

**AMENDMENT NO. 1 TO
AGREEMENT FOR THE FUNDING OF THE
VAN BUREN/I-215 INTERCHANGE EXPANSION PROJECT
BETWEEN THE COUNTY OF RIVERSIDE
AND THE MARCH JOINT POWERS AUTHORITY**

This Amendment No. 1 ("Amendment") to that certain Agreement for the Funding of the Van Buren/I-215 Interchange Expansion Project ("Agreement") is dated as of February 1, 2012 ("Effective Date"), by and between the County of Riverside, a political subdivision of the State of California ("County"), and the March Joint Powers Authority ("Authority"), a California Joint Powers Authority and the successor agency to the former March Joint Powers Redevelopment Agency ("March RDA"), who together are sometimes referred to herein individually as "Party" or collectively as the "Parties."

RECITALS

1. The Riverside County Transportation Commission ("RCTC"), on behalf of the Authority and the County, submitted an application for funding under the State's Trade Corridor Improvement Fund ("TCIF") Program. The California Transportation Commission ("CTC") approved \$10 million in funding for the "Project," which is the construction of improvements to the Van Buren/I-215 Interchange, consisting of a major expansion and reconfiguration of the interchange, an expanded over crossing over I-215 and the BNSF Railroad, modifications to the freeway mainline to accommodate the interchange expansion, and associated road improvements on Van Buren Blvd and the easterly frontage road.
2. In that certain "Agreement for the Provision of Governmental Municipal Services and Distribution between The County of Riverside and The March Joint Powers Authority," entered into on June 19, 2007, the Parties agreed to designate County as the lead agency for the Project.
3. In order to be eligible to receive the \$10 million in TCIF funding, County was required to enter into a Project Baseline Agreement with the CTC and RCTC by July 1, 2008.
4. As part of the Project Baseline Agreement, County was to be required to make certain representations that identified the funding sources for the Project as committed and expected to be available.
5. County and Authority entered into the Agreement, dated June 4, 2008, to represent and establish the funding commitment between Authority and County for the Project, which was required by CTC and RCTC prior to the execution of the Project Baseline Agreement. One of the sources of funding considered by County and Authority was the proceeds of certain tax allocation bonds issued by March RDA.

6. On December 21, 2005, the March RDA, which is governed by Authority's governing body, the March Joint Powers Commission, adopted Resolution #RDA 05-08 supporting the Project and identifying the intention to bond for a portion of the Project costs.
7. March RDA issued March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011A ("Series A Bonds") in accordance with an indenture dated February 1, 2011, and a resolution of March RDA dated February 16, 2011, to finance redevelopment projects and activities within or of benefit to the March Air Force Base Redevelopment Project Area, including approximately \$20 million in net proceeds of the Series A Bonds ("Net Proceeds") deposited into March RDA's redevelopment fund to be applied to the costs of the Project, as described in the Series A Bonds' Official Statement.
8. On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, which would dissolve all redevelopment agencies throughout the State and reallocate redevelopment agencies' property tax increment to certain taxing entities unless the communities that created the redevelopment agencies adopted an ordinance to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to their respective counties. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its final decision in the Legal Action, upholding AB 26, invalidating AB 27, extending all statutory deadlines under Health and Safety Code sections 34170 through 34191 (all enacted by AB 26), and dissolving all redevelopment agencies throughout the State, including March RDA.
9. Health and Safety Code section 34172 provides that as of February 1, 2012, redevelopment agencies are dissolved and successor agencies to the redevelopment agencies become operative, and are responsible for the wind down of the redevelopment agency's affairs, under the supervision of an oversight board, until such time as the redevelopment agencies' debts are paid off, their assets liquidated and all property taxes are redirected to local taxing entities. Health and Safety Code section 34173 provides that the community that created the redevelopment agency is designated as the redevelopment agency's successor agency, unless the community elects not to take on such role. Authority, the community that created the March RDA, has elected to be the March RDA's successor agency.

10. Health and Safety Code section 34177(d) states that successor agencies are required to remit unencumbered balances of redevelopment agency funds to the county auditor-controller for distribution to the taxing entities. However, Health and Safety Code section 34177(i) states that successor agencies are also required to use bond proceeds for the purposes for which bonds were sold.
11. Authority and County desire to enter into this Amendment in order to set forth that the Net Proceeds are not unencumbered funds, but are bond proceeds which will be used by Authority, as successor agency, for the purposes for which the Series A Bonds were sold – to provide a portion of the cost of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, County and Authority do agree as follows:

1. NET PROCEEDS

- 1.1 Section 4.7 shall be added to the Agreement to state as follows:

4.7. March RDA Bond Proceeds. Authority shall, as the successor agency to March Joint Powers Redevelopment Agency (“March RDA”), make available net proceeds of March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011A (“Net Proceeds”), deposited into the former March RDA’s redevelopment fund, in the amount of \$20,000,000.00, for the purposes of funding the Project costs. The Parties agree that said Net Proceeds for funding the Project shall be transferred to County within thirty (30) days after receipt of an invoice from County Director of Transportation, which shall not occur until after all of the following have occurred: (1) construction bid opening; and (2) approval of this Agreement by the oversight board for the Authority, as successor agency to the March RDA, the Riverside County Auditor-Controller, the California State Controller’s Office and the State of California Department of Finance. The Parties shall enter into such appropriate agreements or other documents, if any, as the Parties determine are appropriate in order to address the use of the Net Proceeds for funding the Project. The remainder of the Net Proceeds, in the amount of \$218,240.52, shall be used by March JPA for the purpose of funding Project costs previously incurred or to be incurred by March JPA.

2. AGREEMENT IN FULL FORCE

Except to the extent specifically modified or amended hereunder, all of the terms, covenants and conditions of the Agreement, as amended by this Amendment, shall remain in full force and effect between the Parties.

3. INCORPORATION OF RECITALS

The Parties hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated herein and made an operative part of this Amendment.


[Signatures on the following page]

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IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date and year first above written.

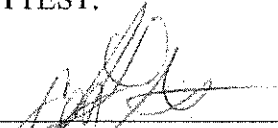
MARCH JOINT POWERS AUTHORITY

a California Joint Powers Authority,
and successor agency to the March Joint
Powers Redevelopment Agency



Mike Gardner, Chairman
March Joint Powers Commission

ATTEST:



Authority Secretary

Approved as to Form and Content:



Authority General Counsel

COUNTY OF RIVERSIDE
a political subdivision of the State of California

Chairman

Approved as to Form
PAMELA WALLS
County Counsel

By: _____
Deputy

ATTEST:
KECIA HARPER-IHEM, Clerk of the
Board

By: _____
Deputy