

RESOLUTION NO. 2013-10 (OVERSIGHT BOARD)

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE SANTA CLARA REDEVELOPMENT AGENCY APPROVING THE FIRST AMENDMENT TO THE COOPERATION AGREEMENT TO ASSIST PUBLICLY OWNED STADIUM AND FIRST AMENDMENT TO PREDEVELOPMENT FUNDING AGREEMENT AND MAKING FINDINGS UNDER HEALTH AND SAFETY CODE SECTION 34181(e) (3)

WHEREAS, the Santa Clara Redevelopment Agency (“former RDA”) and the Santa Clara Stadium Authority (“Stadium Authority”) entered into that certain Cooperation Agreement to Assist Publicly Owned Stadium Dated February 22, 2011 (“Cooperation Agreement”) whereby the former RDA agreed to advance to the Stadium Authority funds from available tax increment to assist in the construction and development of a new stadium located in the Bayshore North Redevelopment Project Area and suitable for professional football (“Stadium”); and

WHEREAS, the former RDA, the Stadium Authority and Forty Niners Stadium, LLC, a Delaware limited liability company (“Stadco”) entered into that certain Predevelopment Funding Agreement dated as of March 21, 2011 (“Predevelopment Funding Agreement”) whereby Stadco agreed to advance certain funds to the Stadium Authority for costs associated with the Stadium and the Stadium Authority and the former RDA agreed that such advances would be repaid from the funds provided by the former RDA to the Stadium Authority pursuant to the Cooperation Agreement; and

WHEREAS, the Cooperation Agreement and the Predevelopment Funding Agreement are collectively referred to herein as the “Stadium Agreements”; and

WHEREAS, the Oversight Board in June 2012 determined not to place the Stadium Agreements on a Recognized Obligation Payment Schedule (“ROPS”); and

WHEREAS, Stadco sought a writ of mandate in Sacramento Superior Court requiring the Oversight Board to withdraw its determination not to list the Stadium Agreements as enforceable obligations on any ROPS and to approve an amended ROPS II and ROPS III listing the Stadium Agreements as enforceable obligations (*Forty Niners SC Stadium Co., LLC, vs. Oversight Board of the Successor Agency to the City of Santa Clara Redevelopment Agency*, Case No. 34-2012-80001192; hereafter “Stadco Litigation”); and

WHEREAS, Stadco petitioned the Sacramento Superior Court for a preliminary injunction preventing the Santa Clara Auditor-Controller from distributing funds deposited in the Redevelopment Property Tax Trust Fund (“RPTTF”) to any taxing entities from any ROPS until the Oversight Board has satisfied its obligations with respect to the Stadium Agreements, which preliminary injunction was granted by the Court; and

WHEREAS, a hearing on the merits of Stadco’s petition was held on March 22, 2013, and thereafter the Court determined that the Stadium Agreements were not invalid under Health and Safety Code Section 34171(d) and remanded to the Oversight Board determinations as to (i) whether all preconditions set forth in the Stadium Agreements for payments to Stadco have been met, including whether Stadco has incurred the predevelopment costs; (ii) whether there are other funding sources available to pay Stadco; and (iii) the amounts that are due to Stadco; and

WHEREAS, an injunction impounding residual funds issued in the Stadco Litigation continues in place with an amount greater than \$25 million dollars being held rather than being distributed to the taxing entities or used to pay the Stadco obligation; and

WHEREAS, the Oversight Board held remand proceedings as directed by the Superior Court and on August 1, 2013, the Oversight Board adopted Resolution No. 2013-05 pursuant to which the Oversight Board, inter alia, (i) determined that all preconditions to payments to StadCo under the Stadium Agreements have been met; (ii) determined that StadCo has incurred \$33,918,043 in predevelopment costs of which only \$30,249,619.47 has been charged to the Predevelopment Funding Agreement in accordance with the terms of the Predevelopment Funding Agreement and that repayment of this amount is an enforceable obligation of the Successor Agency; and (iii) authorized the placement of the Stadium Agreements on ROPS 13-14B; and

WHEREAS, the Oversight Board determined in OB Resolution No. 2013-05 that payments due to Stadco under the Stadium Agreements for ROPS 13-14B and all preceding ROPS periods, shall be designated on the ROPS 13-14B as zero dollars; and

WHEREAS, the Oversight Board determined in OB Resolution No. 2013-05 that payments due to Stadco in future ROPS periods should be as set forth in the attached document entitled Table 2 and incorporated herein by reference as Exhibit A which reflects payments to Stadco through 2027 with a 5.73 percent interest rate; and

WHEREAS, Stadco objected to the payment schedule approved by the Oversight Board in Resolution No. 2013-05 and has expressed that it will challenge that payment schedule as inconsistent with the enforceable obligations under the Stadium Agreements, either through new

litigation or pursuant to the existing Stadco Litigation which includes the impounded residual funds; and

WHEREAS, Health & Safety Code Section 34181(e) provides for the renegotiation of agreements that constitute enforceable obligations to reduce liabilities and increase net tax revenues to taxing entities; and

WHEREAS, OB Resolution No. 2013-05 directed renegotiation of the Stadium Agreements with the intended purpose being to develop a payment schedule that:

- (a) will allow for sharing of RPTTF between the taxing entities and Stadco;
- (b) will include a payment schedule with precise amounts due; and
- (c) will allow for retirement of the debt to Stadco in a shorter period of time thereby resulting in better results for both Stadco and the taxing entities.

WHEREAS, the California Department of Finance approved OB Resolution No. 2013-05, specifically including the direction to the Successor Agency that renegotiation efforts be undertaken; and

WHEREAS, the Dissolution Law ensures existing enforceable obligations are to be honored (Health and Safety Code Sections 34167, 34169, 34177); and

WHEREAS, the Successor Agency, Stadium Authority, and Stadco have renegotiated the Stadium Agreements and the results of the renegotiation are encompassed in an agreement entitled "First Amendment to Cooperation Agreement to Assist Publicly-Owned Stadium and

First Amendment to Predevelopment Funding Agreement” and attached hereto as Exhibit C and hereafter referred to as “First Amendment to Stadium Agreements”; and

WHEREAS, on September 17, 2013, Keyser Marston Associates prepared an analysis of the benefits to taxing entities from the First Amendment to Stadium Agreements which is attached hereto as Exhibit B and incorporated by reference; and

WHEREAS, the First Amendment to Stadium Agreements will result in the following benefits to the taxing entities:

- (a) A specific payment schedule will allow taxing entities to make reliable projections of future distributions from RPTTF; and
- (b) Distribution to taxing entities on January 2, 2014 of more than \$13 million in RPTTF funds currently held subject to the injunction; and
- (c) Total savings of nearly \$20 million as compared to the payment schedule approved by the Oversight Board, largely due to interest savings on account of earlier repayment; and
- (d) Reductions in the interest rate payable on amounts due to Stadco from 5.73% to 5.5% through 2013 and 4.5% thereafter, resulting in direct savings to the taxing entities of approximate \$1.9 million through the payoff period.
- (e) Final resolution of the Stadco Litigation and avoidance of future litigation costs payable from property tax revenues; and

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The recitals set forth above are true and correct and are incorporated into this resolution by this reference as if fully set forth.

SECTION 2. The Oversight Board after reviewing and considering the verbal and written reports received, Successor Agency Resolution No.13-8075, Stadium Authority Resolution No. 13-11, the First Amendment to Stadium Agreements, comments from the County and members of the public; and after deliberation thereon makes the following findings:

- (a) The benefits described in the foregoing recitals and in Exhibit B are incorporated herein as findings.
- (b) The First Amendment to Stadium Agreements is in the best interest of the taxing entities as it results in reduction of liabilities and increase net tax revenues to taxing entities.
- (c) The benefits to taxing entities derived from the renegotiated Stadium Agreements meet the requirements of Health & Safety Code Section 34181 (e) of the Dissolution Law authorizing the renegotiation of agreements that constitute enforceable obligations to reduce liabilities and increase net tax revenues to taxing entities.

SECTION 3. The First Amendment to Stadium Agreements is hereby approved by the Oversight Board as an enforceable obligation of the Successor Agency and the Successor Agency is directed to place the repayments as set forth in the First Amendment on each appropriate ROPS to provide for payment of the amounts due in a timely manner.

SECTION 4. The Successor Agency is directed to provide this resolution, written notice, and information about this action to the Department of Finance, the County Auditor-Controller, and the State of California Controller as required by law and to post this resolution on the Successor Agency's website as required by law.

SECTION 5. Pursuant to Health and Safety Code Section 34179(h), this resolution shall not be effective until five (5) business days after notice has been provided to the Department of Finance, unless the State of California Department of Finance requests a review.

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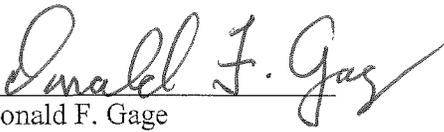
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CERTIFICATION

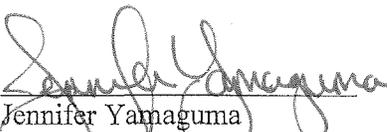
I hereby certify the forgoing to be a true copy of a resolution passed and adopted by the Oversight Board of the Successor Agency for the City of Santa Clara Redevelopment Agency at a special meeting thereof held on 23rd day of September 2013, by the following vote:

AYES:	BOARD MEMBERS:	Ameling, Decker, Guthrie, Maduli, Mahan and Ochoa and Chairperson Gage
NOES:	BOARD MEMBERS:	None
ABSTAIN:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	None

APPROVE:


Donald F. Gage
Chairperson

ATTEST:


Jennifer Yamaguma
Clerk to the Oversight Board

Attachments Incorporated by Reference:

Exhibit A: Table 2

Exhibit B: September 17, 2013, Keyser Marston Report Regarding Taxing Agency Revenue Benefits from First Amendment to Successor Agencies

Exhibit C: First Amendment to Cooperation Agreement to Assist Publicly-Owned Stadium and First Amendment to Predevelopment Funding Agreement

Table 2
 Projected Payments on StadCo Agency Advance
 IF AB 1X26 and AB 1484 HAD NOT BEEN ADOPTED
 Successor to the Santa Clara RDA
 \$Thousands

Working Draft July 25, 2012

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
1. Gross Tax Increment estimate @4% AV growth (see Table 3B)	30,497	31,712	32,976	38,986	40,448	41,965	43,542	45,180	46,861	48,648	50,484	52,391	54,372	56,431	58,569	30,395
2. Statutory Requirements housing, pass thru. Co. admin (see Table 3B)	9,188	10,061	11,124	16,178	17,406	18,683	20,008	21,385	22,816	24,302	25,846	27,449	29,115	30,846	32,644	17,256
3. Net After Statutory Requirements	21,309	21,651	21,852	22,809	23,041	23,283	23,534	23,794	24,065	24,346	24,638	24,942	25,257	25,585	25,925	13,139
4. Prior Obligations																
Bonds (see Detail Table 4)	13,329	14,481	14,281	14,260	15,114	14,936	14,756	14,573	14,372	14,164	13,953	13,411	13,156	13,221	0	0
Affordable Housing Promissory Note	1,021	1,021	1,021	1,021	0	0	0	0	0	0	0	0	0	0	0	0
Agency Admin capped @ \$4 M + escalation	4,701	4,889	5,085	5,288	5,500	5,720	5,948	6,186	6,434	6,691	6,958	7,237	7,527	7,828	8,141	8,466
Discretionary housing (up to 10%)	2,258	1,260	1,465	2,239	2,022	ends Dec 2016										
Total Prior Obligations	21,309	21,651	21,852	22,809	22,636	20,656	20,705	20,759	20,806	20,855	20,911	20,648	20,682	21,048	8,141	8,466
5. Net Available for Repayment of StadCo Agency Advance	0	0	0	0	405	2,627	2,829	3,035	3,259	3,491	3,727	4,294	4,575	4,536	17,784	4,673
Cumulative Nominal Dollars	0	0	0	0	405	3,032	5,860	8,895	12,155	15,646	19,372	23,667	28,241	32,778	50,562	55,235
Present Value at Advance Interest Rate (5.73%)	-	-	-	-	307	1,880	1,915	1,944	1,974	2,000	2,019	2,200	2,217	2,079	7,710	1,916
Cumulative Present Value	-	-	-	-	307	2,187	4,102	6,046	8,019	10,019	12,038	14,238	16,455	18,535	26,245	28,161
																(vs. \$30,250 Advance)

Discretionary Housing Target @10% of Gross	3,050	3,171	3,298	3,899	2,022
Funds Available toward 10% Target	2,258	1,260	1,465	2,239	2,022

EXHIBIT A

Actual taxable values, tax increment, and the timing of the tax increment may vary from the amounts contained in this projection.
 Prepared by Keyser Marston Associates, Inc.
 Filename: StadCo Agency Advance Projection 7-25-12 RDA not Dissolved 7/27/201



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

MEMORANDUM

To: Gary Ameling, Finance Director
City of Santa Clara

From: David Doezema

Date: September 17, 2013

Subject: Taxing Agency Revenue Benefits from First Amendment to Stadium Agreements

Keyser Marston Associates, Inc. (KMA) has prepared the following analysis of taxing agency revenue benefits from the proposed First Amendment to the Cooperation Agreement to Assist Publicly-Owned Stadium and First Amendment to Predevelopment Funding Agreement ("First Amendment" to the "Stadium Agreements").

The First Amendment establishes a defined payment schedule and reduced interest rate for amortization of the \$30.25 million original principal amount due to 49ers Stadium Company LLC ("StadCo") under the Stadium Agreements. Taxing agency benefits are evaluated based on a projection of taxing agency revenues with and without the First Amendment consistent with the following two scenarios:

Scenario A. Proposed First Amendment to the Stadium Agreements which establishes a defined payment schedule and reduced interest rate.

Scenario B. Without the First Amendment and consistent with a resolution of the Oversight Board specifying that payments would need to mirror the projected amortization had redevelopment agencies not been dissolved¹. Under this scenario, payments do not begin until 2017 and extend until 2028. Absent dissolution, payments would have extended over a longer period of time because the Stadium Agreements provide a priority to continuing administrative expenses of the former redevelopment agency, funding of the statutory housing set-aside, and funding of an additional discretionary housing set-aside in excess of the statutory minimum. These priority items are all reduced or eliminated with dissolution.

¹ Resolution 2013-005 specified that amortization of the Stadium Agreements, without the proposed First Amendment, be based on the projected amortization absent dissolution of redevelopment agencies.

To: Gary Ameling, Finance Director
 Subject: Taxing Agency Revenue Benefits from First Amendment to Stadium Agreements

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The table below summarizes the results for the taxing agencies under the two scenarios.

The First Amendment generates \$20 million more revenue to the taxing agencies than Scenario B, without the First Amendment, as a result of interest savings on the Stadium Agreements. The First Amendment establishes a defined payment schedule to amortize payments over a shorter period of time which avoids the continued compounding of interest expenses through 2028. In addition, the First Amendment retroactively reduces the interest rate from 5.73% down to 5.5% through the end of calendar year 2013 and further reduces the interest rate going forward to 4.5%. Savings from the reduction in interest rate alone are estimated to generate approximately \$1.9 million of the \$20 million increase in revenues to taxing agencies, with the balance resulting from the shorter amortization.

Comparison of Projected Revenues to Taxing Agencies and Payments to StadCo:

	Scenario A. <u>With</u> First Amendment	Scenario B. <u>Without</u> First Amendment
	<i>\$Millions</i>	<i>\$Millions</i>
RPTTF Residual to Taxing Agencies Through 2028	\$261.2	\$241.6
Total Payments to StadCo (principal + interest)	\$35.3	\$55.2
First Payment	2014	2017
Last Payment	2017	2028

The supporting technical analysis is presented in the attached Tables 1 through 6. Table 1 presents the two scenarios for amortization of the obligation to StadCo. Table 2-A and 2-B show the calculation of RPTTF dollars available for taxing agencies. Tables 3 through 6 contain the projection of other ROPS obligations and RPTTF revenues.

To: Gary Ameling, Finance Director
Subject: Taxing Agency Revenue Benefits from First Amendment to Stadium Agreements

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Key Assumptions

The following is a list of key assumptions and limitations of the analysis:

1. Only residual distributions of RPTTF funds are included. Potential distributions of funds to taxing agencies under the Due Diligence Review Process are not reflected.
2. Payment amounts under Scenario B are based on KMA's July 25, 2012 memorandum, Table 2.
3. Estimates assume only pledged RPTTF funds are utilized for payment of the Stadium Agreements.
4. A 4% average growth rate in existing assessed values for the Bayshore North Project Area is assumed based upon the 4.3% average rate over the past 15 years (see Table 7). A 2% rate is assumed for the University Area. Actual assessed values and resulting RPTTF revenues could be higher or lower depending on the pace of development in the project area, economic cycles, assessment appeal activity and other factors.
5. The assessed value of the stadium is assumed to be reflected on the roll in FY 2015-16 (corresponding to mid-2014 completion and lease commencement). A placeholder for assessed value at \$500 million is used based upon an assumed \$240 million possessory interest valuation (@\$24.5 million facility rent and 10% discount rate) plus tenant improvements at approximately \$260 million.
6. Neither supplemental revenues nor negative adjustments for assessment appeals are reflected in the projection.
7. Projections incorporate KMA's computation of pass through obligations. Supporting detail for the County's pass through calculations was not available for review by KMA at the time this analysis was prepared. County implementation of pass through requirements may vary from our estimates.
8. County administrative costs are estimated based upon actual charges for FY 2012-13 which converts to approximately 2.7% of gross RPTTF revenue.

Table 1
 Stadium Agreement Amortization Scenarios
 Successor to the Santa Clara RDA
 \$Thousands

Period	Scenario A.					Scenario B.				
	With First Amendment to Stadium Agreements					Without First Amendment ⁽²⁾				
	Beginning Balance	Accrued Interest		Payments	Ending Balance	Beginning Balance	Accrued Interest ⁽³⁾		Payments ⁽²⁾	Ending Balance ⁽⁴⁾
	Rate	Total				Rate	Total			
January 1 2014 ⁽¹⁾	30,250	5.5%	2,915	12,000	21,165	30,250	5.73%	3,153	-	33,403
July 1 2014	21,165	4.5%	479	4,198	17,445	33,403	5.73%	1,423	-	34,826
July 1 2015	17,445	4.5%	792	6,209	12,028	34,826	5.73%	2,024	-	36,850
July 1 2016	12,028	4.5%	546	6,559	6,014	36,850	5.73%	2,142	-	38,992
July 1 2017	6,014	4.5%	273	6,287	-	38,992	5.73%	2,266	405	40,853
July 1 2018						40,853	5.73%	2,374	2,627	40,601
July 1 2019						40,601	5.73%	2,360	2,829	40,132
July 1 2020						40,132	5.73%	2,333	3,035	39,429
July 1 2021						39,429	5.73%	2,292	3,259	38,462
July 1 2022						38,462	5.73%	2,235	3,491	37,207
July 1 2023						37,207	5.73%	2,162	3,727	35,642
July 1 2024						35,642	5.73%	2,072	4,294	33,420
July 1 2025						33,420	5.73%	1,942	4,575	30,787
July 1 2026						30,787	5.73%	1,789	18,536	14,040
July 1 2027						14,040	5.73%	816	3,784	11,072
July 1 2028						11,072	5.73%	644	4,673	7,043
Total			5,004	35,254				32,028	55,235	
Difference vs. Scenario A				N/A					19,981	

Notes:

(1) Accrued interest includes the period from April 2012 to January 2014.

(2) Payment schedule without the First Amendment based on Oversight Board Resolution 2013-005 specifying that payments be consistent with the projection absent dissolution of redevelopment agencies per Table 2 of the July 25, 2012 memorandum prepared by KMA regarding Revenue Estimates for Discussions Regarding StadCo Agency Advance.

(3) Interest reflects bi-annual compounding in accord with the Authority Promissory Note in respect of StadCo Agency Advance dated March 28, 2012. Accrued interest calculation assumes payments are made on the interest payment dates under the Authority Promissory Note.

(4) Pledged revenues under the growth scenario assumed in the July 25 2012 memorandum were not sufficient to fully amortize the obligation after the compounding of interest in that scenario before any payments commenced.

Table 2 A [Scenario A]
 Projection of RPTTF Available for Taxing Agencies
 With First Amendment to Stadium Agreements
 Successor to the Santa Clara RDA

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\$Thousands	Total to 2027-28	2013-14 ⁽¹⁾		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20	
		Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	
1 TRO Balance Forward	25,152	25,152													
2 RPTTF Available [After Pass-Thru, Co. Admin]															
Bayshore North [Table 4]	444,025	12,872	12,872	13,071	13,071	14,144	14,144	14,377	14,377	14,619	14,619	14,870	14,870	15,131	
University [Table 5]	5,823	304	304	310	310	316	316	322	322	328	328	335	335	341	
Total	449,848	13,176	13,176	13,381	13,381	14,460	14,460	14,699	14,699	14,947	14,947	15,205	15,205	15,472	
Total Available [1 + 2]	474,999	38,327	13,176	13,381	13,381	14,460	14,460	14,699	14,699	14,947	14,947	15,205	15,205	15,472	
3 ROPS Obligations															
ROPS other than StadCo [Table 3]	170,466	12,068	2,769	11,782	2,419	11,962	2,159	12,977	1,938	13,021	1,709	13,071	1,467	13,129	
Stad Co Agency Advance [Per 1st Amendment]	35,254	12,000	4,198	-	6,209	-	6,559	-	6,287	-	-	-	-	-	
Total RPTTF Obligations before Admin.	205,720	24,068	6,968	11,782	8,629	11,962	8,719	12,977	8,225	13,021	1,709	13,071	1,467	13,129	
4 Successor Agency Admin	8,116	1,314	209	353	259	359	262	340	247	391	125	392	125	394	
5 RPTTF Available for Taxing Agencies [Residual Distributions]	261,163	12,946	5,999	1,245	4,493	2,139	5,480	1,382	6,227	1,536	13,113	1,742	13,612	1,949	
<i>Cumulative RPTTF to Taxing Agencies (\$Millions)</i>		12.9	18.9	20.2	24.7	26.8	32.3	33.7	39.9	41.4	54.6	56.3	69.9	71.9	

Notes:

(1) Reflects ROPS 13-14B approved by the Successor Agency on Sept 10, 2013 for submittal to the Oversight Board.

Actual revenues, obligation amounts, and timing may vary from the amounts contained in this projection.

Prepared by Keyser Marston Associates, Inc.

Filename: \NSF-fs2\wp119\19164\001\Stadium Agmt 1st amend analysis 9-17-13: 2A 1st amendment: 9/17/2013;

Table 2 A [Scenario A]
 Projection of RPTTF Available for Taxing Agencies
 With First Amendment to Stadium Agreements
 Successor to the Santa Clara RDA

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\$Thousands	2020-21		2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28	
	Period A	Period B														
1 TRO Balance Forward																
2 RPTTF Available [After Pass Thru. Co. Admin]																
Bayshore North [Table 4]	15,131	15,402	15,402	15,683	15,683	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
University [Table 5]	341	348	348	325	290	-	-	-	-	-	-	-	-	-	-	-
Total	15,472	15,750	15,750	16,008	15,974	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
Total Available [1 + 2]	15,472	15,750	15,750	16,008	15,974	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
3 ROPS Obligations																
ROPS other than StadCo [Table 3]	1,208	13,189	934	13,255	646	13,332	343	13,094	344	12,839	345	465	0	0	0	0
Stad Co Agency Advance [Per 1st Amendment]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total RPTTF Obligations before Admin.	1,208	13,189	934	13,255	646	13,332	343	13,094	344	12,839	345	465	0	0	0	0
4 Successor Agency Admin	125	396	125	398	125	400	125	393	125	385	125	125	125	125	125	125
5 RPTTF Available for Taxing Agencies [Residual Distributions]	14,140	2,165	14,691	2,355	15,203	2,244	15,507	2,793	15,810	3,370	16,125	16,333	16,797	17,138	17,138	17,491
Cumulative RPTTF to Taxing Agencies (\$Millions)	86.0	88.2	102.9	105.2	120.4	122.7	138.2	141.0	156.8	160.1	176.3	192.6	209.4	226.5	243.7	261.2

Notes:

(1) Reflects ROPS 13-14B approved by the Successor Agency on Sept 10, 2013 for submittal to the Oversight Board.

Actual revenues, obligation amounts, and timing may vary from the amounts contained in this projection.

Prepared by Keyser Marston Associates, Inc.

Filename: \\SF-fs2\wp\19\19164\001\Stadium Agmt 1st amend analysis 9-17-13: 2A 1st amendment: 9/17/2013;

Table 2 B [Scenario B]
 Projection of RPTTF Available for Taxing Agencies
 Without First Amendment and Payment Schedule
 Consistent with Oversight Board Resolution ⁽¹⁾
 Successor to the Santa Clara RDA

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\$Thousands	Total to 2027-28	2013-14 ⁽²⁾		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20	
		Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B	
1 TRO Balance Forward	25,152	25,152													
2 RPTTF Available [After Pass Thru, Co. Admin]															
Bayshore North [Table 4]	444,025	12,872	12,872	13,071	13,071	14,144	14,144	14,377	14,377	14,619	14,619	14,870	14,870	15,131	
University [Table 5]	5,823	304	304	310	310	316	316	322	322	328	328	335	335	341	
Total	449,848	13,176	13,176	13,381	13,381	14,460	14,460	14,699	14,699	14,947	14,947	15,205	15,205	15,472	
Total Available [1 + 2]	474,999	38,327	38,327	38,761	38,761	44,920	44,920	45,398	45,398	46,866	46,866	48,435	48,435	49,943	
3 ROPS Obligations															
ROPS other than StadCo [Table 3]	170,466	12,068	2,769	11,782	2,419	11,962	2,159	12,977	1,938	13,021	1,709	13,071	1,467	13,129	
Stad Co Agency Advance [Without First Amendment] ⁽¹⁾	55,235	-	-	-	-	-	-	-	405	-	2,627	-	2,829	-	
Total RPTTF Obligations before Admin.	225,701	12,068	2,769	11,782	2,419	11,962	2,159	12,977	2,343	13,021	4,335	13,071	4,296	13,129	
4 Successor Agency Admin	7,650	954	125	353	125	359	125	340	125	391	130	392	129	394	
5 RPTTF Available for Taxing Agencies [Residual Distributions]	241,649	25,306	10,281	1,245	10,837	2,139	12,175	1,382	12,230	1,536	10,482	1,742	10,780	1,949	
Cumulative RPTTF to Taxing Agencies (\$Millions)		25.3	35.6	36.8	47.7	49.8	62.0	63.4	75.6	77.1	87.6	89.4	100.1	102.1	

Notes:

(1) Payment schedule without the First Amendment based on Oversight Board Resolution 2013-005 specifying that payments be consistent with the projection absent dissolution of redevelopment agencies per Table 2 of the July 25, 2012 memorandum prepared by KMA regarding Revenue Estimates for Discussions Regarding StadCo Agency Advance.

(2) Reflects ROPS 13-14B approved by the Successor Agency on Sept 10, 2013 for submittal to the Oversight Board.

Table 2 B [Scenario B]
Projection of RPTTF Available for Taxing Agencies
Without First Amendment and Payment Schedule
Consistent with Oversight Board Resolution⁽¹⁾
Successor to the Santa Clara RDA

Page 2 of 2

\$Thousands	2020-21		2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28	
	Period A	Period B														
1 TRO Balance Forward																
2 RPTTF Available [After Pass Thru, Co. Admin]																
Bayshore North [Table 4]	15,131	15,402	15,402	15,683	15,683	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
University [Table 5]	341	348	348	325	290	-	-	-	-	-	-	-	-	-	-	-
Total	15,472	15,750	15,750	16,008	15,974	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
Total Available [1+2]	15,472	15,750	15,750	16,008	15,974	15,976	15,976	16,279	16,279	16,595	16,595	16,922	16,922	17,263	17,263	17,616
3 ROPS Obligations																
ROPS other than StadCo [Table 3]	1,208	13,189	934	13,255	646	13,332	343	13,094	344	12,839	345	465	0	0	0	0
Stad Co Agency Advance [Without First Amendment] ⁽¹⁾	3,035	-	3,259	-	3,491	-	3,727	-	4,294	-	4,575	-	4,536	14,000	3,784	4,673
Total RPTTF Obligations before Admin.	4,243	13,189	4,193	13,255	4,137	13,332	4,070	13,094	4,638	12,839	4,919	465	4,536	14,000	3,784	4,673
4 Successor Agency Admin	127	396	126	398	125	400	125	393	139	385	148	125	136	420	125	140
5 RPTTF Available for Taxing Agencies [Residual Distributions]	11,102	2,165	11,431	2,355	11,712	2,244	11,780	2,793	11,502	3,370	11,528	16,333	12,250	2,843	13,354	12,803
Cumulative RPTTF to Taxing Agencies (\$Millions)	113.2	115.4	126.8	129.1	140.8	143.1	154.9	157.7	169.2	172.5	184.1	200.4	212.6	215.5	228.8	241.6

Notes:

(1) Payment schedule without the First Amendment based on Oversight Board Resolution 2013-005 specifying that payments be consistent with the projection absent dissolution of redevelopment agencies per Table 2 of the July 25, 2012 memorandum prepared by KMA regarding Revenue Estimates for Discussions Regarding StadCo Agency Advance.

(2) Reflects ROPS 13-14B approved by the Successor Agency on Sept 10, 2013 for submittal to the Oversight Board.

Table 3

ROPS Detail [except StadCo]
 Successor to the Santa Clara RDA

Page 1 of 2

SThousands	2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		2019-20		2020-21	
	Period B	Period A	Period B													
ROPS (RPTTF Items only)																
1999 A Bonds	854	854	854	854	854	854	2,449	813	5,178	698	5,293	577	5,412	444	5,544	
1999 B Bonds	2,120	277	4,192	171	4,176	64	2,384	0	0	0	0	0	0	0	0	
2002 Bonds	5,826	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2003 Bonds	1,099	1,099	4,904	1,004	5,119	901	5,526	785	5,405	670	5,520	549	5,639	421	5,771	
2011 Bonds	1,490	325	1,775	325	1,755	325	2,610	325	2,430	325	2,250	325	2,070	325	1,865	
Trustee Fees and other bond costs	7	14	7	14	7	15	7	15	7	16	8	16	8	17	8	
Legal Expenses (ROPS No. 12 & 14-18)	672	200	50	50	50	0	0	0	0	0	0	0	0	0	0	
Total RPTTF Funded ROPS Items (except Stad.Co Agency Advance)	12,068	2,769	11,782	2,419	11,962	2,159	12,977	1,938	13,021	1,709	13,071	1,467	13,129	1,208	13,189	

Notes:

Final payment on 2011 bonds assumed to be made in part from \$12.4 M in parity debt service reserve funds.

Based on ROPS 13-14B as approved by the Successor Agency on September 10, 2013. Includes only those obligations funded from RPTTF.

Actual revenues, obligation amounts, and timing may vary from the amounts contained in this projection.

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Table 3

ROPS Detail [except StadCo]

Successor to the Santa Clara RDA

Page 2 of 2

SThousands	2021-22		2022-23		2023-24		2024-25		2025-26		2026-27		2027-28	
	Period A	Period B	Period A	Period B	Period A	Period B	Period A	Period B						
ROPS (RPTTF items only)														
1999 A Bonds	304	5,684	156	5,836	0	0	0	0	0	0	0	0	0	0
1999 B Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2002 Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2003 Bonds	288	5,903	147	6,037	0	0	0	0	0	0	0	0	0	0
2011 Bonds	325	1,660	325	1,450	325	13,085	325	12,830	325	455	0	0	0	0
Trustee Fees and other bond costs	17	8	18	9	18	9	19	9	19	9	0	0	0	0
Legal Expenses (ROPS No. 12 & 14-18)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total RPTTF Funded ROPS Items (except Stad Co Agency Advance)	934	13,255	646	13,332	343	13,094	344	12,839	345	465	0	0	0	0

Notes:

Final payment on 2011 bonds assumed to be made in part from \$12.4 M in parity debt service reserve funds.

Based on ROPS 13-14B as approved by the Successor Agency on September 10, 2013. Includes only those obligations funded from RPTTF.

Actual revenues, obligation amounts, and timing may vary from the amounts contained in this projection.

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Table 4

Projection of RPTTF Revenue after Pass Throughs
 Bayshore North Redevelopment Project
 Successor to the Santa Clara RDA

Page 1 of 2

\$Thousands

Totals	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	reported AV							
I. Growth in Existing Assessed Value at 4% Growth	2,879,730	2,994,919	3,114,716	3,239,305	3,368,877	3,503,632	3,643,777	3,789,529
Est. of Stadium AV @2% Growth ⁽¹⁾	0	0	500,000	510,000	520,200	530,604	541,216	552,040
Less Base Value	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)
Incremental Value:	2,870,892	2,986,082	3,605,878	3,740,467	3,880,239	4,025,398	4,176,156	4,332,731
Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
II. Gross RPTTF Revenue	28,709	29,861	36,059	37,405	38,802	40,254	41,762	43,327
Estimated SBE Unitary Revenue ⁽²⁾	200	200	200	200	200	200	200	200
Subtotal Gross RPTTF Revenue ⁽³⁾	28,909	30,061	36,259	37,605	39,002	40,454	41,962	43,527
III. Pass Through and County Admin								
County Admin Costs ⁽⁴⁾ 2.7%	781	812	979	1,015	1,053	1,092	1,133	1,175
Statutory Pass Thru (H&S 33607.5)	946	1,351	3,530	4,003	4,495	5,005	5,535	6,086
School Pass Thru (Basic Aid / H&S 33676)	1,439	1,756	3,462	3,832	4,217	4,617	5,031	5,462
Total Pass Through and County Admin	3,165	3,918	7,971	8,851	9,765	10,714	11,700	12,723
IV. RPTTF after Pass Through & Co. Admin	25,744	26,142	28,288	28,754	29,238	29,740	30,262	30,804
Allocation of Net by ROPS Period	2014	2015	2016	2017	2018	2019	2020	2021
Jan Dist@50% of revenues & pass throughs	12,872	13,071	14,144	14,377	14,619	14,870	15,131	15,402
June Dist@50% of revenues & pass throughs	12,872	13,071	14,144	14,377	14,619	14,870	15,131	15,402

Notes:

- ⁽¹⁾ \$500 M placeholder AV based on \$240M possessory interest (\$24.5 M Facility Rent@10% discount) + \$260 M TIs (rounded).
⁽²⁾ Assumed to stabilize at approximately the same amount as prior years.
⁽³⁾ Revenues such as supplementals and negative adjustments for appeal refunds are not included for purposes of the projection.
⁽⁴⁾ Based on actual for FY 2012-13 including ABx1 26 implementation costs (and converted to a percent of gross revenue).
⁽⁵⁾ Incorporates extension per Health and Safety Code Section 33331.5.

Actual taxable values, tax increment, and the timing of the tax increment may vary from the amounts in this projection.

Prepared by Keyser Marston Associates, Inc.

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Table 4

Projection of RPTTF Revenue after Pass Throughs
 Bayshore North Redevelopment Project
 Successor to the Santa Clara RDA

Totals	TI Receipt 12/20/2027 ⁽³⁾						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
(partial year)							
I. Growth in Existing Assessed Value at 4% Growth	3,941,110	4,098,754	4,262,704	4,433,212	4,610,541	4,794,963	4,986,761
Est. of Stadium AV @2% Growth ⁽¹⁾	563,081	574,343	585,830	597,546	609,497	621,687	634,121
Less Base Value	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)	(8,838)
Incremental Value	4,495,353	4,664,259	4,839,696	5,021,921	5,211,200	5,407,812	5,612,044
Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
II. Gross RPTTF Revenue	44,954	46,643	48,397	50,219	52,112	54,078	28,060
Estimated SBE Unitary Revenue ⁽²⁾	200	200	200	200	200	200	100
Subtotal Gross RPTTF Revenue ⁽³⁾	45,154	46,843	48,597	50,419	52,312	54,278	28,160
III. Pass Through and County Admin							
County Admin Costs ⁽⁴⁾ 2.7%	1,219	1,265	1,312	1,361	1,412	1,466	760
Statutory Pass Thru (H&S 33607.5)	6,658	7,252	7,868	8,509	9,175	9,866	5,292
School Pass Thru (Basic Aid / H&S 33676)	5,910	6,375	6,858	7,359	7,880	8,421	4,492
Total Pass Through and County Admin	13,787	14,891	16,038	17,230	18,467	19,753	10,544
IV. RPTTF after Pass Through & Co. Admin	31,367	31,952	32,559	33,190	33,845	34,526	17,616
Allocation of Net by ROPS Period	2022	2023	2024	2025	2026	2027	2028
Jan Dist@50% of revenues & pass throughs	15,683	15,976	16,279	16,595	16,922	17,263	17,616
June Dist@50% of revenues & pass throughs	15,683	15,976	16,279	16,595	16,922	17,263	

Notes:

- (1) \$500 M placeholder AV based on \$240M possessory interest (\$24.5 M Facility Rent@10% discount) + \$260 M TIs (rounded).
- (2) Assumed to stabilize at approximately the same amount as prior years.
- (3) Revenues such as supplementals and negative adjustments for appeal refunds are not included for purposes of the
- (4) Based on actual for FY 2012-13 including ABx1 26 implementation costs (and converted to a percent of gross revenue).
- (5) Incorporates extension per Health and Safety Code Section 33331.5.

Actual taxable values, tax increment, and the timing of the tax increment may vary from the amounts in this projection.

Prepared by Keyser Marston Associates, Inc.

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Table 5
Projection of RPTTF Revenue after Pass Throughs
University Project Area
Successor to the Santa Clara RDA
\$Thousands

Totals	Property Tax / Roll Years											TI Receipt 1/1/2023 ⁽⁴⁾
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	(partial year)
	reported AV											
I. Growth in Existing Assessed Value at 2% Growth	61,107	62,329	63,576	64,847	66,144	67,467	68,816	70,193	71,596	73,028	74,489	
Less Base Value	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)	(6,660)
Incremental Value	54,446	55,669	56,915	58,187	59,484	60,807	62,156	63,532	64,936	66,368	67,829	
Tax Rate	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
II. Gross RPTTF Revenue	544	557	569	582	595	608	622	635	552	cap reached		
Estimated SBE Unitary Revenue ⁽¹⁾	80	80	80	80	80	80	80	80	80			
Subtotal Gross RPTTF Revenue ⁽²⁾	624	637	649	662	675	688	702	715	632			
County Admin Costs ⁽³⁾	2.7%	17	17	18	18	18	19	19	19	17		
III. RPTTF after Pass Through & Co. Admin	608	619	632	644	657	669	683	696	615			

Allocation of Net by ROPS Period	2014	2015	2016	2017	2018	2019	2020	2021	2022
Jan Dist@50% of revenues & pass throughs	304	310	316	322	328	335	341	348	325
June Dist@50% of revenues & pass throughs	304	310	316	322	328	335	341	348	290

Notes:

- ⁽¹⁾ Assumed to stabilize at approximately the same amount as prior years.
- ⁽²⁾ Revenues such as supplementals and negative adjustments for appeal refunds are not included for purposes of the projection.
- ⁽³⁾ Based on actual for FY 2012-13 including ABx1-26 implementation costs (and converted to a percent of gross revenue).
- ⁽⁴⁾ Incorporates extension per Health and Safety Code Section 33331.5.

Actual taxable values, tax increment, and the timing of the tax increment may vary from the amounts in this projection.

Prepared by Keyser Marston Associates, Inc.

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Table 6
Assessed Valuation Growth History
Bayshore North Redevelopment Project
\$Thousands

Fiscal Year	Secured Tax Roll	Unsecured Tax Roll	Total Assessed Value ¹
Base Year 1973-74			\$8,838
1998-99	896,210 33.9%	636,414 -18.6%	1,532,626 5.6%
1999-00	977,333 9.1%	618,561 -2.8%	1,595,896 4.1%
2000-01	1,071,029 9.6%	815,629 31.9%	1,886,660 18.2%
2001-02	1,320,615 23.3%	1,160,728 42.3%	2,481,345 31.5%
2002-03	1,541,160 16.7%	1,140,605 -1.7%	2,681,766 8.1%
2003-04	1,609,104 4.4%	797,871 -30.0%	2,406,976 -10.2%
2004-05	1,316,818 -18.2%	821,884 3.0%	2,138,704 -11.1%
2005-06	1,203,657 -8.6%	705,470 -14.2%	1,909,128 -10.7%
2006-07	1,355,959 12.7%	829,852 17.6%	2,185,813 14.5%
2007-08	1,503,188 10.9%	880,614 6.1%	2,383,803 9.1%
2008-09	1,830,723 21.8%	988,189 12.2%	2,818,912 18.3%
2009-10	1,870,286 2.2%	1,145,614 15.9%	3,015,900 7.0%
2010-11	1,749,445 -6.5%	976,764 -14.7%	2,726,209 -9.6%
2011-12	1,743,090 -0.4%	1,086,919 11.3%	2,830,009 3.8%
2012-13	1,762,082 1.1%	1,150,389 5.8%	2,912,471 2.9%
2013-14	1,784,002 1.2%	1,095,728 -4.8%	2,879,730 -1.1%
Annualized Growth Rate past	4.7%	3.7%	4.3% /Yr

Notes:

¹ In addition to secured and unsecured value, the total includes a minor amount of assessed valuation on the state board of equalization roll.

Source: County of Santa Clara

**FIRST AMENDMENT TO
COOPERATION AGREEMENT TO ASSIST PUBLICLY-OWNED STADIUM
AND
FIRST AMENDMENT TO
PREDEVELOPMENT FUNDING AGREEMENT**

THIS FIRST AMENDMENT TO COOPERATION AGREEMENT TO ASSIST PUBLICLY-OWNED STADIUM AND FIRST AMENDMENT TO PREDEVELOPMENT FUNDING AGREEMENT (this "Amendment") is made as of September 23, 2013 ("Effective Date"), by and among the Santa Clara Stadium Authority, a California joint powers authority (the "Stadium Authority"), the Successor Agency to the Redevelopment Agency of the City of Santa Clara (the "Successor Agency"), and Forty Niners SC Stadium Company LLC, a Delaware limited liability company, successor-in-interest to Forty Niners Stadium, LLC ("Stadco"), with reference to the following facts, purposes, and understandings. Stadium Authority, Successor Agency, and Stadco, collectively, are sometimes referred to herein as the "Parties," and each of Stadium Authority, Successor Agency, and Stadco individually is sometimes referred to herein as a "Party".

RECITALS

A. The Redevelopment Agency of the City of Santa Clara ("Former RDA") and the Stadium Authority entered into that certain Cooperation Agreement to Assist Publicly-Owned Stadium dated February 22, 2011 ("Cooperation Agreement").

B. The Former RDA, the Stadium Authority and Forty Niners Stadium, LLC, a Delaware limited liability company, entered into that certain Predevelopment Funding Agreement dated as of March 21, 2011 ("Predevelopment Funding Agreement") (the Cooperation Agreement and the Predevelopment Funding Agreement are collectively referred to herein as the "Stadium Agreements"). Capitalized words used in this Amendment, and not defined below or elsewhere in this Amendment, shall have the meanings set forth in the Stadium Agreements.

C. Pursuant to the Stadium Agreements, the Former RDA agreed to pay (i) one-half of the development fees payable in connection with the construction of the Stadium; and (ii) Forty Million Dollars (\$40,000,000) (exclusive of debt service and other financing costs), toward the development costs of the Stadium.

C. Pursuant to the Stadium Agreements, the Former RDA paid its share of development fees and made an Agency Upfront Investment in the amount of \$9,750,380.

D. The Stadium Agreements established a process by which Stadco advanced funds to the Stadium Authority to pay predevelopment costs of the Stadium (the "Stadco Advance"), with each such advance treated as a contemporaneous advance by the Stadium Authority to the Former RDA (the "Stadium Authority Advance"). As Stadco expended funds on behalf of the Stadium Authority to pay predevelopment costs of the Stadium, those funds become repayable to Stadco by the Stadium Authority, with the Stadium Authority in turn, entitled to repayment of that amount by the Former RDA.

E. Pursuant to the Stadium Agreements, Stadco advanced funds to pay predevelopment costs on account of the Stadco Advance in the amount of \$30,249,620, and the Stadium Authority delivered a promissory note (the "Stadco Note") to Stadco dated March 28, 2012, to evidence the Stadco Advance.

F. Construction of the Stadium commenced on April 9, 2012. Pursuant to the Stadium Agreements and the Stadco Note, interest accrues on the Stadco Advance and the Stadium Authority Advance at a rate of 5.73% per annum from and after that date.

G. On June 28, 2011, California Assembly Bill 1x26 became law, adding Health and Safety Code sections 34170 *et seq.* (the "Dissolution Law"). Under the Dissolution Law, the Former RDA was dissolved, and the Successor Agency was established to assume its existing contractual obligations and to wind down its affairs. The Oversight Board of the Successor Agency to the City of Santa Clara Redevelopment Agency (the "Oversight Board") was established to oversee, direct, and approve certain actions of the Successor Agency.

H. Stadco filed a petition in July 2012 disputing the Oversight Board's position that the Stadium Agreements were not enforceable obligations under the Dissolution Law and also to enjoin disbursement of RPTTF residuals resulting from the ROPS I and II periods. A hearing on the merits of Stadco's petition was held on March 22, 2013 at which time the Court determined that the Stadium Agreements were not invalid under Health and Safety Code Section 34171(d) and remanded the matter to the Oversight Board. Monies from those two ROPS periods as well as ROPS III and IV continue to be impounded as a result of the Superior Court's order.

I. The Oversight Board held remand proceedings and adopted Resolution No. 2013-05 which included specific findings that all preconditions to payments to Stadco under the Cooperation Agreement had been met and that the debt to Stadco will be placed on ROPS 13-14B. Resolution No. 2013-05 also direct renegotiation of the Stadium Agreements with the purpose set forth as: (i) allowing for sharing of RPTTF between the taxing entities and Stadco; providing for a payment schedule with precise amounts due; and allowing for retirement of the debt to Stadco in a shorter period of time thereby resulting in better results for both Stadco and the taxing entities.

J. In a letter dated August 19, 2013, the California Department of Finance ("DOF") approved Oversight Board Resolution No. 2013-05.

K. Based on the Dissolution Law, the Superior Court's determination, Oversight Board Resolution No. 2013-05, and DOF's August 19, 2013 letter, the Successor Agency succeeded to the Former RDA's obligations under the Stadium Agreements. L. Health and Safety Code Section 34181(e) provides for the renegotiation of agreements that constitute enforceable obligations to reduce liabilities and increase net tax revenues to taxing entities.

M. The Stadium Authority, the Successor Agency and Stadco now desire to amend the Stadium Agreements in accordance with the provisions of this Amendment to provide a schedule for the repayment to the Stadium Authority of the Stadium Authority Advance, for the repayment to Stadco of the Stadco Advance, and to make certain other changes to the Stadium

Agreements, all subject to, and on the basis of, the terms, covenants and conditions hereinafter set forth.

N. This Amendment will have the effect of reducing the liabilities of the Successor Agency and increasing net revenues to the taxing entities, in accordance with Health and Safety Code Section 34181(e).

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and based on the foregoing recitals, the Stadium Authority, the Successor Agency and Stadco agree as follows:

1. Conditions to Amendment.

1.1 Required Approvals. This Amendment shall have no force and effect unless and until the conditions set forth in subsections (a), (b), and (c) of this Section 1.1 have been satisfied:

(a) Approval and execution of this Amendment by the Successor Agency, the Stadium Authority, and Stadco.

(b) Approval of this Amendment by the Oversight Board pursuant to Health and Safety Code Section 34181(e).

(c) Approval by the Oversight Board of a Recognized Obligations Payment Schedule for the period of January 1, 2014 to June 30, 2014 ("ROPS 13-14B"), which shall provide for payment to Stadco, in the amount of the payment due January 1, 2014 as set forth in Section 2 below and shall also reflect amounts due to Stadco in later periods in accordance with the provisions of this Amendment.

(d) The California Department of Finance has (i) approved the Oversight Board action approving this Amendment or allowed the Oversight Board's approval to become effective without review pursuant to Health and Safety Code Section 34179(h), and (ii) approved a ROPS 13-14B meeting the requirements of clause (c) above.

1.2 Termination of this Amendment. If all of the conditions set forth in Section 1.1 have not been satisfied by December 19, 2013, then this Amendment shall automatically terminate and no Party hereunder shall have any further obligation under this Amendment unless the Parties agree otherwise in writing.

2. Payment of Stadco Advance.

2.1 Enforceable Obligation. The Parties acknowledge and agree that the amount of the Stadco Advance as of the commencement of construction of the Stadium on April 9, 2012, was equal to \$30,249,620 and that the interest rate was 5.73% per annum, compounded annually. The Stadco Advance constitutes an enforceable obligation under Health and Safety Code Section 34171. The Parties agree that the Successor Agency has an Enforceable

Obligation to make the payments on account of the Stadco Advance as provided in this Amendment.

2.2 New Schedule of Payments. The Parties agree that this Amendment establishes a specific payment schedule for repayment of the Stadco Advance and will also have the effect of reducing liabilities of the Successor Agency and increasing net revenues to taxing entities. The Schedule of Payments set forth below supersedes any provisions of the Stadium Agreements regarding the timing of payments and rates of interest applicable to repayment of the Stadco Advance. The Successor Agency agrees to repay the Stadco Advance directly to Stadco on behalf of the Stadium Authority, plus annual compound interest accruing from and after April 9, 2012, at the Applicable Rates (as defined in Section 2.3 below), in accordance with the following Schedule of Payments. The payments shall be made by the Successor Agency directly to Stadco, and shall be considered by the Stadium Authority and Stadco to have been paid by the Successor Agency to the Stadium Authority (and applied against the Stadium Authority Advance), and then paid by the Stadium Authority to Stadco (and applied against the Stadco Advance). The Schedule of Payments shall be as follows:

Due Date of Payment	Principal Portion of Payment	Interest Portion of Payment	Total Payment Due
January 2, 2014	\$9,084,906	\$2,915,094	\$12,000,000
July 1, 2014	\$3,719,448	\$478,885	\$4,198,333
July 1, 2015	\$5,417,672	\$791,661	\$6,209,333
July 1, 2016	\$6,013,525	\$545,808	\$6,559,333
July 1, 2017	\$6,014,069	\$272,917	\$6,286,986
Total	\$30,249,620	\$5,004,365	\$35,253,985

2.3 Applicable Rates. For purposes of the foregoing schedule and the repayment of the Stadco Advance, the "Applicable Rates" are (i) for the period commencing April 9, 2012, and ending on December 31, 2013, five and one-half percent (5.5%), and (ii) for the period commencing January 1, 2014, and continuing until the Stadco Advance has been fully repaid, four and one-half percent (4.5%).

2.4 ROPS. The payments shall be scheduled on Recognized Obligation Payment Schedules (ROPS) as required by the Dissolution Law. The January 2, 2014, payment shall be scheduled on the ROPS 13-14B ROPS. Thereafter, payments shall be scheduled on respective ROPS to ensure timely payment.

2.5 Payment Priority. The Stadco Advance shall be paid in accordance with the order of priority under Health and Safety Code Section 34183(a). The obligations of the Successor Agency under the Stadium Agreements, as amended by this Amendment, shall be

considered indebtedness of the Former RDA, with the same legal effect as if the obligations had been incurred prior to June 28, 2011, in full conformity with the applicable provisions of the Community Redevelopment Law that existed prior to that date and shall be secured by a pledge of moneys deposited from time to time in the Redevelopment Property Tax Trust Fund.

3. Optional Prepayment. The Successor Agency may prepay the Stadco Advance, in whole or in part, at any time, without premium or penalty. Prepayments shall be made in accordance with the Dissolution Law. All payments under this Amendment shall be applied, first, to the payment of accrued and unpaid interest on the principal balance outstanding from time to time hereunder and, second, to reduce the principal balance hereunder.

4. Default. Upon any default in the payment of the Stadco Advance as provided above, then, unless such default is cured within three (3) days following the scheduled due date, the Parties agree that, without limiting the provisions of Section 5.11 of the Predevelopment Funding Agreement, interest on the overdue payment shall thereupon accrue at the annual interest rate of five and seventy-three hundredths percent (5.73%), compounded annually, for so long as the default continues.

5. Miscellaneous.

5.1 Ratification. Except as modified by this Amendment, all of the terms, conditions and provisions of the Cooperation Agreement and Predevelopment Funding Agreement shall remain in full force and effect and are hereby ratified and confirmed.

5.2 Conflict. To the extent the terms of the Cooperation Agreement or Predevelopment Funding Agreement and this Amendment are inconsistent, the terms of this Amendment shall control.

5.3 Time of the Essence. Time is of the essence for each and every provision of this Amendment.

5.4 Entire Agreement. This Amendment contains the entire agreement of the Parties with respect to the subject matter hereof. It is understood that there are no oral agreements between the Parties affecting the Cooperation Agreement and Predevelopment Funding Agreement as hereby amended, and this Amendment supersedes and cancels any and all previous negotiations, representations, agreements and understandings, if any, between the Parties and their respective agents with respect to the subject matter thereof, and none shall be used to interpret or construe the Cooperation Agreement and Predevelopment Funding Agreement.

5.5 Authority. Each signatory of this Amendment represents hereby that he or she has the authority to execute and deliver it on behalf of the party hereto for which such signatory is acting.

5.6 Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement. This Amendment may be executed by a party's signature transmitted by facsimile ("fax") or by electronic mail in portable document format ("pdf"), and copies of this

Amendment executed and delivered by means of faxed or pdf signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. All Parties hereto may rely upon faxed or pdf signatures as if such signatures were originals. Any Party executing and delivering this Amendment by fax or pdf shall promptly thereafter deliver a counterpart of this Amendment containing said party's original signature. All Parties hereto agree that a faxed or pdf signature page may be introduced into evidence in any proceeding arising out of or related to this Amendment as if it were an original signature page.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first hereinabove written.

SUCCESSOR AGENCY:

**THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA**

APPROVED AS TO FORM:

RICHARD E. NOSKY, JR.
Agency Counsel

ATTEST:

ROD DIRIDON, JR.
Agency Secretary

JULIO J. FUENTES
Executive Officer
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

STADIUM AUTHORITY:

**SANTA CLARA STADIUM AUTHORITY,
a joint exercise of powers entity,
created through Government Code Sections 6500 *et seq.***

APPROVED AS TO FORM:

RICHARD E. NOSKY, JR.
Stadium Authority Counsel

ATTEST:

ROD DIRIDON, JR.
Secretary

JULIO J. FUENTES
Executive Director
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

*[Signatures to First Amendment to Cooperation Agreement
and Predevelopment Funding Agreement continued from previous page]*

STADCO:

FORTY NINERS SC STADIUM COMPANY LLC,
a Delaware limited liability company

By: _____

Name: Cipora Herman

Title: Chief Financial Officer

4949 Marie P. DeBartolo Way

Santa Clara, CA 95054

Telephone: (408) 562-4949

Fax Number: (408) 727-4937