

City of Fontana

8353 Sierra Avenue
Fontana, CA 92335



Regular Agenda

Next Reso. No. PFA 2021-003

Tuesday, October 12, 2021

7:00 PM

Gover W. Taylor Council Chambers

Public Financing Authority

*Peter A. Garcia - Chairperson
John B. Roberts - Vice Chairperson
Acquanetta Warren - Authority Member
Jesus "Jesse" Sandoval - Authority Member
Phillip Cothran - Authority Member
Janet Koehler Brooks - City Treasurer
Tonia Lewis - Agency Secretary*

Welcome to the Fontana Public Financing Authority Meeting!

Welcome to the City of Fontana Public Financing Authority Meeting. A complete agenda packet is located in the binder on the table in the lobby of the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335. To address the Authority, please fill out a card located at the entrance to the right indicating your desire to speak on either a specific agenda item or under Public Communications and give it to the District Clerk. Your name will be called when it is your turn to speak. In compliance with Americans with Disabilities Act, the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335 is wheelchair accessible, and a portable microphone is available. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection in the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335.

Traducción en Español disponible a petición. Favor de notificar al Departamento "City Clerk". Para mayor información, favor de marcar el número (909) 350-7602.

CALL TO ORDER/ROLL CALL:

A. 7:00 P.M. Call the Meeting to Order

PUBLIC COMMUNICATIONS:

This is an opportunity for citizens to speak to the Authority for up to 3 minutes on items not on the Agenda, but within the Authority's jurisdiction. The Authority is prohibited by law from discussing or taking immediate action on non-agendized items.

A. Public Communications

CONSENT CALENDAR:

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below - there will be no separate discussion on these items prior to the time they are voted on, unless a member requests a specific item be removed from the Consent Calendar for discussion. Does any member of the public wish to address the Authority regarding any item on the Consent Calendar before the vote is taken?

A. Approval of Minutes [21-954](#)

Approve the minutes of the January 12, 2021, Regular Public Financing Authority Meeting.

Attachments: [Minutes - Public Financing Authority 1.12.2021](#)

B. Issuance of Fontana Public Facilities Financing Authority [21-906](#) Lease Revenue Bonds, Series 2021A

1. Adopt **Resolution No. PFA 2021-__** of the Board of Directors of the Fontana Public Financing Authority authorizing the execution and delivery of an Escrow Agreement in connection with the issuance and sale by the Fontana

Public Facilities Financing Authority of its Revenue Bonds to refinance the Fontana Public Financing Authority 2010 Lease Revenue Bonds and approving related actions.

2. Adopt **Resolution No. PFA 2021-__** of the Board of Directors of the Fontana Public Financing Authority authorizing the execution and delivery of a Termination of Lease Agreement and approving related actions.

Attachments: [Authority Resolution Escrow Agreement \(2010 Bonds\)](#)
[Authority Resolution Termination of Lease \(2003 Bonds\)](#)
[Escrow Agreement](#)
[Termination of Lease \(2003\)](#)
[Termination of Lease \(2010\)](#)

Approve Consent Calendar Item as recommended by staff.

ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:

A. Elected Officials Communications/Committee Reports

EXECUTIVE DIRECTOR'S COMMUNICATIONS:

A. Executive Director's Communications

ADJOURNMENT:

A. Adjournment



City of Fontana

8353 Sierra Avenue
Fontana, CA 92335

Action Report

Public Financing Authority

File #: 21-954

Agenda #: A.

Agenda Date: 10/12/2021

Category: Consent Calendar

FROM:

City Clerk

SUBJECT:

Approval of Minutes

RECOMMENDATION:

Approve the minutes of the January 12, 2021, Regular Public Financing Authority Meeting.

COUNCIL GOALS:

- To create a team by working together to provide stability and consistent policy direction.
- To create a team by communicating Goals and Objectives to all sectors of the community.

DISCUSSION:

The Public Financing Authority will consider approval of the minutes of the January 12, 2021, Regular Public Financing Authority Meeting. The draft minutes are attached to this report for Authority review and approval.

FISCAL IMPACT:

None

MOTION:

Approve staff recommendation.

**MINUTES OF THE CITY OF FONTANA
REGULAR PUBLIC FINANCING AUTHORITY MEETING
January 12, 2021
AVAILABLE REMOTELY**

CALL TO ORDER/ROLL CALL:

A. 7:00 P.M. Call the Meeting to Order

The Regular Meeting of the City of Fontana Public Financing Authority was held remotely on Tuesday, January 12, 2021. Chairperson Sandoval called the meeting or order at 8:49 p.m.

ROLL CALL:

Present: Chairperson Sandoval, Authority Members Warren, Roberts, Cothran and Garcia.

Absent: None.

PUBLIC COMMUNICATIONS:

A. Public Communications

There were no public communications received.

CONSENT CALENDAR:

ACTION: Motion was made by Vice Chairperson Cothran, seconded by Authority Member Warren, and passed by a vote of 4-1 to approve Consent Calendar Item "A" (AYES: Warren, Sandoval, Roberts, and Cothran; NOES: None ABSTAIN: Garcia) as follows:

A. Approval of Minutes

Approve the Minutes of the May 12, 2020 Regular Public Financing Authority Meeting.

NEW BUSINESS:

A. Appointment of Chairperson and Vice-Chairperson for the Fontana Public Financing Authority

ACTION: Motion was made by Authority Member Warren, seconded by Authority Member Cothran, and passed by a vote of 5-0 to approve New Business Item "A" (AYES: Warren, Sandoval, Roberts, Cothran and Garcia; NOES: None) as follows:

Appoint Council Member Garcia as Chairperson and Council Member Roberts as Vice Chairperson.

ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:

A. Elected Officials Communications/Committee Reports

There were no Elected Official communications received.

EXECUTIVE DIRECTOR'S COMMUNICATIONS:

A. Executive Director's Communications

There were no Executive Director communications received.

ADJOURNMENT:

The Fontana Public Financing Authority Meeting was adjourned by consensus at 8:52 p.m.

Tonia Lewis
Authority Secretary

Peter Garcia
Chairperson



City of Fontana

8353 Sierra Avenue
Fontana, CA 92335

Action Report

Public Financing Authority

File #: 21-906

Agenda #: B.

Agenda Date: 10/12/2021

Category: Consent Calendar

FROM:

Management Services

SUBJECT:

Issuance of Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A

RECOMMENDATION:

1. Adopt **Resolution No. PFA 2021-___** of the Board of Directors of the Fontana Public Financing Authority authorizing the execution and delivery of an Escrow Agreement in connection with the issuance and sale by the Fontana Public Facilities Financing Authority of its Revenue Bonds to refinance the Fontana Public Financing Authority 2010 Lease Revenue Bonds and approving related actions.

2. Adopt **Resolution No. PFA 2021-___** of the Board of Directors of the Fontana Public Financing Authority authorizing the execution and delivery of a Termination of Lease Agreement and approving related actions.

COUNCIL GOALS:

- To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:

The City is planning to issue \$28 million of Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A, to finance the following:

- The costs of construction of Fire Station No. 81 consisting of approximately 13,247 square feet to be located at the corner of Sierra Avenue and Casa Grande in the northern end of the City. Fire Station No. 81 will be constructed to meet a goal of providing less than five-minute response time 90% of the time by the Fire Protection District. Construction is anticipated to begin in January 2022 and be completed in December 2022. The total construction costs are estimated at approximately \$12 million.
- The costs of construction of the Fire Protection District Training Facility consisting of 3,500 square feet including a 50-seat training classroom, a training tower, office space and storage, to be located on the site of future Fire Station No. 80 on Cherry Avenue between State Route 210 and South Highland Avenue in the northwest end of the City. Construction is anticipated to begin in April 2022 and be completed in March 2023. The total construction costs are estimated at \$10 million.
- The refinancing of the Fontana Public Financing Authority 2010 Lease Revenue Bonds (Fire

Station No. 71 financing) which are currently outstanding in the aggregate principal amount of \$4,995,000, to take advantage of historically low interest rates and produce present value savings of approximately \$1.3 million.

This action is necessary to approve the issuance of the bonds and complies with the City's debt management objectives. The following documents, in their materially correct form, are attached hereto:

1. Escrow Agreement,
2. Termination of Lease (2003), and
3. Termination of Lease (2010).

The companion actions to this item are on the City Council agenda and the Fontana Public Facilities Financing Authority agenda for your consideration.

FISCAL IMPACT:

Costs of issuance will be paid from gross bond proceeds. Budget adjustments for the bond issuance will be included in the Mid-Year Budget Review. Future debt service payments will be included in future budgets.

MOTION:

Approve staff recommendation.

RESOLUTION NO. PFA 2021-_____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE FONTANA
PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION
AND DELIVERY OF AN ESCROW AGREEMENT IN CONNECTION WITH
THE ISSUANCE AND SALE BY THE FONTANA PUBLIC FACILITIES
FINANCING AUTHORITY OF ITS REVENUE BONDS TO REFINANCE
THE FONTANA PUBLIC FINANCING AUTHORITY 2010 LEASE
REVENUE BONDS AND APPROVING RELATED ACTIONS**

WHEREAS, the Fontana Public Financing Authority (the “Authority”) has previously entered into that certain Lease Agreement, dated as of November 1, 2010 (the “2010 Lease”) with the City of Fontana (the “City”), which secures the Fontana Public Financing Authority 2010 Lease Revenue Bonds (Taxable Recovery Zone Economic Development Bonds) (the “2010 Bonds”);

WHEREAS, the City has determined that, due to prevailing financial market conditions, it is in the best interests of the City at this time to refinance and prepay the 2010 Lease and, therefore, refund, on a current basis, the 2010 Bonds;

WHEREAS, to provide moneys to refund the 2010 Bonds, the Fontana Public Facilities Financing Authority has determined to issue its Lease Revenue Refunding Bonds, Series 2021A (the “2021 Bonds”); and

WHEREAS, the Authority has duly considered such transactions and wishes at this time to authorize the execution of an escrow agreement and certain other actions in connection therewith;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Escrow Agreement. An Escrow Agreement (2010 Bonds), by and among the Authority, the City and U.S. Bank National Association, as escrow bank (the “Escrow Bank”), relating to the refunding of the 2010 Bonds (the “2010 Escrow Agreement”), in the form thereof on file with the Secretary, together with any additions thereto or changes therein deemed necessary or advisable by a Designated Officer is hereby approved by the Board. The Designated Officers (defined below) are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the 2010 Escrow Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the 2010 Escrow Agreement.

Section 2. Official Actions. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Secretary of the Authority (each a “Designated Officer”), and any and all other officers of the Authority, are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other

Resolution No. PFA 2021-

documents which they, or any of them, may deem necessary or advisable in order to consummate the prepayment of the City's obligations under the 2010 Lease, the termination of the 2010 Lease, the redemption of the 2010 Bonds, and the lawful issuance and sale of the 2021 Bonds as described herein. Whenever in this resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

APPROVED and ADOPTED this 12th day of October 2021.

READ AND APPROVED AS TO LEGAL FORM:

Authority Attorney

I, Tonia Lewis, Secretary of the Fontana Public Facilities Financing Authority, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the Fontana Public Facilities Financing Authority at a regular meeting on the 12th day of October 2021, by the following vote to-wit:

AYES:

NOES:

ABSENT:

Secretary of the Fontana Public Financing Authority

Chairman of the Fontana Public Facilities Financing Authority

ATTEST:

Authority Secretary

RESOLUTION NO. PFA 2021--_____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE FONTANA
PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION
AND DELIVERY OF A TERMINATION OF LEASE AGREEMENT AND
APPROVING RELATED ACTIONS**

WHEREAS, the Fontana Public Financing Authority (the “Authority”), as lessor, and the City of Fontana (the “City”), as lessee, entered into that certain Lease Agreement, dated as of February 1, 2003 (the “2003 Lease Agreement”), a memorandum of which was recorded on February 26, 2003 as Instrument No. 2003-0126872 in the Official Records of the County of San Bernardino, State of California, pursuant to which the City leased certain property and facilities described therein (the “Property”) to the Authority and the Authority leased the Property back to the City and the City agreed to make Lease Payments (as defined in the 2003 Lease Agreement) to the Authority through March 1, 2016;

WHEREAS, on March 1, 2016, the City paid the final Lease Payment due under the 2003 Lease Agreement such that all Lease Payments have been paid in full and therefore, pursuant to the terms of the 2003 Lease Agreement;

WHEREAS, the Authority wishes at this time to authorize the execution of a termination agreement and certain other actions in connection therewith;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Termination Agreement. A Termination Agreement (2003 Lease), by and between the Authority and the City relating to the 2003 Lease (the “Termination Agreement”), in the form thereof on file with the Secretary of the Authority, together with any additions thereto or changes therein deemed necessary or advisable by a Designated Officer is hereby approved by the Board. The Designated Officers (defined below) are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Termination Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Termination Agreement.

Section 2. Official Actions. The Chair, the Vice Chair, the Executive Director, the Treasurer and the Secretary of the Authority (each a “Designated Officer”), and any and all other officers of the Authority, are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in order to consummate the termination of the 2003 Lease as described herein. Whenever in this resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on

Resolution No. PFA 2021-

behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

APPROVED and ADOPTED this 12th day of October 2021.

READ AND APPROVED AS TO LEGAL FORM:

Authority Attorney

I, Tonia Lewis, Secretary of the Fontana Public Facilities Financing Authority, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the Fontana Public Facilities Financing Authority at a regular meeting on the 12th day of October 2021, by the following vote to-wit:

AYES:

NOES:

ABSENT:

Secretary of the Fontana Public Financing Authority

Chairman of the Fontana Public Facilities Financing Authority

ATTEST:

Authority Secretary

ESCROW AGREEMENT (2010 BONDS)

THIS ESCROW AGREEMENT, dated as of November 1, 2021, by and among the City of Fontana (the “City”), the Fontana Public Financing Authority (the “Authority”) and U.S. Bank National Association, acting in its capacity as escrow bank (the “Escrow Bank”) pursuant to this Escrow Agreement (2010 Bonds) (the “Agreement”) and as 2010 Trustee (as defined below);

WITNESSETH:

WHEREAS, the Authority has previously caused to be issued its 2010 Lease Revenue Bonds (Taxable Recovery Zone Economic Development Bonds) (the “2010 Bonds”), in the original aggregate principal amount of \$5,420,000, pursuant to an Indenture of Trust, dated as of November 1, 2010 (the “2010 Indenture”), by and between the Authority and U.S. Bank National Association, as trustee (the “2010 Trustee”), of which \$4,995,000 aggregate principal amount is currently outstanding; and

WHEREAS, the City and has determined that it is in its best interests and desirable that the 2010 Bonds be redeemed and defeased; and

WHEREAS, in order to accomplish such redemption it is necessary and desirable for the City to prepay a portion of its Lease Payment obligation under that certain Lease Agreement, dated as of November 1, 2010 (the “2010 Lease Agreement”), by and between the City and the Authority, and to thereby defease the 2010 Bonds in accordance with the terms of Section 10.01 of the 2010 Indenture and Section 5.10 of the 2010 Lease Agreement; and

WHEREAS, the City and the Fontana Public Facilities Financing Authority (the “Facilities Authority”) have agreed to provide funds necessary to secure redemption and defeasance of the 2010 Bonds through the issuance by the Facilities Authority of its \$_____ aggregate principal amount Fontana Public Facilities Financing Authority Lease Revenue Bonds, Series 2021A (the “Series 2021A Bonds”), secured in part by lease payments to be made by the City to the Facilities Authority pursuant to the Lease Agreement, dated as of November 1, 2021, by and between the City and the Facilities Authority; and

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

SECTION 1. Deposit of Moneys.

(a) The City and the Authority hereby deposit with the Escrow Bank \$_____ from the net proceeds of the Series 2021A Bonds and direct the 2010 Trustee to transfer \$_____ to the Escrow Bank from certain funds and accounts established in connection with the 2010 Bonds. Such moneys shall be held in irrevocable escrow by the Escrow Bank separate and apart from other funds of the City, the Authority, the Escrow Bank and the 2010 Trustee in a fund hereby created and established and to be known as the “Escrow Fund,” and shall be applied solely as provided in this Agreement. Such moneys are at least equal to an amount sufficient to redeem the 2010 Bonds maturing after September 1, 2021 on _____, 2021 (the “Redemption Date”) on the Redemption Date.

(b) [The Escrow Bank hereby acknowledges receipt of the opinion of Stradling Yocca Carlson & Rauth, dated _____, 2021, and relating to this Agreement with respect to the fact that the City's and the Authority's obligations under the 2010 Indenture with respect to the 2010 Bonds are defeased in the manner and to the extent provided in Section 10.01 of the 2010 Indenture and Section 5.10 of the 2010 Lease Agreement.]

SECTION 2. Use of Moneys. The Escrow Bank acknowledges receipt of the moneys described in Section 1 and agrees:

- (a) to deposit such moneys in the Escrow Fund; and
- (b) to make the payments required under Section 3(a) hereof at the times set forth in Section 3(a) hereof.

SECTION 3. Payment of 2010 Bonds.

(a) Payment. The Escrow Bank shall transfer from the Escrow Fund to the 2010 Trustee amounts sufficient to pay on the Redemption Date the redemption price of the 2010 Bonds maturing on and after the Redemption Date (as described in Schedule A attached hereto). The 2010 Trustee is hereby directed apply such moneys to redeem the 2010 Bonds on the Redemption Date.

(b) Unclaimed Moneys. Any moneys which remain unclaimed for two (2) years after the Redemption Date, shall, at the written request of the City, be repaid by the Escrow Bank to the City; provided, however, that the Escrow Bank shall first mail a notice as more fully described in the 2010 Indenture that said moneys remain unclaimed.

(c) Priority of Payments. The holders of the 2010 Bonds shall have a first lien on the moneys in the Escrow Fund which are allowable and sufficient to pay the 2010 Bonds until such moneys are used and applied as provided in this Agreement. Any cash held in the Escrow Fund is irrevocably pledged only to the 2010 Bond holders.

(d) Termination of Obligation. Upon deposit of the moneys set forth in Section 1 hereof with the Escrow Bank pursuant to the provisions of Section 1 hereof, the holders of the 2010 Bonds shall cease to be entitled to any lien, benefit or security under the 2010 Indenture.

SECTION 4. Performance of Duties. The Escrow Bank agrees to perform the duties set forth herein.

SECTION 5. Indemnity. The City and the Authority hereby assume liability for, and hereby agree (whether or not any of the transactions contemplated hereby are consummated) 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 and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, the Escrow Bank at any time (whether or not also indemnified against the same by the City or the Authority or any other person under any other agreement or instrument, but without double indemnity) in any way relating to or arising out of the execution, delivery and performance of this Agreement, the establishment hereunder of the Escrow Fund, the acceptance of the funds and securities deposited therein and any payment, transfer or other application of moneys or securities by

the Escrow Bank in accordance with the provisions of this Agreement; provided, however, that the City and the Authority shall not be required to indemnify the Escrow Bank against the Escrow Bank's own negligence or willful misconduct or the negligent or willful misconduct of the Escrow Bank's respective successors, assigns, agents and employees or the breach by the Escrow Bank of the terms of this Agreement. In no event shall the City, the Authority 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 Agreement and the resignation or removal of the Escrow Bank.

SECTION 6. Responsibilities of the Escrow Bank. The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of such moneys to accomplish the defeasance of the 2010 Bonds or any payment, transfer or other application of moneys or obligations by the Escrow Bank in accordance with the provisions of this Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the City and the Authority and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the moneys deposited in the Escrow Fund to accomplish the defeasance of the 2010 Bonds or to the validity of this Agreement as to the City and, except as otherwise provided herein, the Escrow Bank shall incur no liability with respect thereto. The Escrow Bank shall not be liable in connection with the performance of its duties under this 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 Agreement. In no event shall the Escrow Bank be liable for any special indirect or consequential damages. 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 with respect to 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 Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the City or the Authority. The Escrow Bank shall incur no liability for losses arising from any investment made pursuant to this Agreement. No provision of this Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Escrow Bank without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

SECTION 7. Irrevocable Instructions to Provide Notice. The forms of the notices required to be mailed pursuant to Sections 4.03 and 10.03 of the Indenture and the Continuing Disclosure Agreement, dated as of November 1, 2010, between the City and the 2010 Trustee (the "Continuing Disclosure Agreement"), are substantially in the forms attached hereto as Exhibits A and B. The City and the Authority hereby irrevocably instruct the Escrow Bank to mail a notice of redemption

and a notice of defeasance of the 2010 Bonds in accordance with Sections 4.03 and 10.03 of the Indenture and Section 5(a) of the Continuing Disclosure Agreement.

SECTION 8. Amendments. This Agreement is made for the benefit of the City, the Authority and the holders from time to time of the 2010 Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Bank and the City; provided, however, but only after the receipt by the Escrow Bank of an opinion of nationally recognized bond counsel that the exclusion from gross income of interest with respect to the Series 2021A Bonds and the 2010 Bonds will not be adversely affected for federal income tax purposes, that the City, the Authority and the Escrow Bank may, without the consent of, or notice to, such holders, amend this Agreement or enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement for any one or more of the following purposes: (i) to cure any ambiguity or formal defect or omission in this Agreement; (ii) to grant to, or confer upon, the Escrow Bank for the benefit of the holders of the 2010 Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Bank; and (iii) to include under this Agreement additional funds, securities or properties. The Escrow Bank shall be entitled to rely conclusively upon an unqualified opinion of nationally recognized municipal bond attorneys with respect to compliance with this section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the 2010 Bonds or that any instrument executed hereunder complies with the conditions and provisions of this section.

SECTION 9. Term. This Agreement shall commence upon its execution and delivery and shall terminate on the later to occur of either: (i) the date upon which the 2010 Bonds have been paid in accordance with this Agreement; or (ii) the date upon which no unclaimed moneys remain on deposit with the Escrow Bank pursuant to Section 3(b) of this Agreement.

SECTION 10. Compensation. The Escrow Bank shall receive its reasonable fees and expenses as previously agreed to; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien nor will it assert a lien whatsoever on any moneys in the Escrow Fund for the payment of fees and expenses for services rendered by the Escrow Bank under this Agreement.

SECTION 11. Resignation or Removal of Trustee as Escrow Bank.

(a) The Escrow Bank may resign by giving notice in writing to the City and the Authority. The Escrow Bank may be removed: (1) by: (i) filing with the City and the Authority an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of the 2010 Bonds then remaining unpaid; and (ii) the delivery of a copy of the instruments filed with the City and the Authority to the Escrow Bank; or (2) by a court of competent jurisdiction for failure to act in accordance with the provisions of this Agreement upon application by the City or the Authority or the holders of 5% in aggregate principal amount of the 2010 Bonds then remaining unpaid.

(b) If the position of Escrow Bank becomes vacant due to resignation or removal of the Escrow Bank or any other reason, a successor Escrow Bank may be appointed by the City and the Authority. Within one year after a vacancy, the holders of a majority in principal amount of the 2010 Bonds then remaining unpaid may, by an instrument or instruments filed with the City and the Authority, appoint a successor Escrow Bank who shall supersede any Escrow Bank theretofore

appointed by the City and the Authority. If no successor Escrow Bank is appointed by the City and the Authority or the holders of such 2010 Bonds then remaining unpaid, within 45 days after any such resignation or removal, the holder of any such 2010 Bonds or any retiring Escrow Bank may apply to a court of competent jurisdiction for the appointment of a successor Escrow Bank. The responsibilities of the Escrow Bank under this Escrow Agreement will not be discharged until a new Escrow Bank is appointed and until the cash held under this Escrow Agreement is transferred to the new Escrow Bank.

SECTION 12. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City, the Authority 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 Agreement.

SECTION 13. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 14. Governing Law. This Agreement shall be construed under the laws of the State of California.

SECTION 15. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall be a legal holiday or a day on which banking institutions in the city in which is located the principal office of the Escrow Bank are authorized by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the nominal date provided in this Agreement, and no interest shall accrue for the period from and after such nominal date.

SECTION 16. Assignment. This Agreement shall not be assigned by the Escrow Bank or any successor thereto without the prior written consent of the City.

SECTION 17. Standard and Poor's. The City agrees to provide to Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, prior notice of each amendment entered into pursuant to Section 8 hereof and a copy of such proposed amendment, and to forward a copy (as soon as possible) of: (i) each amendment hereto entered into pursuant to Section 8 hereof; and (ii) any action relating to severability or contemplated by Section 12 hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

CITY OF FONTANA

By: _____
City Manager

ATTEST:

By: _____
City Clerk

FONTANA PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

ATTEST:

By: _____
Secretary

[SIGNATURES CONTINUED ON NEXT PAGE.]

[SIGNATURE PAGE CONTINUED.]

U.S. BANK NATIONAL ASSOCIATION, as Escrow
Bank and 2010 Trustee

By: _____
Authorized Officer

SCHEDULE A

2010 Bonds

<i>Maturity Date (September 1)</i>	<i>Interest Rate</i>	<i>Par Amount</i>	<i>Redemption Date</i>	<i>Call Price</i>
2030	8.213%	\$1,200,000	[to come]	100%
2042	8.413	3,795,000	[to come]	100

EXHIBIT A

NOTICE OF DEFEASANCE OF

FONTANA PUBLIC FINANCING AUTHORITY
2010 LEASE REVENUE BONDS
(TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

Notice is hereby given to the owners of the outstanding bonds (the “2010 Bonds”) captioned above: (i) that there has been deposited with U.S. Bank National Association, as Escrow Bank, moneys as permitted by the Indenture of Trust, dated as of November 1, 2010 (the “2010 Indenture”), by and between the Fontana Public Financing Authority (the “Authority”) and U.S. Bank National Association, as 2010 Trustee, which, together with such other moneys deposited with the Escrow Bank, shall be sufficient and available to pay on _____, 2021 the redemption price equal to 100% aggregate principal amount of the 2010 Bonds maturing on and after _____, 2021; and (ii) that the 2010 Bonds are deemed to be paid and that the 2010 Indenture and the pledge of Lease Payments (as such term is defined in the 2010 Indenture) and other assets made under the 2010 Indenture and all covenants, agreements and other obligations of the Authority under the 2010 Indenture have ceased, terminated, become void and been completely discharged and satisfied in accordance with Section 10.01 of the 2010 Indenture.

The obligations of the City of Fontana under the Continuing Disclosure Agreement dated November 1, 2010, by and between the City of Fontana and the 2010 Trustee have terminated as of the date hereof.

No representation is made as to the correctness of the CUSIP number either as printed on any of the 2010 Bonds or as contained herein and any error in the CUSIP number shall not affect the validity of the proceedings for redemption of the 2010 Bonds.

Dated this _____ day of _____, 2021.

FONTANA PUBLIC FINANCING AUTHORITY

U.S. BANK NATIONAL ASSOCIATION
as 2010 Trustee

EXHIBIT B

CONDITIONAL NOTICE OF FULL OPTIONAL REDEMPTION

FONTANA PUBLIC FINANCING AUTHORITY
2010 LEASE REVENUE BONDS
(TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (the “2010 Bonds”) pursuant to the Indenture of Trust, dated as of November 1, 2010, by and between the Fontana Public Financing Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “2010 Trustee”), that 2010 Bonds in the principal amount of \$[4,995,000] have been called for redemption on _____, 2021 (the “Redemption Date”). The 2010 Bonds were originally issued on July 15, 2010 and are described in the following table.

<i>CUSIP</i>	<i>Maturity (June 1)</i>	<i>Rate</i>	<i>Principal Amount</i>	<i>Redemption Price</i>
344610 BX7	2030	8.213%	\$1,200,000	100%
344610 BY5	2042	8.413	3,795,000	100

The 2010 Bonds will be payable on the Redemption Date at a redemption price of 100% of the principal amount plus accrued interest to such date (the “Redemption Price”); provided, that such redemption is conditioned upon the timely delivery of the Redemption Price by the Authority to the Trustee for deposit in the Redemption Fund. The Redemption Price of the 2010 Bonds will become due and payable on the Redemption Date. Provided that moneys for redemption have been deposited with the Trustee, interest on the 2010 Bonds will cease to accrue and be payable from and after the Redemption Date, and such 2010 Bonds will be surrendered to the 2010 Trustee.

To receive payment on the Redemption Date, owners of the 2010 Bonds should present and to surrender said 2010 Bonds on the Redemption Date at the address of the 2010 Trustee set forth below:

Delivery Instructions

U.S. Bank National Association
Global Corporate Trust
111 Fillmore Avenue E
St. Paul, Minnesota 55107

REQUIREMENT INFORMATION

For a list of redemption requirements please visit our website at www.usbank.com/corporatetrust and click on the “Bondholder Information” link for Redemption instructions. You may also contact our Bondholder Communications team at 1-800-934-6802 Monday through Friday from 8 AM to 6 PM CST.

IMPORTANT NOTICE

Federal law requires the 2010 Trustee to withhold taxes at the applicable rate from the payment if an IRS Form W-9 or applicable IRS Form W-8 is not provided. Please visit www.irs.gov for additional information on the tax forms and instructions.

If the owner of any 2010 Bond fails to deliver such 2010 Bond to the 2010 Trustee on the Redemption Date, such 2010 Bond shall nevertheless be deemed redeemed on the Redemption Date and the owner of such 2010 Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds held by the 2010 Trustee for such payment.

Note: The Authority and the 2010 Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness in the notice or as printed on any 2010 Bond. They are included solely for the convenience of the holders.

U.S. BANK NATIONAL ASSOCIATION, as 2010
Trustee

_____, 2021

RECORDING REQUESTED BY:

City of Fontana

AND WHEN RECORDED MAIL TO:

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Vanessa S. Legbandt, Esq.

[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

TERMINATION OF LEASE AGREEMENT (2003 LEASE)

by and between

FONTANA PUBLIC FINANCING AUTHORITY

and

CITY OF FONTANA

Dated as of November 1, 2021

Relating to

\$7,755,000

**FONTANA PUBLIC FINANCING AUTHORITY
2003 LEASE REVENUE BONDS
(POLICE FACILITIES REFUNDING PROJECT)**

TERMINATION OF LEASE AGREEMENT (2003 LEASE)

THIS TERMINATION OF LEASE AGREEMENT (2003 LEASE) (this “Agreement”) is dated as of November 1, 2021 and effective as of the date of recordation hereof, by and between the FONTANA PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under the laws of the State of California (the “Authority”), and the CITY OF FONTANA, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California (the “City”).

RECITALS:

A. WHEREAS, the City, as lessee, and the Authority, as lessor, entered into that certain Lease Agreement, dated as of February 1, 2003 (the “2003 Lease Agreement”), a memorandum of which was recorded on February 26, 2003 as Instrument No. 2003-0126872 in the Official Records of the County of San Bernardino, State of California (the “Official Records”), pursuant to which the City leased certain property and facilities described therein (as described in Exhibit A hereto, respectively) (the “Property”) to the Authority and the Authority leased the Property back to the City and the City agreed to make Lease Payments (defined in the 2003 Lease Agreement) to the Authority through March 1, 2016; and

B. WHEREAS, on March 1, 2016, the City paid the final Lease Payment due under the 2003 Lease Agreement such that all Lease Payments have been paid in full and therefore, pursuant to the terms of the 2003 Lease Agreement, the City and Authority desire to confirm that the 2003 Lease Agreement has terminated pursuant to its terms.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Recordation. This Agreement may be recorded in the Official Records.
2. Termination of 2003 Lease Agreement. Effective as of the recordation of this Agreement, the Authority and the City hereby acknowledge and agree that the 2003 Lease Agreement shall be terminated and discharged, and shall be of no further force or effect.
3. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one agreement. The signature and acknowledgment pages from each counterpart may be removed and attached to a single document in order to create one original instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Agreement has been executed by each party's respective duly authorized officers, as of the date first above written.

CITY OF FONTANA

By: _____
Mark Denny
City Manager

ATTEST:

Tonia Lewis
City Clerk

FONTANA PUBLIC FINANCING AUTHORITY

By: _____
Mark Denny
Executive Director

ATTEST:

Tonia Lewis
Secretary

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 _____)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

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 _____)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION

That real property in the City of FONTANA, County of SAN BERNARDINO, State of California,
described as follows:

PARCEL NO. 1:

THE SOUTH 7.13 FEET OF LOT 20, ALL OF LOT 21, AND THE NORTH 42.67 FEET OF LOT 22, BLOCK 9, FONTANA TOWNSITE, IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 19, PAGES 53 AND 54 OF MAPS, RECORDS OF SAID SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS AS DESCRIBED IN THAT CERTAIN RESOLUTION NO. 86-214 OF THE CITY COUNCIL OF THE CITY OF FONTANA ORDERING THE VACATION OF CITY STREET APPROVED AND ADOPTED ON THE 18TH DAY OF NOVEMBER, 1986 BY THE MAYOR OF THE CITY OF FONTANA AND RECORDED ON THE 24 DAY OF NOVEMBER, 1986 AS INSTRUMENT NO. 86-355438, OF OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

PARCEL NO. 2:

LOT 8 AND THE NORTH 42.93 FEET OF LOT 9 AND THE SOUTH 7.07 FEET OF LOT 7, BLOCK 9, FONTANA TOWNSITE, IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 19, PAGES 53 AND 54 OF MAPS, RECORDS OF SAID SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS AS DESCRIBED IN THAT CERTAIN RESOLUTION NO. 86-214 OF THE CITY COUNCIL OF THE CITY OF FONTANA ORDERING THE VACATION OF CITY STREET APPROVED AND ADOPTED ON THE 18TH DAY OF NOVEMBER, 1986 BY THE MAYOR OF THE CITY OF FONTANA AND RECORDED ON THE 24 DAY OF NOVEMBER, 1986 AS INSTRUMENT NO. 86-355438, OF OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

PARCEL NO. 3:

THE NORTH 42.87 FEET OF LOT 20 AND THE SOUTH 7.13 FEET OF LOT 19, BLOCK 9, FONTANA TOWNSITE, IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 19, PAGES 3 AND 54 OF MAPS, RECORDS OF SAID SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS AS DESCRIBED IN THAT CERTAIN RESOLUTION NO. 86-214 OF THE CITY COUNCIL OF THE CITY OF FONTANA ORDERING THE VACATION OF CITY STREET APPROVED AND ADOPTED ON THE 18TH DAY OF NOVEMBER, 1986 BY THE MAYOR OF THE CITY OF FONTANA AND RECORDED ON THE 24 DAY OF NOVEMBER, 1986 AS INSTRUMENT NO. 86-355438, OF OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

PARCEL NO. 4:

THE NORTH 42.87 FEET OF LOT 19 AND THE SOUTH 7.13 FEET OF LOT 18, BLOCK 9, FONTANA TOWNSITE, IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 19, PAGES 53 AND 54 OF MAPS, RECORDS OF SAID SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS AS DESCRIBED IN THAT CERTAIN RESOLUTION NO. 86-214 OF THE CITY COUNCIL OF THE CITY OF FONTANA ORDERING THE VACATION OF CITY STREET APPROVED AND ADOPTED ON THE 18TH DAY OF NOVEMBER, 1986 BY THE MAYOR OF THE CITY OF FONTANA AND RECORDED ON THE 24 DAY OF NOVEMBER, 1986 AS INSTRUMENT NO. 86-355438, OF OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

PARCEL NO. 5:

THE SOUTH 7.07 FEET OF LOT 9 AND ALL OF LOTS 10 AND 11, BLOCK 9, FONTANA TOWNSITE, IN THE CITY OF FONTANA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 19, PAGES 53 AND 54 OF MAPS, RECORDS OF SAID SAN BERNARDINO COUNTY, CALIFORNIA.

TOGETHER WITH THOSE PORTIONS AS DESCRIBED IN THAT CERTAIN RESOLUTION NO. 86-214 OF THE CITY COUNCIL OF THE CITY OF FONTANA ORDERING THE VACATION OF CITY STREET APPROVED AND ADOPTED ON THE 18TH DAY OF NOVEMBER, 1986 BY THE MAYOR OF THE CITY OF FONTANA AND RECORDED ON THE 24 DAY OF NOVEMBER, 1986 AS INSTRUMENT NO. 86-355438, OF OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

RECORDING REQUESTED BY:

City of Fontana

AND WHEN RECORDED MAIL TO:

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Vanessa S. Legbandt, Esq.

[Space above for Recorder's use.]

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

THE GRANTOR AND THE GRANTEE ARE GOVERNMENTAL AGENCIES.

TERMINATION OF LEASE AGREEMENT

by and between

FONTANA PUBLIC FINANCING AUTHORITY

and

CITY OF FONTANA

Dated as of November 1, 2021

Relating to

\$5,420,000

FONTANA PUBLIC FINANCING AUTHORITY

2010 LEASE REVENUE BONDS

(TAXABLE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS)

TERMINATION OF LEASE AGREEMENT

THIS TERMINATION OF LEASE AGREEMENT (this “Agreement”) is dated as of November 1, 2021 and effective as of the date of recordation hereof, by and between the FONTANA PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under the laws of the State of California (the “Authority”), and the CITY OF FONTANA, a municipal corporation and general law city duly organized and existing under and by virtue of the Constitution and laws of the State of California (the “City”).

RECITALS:

A. WHEREAS, the Authority, as lessor, and the City, as lessee, entered into that certain Lease Agreement, dated as of November 1, 2010 (the “Original Lease Agreement”), and recorded on December 7, 2010 as Instrument No. 2010-0518322 in the Official Records of the County of San Bernardino, State of California, as supplemented by that certain Lease Agreement Supplement No. 1, dated as of November 1, 2014 (the “First Supplement” and together with the Original Lease Agreement, the “Lease Agreement”), pursuant to which the City leased certain property described in Exhibit A attached hereto from the Authority.

B. WHEREAS, pursuant to the Lease Agreement, the Authority made available to the City a portion of the proceeds of the Fontana Public Financing Authority 2010 Lease Revenue Bonds (Taxable Recovery Zone Economic Development Bonds) in the original aggregate principal amount of \$5,420,000 in order to finance the Project described therein.

C. WHEREAS, the Authority has assigned its interest in the Lease Agreement to U.S. Bank National Association, as trustee (the “Trustee”), pursuant to that certain Indenture of Trust dated as of November 1, 2010, by and between the Authority, as assignor, and the Trustee, as assignee.

D. WHEREAS, the City has notified the Authority of its intention to exercise its option to prepay, on _____, 20__ (the “Redemption Date”), all principal components of the Lease Payments (as defined in the Lease Agreement) maturing on or after the Redemption Date, and all accrued interest with respect thereto, pursuant to the terms of Section 5.10 of the Lease Agreement.

E. WHEREAS, the City hereby certifies that it has caused to be delivered: (i) the prepayment price as described in Section 5.10 of the Lease Agreement; and (ii) moneys sufficient to pay the principal components of the Lease Payments maturing on or after the Redemption Date and accrued interest with respect thereto (collectively, the Prepayment”), to U.S. Bank National Association, as escrow agent (the “Escrow Agent”), under that certain Escrow Agreement (2010 Bonds) dated as of November 1, 2021, by and among the City, the Fontana Public Financing Authority and the Escrow Agent, in order to effect such Prepayment on the Redemption Date.

F. WHEREAS, to facilitate the City’s exercise of the option to prepay the Lease Payments, the City and the Authority now desire to terminate and discharge the Lease Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Recordation. This Agreement shall not be recorded until the City has deposited the Prepayment with the Escrow Agent.

2. Termination of Lease Agreement. Effective as of the recordation of this Agreement, the Authority and the City hereby acknowledge and agree that the Lease Agreement shall be terminated and discharged, and shall be of no further force or effect.

3. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall constitute one agreement. The signature and acknowledgment pages from each counterpart may be removed and attached to a single document in order to create one original instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, this Agreement has been executed by each party's respective duly authorized officers, as of the date first above written.

CITY OF FONTANA

By: _____
Mark Denny
City Manager

ATTEST:

Tonia Lewis
City Clerk

FONTANA PUBLIC FINANCING AUTHORITY

By: _____
Mark Denny
Executive Director

ATTEST:

Tonia Lewis
Secretary

STATE OF CALIFORNIA)
)
) ss.
COUNTY OF _____)

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.

WITNESS my hand and official seal

35

STATE OF CALIFORNIA)
)
) SS.
COUNTY OF _____)

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.

WITNESS my hand and official seal

36

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that certain real property situated in the City of Fontana, County of San Bernardino, State of California, described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

DIVISION I (FONTANA FIRE STATION #71):

THAT PORTION OF BLOCK 17 OF TRACT NO. 2266, FONTANA TOWNSITE, IN THE CITY OF FONTANA, PER MAP RECORDED IN BOOK 32 OF MAPS, PAGES 43 THROUGH 53, INCLUSIVE, RECORDS OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID BLOCK 17, SAID POINT BEING SOUTH 89°44'00" WEST, 862.67 FEET OF THE SOUTHEAST CORNER OF SAID BLOCK 17; THENCE NORTH 00°14'00" WEST PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 17, 247.57 FEET; THENCE NORTH 89°23'47" EAST, 240.55 FEET; THENCE SOUTH 00°14'00" EAST PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 17, 248.98 FEET TO THE SOUTHERLY LINE OF SAID BLOCK 17; THENCE SOUTH 89°44'00" WEST ALONG SAID SOUTHERLY LINE, 240.55 FEET TO THE POINT OF BEGINNING.