Bonds

The Refunded Bonds constitute the portion of the currently outstanding Midpeninsula Regional Open Space District Financing Authority 2011 Revenue Bonds that are subject to optional redemption on September 1, 2021, as follows:

<u>Principal Amount</u>	<u>Maturity Date (September 1)</u>
\$	20__

SCHEDULE 2

Escrow Securities

[To Come from the Verification Report]



SCHEDULE 3  
Refunding Requirements

[To Come.]

EXHIBIT A

FORM OF NOTICE TO 2011 TRUSTEE OF PREPAYMENT (FROM DISTRICT)

[To Come.]

EXHIBIT B  
FORM OF NOTICE OF REDEMPTION

[To Come.]

EXHIBIT C

## FORM OF NOTICE OF DEFEASANCE

**S.E.C. RULE 15C2-12  
NOTICE OF LISTED EVENT**

The Midpeninsula Regional Open Space District (the “District”), acting on behalf of the Midpeninsula Regional Open Space Financing Authority (the “Authority”), hereby provides notice of the following events related to the Midpeninsula Regional Open Space District Financing Authority 2011 Revenue Bonds (the “Bonds”).

**Event:**

The Bonds maturing on and after September 1, 2022, as set forth in Schedule I attached hereto have been defeased on [Closing Date] and will be called for redemption on September 1, 2021.

**Other Matters:**

This notice is provided solely for the purposes of the Continuing Disclosure Agreement delivered in connection with the above-referenced Bonds. The filing of this notice does not constitute or imply any representation: (i) that the foregoing Specified Event is material to investors; (ii) regarding any other financial, operating or other information about the District or the Bonds; or (iii) that no other circumstances or events have occurred or that no other information exists concerning the District, the Bonds or the Specified Event, which may have a bearing on the District’s financial condition, the security for the Bonds, or an investor’s decision to buy, sell, or hold the Bonds

Dated: \_\_\_\_\_, 2016

MIDPENINSULA REGIONAL OPEN SPACE  
DISTRICT

By: \_\_\_\_\_  
General Manager