CITY OF SANTA CLARA

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CITY COUNCIL MEETING

AGENDA

A complete agenda packet with back-up reports is available at either City Library beginning Saturday before the Tuesday meeting or at the City Clerk's Office on weekdays. A complete agenda packet is also available at the City Council meeting and on the City's website.

May 13, 2008

REGULAR MEETING
7:00 PM in the City Hall Council Chambers

APPEAL OF HEARING DECISIONS OF THE CITY COUNCIL MUST BE MADE TO THE SUPERIOR COURT WITHIN 90 CALENDAR DAYS OF FINAL ACTION. BECAUSE OF THE AGENDA PROVISION FOR RECONSIDERATION, FINAL ACTION IS DEEMED TO OCCUR AT THE END OF THE NEXT REGULAR MEETING PURSUANT TO CITY COUNCIL POLICY (P&P 042). (CODE OF CIVIL PROCEDURE SECTION 1094.6)

5:00 p.m.
Closed Session
Council Conference Room
Conference with Real Property Negotiator
Pursuant to Government Code Section 54956.8
Property: APN 104-43-051, APN 104-43-052, APN 104-43-030,
APN 104-42-014 and APN 104-42-019
Negotiating Party(ies): Cedar Fair and the San Francisco 49ers
City Negotiator: Jennifer Sparacino, City Manager (or her designee)
Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property
(provisions, price and terms of payment)
[NO REPORTABLE ACTION]

1. PLEDGE OF ALLEGIANCE AND INVOCATION PRAYER

2. ROLL CALL

A. Present: Council Members Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan.

3. APPROVAL OF MINUTES

A. April 15, 2008.

ACTION: Noted and Filed
ASSIGNMENT: City Clerk

B. April 29, 2008 - Special Meeting.

ACTION: Noted and Filed
ASSIGNMENT: City Clerk

4. CONTINUANCES/EXCEPTIONS

5. SPECIAL ORDER OF BUSINESS

A. Presentation of Distinguished Service Awards to Police Personnel Involved in Operation Meltdown in Commemoration of National Police Week.

B. Promotion of the opportunity to serve on the Historical and Landmarks Commission.

C. Promotion of the opportunity to serve on the Planning Commission.

D. City Council, Redevelopment Agency and Sports and Open Space Authority Joint Study Session on the City's Proposed Five-Year Financial Plan for 2009-10 through 2013-14 and Proposed Capital Improvement Project Budget for FY 2008-09.

6. UNFINISHED BUSINESS

A. Possible Reconsideration of Actions Taken at Immediately Preceding Meeting. (See the Summary of Actions for potential reconsideration, which is attached to the posted Agenda and is in the Agenda Packet Binder in the Council Chambers.)

7. CONSENT CALENDAR

A. Departmental Reports

1. Approval of the publication of the proposed July 2008 Mission City SCENES.

   ACTION: Approved
   ASSIGNMENT: Senior Staff Aide

2. Acceptance of a donation in the amount of $200 from Mission City Community Fund to help support Senior Center activities and authorization to transmit a letter of appreciation.

   ACTION: Approved
   ASSIGNMENT: Dir. Parks

3. Acceptance of a donation in the amount of $100 from Carole Anne Reilly to help support Senior Center activities and authorization to transmit a letter of appreciation.

ACTION: Approved
ASSIGNMENT: Dir. Parks

4. Approval of the use of City Electric forces for the installation of facilities at various locations.
   ACTION: Approved
   ASSIGNMENT: Dir. Electric
5. Adoption of a Resolution ordering the vacation of a portion of an emergency access easement located at 550 Moreland Way to Fourth Avenue Partners, LLC and authorization to record the Resolution (APN 097-08-109; S.C. 18,181).
   ACTION: Adopted Resolution No. 08-7513
   ASSIGNMENT: Dir. Public Works
6. Adoption of a Resolution declaring the temporary restriction and control of animals at the Santa Clara All City Picnic and Fireworks Spectacular on July 4, 2008.
   ACTION: Adopted Resolution No. 08-7514
   ASSIGNMENT: Dir. Parks
7. Approval to extend the Leave of Absence for Chad Wozniak, Electric Division Manager, through May 31, 2009.
   ACTION: Approved
   ASSIGNMENT: Dir. Human Resources
8. Acceptance of the "Give A Little...Help A Lot" Campaign Progress Report; referral of the disposition of funds from the community donation campaign to the 2008-09 budget process; and authorization for the Cultural Advisory Commission to provide recommendations on the use of donations made to Art in Public Places, Concerts in the Park and Keep Santa Clara Clean.
   ACTION: Approved
   ASSIGNMENT: Senior Staff Aide
9. Adoption of a Resolution establishing One-Hour Parking zones between the hours of 8:00 a.m. to 6:00 p.m. on the same day, on both sides of Bray Avenue, east of Los Padres Boulevard and on the east side of Los Padres Boulevard, south of Bray Avenue.
   ACTION: Adopted Resolution No. 08-7515
   ASSIGNMENT: Dir. Public Works
10. Approval to purchase excess liability insurance with Alliant National Municipal Liability Program (ANML) for the period of May 1, 2008 through July 1, 2009 in the amount of $259,074 and authorization for the City Manager to execute any and all documents necessary to complete the transaction.
    ACTION: Approved
    ASSIGNMENT: Dir. Finance
11. Approval of the job description for Assistant Director of Water & Sewer Utilities; set the control point at $12,046 per month; and add the new job description to the City's Conflict of Interest Code, Disclosure Category 1.
    ACTION: Approved
    ASSIGNMENT: Dir. Human Resources
12. Approval of job description for Principal Engineer - Water; set the control point at $11,670 per month; and add this new job specification to the City's Conflict of Interest Code, Disclosure

Category 1.

ACTION: Approved
ASSIGNMENT: Dir. Human Resources

13. Approval of the job description for Electric Division Manager - Engineering; set the control point at $12,046 per month; and add the new job description to the City's Conflict of Interest Code, Disclosure Category 1.

ACTION: Approved
ASSIGNMENT: Dir. Human Resources

B. Agreements

1. Approval of Call No. 08-1 with Soudi Consultants in an amount not to exceed $50,000 for investigation of "Fault Current Limiter" technology developments and possible application within the Silicon Valley Power system.

ACTION: Approved
ASSIGNMENT: Dir. Electric

2. Acceptance of the assignment of capacity rights from the current Northern California Power Agency participants and authorization for the City Manager to execute the Agreement for Assignment of Rights Relating to and Amending the Seattle City Light Capacity and Third Phase Agreement.

ACTION: Approved
ASSIGNMENT: Dir. Electric

3. Approval of Change Order No. 1, in an amount not to exceed $105,888, with Galedrige Construction, Inc. for the 2008 Asphalt Removal & Repair Project for a total contract amount of $823,657.

ACTION: Approved
ASSIGNMENT: Dir. Streets

4. Approval of an Agreement with Phase II Systems, dba Public Agency Retirement Services, for services related to the establishment and maintenance of an irrevocable trust for the City's Retiree Healthcare Reimbursement Program; approval of a Trust Agreement establishing an irrevocable trust to fund postemployment benefits other than pension benefits, such as medical reimbursements; and adoption of a Resolution establishing the trust and authorization for the City Manager to execute the Master Plan.

ACTION: Approved
ASSIGNMENT: Dir. Finance

C. Reports for Information and Possible Action

1. City of Santa Clara Population Data - 115,503 as of January 1, 2008.

ACTION: Noted and Filed
ASSIGNMENT: City Clerk

D. Minutes to Note and File

1. Cultural Advisory Commission - April 7, 2008.

ACTION: Noted and Filed

ASSIGNMENT: City Clerk

E. Routine Written Petitions for Approval

1. St. Clare Parish School: Request for approval of a Special Permit for a Bingo event at 725 Washington Street on May 31, 2008 through June 1, 2008 (PLN2008-07024). Staff Recommendation: Approval subject to conditions.
   ACTION: Approved
   ASSIGNMENT: Dir. Planning
2. Club Savoy: Request for approval of a Special Permit for a one-day outdoor party in the parking lot located at 3546 Flora Vista Avenue on June 15, 2008 (PLN2008-07036). Staff Recommendation: Approval subject to conditions.
   ACTION: Approved
   ASSIGNMENT: Dir. Planning

8. ITEMS SET FOR HEARING

A. Planning Commission recommendation to adopt Resolutions to 1) Certify the Environmental Impact Report (EIR) for the Marina Playa Residential Project located at 1331-1333 Lawrence Expressway, 2) Approve the rezone of the property from Planned Development/General Office to Planned Development/Transit-Oriented Mixed Use, and 3) Approve the Tentative Map for the northerly 4.16 acre portion of the 7.36 acre property and Pass to print an Ordinance approving a Development Agreement with BRE Properties and Taylor Morrison of California, LLC for the project, subject to conditions.

ACTION: Adopted Resolution No. 08-7516 certifying the Final Environmental Impact Report including adopting a Statement of Overriding Considerations; Adopted Resolution No. 08-7517 approving the Tentative Parcel Map; Adopted Resolution No. 08-7518 approving rezoning the parcels including an operational analysis of Lawrence off-ramp including weaving from Granada to El Camino Real; and Passed to Print Ordinance No. 1840 approving the Development Agreement.

ASSIGNMENT: Dir. Planning

9. BIDS AND PROPOSALS

A. Award of contract for the Traffic Calming Project 2008 to Cal-West Lighting & Signal Maintenance, Inc. in the bid amount of $110,000 (CE 07-08-12).

ACTION: Approved

ASSIGNMENT: Dir. Public Works

10. WRITTEN PETITIONS

11. BOARDS AND COMMISSIONS FOR ACTION

A. Parks and Recreation Commission - Minutes of April 15, 2008: Request to note and file.
* Recommendation to authorize the City Manager to prepare a feasibility study to bring the International Swimming Hall of Fame to Santa Clara.
* Recommendation for approval of the proposed master plan with the addition of pathway lighting to be included in the Summerhill Homes development on the former Bay Area Research and Extension Center (BAREC) site located at 90 North Winchester Boulevard.
* Recommendation for approval to waive the fees for the Summer Fling in Beijing exhibition to be presented by the Santa Clara Aquamaids.

ACTION: Approved Commission's recommendations and noted and filed the minutes.

ASSIGNMENT:
A. City Clerk
B. Dir. Parks

12. CONSENT ITEMS PULLED FOR DISCUSSION

13. PUBLIC PRESENTATIONS

14. REPORTS FOR COUNCIL ACTION

A. Adoption of a Resolution authorizing the issuance of City of Santa Clara Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B; use of proceeds to refund City of Santa Clara Subordinated Electric Revenue Refunding Bonds, Series 1998A; approving form and execution of documents and authorizing certain other related actions consistent with projected economic and fiscal impacts; and authorization for the City Manager to execute all necessary documents to complete the transaction.

ACTION: Adopted Resolution No. 08-7519

ASSIGNMENT:
A. Dir. Electric
B. Dir. Finance

B. Informational Memo: Report regarding existing and future residential covenants in the South of Forest and other similar neighborhoods.

ACTION: Noted and Filed
ASSIGNMENT: City Clerk

C. Approval to continue the Request for Proposal (RFP) deliverable deadline until July 15, 2009 at which time staff will report back with a revised timeline and proceed with the Downtown Revitalization Request for Proposal process with SummerHill Homes/Highland Development Company as the sole development firm participant.

ACTION: Approved
ASSIGNMENT: Assistant City Manager

15. BILLS AND CLAIMS/PROGRESS PAYMENTS

A. Approval of Bills and Claims and Progress Payments.

ACTION: Approved
ASSIGNMENT: Dir. Finance

16. REPORTS OF COUNCILORS AND SPECIAL COUNCIL COMMITTEES

A. Reports regarding conference attendance, if any.

17. CITY MANAGER REPORTS

18. CLOSED SESSION MATTERS

A. Set May 20, 2008 at 5:00 p.m. for a Closed Session in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8; Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, APN 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment).

ACTION: Approved
ASSIGNMENT: City Attorney

19. ADJOURNMENT

A. In Memory of Aloysius "Al" I. Rabello (retired Superintendent, Santa Clara Water & Sewer Department) Clara Cecilia Wade (long time Santa Clara resident) to Tuesday evening, May 20, 2008 at 5:00 p.m. for Closed Session in the Council Conference Room and to 7:00 p.m. for the regular scheduled meeting in the City Hall Council Chambers.

05-13-08

3.A.

MINUTES OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA FOR MEETING HELD ON TUESDAY EVENING, APRIL 15, 2008

The City Council met at 5:00 p.m., on the above-mentioned date, for a **Closed Session** in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 regarding Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment).

The Council then met at 7:00 p.m. for a regular session in the City Hall Council Chambers. The meeting was opened with the recitation of the Pledge of Allegiance and the reading of an Invocation-Prayer.

Present: Council Members Dominic J. Caserta, Patrick Kolstad, Joe Kornder, Jamie McLeod and Kevin Moore and Mayor Patricia M. Mahan. Absent: Council Member Will Kennedy.

Staff present: City Manager, Assistant City Manager, Director of Planning and Inspection, Director of Public Works/City Engineer, City Attorney and City Clerk/Auditor.

2.A **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that, per the Executive Assistant to the Mayor and City Council (04/11/08), the Council **excuse Council Member Kennedy** from attendance at this evening's meeting.

3.A. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that the **Minutes** for the meetings held on **March 18, 2008** and **April 1, 2008** be adopted as written.

4.A. **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Planning and Inspection (04/11/08), the Council **continue** for up to 90 days, to a date uncertain, the public hearing to consider the proposed **Santa Clara Square Development** Tentative Map, Rezoning, Variance, Development Agreement and Environmental Impact Report located at **3610 and 3700 El Camino Real**.

4.B. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that, per the Director of Finance (03/26/08), the Council **continue** to June 17, 2008 the public hearing to consider the appeals submitted by the Embassy Suites Hotel and the Biltmore Hotel & Suites of the **Transient Occupancy Tax (TOT)** audit decision.

5.A. As a Special Order of Business, the Council proceeded to consider the Director of Planning and Inspection's memo (04/10/08) regarding the **General Plan Update Public Participation Process** and the appointment of two Council Members to the **General Plan Update Steering Committee**. The Director of Planning and Inspection reviewed his memo and gave an electronic presentation and introduced the General Plan Update Planning Consultant, Dyett and Bhatia, who then gave an electronic presentation outlining the 2010-2035 General plan Update public participation process. Mr. Bhatia and the Director of Planning and Inspection then answered Council questions. Erlinda Estrada addressed the Council inquiring about public outreach for those who do not speak English. James Rowen addressed the Council with process questions and general comments. Ginger Langston addressed the Council with concerns regarding graffiti and public safety. The following people addressed the Council with general concerns: Oscar Bazurto, Van Langston, Kevin Park, Doug Hawsking, John Reagan, Eric Crutchlow and Perry (last name unknown). The City Manager, Mr. Bhatia and the Director of Planning and Inspection then answered Council questions. **MOTION** was made by Kolstad, seconded and unanimously carried (Kennedy absent), that the Council **accept** the General Plan Update schedule for Study Sessions, Meetings and Workshops; **approve** the makeup of the General Plan Steering Committee including an additional Santa Clara resident and a representative of the Santa Clara Unified School District; and **appoint** Council Members McLeod and Kornder to the Steering Committee with Council Member Kennedy as the alternate.

6.B. The Council proceeded to consider the City Manager's memo (04/11/08), regarding the Third Quarter Report for the **2007-2009 Council Principles and Priorities**. The City Manager reported on the goals and reviewed several accomplishments that were achieved. She then answered Council questions. **MOTION** was made by Caserta, seconded and carried (Kennedy absent) with McLeod abstaining on elements relating to completing the Belovida project (domestic partner has a source of income from Charities Housing) pertaining to the Council priority to emphasize strong commitment to affordable housing, and Caserta and Mahan abstaining on Council priority to explore options for the Morse Mansion use and/or purchase (residences are within close proximity to the subject property), that the Council **accept** the **Third Quarter Status Report** for Council Principles and Priorities for 2007-2009, **schedule** the next quarterly status report for Council Principles and Priorities for 2007-2009 for the Council meeting of July 15, 2008; and **note and file** that the Council held a one year review of the adopted Principles and Priorities on April 8, 2008.

7.A.1 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Acting Director of Human Resources (04/02/08), the Council **approve** a 2.25% **cost of living increase** for the As-Needed classification of **Library Technology Aide**, effective April 20, 2008.

7.A.2 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the City Manager (04/03/08), the Council **note and file** the **Departmental Activity Report** for the month of February 2008.

7.A.3 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Acting Director of Parks and Recreation (04/02/08), the Council **accept** the **donation** from **Maria Palma** in the amount of $134.13 to help support the Therapeutic Recreation Program and authorize a letter of appreciation signed by the Mayor and City Manager.

7.A.4 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Public Works/City Engineer (04/09/08), the Council **adopt** **Resolution No. 08-7503** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ESTABLISHING CERTAIN PARKING RESTRICTIONS ON BETSY ROSS DRIVE" which establishes a **No Parking for vehicles in excess of 20 feet in length and with three or more axles zones** on both sides of **Betsy Ross Drive**, the entire length, Saturdays, Sundays and Holidays excepted.

7.A.6 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Senior Staff Aide (04/07/08), the Council **approve** and authorize the publication of the proposed **June 2008 *Mission City SCENES***.

7.A.7 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the City Attorney and Deputy City Attorney (03/31/08), the Council **pass to print Ordinance No. 1837** entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AMENDING SECTION 2.120.020 (ENTITLED "POWERS AND DUTIES GENERALLY") OF CHAPTER 2.120 (ENTITLED "BOARDS AND COMMISSIONS") OF TITLE 2 (ENTITLED "ADMINISTRATION AND PERSONNEL") OF THE CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" which amends Section 2.120.020 (Entitled "Powers and Duties Generally") of Chapter 2.120 (Entitled "Boards and Commissions") Of Title 2 (Entitled "Administration and Personnel") of the City's Code, adding **ethics training requirements** for City board and commission members, as required by state law and the City Council.

7.A.8 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Housing and Community Services Division Manager (03/31/08), the Council **adopt** the **2008 Income Guideline Schedule** applicable to the Community Development Block Grant Program (CDBG), Home Investment Partnerships Act Program (HOME), effective February 13, 2008, and the Redevelopment Agency Affordable Housing Fund, effective March 11, 2008.

7.A.9 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Streets and Automotive Services (04/04/08), the Council **adopt Resolution No. 08-7504** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, OF INTENTION TO ORDER THAT THE ALTERNATIVE METHOD FOR THE LEVY OF BENEFIT ASSESSMENT BE MADE APPLICABLE TO CITY OF SANTA CLARA CONVENTION CENTER COMPLEX MAINTENANCE DISTRICT NO. 183, PROVIDING FOR NOTICE OF HEARING THEREON, APPROVING DIRECTOR'S REPORT, AND PROVIDING FOR NOTICE OF HEARING ON DIRECTOR'S REPORT FOR FISCAL YEAR 2008/09" which **approves** that the alternative method for levy of benefit assessments be made applicable to the **Santa Clara Convention Center Complex Maintenance District No. 183**; **set** a Public Hearing for June 10, 2008; and **authorize** the publication, mailing and notice of hearing.

7.A.11 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the City Attorney and the Deputy City Attorney (04/10/08), the Council **adopt Ordinance No. 1833** entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AMENDING SECTION 1.05.070(h) (ENTITLED "COSTS OF ENFORCEMENT") OF CHAPTER 1.05 (ENTITLED "GENERAL PROVISIONS") OF TITLE 1 (ENTITLED "GENERAL PROVISIONS") OF THE "CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" REGARDING RECOVERY OF ATTORNEYS' FEES IN CODE ENFORCEMENT PROCEEDINGS" which amends Section 1.05.070(h) (entitled "Costs of Enforcement") of Chapter 1.05 (entitled "General Provisions") of Title 1 (entitled, "General Provisions") of the City's Code regarding **recovery of attorneys' fees in code enforcement proceedings**.

7.A.12 **MOTION** was made by McLeod, seconded and carried (Kennedy absent) with McLeod dissenting, that, per the City Attorney and the Deputy City Attorney (04/10/08), the Council **adopt Ordinance No. 1834** entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ADDING CHAPTER 12.50 (ENTITLED "UNPERMITTED CAMPING AND LODGING ON PUBLIC STREETS, PUBLICLY OWNED PROPERTY, AND IN PUBLIC PARKS AND OTHER PROHIBITED PUBLIC PLACES") TO TITLE 12 (ENTITLED "STREETS, SIDEWALKS, AND PUBLIC PLACES") OF "THE CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" which **adds** Chapter 12.50 (entitled "**Unpermitted Camping and Lodging on Public Streets, Publicly Owned Property, and in Public Parks and Other Prohibited Public Places**") to Title 12 (entitled "Streets, Sidewalks, and Public Places") of the City's Code.

7.A.13 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the City Clerk/Auditor (04/08/08), the Council **approve** the **reappointment of the following Board, Commission and Committee Members** for the term ending June 30, 2012: Civil Service Commission: Mahammed M. Nadeem PhD (second term); Housing Rehabilitation Loan Committee: Brice McQueen (second term); Parks and Recreation Commission: Jerry Marsalli (second term) and Steve Lee (second term); Planning Commission: Tony Marine (second term) and Senior Advisory Commission: Alice Pivacek (first term); **declare vacancies** on the following **Board and Commissions** for the term ending June 30, 2012: Board of Library Trustees (2 vacancies), Cultural Advisory Commission (3 vacancies), Historical and Landmarks Commission (1 vacancy), Planning Commission (1 vacancy) and Senior Advisory Commission (1 vacancy); **set** May 6, 2008 for the **promotion of the opening** on the Board of Library Trustees and the Cultural Advisory Commission (previously set by Council); set May 13, 2008 for the promotion of the opening on the

Historical and Landmarks Commission and the Planning Commission; and **set** May 20, 2008 for the **promotion of the opening** on the Senior Advisory Commission; **set** the **following deadlines for receipt of applications and interview dates** to fill vacancies on the following vacancies **for** the term ending June 30, 2012: Board of Library Trustees: - Application Deadline - June 11, 2008 and Interviews - June 17, 2008 at 6:00 p.m.; Cultural Advisory Commission: Application Deadline - July 11, 2008 and Interviews - June 17, 2008 at 6:00 p.m. (previously set by Council); Historical and Landmarks Commission: Application Deadline - July 2, 2008 and Interviews July 8, 2008 at 6:00 p.m.; Planning Commission: Application Deadline July 2, 2008 and Interviews July 8, 2008 during the Council meeting; and Senior Advisory Commission: Application Deadline July 9, 2008 and Interviews July 15, 2008 at 6:00 p.m.; and **authorize** a **Special Order of Business** at the June 17, 2008 Council meeting for **presentation of appropriate plaques and certificates to outgoing Board and Commission Members**: Sandra S. Rich (Board of Library Trustees), Jack Spillane (Board of Library Trustees), Martin A. David (Cultural Advisory Commission), Al Silva (Cultural Advisory Commission), Phal J. Vaswani (Cultural Advisory Commission), Jim Boynton (Historical and Landmarks Commission), Mohammed A. Sarodi (Planning Commission) and Doris M. Modesitt (Senior Advisory Commission).

7.A.14 **MOTION** was made by McLeod, seconded and carried (Kennedy absent) with McLeod dissenting, that, per the City Attorney and Assistant City Attorney, Julia Hill (04/10/08), that the Council **adopt Ordinance No. 1835** entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AMENDING SECTIONS OF CHAPTER 2.130 (ENTITLED "POLITICAL CAMPAIGN FINANCE REFORM ACT") OF "THE CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" REGARDING NOMINAL IN-KIND CONTRIBUTIONS, COMMITTEE CONTRIBUTIONS, VOLUNTARY CAMPAIGN EXPENDITURE LIMITS, AND CAMPAIGN DISCLOSURE STATEMENTS" which amends Chapter 2.130 (entitled "Political Campaign Finance Reform Act") of the Code of the City of Santa Clara, California regarding **nominal in-kind contributions, committee contributions, voluntary campaign expenditure limits,** and **Campaign Disclosure Statements**.

7.A.15 **MOTION** was made by McLeod, seconded and carried (Kennedy absent) with McLeod abstaining (subject matter involves current employer, Santa Clara Valley Water District), that, per the Director of Water and Sewer Utilities (04/04/08), the Council **set June 10, 2008** for a **public hearing** on the City's proposed **Fiscal Year 2008-09 retail water rates** for both potable and recycled water and the proposed **Fiscal Year 2008-09 sewer service** and use charges and authorization to publish the notice of hearing.

7.A.16 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Streets and Automotive Services (04/04/08), the Council **adopt Resolution No. 08-7505** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, OF INTENTION TO ORDER THAT THE ALTERNATIVE METHOD FOR THE LEVY OF BENEFIT ASSESSMENT BE MADE APPLICABLE TO CITY OF SANTA CLARA PARKING MAINTENANCE DISTRICT NO. 122, PROVIDING FOR NOTICE OF HEARING THEREON, APPROVING DIRECTOR'S REPORT, AND PROVIDING FOR NOTICE OF HEARING ON DIRECTOR'S REPORT" which sets **June 10, 2008 for a public hearing** to order that the alternative method for levy of benefit assessments be made applicable to the **Santa Clara Parking Maintenance District No. 122** for fiscal year 2008-09 and **authorize** the publication, mailing and posting of the notice of hearing.

7.A.17 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Streets and Automotive Services (04/01/08), the Council **set June 10, 2008** for a public hearing for adoption of a Resolution to **adjust the rates charged for collection and disposal of garbage, Clean Green, Annual Clean Up Campaign and Household Hazardous Waste in the residential, institutional and commercial property zoned areas**, which would increase rates for collection and disposal of garbage by 3.3 percent, Clean Green Services by $0.50 per month, Extra Bag Tag $0.50 per tag and no increase for rates for Recycling, Annual Clean Up Campaign and Household Hazardous Waste services; and authorization to publish the notice of hearing.

7.B.1 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Acting Director of Parks and Recreation (03/27/08), the Council **approve** and authorize the City Manger to execute **Amendment No. 2** to the Agreement for consultant services with **Royston Hanamoto Alley & Abey** for the **Central Park Pedestrian Bridge Project** for additional services of $6,710, total amount of service agreement not to exceed $94,668.

7.B.2 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Acting Director of Electric Utility (04/02/08), the Council **approve** and authorize the City Manager to execute **Call No. 08-01** with **180 Connect, Inc.**, in an amount not to exceed $250,000, to support a **field pole audit and inspection**.

7.B.3 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Finance (04/15/08), the Council **approve** and authorize the City Manager to execute **Amendment No. 1** to the Agreement with **Moreland & Associates, Inc.** to increase the contract by $60,000 for a total amount not to exceed $110,000 for **consulting services** through June 30, 2008.

7.B.4 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Acting Director of Electric Utility (04/09/08), the Council **approve** and authorize the City Manager to execute a **Pole Contract Agreement** with **Sunesys, LLC** for attachments to **30 utility poles** within the City of Santa Clara.

7.C.1,2,3,4 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that the Council **note and file** the following **Informational Memos**: "Invitation - Arbor Day/Earth Day Celebration Friday, April 25, 2008 has been proclaimed as Arbor Day in the City of Santa Clara" (Director of Streets and Automotive Services 04/03/08), "Role of Ethics Consultant During City Election Campaigns" (Deputy City Manager 04/07/08), "Santa Clara becomes second largest Green Power 'Community' in the United States" (Acting Director of Electric Utility 04/10/08) and "City of Santa Clara Affordable Housing Tour sponsored by the Silicon Valley Leadership Group" (Housing and Community Services Division Manager (04/04/08).

7.D.1,2 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that the Council **note and file** the **Minutes** of the **Cultural Advisory Commission** for the meeting of March 3, 2008 and the **International Exchange Commission** for the meeting of March 4, 2008.

7.E.1 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Director of Planning and Inspection (04/01/08), the Council **approve** the Special Permit request submitted by **Furniture Express** to conduct two outdoor sales at **2655 El Camino Real** (PLN2008-06963) subject to the following conditions: 1) This permit shall not extend from May 24-26, 2008 and from August 30-September 1, 2008; 2) The display area shall be confined to the parking spaces in front of Furniture Express and shall not impact the traffic flow through the parking lot; 3) The hours of operation shall coincide with regular business hours. 4) The use of tents or large search lights is not permitted; and 5) Obtain permits for temporary signs prior to each event.

7.E.2 **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that, per the Senior Staff Aide (03/10/08), the Council **approve** the request submitted by **Buchser Middle School Music Band** (03/04/08) for **$10,000 in matching funds** to travel to Anaheim, California, to perform at Disneyland May 17-20, 2008 and **authorize** the City Manager to execute the contribution agreement with the Santa Clara Unified School District and Buchser Music Association.

8.A. PUBLIC HEARING: The Mayor declared the hearing open for consideration of the Planning Commission's recommendations to adopt a Resolution to 1) Certify the **Environmental Impact Report** (EIR) for the **Lawson Lane Project**; 2)Approve the **Parcel Map** for 2211 and 2231 Lawson Lane; 3) Approve the **Rezone** of 2200, 2211 and 2231 Lawson Lane from Light Industrial (ML) to Planning Development [PD (ML)]; and 4) Pass to print an Ordinance for a **Development Agreement** to allow construction of a phased campus development project consisting of three high-rise office buildings and two parking structures, subject to conditions. The Director of Planning and Inspection reviewed his memo (04/09/08) and gave an electronic presentation. The applicant addressed the Council with comments regarding the project and then answered Council questions. Erlinda Estrada addressed the Council with comments regarding potential development and uses of land and James Rowen addressed the Council with general comments regarding the project. With no further public comment, **MOTION** was made by Moore, seconded and unanimously carried (Kennedy

absent), that the hearing be closed. **MOTION** was then made by Moore, seconded and unanimously carried (Kennedy absent) that the Council **adopt Resolution No. 08-7506** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, REZONING THE PARCELS LOCATED AT 2200, 2211 AND 2231 LAWSON LANE, SANTA CLARA, CA 95050 FOR THE SOBRATO DEVELOPMENT COMPANIES NO. 070 PROJECT **SCH# 2007042165; CEQ2007-01041** (Final EIR); **PLN2007-06379** (Application for Rezoning); **PLN2007-06551** (Parcel Map) and **PLN2008-06880** (Development Agreement)" which approves the rezone of 2200, 2211 and 2231 Lawson Lane from ML to PD(ML). **MOTION** was then made by Moore, seconded and unanimously carried (Kennedy absent) that the Council **adopt Resolution No. 08-7507** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA APPROVING THE PARCEL MAP FOR THE SOBRATO DEVELOPMENT COMPANIES NO. 070 PROJECT AT 2200, 2211 AND 2231 LAWSON LANE, SANTA CLARA, CA 95050 **SCH# 2007042165 CEQ2007-01041** (Final EIR) **PLN2007-06379** (Application for Rezoning) **PLN2007-06551** (Parcel Map) **PLN2008-06880** (Development Agreement)" which approves the Parcel Map for 2211 and 2231 Lawson Lane. **MOTION** was then made by Moore, seconded and unanimously carried (Kennedy absent) that the Council **adopt Resolution No. 08-7508** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS WITH RESPECT THERETO AND ADOPTING THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE SOBRATO DEVELOPMENT COMPANIES NO. 070 PROJECT AT 2200, 2211 AND 2231 LAWSON LANE, SANTA CLARA, CA 95050 **SCH# 2007042165 CEQ2007-01041** (Final EIR) **PLN2007-06379** (Application for Rezoning) **PLN2007-06551** (Parcel Map) **PLN2008-06880** (Development Agreement) which certifies the Environmental Impact Report for the Lawson Lane Project. **MOTION** was then made by Moore, seconded and unanimously carried (Kennedy absent) that the Council **pass to print Ordinance No. 1838** entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTA CLARA AND THE SOBRATO DEVELOPMENT COMPANIES NO. 070 PROJECT AT 2200, 2211 AND 2231 LAWSON LANE, SANTA CLARA, CA 95050" which approves the Development Agreement to allow construction of a phased campus development project consisting of three high-rise office buildings and two parking structures, subject to conditions.

9.A. **MOTION** was made by Moore, seconded and unanimously carried (Kennedy absent), that, per the Director of Water and Sewer Utilities (04/08/08), the Council **award Public Works Project 7051 Contract No. WA-2999**, in an amount not to exceed $779,550, to **Spiess Construction Company** for Construction of **Seismic Retrofit to Serra Tanks 1 and 2**; **approve** and authorize the City

Manager or her designee to execute the contract documents on behalf of the City; and **authorize** the City Manager to execute change orders in connection with the project, which, in the aggregate, do not exceed 10% of the contract amount, or $77,955, for a total amount not to exceed $857,505.

7.A.10 The Council then proceeded to consider the Acting Director of Electric Utility and the Director of Finance memo (04/07/08) regarding the adoption of a Resolution which would authorize the issuance of City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008A. The Acting Director of Electric Utility then reviewed his memo and gave an electronic presentation. **MOTION** was made by McLeod, seconded and unanimously carried (Kennedy absent), that the Council **adopt Resolution No. 08-7509** entitled, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA AUTHORIZING AND APPROVING THE ISSUANCE OF NOT TO EXCEED $52 MILLION AGGREGATE PRINCIPAL AMOUNT OF CITY OF SANTA CLARA, CALIFORNIA VARIABLE RATE DEMAND SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 A; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A FOURTH SUPPLEMENTAL INDENTURE PURSUANT TO WHICH SUCH BONDS ARE TO BE ISSUED; APPROVING THE FORM OF AND AUTHORIZING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE, SECURING AND SALE OF SUCH BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS RELATING THERETO" which authorizes the issuance of **City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008A,** approving form and execution of documents and authorizing certain other related actions consistent with projected economic and fiscal impact as discussed above and **authorize** the City Manager to execute all necessary documents, in substantially similar form as presented, to complete the transaction.

7.A.5 The Council then proceeded to consider the Assistant City Manager's memo (04/08/08) regarding the setting of a City Council/Redevelopment Agency "Committee of the Whole" meeting to review the proposed San Francisco 49ers stadium design information. Mary Emerson addressed the Council requesting that the parameters for the upcoming presentation. Erlinda Estrada referenced her submitted letter dated 04/15/08 and addressed the Council on behalf of Au Nguyen with general comments. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that the Council **set May 6, 2008** for a City Council/Redevelopment Agency "Committee of the Whole" meeting to review the **proposed San Francisco 49ers stadium design information**.

12.A **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that, per the Chief of Police (04/04/08) the Council **authorize** the City Manager to accept the grant from the **Traffic Safe Communities Network** and execute related grant documents and **approve** estimated revenue of $4,166 (account 177-7752-55500-[G]TSCN8) and appropriations of $4,166 in Police Grants Overtime (account 177-7752-87030-[G]TSCN8 for the grant periods of April 21 - May 16, 2008 and April 20 - May 15, 2009.

12.B. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that, per the Director of Finance and Assistant City Attorney, Julia Hill (04/04/08), the Council **approve** and authorize the City Manager to execute the **Agreement with MGT of America, Inc.** [formerly Public Resource Management Group (PRM)], in an amount not to exceed $82,000, for consulting services to conduct a cost allocation study and fee schedule review and **approve** a transfer of $40,000 from the General Contingency Fund Building Inspection Reserve (account 063-44465) to the Special Liability Fund Contractual Services (account 082-0141-87870-[I]2446).

13.A. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that the Council **approve** the payment of **Bills and Claims** and **Progress Payments** as submitted.

14.A Mayor Mahan referenced the Executive Assistant to the Mayor and City Council's memo (04/15/08), which included a written report, "The Road to Bali" (02/12/08) regarding her attendance at the **United Nations Convention on Climate Control in Bali, Indonesia** on December 3-14, 2007. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that the Council **note and file** the report.

15. The City Manager introduced Alan Kurotori, Director of Water and Sewer Utilities.

16.A. The City Attorney stated that the Council held earlier in the evening at 5:00 p.m. a **Closed Session** in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 regarding Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment) and that there was no reportable action.

MOTION was made by Caserta, seconded and unanimously carried (Kennedy absent), that, per the City Attorney and Mayor Mahan (04/10/08), the Council **set April 29, 2008** at **5:30 p.m.** for a **Closed Session** in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 regarding Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, APN 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/ Exchange/Lease of Real Property (provisions, price and terms of payment) and for a Personnel Session pursuant to Government Code Section 54957(b)(1) for a Public Employee Performance evaluation of the City Attorney and **set May 6, 2008** at **5:00 p.m.** for a **Closed Session** in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 regarding Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, APN 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/ Exchange/Lease of Real Property (provisions, price and terms of payment).

17.A. **MOTION** was made by Caserta, seconded and unanimously carried (Kennedy absent), that there being no further business, the meeting was adjourned at 8:42 p.m. in **Memory** of **Everett B. Viano, MD** (long time Santa Clara resident) and **Douglas K. Patten** (long time Santa Clara resident) to Tuesday evening, **April 29, 2008** at 5:30 p.m. for a Closed Session in the Council Conference Room and to **May 6, 2008** at 5:00 p.m. for a Closed Session in the Council Conference Room and to 7:00 p.m. in the City Hall Council Chambers for the scheduled regular meeting.

ATTEST: _____
City Clerk

APPROVE: _____
Mayor

05-13-08

3B

MINUTES OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA FOR SPECIAL MEETING HELD ON TUESDAY EVENING, APRIL 29, 2008

The City Council met at 5:30 p.m. for a Special Meeting in the City Hall Council Chambers.

Present: Council Members Dominic J. Caserta, Will Kennedy, Patrick Kolstad, Joe Kornder, Jamie McLeod and Kevin Moore and Mayor Patricia M. Mahan.

Staff present: City Manager, Assistant City Manager, City Attorney and Assistant City Clerk.

The Mayor opened a joint session of the City Council and the Redevelopment Agency for Closed Session in the Council Conference Room for a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8 regarding Property: APN 104-43-051, APN 104-43-052, APN 104-43-030, APN 104-42-014 and APN 104-42-019; Negotiating Party(ies): Cedar Fair and the San Francisco 49ers; City Negotiator: Jennifer Sparacino, City Manager (or her designee); Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment) and for a Personnel Session pursuant to Government Code Section 54957(b)(1) for a Public Employee Performance evaluation of the City Attorney. There was no reportable action.

There being no further business, the special meeting was adjourned at 10:10 p.m. to Tuesday evening, May 6, 2008 at 5:00 p.m. for a Closed Session in the Council Conference Room and to 7:00 p.m. for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
City Clerk

APPROVE: _____
Mayor

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5.A.

Santa Clara All-America City 2001

DATE: May 5, 2008

TO: City Manager for Council Information

FROM: Chief of Police

SUBJECT: Special Order of Business: Commemorating National Police Week with Distinguished Service Awards Being Presented to Police Personnel Involved in *Operation Meltdown*

The theft of copper has been a growing problem in our community, across the state, and the nation. As Council is aware, in November 2007 the Santa Clara Police Department began a joint undercover "sting" operation with San Jose Police Department to combat this growing problem. We began *Operation Meltdown* with the intention of identifying those responsible for the thefts.

Operation Meltdown was an incredible success. During the course of the operation undercover officers purchased 14 tons of copper. This copper came from a variety of sources, including commercial buildings scheduled for demolition or renovation, retail businesses and high-tech manufacturing locations. Schools and public buildings were also victimized.

During the operation, 35 narcotic purchases were also made from 14 different suspects. The purchases included methamphetamine, marijuana, Ecstacy and Vicodin. As the operation continued, the suspects demonstrated that their thefts were not limited to copper alone. Officers made 67 purchases of stolen items ranging from construction tools to jewelry to items related to an identify theft ring. They also purchased 40 stolen vehicles ranging from a Porsche Carrera to motorcycles to BMWs. Twenty-five different suspects were involved, and they told our officers that these vehicles had been destined for "chop shops" where the vehicles would be dismantled and sold for parts. Identifying and arresting these 25 suspects was very important to our community as car theft represents one of the most significant increases in crime in California.

Significantly, during this operation our officers purchased 74 firearms ranging from revolvers to fully automatic weapons. Our officers were very successful in infiltrating a number of organized groups, some of whom had local street gang affiliations. Several of the suspects were convicted felons and several were known street gang affiliates who told our undercover officers that had we not purchased the weapons they were to be sold to a local street gang. The purchases included: eleven AK-47s, four SKS assault rifles, two MAC 10s, two AR-15s, a Tech 9, and a Dragunov assault rifle. Additional weapons included several sawed-off shotguns and a number of firearms where the serial numbers had been removed. Seven IED's (Improvised Explosive Device) were purchased. Several of the bombs were designed to detonate by means of cell phone transmission. According to the FBI, this had not previously been seen in the United States. Two additional IED's were recovered from a suspect's house.

Of the 273 people we investigated during this operation, we determined that there were only two legitimate customers to our business. 67 suspects were arrested during the operation. An additional 143 arrest warrants were issued for a variety of crimes. The operation culminated when 150 officers from Santa Clara and San Jose Police Departments served the arrest warrants in a day-long sweep.

To have taken over 70 firearms off the street and out of the hands of criminals alone would have made this operation a success. Identifying 25 different people involved in the theft of 40 vehicles alone would have made this operation a success. And certainly identifying and arresting those involved in the theft of over 14 tons of copper alone would have made this operation a success. Taken together, *Operation Meltdown* is a shining example of cooperative, pro-active police work that resulted in the arrest of over 250 felons. This can't help but have a substantial impact on the rate of copper stolen as well as impact the other crimes listed. It may also provide a deterrent effect on those criminals who so willingly brought stolen items into our operation.

Officers working in any undercover capacity subject themselves to extraordinary circumstances. Going into this particular assignment it was clear that it would call for irregular hours, an altered appearance, and a significant exposure to danger. To say the police department is proud of the talent, ingenuity and professionalism of those officers involved in this project is an understatement. It has been decades since an operation of this magnitude had been conducted locally. The crooks never saw it coming, and the officers involved played their roles brilliantly. *Operation Meltdown* is destined to become a part of local law enforcement folklore and could not have been as successful without their individual efforts.

Tonight, in commemoration of *National Police Week*, we would like to recognize the remarkable efforts put forth by the officers of *Operation Meltdown*: Lt. Chris Mackie; Sergeants Randy Bourbon, Todd Cummins and Gary Hosman; and Officers Ray Carreira, Nick Richards, and Danny Terrones by presenting them with the **Distinguished Service Award**.

Stephen D. Lodge
Chief of Police

H:\POLICE\Chief's Office\Agenda Reports\Special Order of Business - Awards, Operation Meltdown.doc

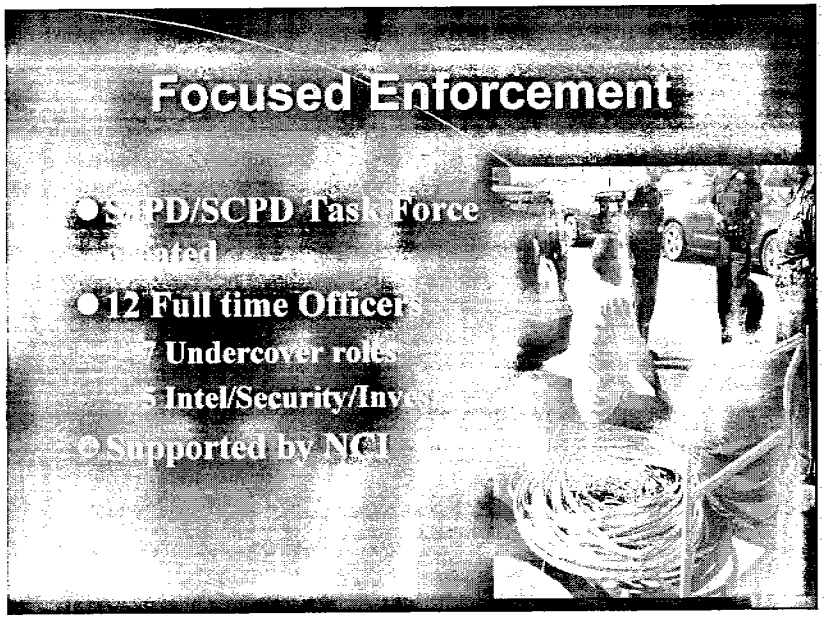
Documents Related to this Report: None

APPROVED:

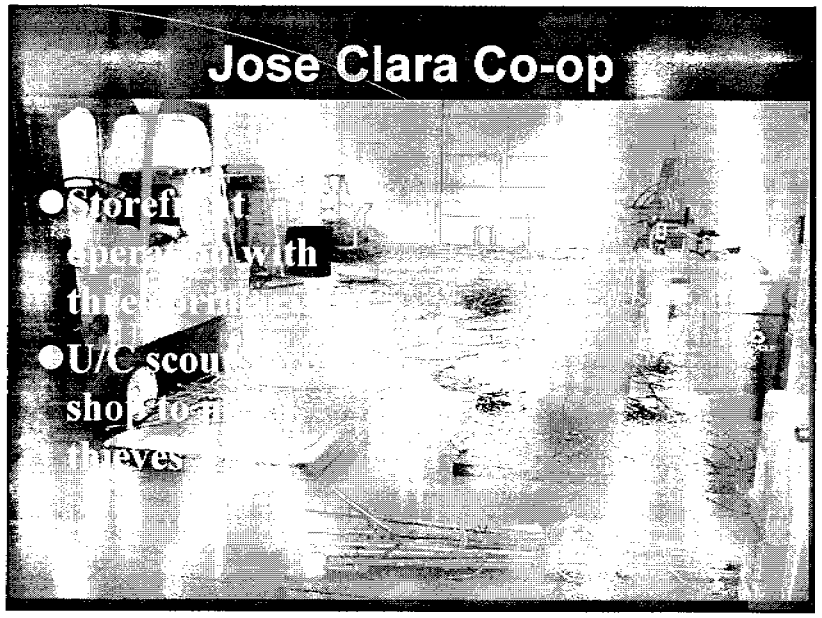
Jennifer Sparacino
City Manager

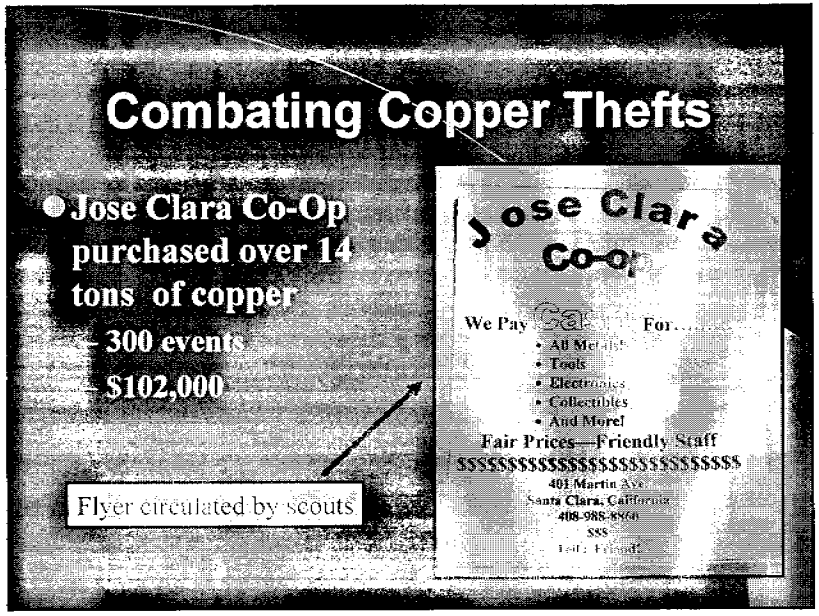
5/13/08

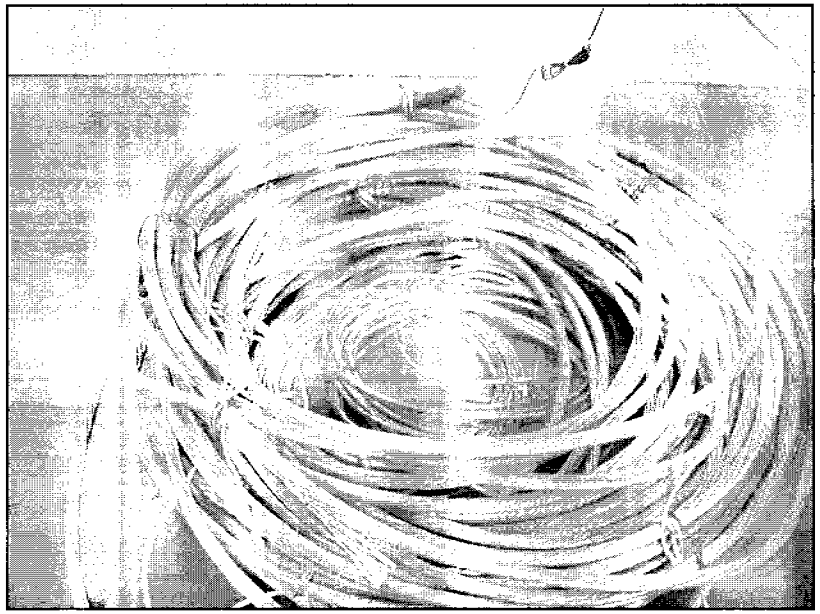
OPERATION
MELTDOWN
LE SENSITIVE
Updated on 04/14/08
by Detective Carreira, SCPD

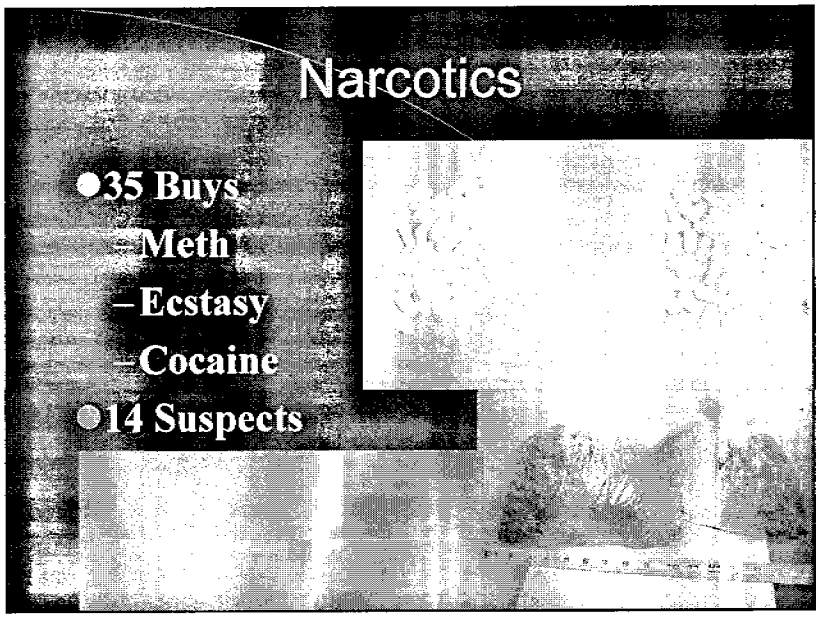

Focused Enforcement
● SMPD/SCPD Task Force
● 12 Full time Officers
● Supported by NCI

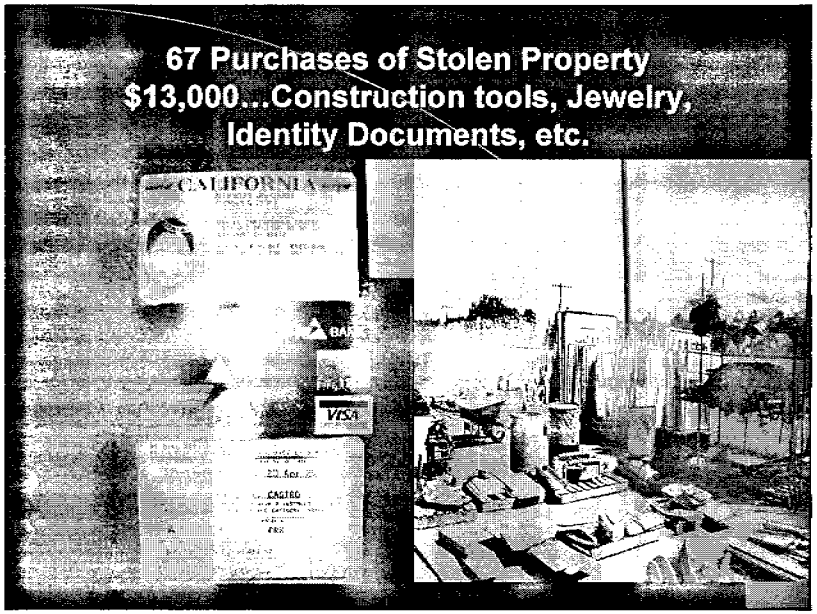
54

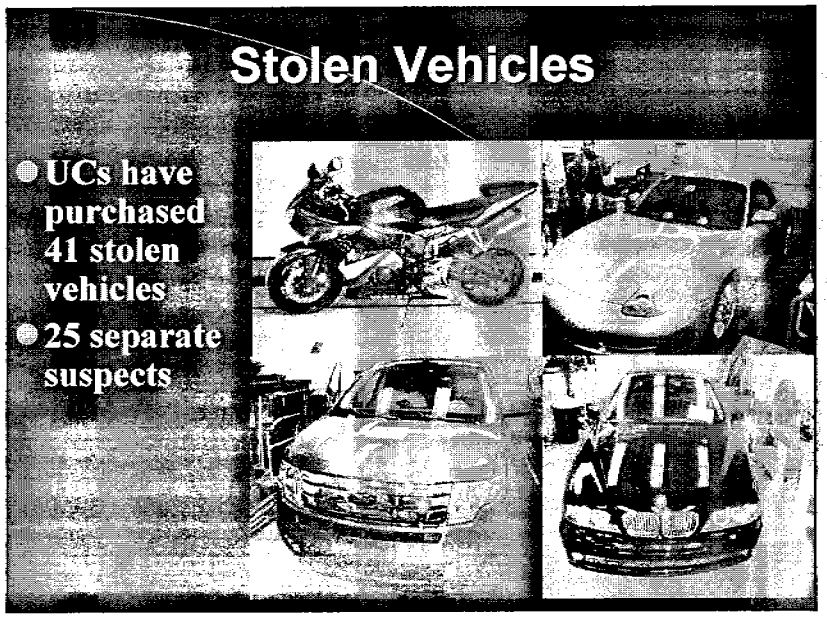

Jose Clara Co-op
●Storefr
operation with
thie
●U/C scou
sho to
thieves

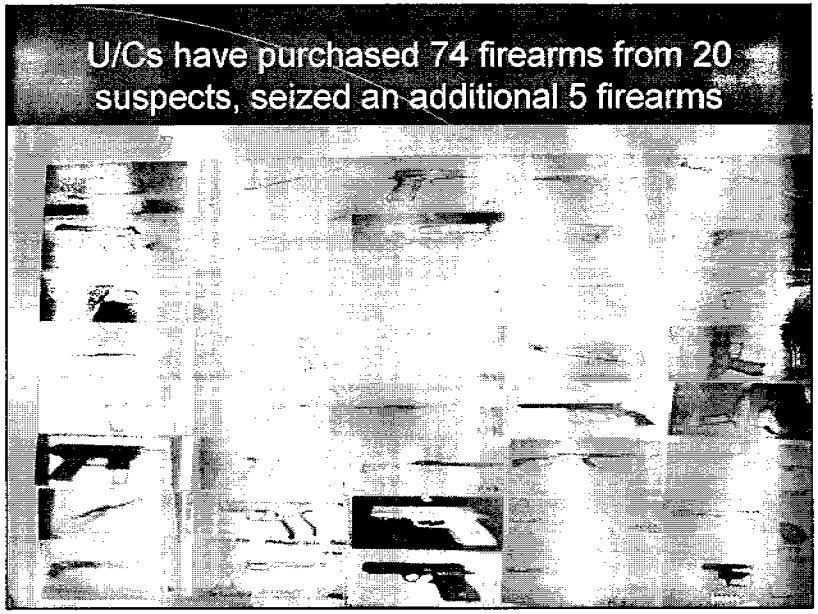

Combating Copper Thefts
Jose Clara Co-Op purchased over 14 tons of copper
300 events
$102,000
Flyer circulated by scouts
We Pay For...
• All Metals
• Tools
• Electronics
• Collectibles
• And More!
Fair Prices—Friendly Staff
$$$$$$$$$$$$$$$$$$$$$$$$$$$$$$
401 Martin Ave
Santa Clara, California
408-988-8860
$$$

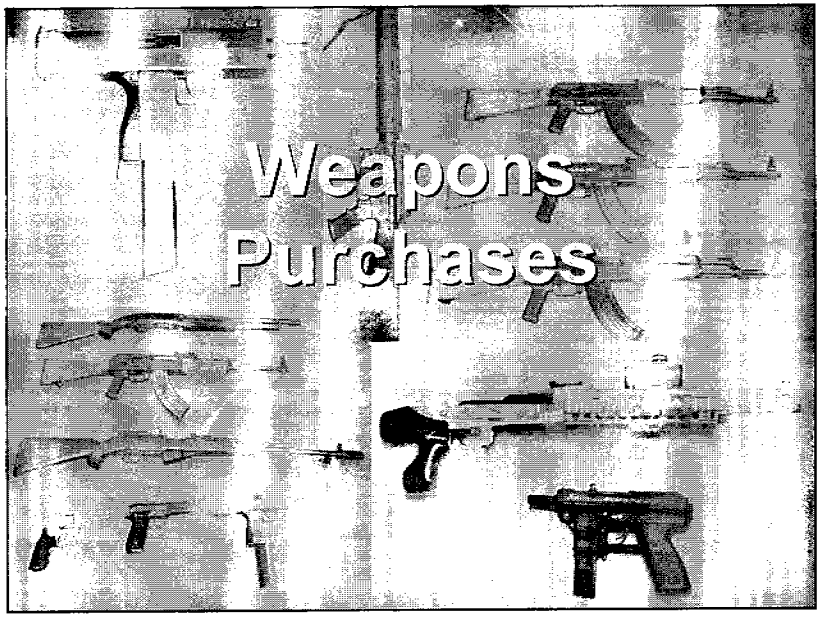


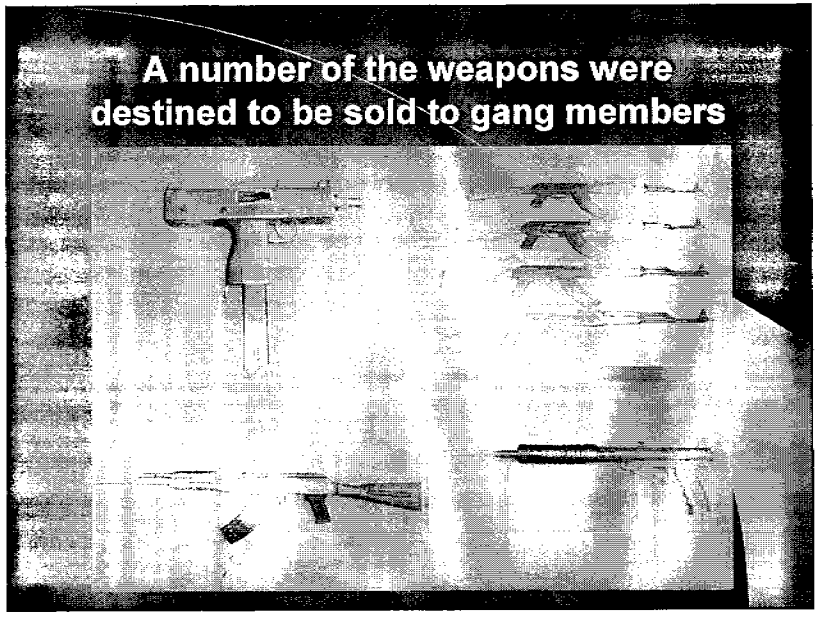

Narcotics
35 Buys
–Meth
–Ecstasy
–Cocaine
14 Suspects


67 Purchases of Stolen Property
$13,000...Construction tools, Jewelry,
Identity Documents, etc.
CALIFORNIA
VISA

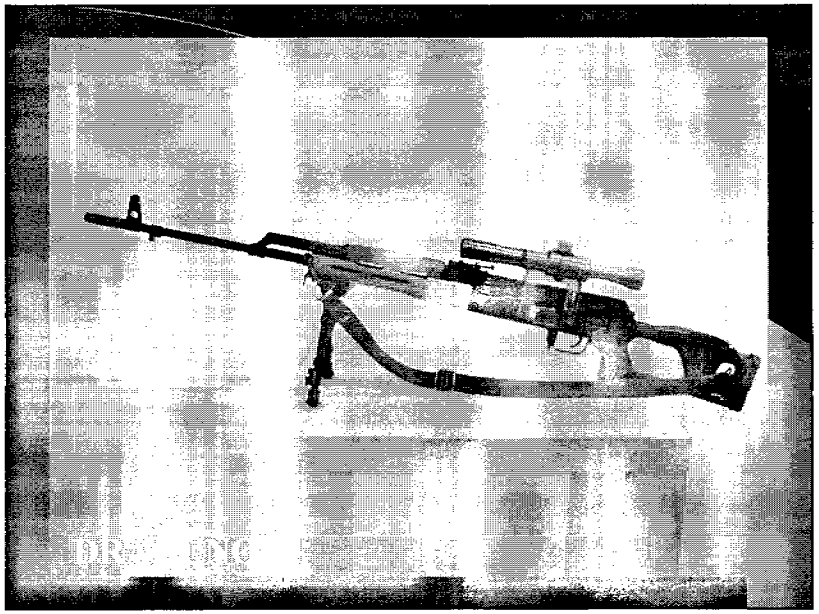

Stolen Vehicles
UCs have purchased 41 stolen vehicles
25 separate suspects

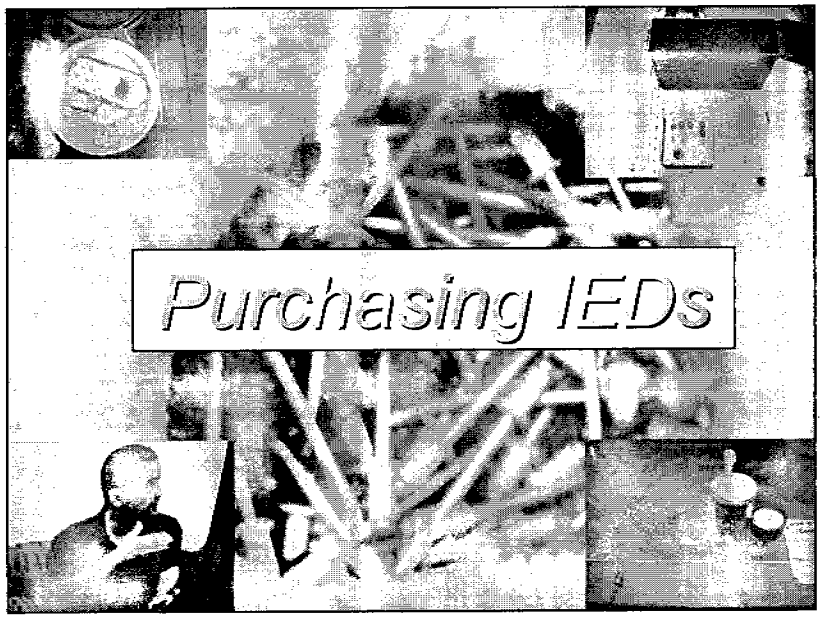

U/Cs have purchased 74 firearms from 20 suspects, seized an additional 5 firearms

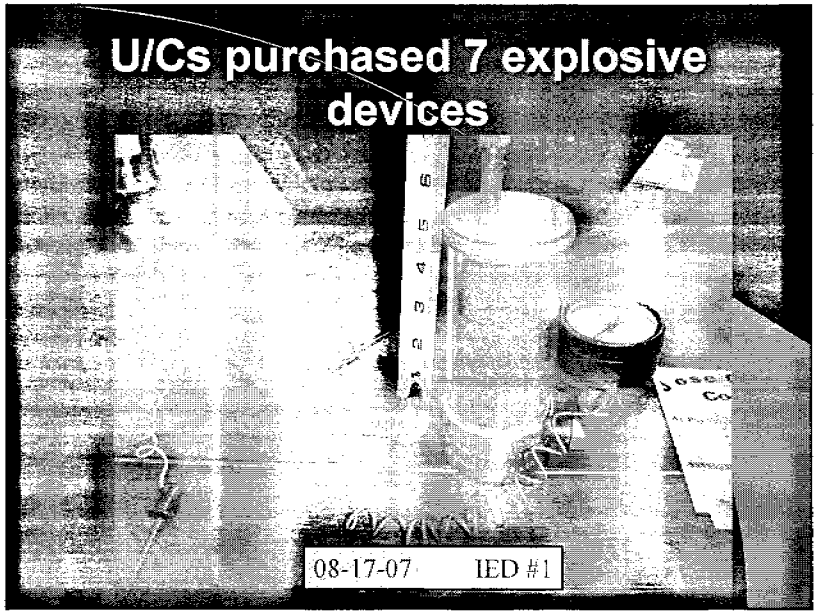

Weapons Purchases

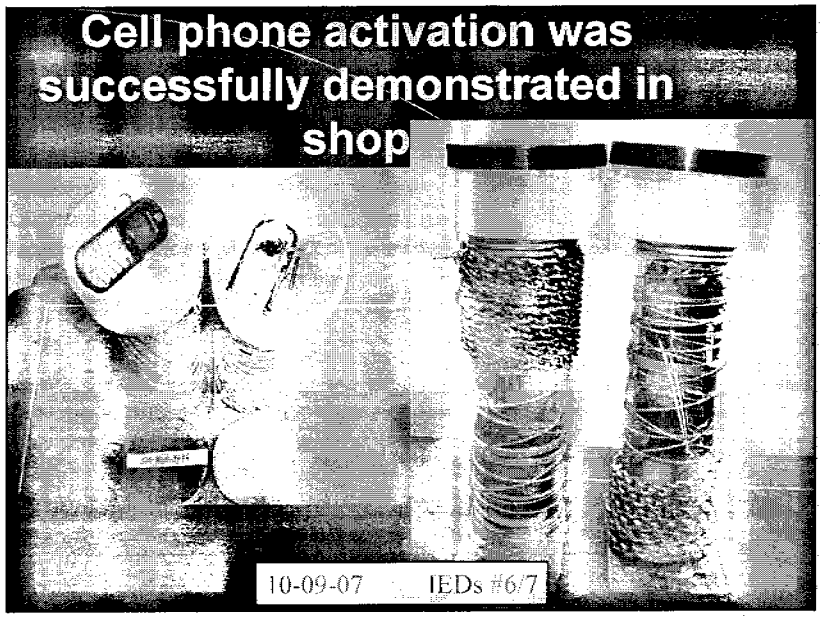

A number of the weapons were destined to be sold to gang members

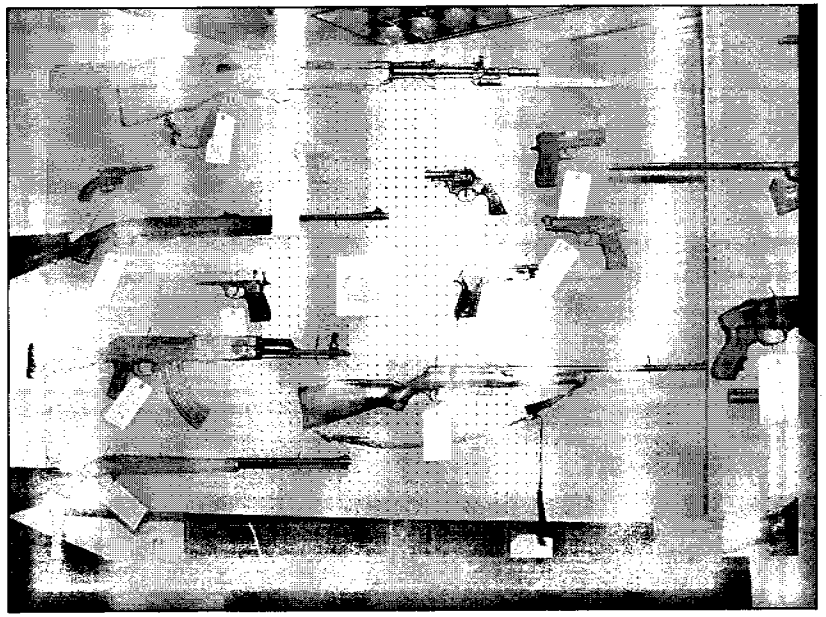
Firearms
22 Assault weapons banned in
2 fully auto firearms

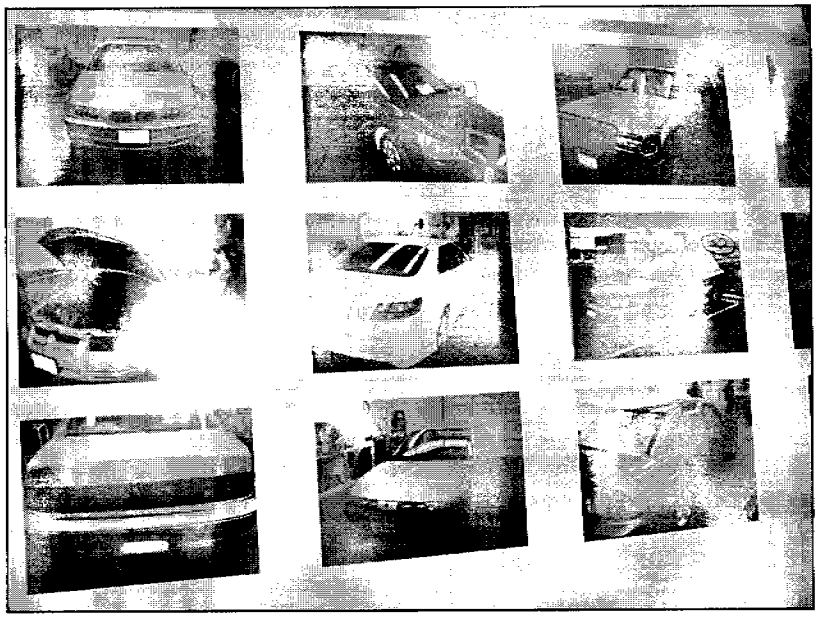


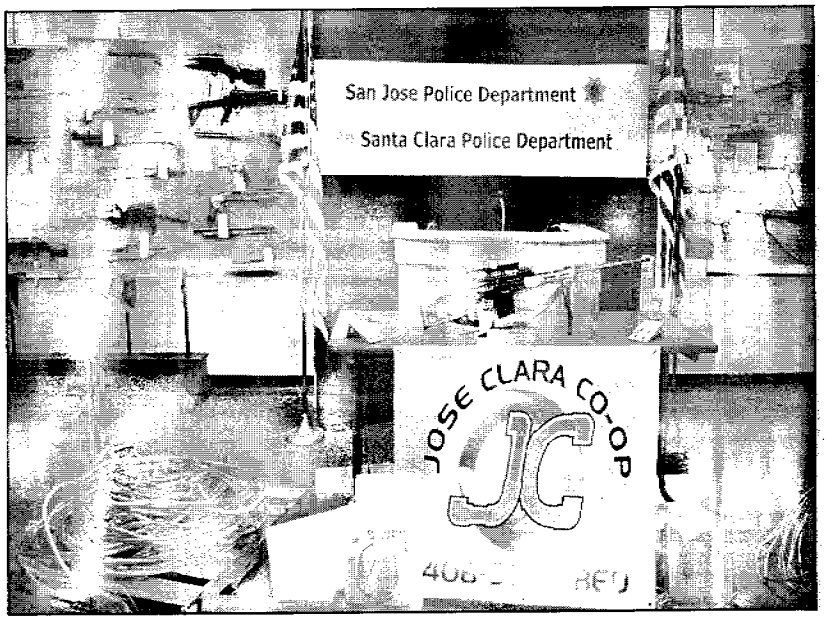

Purchasing IEDs


U/Cs purchased 7 explosive devices
08-17-07 IED #1


Cell phone activation was successfully demonstrated in shop
10-09-07 IEDs #6/7






San Jose Police Department
Santa Clara Police Department
JOSE CLARA CO-OP
JC

OPERATION
MELTDOWN
LE SENSITIVE
Updated on 01/22/08
by Detective Carreira, SCPD

Meeting Date: 05-13-08

AGENDA REPORT

Agenda Item # 5.B

Santa Clara All-America City 2001

City of Santa Clara, California

DATE: May 1, 2008

TO: City Manager for Council Information

FROM: Director of Planning and Inspection

SUBJECT: Promotion of Vacancy on the Historical and Landmarks Commission

The Chair of the Historical and Landmarks Commission, or another member of the Commission if the Chair is unavailable, will make a brief presentation at the May 13, 2008 City Council meeting to promote the vacancy on the Historical and Landmarks Commission.

Kevin L. Riley

Kevin L. Riley, AICP
Director of Planning and Inspection

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

The Historical and Landmarks Commission

Commission Vacancy 2008

Santa Clara's Rich History

- Santa Clara was founded as a city in 1852
- Over 150 years of growth has left a rich Cultural and architectural Heritage

Saw California Grow

❖Spanish Mexican and Portuguese influence

- European settlements and the American period influenced the area.

What We Do

- Advise the City Council on policies, programs and development applications for historic resources
- Make recommendations to preserve local historic resources
- Serve as a resource to owners of historic homes
- Promote public outreach to Santa Clara's rich history
- Develop educational programs and support local non-profit historical agencies

Certified Local Government

At least two (2) Commission members are encouraged to professionals in the disciplines of

- Architecture, architectural history, or planning
- History, pre-historic or historic archeology
- Folklore, cultural anthropology or curation
- Conservation or landscape architecture
- Related disciplines such as cultural geography

Joining the HLC Commission

- Make a difference in your community
- Participate in the issues affecting our community
- Assist in creating a balance between preservation and development

How to Apply

To make a positive impact in Santa Clara, we cordially invite you to apply for an appointment on Historical and Landmarks Commission.

- Submit your completed application to the City Clerk by 5:00 p.m. [illegible] 2009
- Attend the City Council interview at 6:00 p.m. on July [illegible], 2009
- Attend the official meeting on August [illegible] 2009

Contact the Director of Planning and Inspection at 615-2450 or the City Clerk at 615-222[illegible]

Meeting Date: 05-13-08

Santa Clara

All-America City

2001

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5.C.

DATE: May 3, 2008

TO: City Manager for Council Information

FROM: Director of Planning and Inspection

SUBJECT: Promotion of Vacancy on the Planning Commission

The Chair of the Planning Commission, or another member of the Commission if the Chair is unavailable, will make a brief presentation at the May 13, 2008 City Council meeting to promote the upcoming vacancy on the Planning Commission.

Kevin L. Riley

Kevin L. Riley, AICP
Director of Planning and Inspection

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

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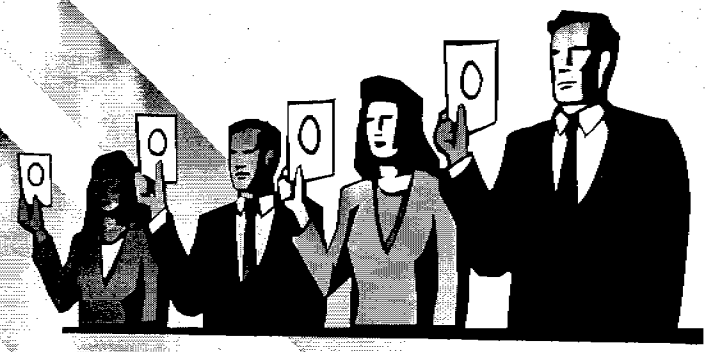
City of Santa Clara

Planning Commission

Service to your Community

Who We Are:



- *We are 7 citizens appointed by the City Council for 4-year terms on a rotating basis*
- *We represent a variety of backgrounds that balance our planning perspectives*
- *We are interested in thoughtfully guiding the development and preservation of our community*

What We Do:

- *We advise City Council on the long range plans that guide the physical, social and economic health of the City through the application of the General Plan*
- *We evaluate specific public and private land use proposals and development plans through review of subdivision, zoning, use permit and variance applications*

Developments We Review:

Public Projects (Central Library & San Tomas Creek Trail)

Private Development & Affordable Housing

What Is Required:

- *Attendance at regular meetings, typically on the 2nd or 4th Wednesdays of the month, and special study sessions*
- *Participation in workshops and State and national conferences*
- *Willingness to learn and listen to others and to make a difference in our community*

How to apply:

- *Pick up an application from the City Clerk and submit completed form to the Clerk no later than 5:00 p.m. on July 2, 2008*
- *Attend the City Council interview on July 8, 2008 at 7:00 p.m.*
- *Attend 1st official meeting on July 23rd*
- *Contact the Director of Planning and Inspection, at 615-2450, or the City Clerk, at 615-2220*

Thank you for your interest in the

Planning Commission!

Meeting Date: 05-13-08

Santa Clara All-America City 2001

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5 D

DATE: May 9, 2008

TO: City Manager for Council Information
Executive Director for Redevelopment Agency Information
Contract Administrator for Sports and Open Space Authority Information

FROM: Director of Finance, Redevelopment Agency Treasurer, Director of Finance for SOSA

SUBJECT: Joint Study Session on the City's Proposed Five-Year Financial Plan for 2009-10 through 2013-14 and Proposed Capital Improvement Project Budget for FY 2008-09.

A joint study session with City Council, the Redevelopment Agency and the Sports and Open Space Authority has been scheduled for May 13, 2008 during the regularly scheduled Council Meeting. Staff will be presenting the proposed Five Year Financial Plan for 2009-10 through 2013-14 and the proposed Capital Improvement Project budget for 2008-09 to Council and highlighting significant projects during the study session.

At the May 6, 2008 Study Session, several projects were reviewed with City Council by the various departments:

1. Planning and Inspection Department
    a. Housing and Community Services Division: active Affordable Housing Projects
    b. Planning Division: General Plan Update
2. Electric Utility Department: Substation Improvements, New Business and Technology Projects
3. Department of Public Works and Engineering: Sanitary Sewer Capacity Improvements

Additional information scheduled for the presentations for May 13 include the following significant projects:

1. Library Department and Department of Public Works and Engineering: Northside Branch Library
2. Department of Public Works: South of Forest Neighborhood Street Improvements
3. Parks and Recreation Department: International Swim Center
4. City Manager's Office and Finance Department: Financing Options for Capital Projects

For the Northside Branch Library, the total amount of the project with LEED certification is expected to be $18.6 million. The additional cost for LEED certification is $1.015 million. The proposed budget is for $17.7 million since Staff only recently calculated the additional LEED costs. The proposed budget also does not include the larger Community Room as requested by the neighborhood. If the larger Community Room was included, an additional $2.35 million would be needed.

For the South of Forest Neighborhood Street Improvements, the Five-Year Plan includes total funding of $13.5 million from a variety of sources, with $3.537 million proposed for the 2008-09 Capital Improvement Budget. The Public Works/Engineering Department has prepared a separate agenda memo regarding the existing covenants in the South of Forest Neighborhood.

For the International Swim Center, the architect firm of Prodis Associates, Architects, prepared cost estimates for the phases of the improvements as follows:

- New Pools: 4 Pools with mechanical and support facilities to meet required codes: $33.4 million. This includes architectural and engineering fees, project alternates, construction costs, contingencies and construction inflation factors.
- Swim Center Building: a 24,000 square foot building for $18.3 million This includes locker rooms, team offices, swim meet officials and personnel support room, lifeguard staff offices and entry lobby.
- If both facilities are constructed, realized cost efficiencies result in a total project cost of $49.7 million.

Copies of the proposed 2008-09 Capital Improvement Project Budget were included with the May 6, 2008 agenda packet. Copies of the Five-Year Financial Plan 2009-10 through 2013-14 are included with the May 13, 2008 agenda packet. In addition, a memo from the City's Financial Advisors, KNN Public Finance, is included regarding the topic of Financing Options for Capital Projects.

APPROVED:

Mary Ann Parrot
Director of Finance
Treasurer, Redevelopment Agency
Director of Finance, SOSA

Jennifer Sparacino
City Manager
Executive Director, Redevelopment Agency
Contract Administrator, SOSA

Attachments:

1. *City of Santa Clara Proposed Five Year Financial Plan 2009-10 through 2013-14*
2. *Memo from KNN Public Finance "Financing Options for Capital Projects: International Swim Center and 800 MHz Public Safety Radio System*
3. *Letter dated May 9, 2008 from Mr. Bill Collins in opposition to the location of the Northside Branch Library*

KNN
public finance

Date: May 7, 2008

To: Jennifer Sparacino, City Manager
Mary Ann Parrot, Director of Finance
City of Santa Clara

From: David Brodsly, Managing Director
KNN Public Finance

Re: Financing Options for Capital Projects: International Swim Center and 800 MHz Public Safety Radio System

---

We have been requested to assist the City in identifying and analyzing options to finance two priority projects: the renovation of the International Swim Center and the replacement of the City's 800 MHz Radio System for use by the police and fire departments.

We understand that the preliminary cost estimate for the waterside improvements to the swim center is $33 million, without buildings and other amenities ($50 million all-in costs). Furthermore, we understand that the improved center could require about $435,000 a year in additional operating costs. Design is planned for completion in FY 2008-09, with construction of the pools portion of this project expected to occur in FY 2009-10 or later.

With regard to the City's 800 MHz Radio System, we understand that the City is participating in a county-wide project designed to improve the communications interoperability of public agencies, which may affect the City's decision regarding the radio system to be implemented. An early estimate for the cost of the radio system is $10 million, and this is currently under review. Further, the City is pursuing grant and other sources of funding, including participating with another city in the purchase of equipment for this project. Design is currently underway, with acquisition and installation tentatively planned for FY 2009-10 as well.

Because neither of these projects has been designed nor bid for construction or acquisition, actual costs could vary significantly from these estimates.

A number of options have been identified, ranging from use of grant monies, other cash available including funds appropriated for other projects, and drawing on City reserves, to various forms of debt financing and requesting voter approval for tax increases. Some of these options can be combined, as well. Our goal at this stage is to inventory the various financing approaches, and to help organize those options in a way that the City can make a series of sequential decisions. We have not attempted to explore all the details of execution of any of these options, focusing our attention on the factors most likely to assist the City's decision making.

1333 Broadway, Suite 1000 | Oakland, CA 94612 | Main 510-839-8200 | Fax 510-208-8282 | www.knninc.com
A Division of Zions First National Bank

We divide the options into (1) the use of cash or other current resources—City cash on hand, pay-as-you-go financing, public agency or endowment grants and private fund raising; (2) General Fund debt financing secured by future City resources based on the current revenue structure; and (3) debt secured by new municipal revenues. Each of these approaches has advantages and disadvantages. Attachment 1 summarizes these options graphically, while Attachment 2 presents a table of options with more information on each option.

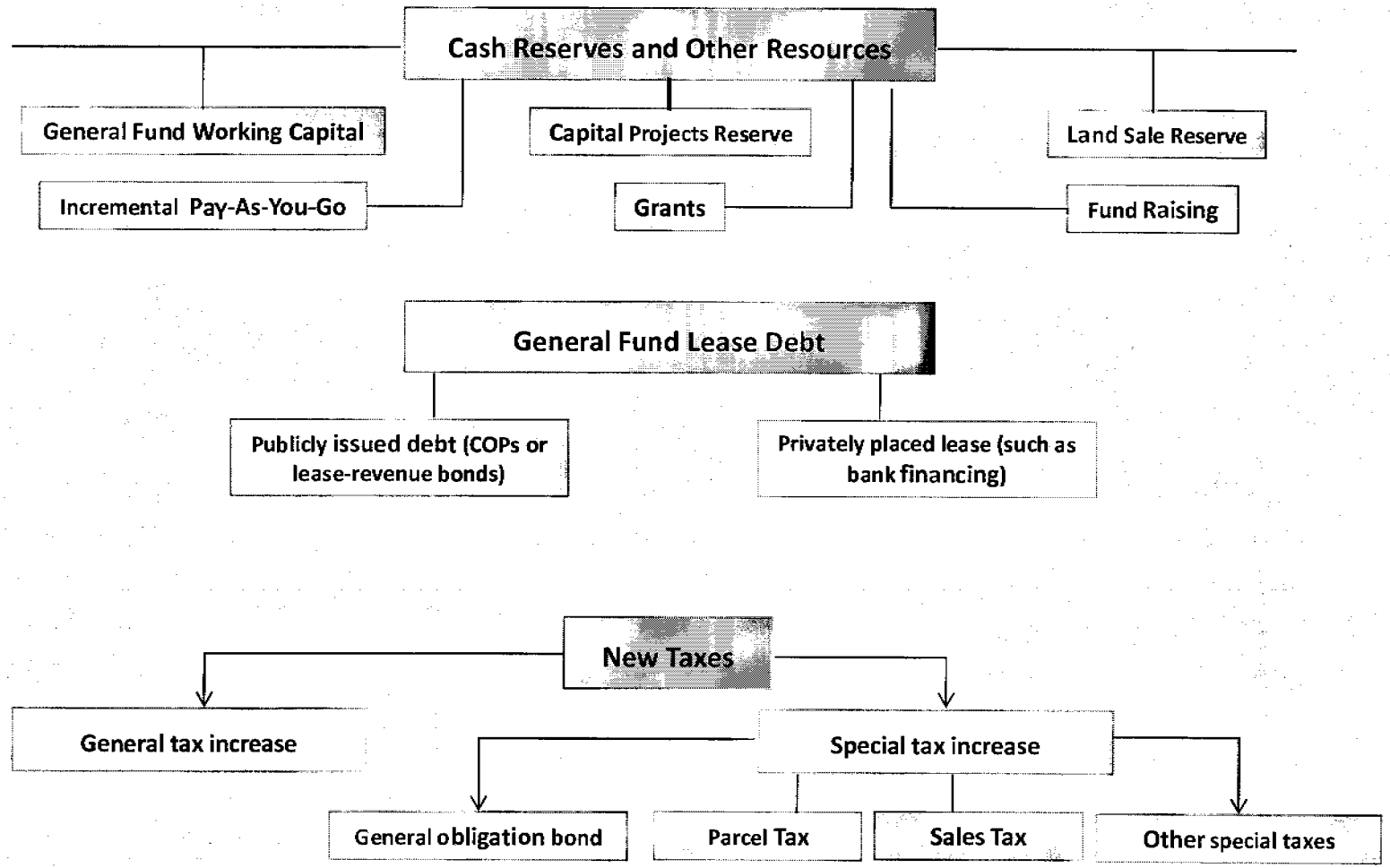
Included in the third category of this inventory are a number of options for new City revenues, including property, sales and other taxes. All of these options would require voter approval; many would require 2/3 voter approval. A number of considerations are relevant to voter-approved financing, including the likelihood of City voters approving a specific approach, and the costs and timing of elections. If the City desires to consider a new revenue option, we would encourage you to engage a public opinion consultant to conduct a poll of potential voters to assist in shaping your strategy. We can suggest several firms with whom our clients have worked, and anticipate such a service would cost between $20,000 and $30,000. We have been consistently advised that public funds can be used for such purposes.

We have also performed some analysis of the amount of funds that could be raised by several of the debt financing options. These are summarized on Attachment 3.

ATTACHMENT 1

SUMMARY OF FINANCING OPTIONS

Financing Alternatives for Swim Center and 800 Mhz Public Safety Radio Projects



ATTACHMENT 2

FINANCING ALTERNATIVES FOR SWIM CENTER AND PUBLIC SAFETY PROJECTS

CASH RESERVES AND OTHER RESOURCES

Option	Advantages	Challenges and Considerations
The City maintains three reserves in its General Fund. In addition, State, Federal and private grants may be available to assist with such projects, and private fundraising might help to underwrite costs.		
1. Working Capital (Emergency) Reserve	City maintains an $18 million reserve, representing about 13% of the adopted General Fund budget. These funds are restricted only by City policy.	These represent key emergency reserves. The City's adopted policy goal is to fund a 25% (90 day) working capital reserve.
2. Capital Projects Reserve	Projected balance for 2008-09 is $7.7 million, of which $6.7 million is proposed for appropriation for CIP in 2008-09. If necessary, approximately $1.9 million currently appropriated for two projects could be reallocated to either the radio system or the swim center project.	Most of the $7.7 million is needed for capital projects for 2008-09. The reserve is expected to fall to $1 million. If the $1.9 million is reallocated, one of the two projects ($1.7 million) would be deferred indefinitely.
3. Land Sale Reserve and/or Sale of Additional Surplus Properties	$17 million accumulated from prior land sales. By policy, the interest earnings provide on-going revenue to City's General Fund, if needed, or are deposited in the General Fund reserves. Additional properties owned by the City might be sold to fund these projects.	Reduction of reserve would have on-going budget impact. Interest earnings are approximately $700- $750 thousand a year. Use of the reserve should be considered only if rate of return on investment was less than alternative cost of borrowing.
4. Incremental Pay-As-You-Go Funding	If revenues outperform budget, application of surpluses would finance projects without on-going interest expense. Consistent with prior City practice. Due to recession, significant if any surpluses are uncertain in current or subsequent fiscal years.	Would require significant reprioritization of expenditures, and difficult to achieve without impact on core services such as police and fire. Would take many years for projects to be completed on an incremental basis, if ever.
5. Grants	The Police Department is pursuing grant funding from federal and state sources, as well as the funding of selected equipment by another jurisdiction.	Availability undetermined.
6. Fund Raising	The community groups associated with the International Swim Center could organize a campaign to help offset capital or operating costs.	Some level of funding may be available, but may not be enough to fund the project at the current estimates. At times, pledges are used to secure debt.

GENERAL FUND LEASE DEBT

Option	Advantages	Challenges and Considerations
Lease financing is the principal means by which General Fund resources can be leveraged through borrowing. Use of this type of financing does not require voter approval or an increase in taxes. Commits City General Fund resources for a number of years.		
a. Publicly issued debt (COPs or lease-revenue bonds)	Common form of city finance with relatively low cost of funds	Radio system may not be suitable to secure a rated financing, requiring a lease-leaseback of another City asset.
b. Privately placed lease (such as bank financing)	Easier to transact, with lower costs of issuance.	Often results in higher overall cost of funds.

NEW TAXES

[illegible]	[illegible]	[illegible]
Propositions 13 and 218 have, for all practical purposes, required that new revenues be approved by voters. Presumably, these new revenues would be used to secure some form of bond issue, in order to accelerate project completion.		
General tax (new or increase in existing tax)	City can approve an unrestricted tax with a simple majority vote. Likely taxes would be a sales tax, a hotel tax, or some other non-property based tax. This new General Fund revenue could be leverage through some form of lease debt.	Must be considered at an election at which City Council seats are on the ballot. Cannot be earmarked as part of the ballot measure. Although some issuers have coupled general tax measures with a separate advisory measure as to the use of any new revenues, this approach has, to our knowledge, only been successful once (for transportation improvements for Santa Clara Co., approved in 1996).
Special tax (new or increase in existing tax)	Requires 2/3 voter approval. Can be placed on any ballot, including special and single-purpose elections.	Due to the City's meeting schedule, deadline for Council action to meet filing requirements for November 2008 election is July.
a. General obligation bond	In approving a general obligation bond issue, voters also approve an ad valorem tax to pay debt service. This is often the form of special tax most likely to be approved by voters. Bond issue bears lowest interest cost.	State constitution would prohibit GO bonds for Radio System as such bonds are restricted to the acquisition and improvement of real property, and cannot be used for equipment or other personal property. Proposition 13 results in different tax burdens for similar properties purchased at different times. Also, unlike other taxes, GO bonds and their associated taxes cannot be used for operating expenses.
b. Parcel tax	Other taxes on property can be approved as a special tax on a non-ad valorem basis (for example, per residential unit, parcel, or square footage of land or improvement). Sometimes viewed as more equitable than assessed valuation-based taxes.	While could be done under Mello-Roos statute, probably easier under charter powers. More complicated ballot measure than general obligation bond measure.
c. Sales tax	State law would accommodate up to 0.5% additional tax (subject to no new overlapping sales taxes being approved). Sometimes viewed favorably as shifting a portion of tax burden to non-residents.	Local sales taxes have a mixed record of approval. Sometimes viewed as economically regressive.
d. Other special taxes	Other jurisdictions have received 2/3 voter approval to tax utilities, hotel rooms, and other businesses.	New taxes require administrative infrastructure.

ATTACHMENT 3

SELECTED FINANCING OPTIONS
Based on Funding $33 million in Project Costs

Type	Tax Rate	Annual Revenues (available debt service)	Notes
Sales Tax Revenue Bond	a) 1/8 ¢ all taxable sales b) 1/4¢ all taxable sales	a) $3,750,000 b) $7,500,000	A 1/8 cent tax increase would require special State legislation in addition to a local vote and would be sufficient to finance a project of approximately $50 million. A 1/4 cent tax would not require special State legislation, but would require a local vote. It would be more than sufficient to finance a project of approximately $50 million.
General Obligation Bond	.0010 % of assessed valuation	$2,200,000	Would require additional property tax of $10 per $100,000 of assessed valuation (based on total AV of $22 billion)
Parcel Tax	$78 per parcel	$2,200,000	$78 per parcel (based on 28,815 parcels Citywide)
General Fund Lease financing	None (payable out of current revenues)	$0	Annual debt service of S2.2 million would represent 1.4% of general fund expenditures.

Notes: assume 2% costs of issuance, including purchase of bond insurance and reserve fund; 30 year term; and current interest rates and revenue constraints for sales tax bond. Annual debt service was based on the project requirement of $33,000,000.

May 9, 2008

RE: Proposed Library to be located a Live Oak Park, Santa Clara

I write on behalf of a contingent of Santa Clara and Rivermark Community residents who oppose the location of our city's newest library on the corner of Moreland and Rivermark Parkway streets. Our opposition is not against a vessel of knowledge, learning, and community, but against location. While it was conceived as part of the master plan for the Rivermark community, time, observation, and experience has made apparent neighborhood traffic congestion and diminishing open space.

We believe the construction of this facility will bring even more traffic to a community where parking is a premium. This is in addition to the yet to be occupied 550 Moreland project with our estimate of 400-800 new residents. Current practice indicates many community residents park their vehicles outside their owned or allocated spaces. Since this facility is intended to serve the North Bay Shore area, we can not assume only residents within walking distance will frequent the library. In fact, residents living as close as Billings Circle and Laird Circle often drive to the Safeway grocery store. Fitzpatrick Lane, Farrell Lane, and Transil Circle are private Rivermark HOA streets. The Rivermark HOA Board of Directors is already struggling with controlling traffic and maintenance costs for these proximal streets within walking distance of the new building. In addition, the Live Oak Park parking area is full or near capacity at meal and heaving shopping times. It can be expected, visitors to the 550 Moreland property will seek quick refuge in this adjacent lot. Finally, we expect additional library parking will be constructed, but that it will be a control problem at lunch time and in general be insufficient at other times.

We have two predominant parks in the immediate area, Live Oak Park and Thamien Park. The utilization of these parks is high. They are great assets to the community. They serve the greater North Bay Shore area and do draw commuting park goers from outside walking distance. When complete, we feel this new library will consume as much as 20-30% of the Live Oak Park recreational area, thus diminishing quality of life in the community. The structure will also block a view into the park from the circular fountain area and vice versa.

We as City of Santa Clara residents, urge the Council and all appropriate committees to review these concerns, traffic and open space, in the consideration of locating our newest library on the corner of Moreland and Rivermark Parkway Streets.

Sincerely,

Bill Collins
4320 Marston Lane
Santa Clara, CA 95054
(Representing those opposed)

Proposed

Five Year Financial Plan

2009-2010 through 2013-2014

May 13, 2008

CITY OF SANTA CLARA
Proposed Five Year Financial Plan

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Introduction

Santa Clara
All-America City
2001

THE CITY OF SANTA CLARA
CALIFORNIA

JENNIFER SPARACINO
CITY MANAGER

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1500 WARBURTON AVE.
SANTA CLARA, CA 95050
(408) 615-2210
FAX (408) 241-6771

Santa Clara
All-America City
2001

May 3, 2008

Honorable Mayor and City Council
City of Santa Clara
Santa Clara, California 95050

Subject: City of Santa Clara Proposed Five-Year Financial Plan 2009-2010 through 2013-2014

Members of the City Council:

Submitted for your review is the Proposed *City of Santa Clara Five Year Financial Plan 2009-2010 through 2013-2014* (Plan). The Plan is a comprehensive presentation of the projected financial activity of the City's General Operating Fund over the indicated five-year period. This year's Plan submission reflects the financial impact of the current economic slowdown, forecasts a return to gradual economic and revenue growth, and incorporates City departments' continuing efforts to control operating expenditures. Because of the economic downturn in 2007-08, the proposed Plan provides a less optimistic view of the City's financial situation than last year's submission. Staff had concerns last year about the ability to continue to realize General Fund surpluses if the economic recovery faltered. The Plan forecasts the General Fund will run deficits totaling approximately $9.1 million as operating and maintenance expenses outpace revenues.

Due to the current economic slowdown, Staff projects a deceleration in overall revenue and an actual decline in sales tax revenue in fiscal years 2007-08 and 2008-09. Given the recent downturn and a return to historical norms, the City is forecasted to experience operating deficits requiring transfers from the Working Capital Reserve during the Plan period. It is still too early to tell if there will be a more severe slowdown or quicker recovery. During the prior economic downturn, the Working Capital Reserve was significantly depleted to help balance the budget. City Council has as one of its priorities to balance the budget without the use of Working Capital Reserves and to begin replenishing the Working Capital and General Contingency Reserve for Capital Projects. For the time being, this goal may be forestalled as the City considers its ability to maintain balanced budgets.

For fiscal year 2007-08 a surplus of $4.2 million is forecast followed by a smaller surplus of $261 thousand in fiscal year 2008-09. However, during the Plan period starting in 2009-10 and continuing through 2013-14 Staff forecasts the General Fund will run deficits totaling approximately $9.1 million as operating and maintenance expenses exceed revenues. The expenditure assumptions in the Plan reflect the current Memoranda of Understanding and recognize City efforts to contain costs by continuing to freeze approximately 27.5 positions, by keeping costs for contracts, materials, supplies and capital outlay at or below CPI inflation and by deferring non-essential capital projects in the Capital Improvement Program. Salaries and benefits remain the most significant operating expense and in the latter part of the Plan the new Bayshore North Branch Library and the updated International Swim Center are projected to add an additional $1.4 million in operating and maintenance expenses. The Plan's revenue forecast assumes increases in property, sales and transient occupancy taxes close to historic averages, fees and customer service charges more reflective of the costs for City services, and increases in rent and lease revenue based on current agreements. The current Plan projects cumulative deficits totaling $9.1 million. The result is to balance the General Fund operating budget, the estimated balance in the Working Capital Reserve is forecasted to decrease from $20.7 million in June 2008

to $12.1 million by June 2014. The projected balance of the Working Capital Reserve at the beginning of fiscal year 2013-14 represents approximately 8.5% of the General Fund operating budget compared to the 25% minimum under Council's policy for the Working Capital Reserve. However, should economic growth be more robust than currently forecasted, the deficit may be significantly reduced or eliminated.

As of June 2008 the balance in this fund is estimated to be $7.7 million. If all the projects in the Plan were approved, the balance in the General Contingency Reserve for Capital Projects would be depleted sometime in fiscal year 2009-10. Staff will present capital financing options to City Council at the May 13, 2008 Study Session regarding the Capital Improvement Project Budget for 2008-09.

The Five Year Financial Plan provides City Council with the necessary long-term perspective and analytical information to address the City's long-term capital and operating needs. While this Plan focuses on the financial position and outlook of the General Operating Fund, a limited presentation of the City enterprise funds has been included in Appendix A. The Plan was developed through careful analysis of available historical information and current and projected economic assumptions from various independent sources. Based on this financial and economic analysis, a comprehensive projection of City resources and expenditures was made for the Five-Year Plan period. In addition, the Plan presents a five-year summary of capital improvement project costs and their estimated funding sources and a *Summary - Net to be Funded* schedule (page 18), which identifies project costs that currently have no specific funding source. A five-year projection of flow of funds and end of fiscal year balances in the General Contingency Reserve accounts (page 19) is presented.

Economic and Financial Analysis

The Bay Area economy, and in particular the Silicon Valley region, continues to grow, although slowly. Growth in fiscal year 2008-09 is projected to be flat or exceptionally weak, with the increased possibility that the City may be working its way out of a mild recession. During the Plan period, regional economic growth is forecasted to be moderate but with the Silicon Valley projected to be somewhat stronger than the rest of the region or the State as a whole. Inflation is also expected to remain moderate but income growth flat to weak during fiscal year 2008-09 but strengthening during the Plan period. The major risks to the regional economy are the duration of the housing slump, the severity of the continued turmoil in the financial sector, and any increases in interest rates, all which would negatively impact local economic growth. Job growth in the Bay Area and Silicon Valley is expected to be slow in fiscal year 2008-09 but gradually improving as the economic situation improves during the Plan period.

This year's Plan reflects the current decline in the economy but anticipates gradual growth during the Plan period. However, the growth in revenue is not expected to be sufficient to cover General Fund operating expenses despite efforts of City departments' to identify additional operating efficiencies. The result is a forecasted structural deficit totaling $9.1 million during the Plan period. This forecasted deficit impacts not only the operating budget but also the ability of the City to fund capital projects as well as support the operation and maintenance costs associated with new facilities. While this scenario is based on a number of assumptions that might change, staff will be carefully monitoring the current financial situation, including evaluating various alternatives to address the City's capital financing needs. A detailed discussion of the methodology employed and the attendant issues and factors considered in developing this Plan is presented in the Financial, Economic, Demographic and General Discussion section of the report (pages 1-10).

General Operating Fund Results

For fiscal year 2007-08, the General Fund forecast is for a surplus of $4.2 million followed by a minimal surplus of $261 thousand in 2008-09. These surpluses are the direct result of two events: 1) the City's cost control efforts over the last several years which have been focused on restraining operating and maintenance expenditures and 2) improvements in local economy which resulted in increased revenues in several key areas including property tax, sales tax, transient occupancy and contribution in lieu of taxes. The recovery faltered in the fourth quarter 2007, and results are not as positive. During the Plan period, because of the current economic slowdown, revenues will not be sufficient to meet the City's General Fund operating expenditures and the General Fund will begin to experience operating deficits.

During the Plan period, General Operating Fund resources are expected to grow at an average annual rate of approximately 2.7%. Total expenditures are expected to grow at an average annual rate of 3.0% over this period. The result is the General Operating Fund is forecasted to run a deficit during the Plan period totaling $9.1 million.

From June 2007 through the end of the Plan period, the balance in the Working Capital Reserve is expected to decrease from an estimated $20.7 million to $12.1 million. This represents a decrease in the fund's balance from approximately 13.9% of the General Fund Operating Budget in fiscal year 2008-09 to approximately 8.5% at the beginning of fiscal year 2013-14 compared to the 25% needed to meet the City Council's policy concerning Working Capital Reserve requirements. These projections are shown in Schedule A, Ten Year Resource and Expenditure Trend (pages 12 and 13). The forecast may change depending on future economic activity, the ability of the City to continue to contain costs or other unanticipated events that may impact the City's financial position. Staff will continue to carefully monitor the City's current and long-term financial situation.

Capital Improvement Project Funding

Schedule B, Proposed Capital Project Costs (page 16), summarizes the total cost of capital improvement projects during the Five-Year Plan period and the amount of legally designated monies to fund some of the projects. This year's Plan reflects the City's commitment to provide a program that meets the City Council's goals while adjusting to the current and forecasted fiscal constraints. Schedule C (page 18) identifies the "Net to be Funded" amount, or the remaining balance of project costs still needing City funding. Essentially, if these projects were approved, the unfunded project costs would be greater than available resources, including the General Contingency Reserve for Capital Projects, starting in fiscal year 2009-10. Alternative financing sources such as debt issuance would have to be identified to fund these projects. As of June 30, 2008 Staff estimates that the balance in the General Contingency Reserve for Capital Projects account will be $7.7 million. After appropriating funds of $6.7 million for 2008-09 capital improvements, as proposed, the balance would be $1 million. The minimum balance in the General Contingency Reserve for Capital Projects required to be in compliance with City Council policy is $5 million.

Significant City Issues/Policy Items

The financial and economic conditions forecasted in the Plan project that the City's long-term financial condition will result in a combined deficit of $9.1 million during the Plan period. Despite City department efforts to control costs, revenue growth is not sufficient to provide the resources to fund General Fund operating expenditures during the Plan period. This structural deficit will result in the Working Capital Reserve being further depleted and decreasing from $20.7 million in June 2008, to $12.1 million in June 2013. To achieve a balanced General Operating Fund budget during the Plan period will require transfers from the Working Capital Reserve, several years of higher than forecasted economic growth and a disciplined approach to the City's operating and capital expenditures. This portends the need to continue to

carefully manage expenditures and monitor the City's revenue picture to be able to maintain the City's fiscal integrity. On the expense side salaries and benefits, including retirement and retirement health benefits, remain the main cost drivers of the General Operating Fund during the Plan period. In addition, two major capital projects, the new Bayshore North Branch Library and the updated International Swim Center are projected to add an additional $1.4 million in operating and maintenance expenses. Costs for annual debt service are not included in the plan, since no decision has been made on the method to fund the International Swim Center.

Major capital improvement projects in the Plan include expansion of the City's Green Program, construction of the North of Bayshore Library to provide a branch library to area residents, design of an updated International Swim Center with 4 new pools, and continuation of the South of Forest neighborhood improvement project to upgrade streets to City standards, improve drainage and increase safety of pedestrians and vehicular traffic. The City will also continue financing its First Time Home Buyers program to provide mortgage financing to qualified first time home buyers. The Bill Wilson Center Commons Project is a 28 unit apartment complex being renovated for use as permanent housing for youth transitioning out of foster care and moderate income staff counselors who mentor youth residents.

While new residential development in the City is necessary, it will also require additional General Fund expenditures to meet the costs associated with the increased demand for recreation, police and fire services. These costs are in addition to those already estimated in the Plan.

Another major initiative, included in this year's capital plan, is the expansion of the City's Green Program, which includes light emitting diode traffic signals, energy saving HVAC, lighting and window treatments at the Triton Museum, and evaluation of the construction of a completely green office building. There are also several upgrades and new additions to the Silicon Valley Power's infrastructure including construction of several substations, modifications to the medium voltage distribution system, modifications to high voltage power line distribution system and customers' requested fiber optic connections and extensions. The City also plans a major upgrade to the sanitary sewer system to enhance the capacity and reliability of service. Operating costs associated with these new capital projects have been incorporated into the Plan or the appropriate utilities' 5 year plan which are part of this document.

Other evolving issues that could substantially impact this Plan include the general health of the local and national economy, financing (cash versus debt) decisions, unforeseen building or infrastructure maintenance/replacement needs and City land use issues.

Concluding Comments

Given the projected General Operating Fund results and the expected Contingency Reserve Fund balances over the Plan period, staff recommends continuing the following activities:

1) Review the five-year capital improvement project plan included in the proposed 2008-09 Capital Improvement Project Budget to assure that the projects are consistent with the City's long-term goals and objectives.

2) Maintain a flexible funding policy which includes:

   - Prudent spending and the value of fiscal responsibility to preserve the City's financial strength
   - Focus on long term fiscal impact and benefit to the community as a whole
   - Budget decisions made with long-term implications taken into account, using data from the Five Year Financial Plan.

- Consider delay in opening or phase in opening of new facilities
- Continue to implement a strategy to rebuild the General Fund Contingency Reserves for the long-term financial health of the City

3) Prior to adoption at the June 10th public hearing, review the City's Five Year Financial Plan for consistency with Council goals and objectives. The Plan will continue to be subject to an annual review and update.

4) Incorporate the Five Year Financial Plan into the fiscal year 2008-09 Capital Improvement Project Budget.

The Five Year Financial Plan is an important strategic document designed to assist Council with the important tasks of evaluating the General Operating Fund financial health, and making future resource allocation decisions. The Plan represents the continuing effort by staff to advise Council of the financial status of the City and to provide Council and City Management with a resource planning guide to address the City's long term capital and operating needs. Staff will continue to provide a monthly financial status report to Council that outlines the City's revenue and expenditure performance and cash position. The Plan is consistent with City Budget Principles endorsed by City Council. It is also consistent with Council's adopted mission and goals for the City, specifically the goal to identify and resolve issues associated with the financial health and stability of the City through responsible short and long-term planning.

Respectfully Submitted,

Jennifer Sparacino

Jennifer Sparacino
City Manager

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Five Year Financial Forecast

Santa Clara
All-America City
2001

FINANCIAL, ECONOMIC, DEMOGRAPHIC AND GENERAL DISCUSSION

TRENDS AND ANALYSIS

In preparing the resource and expenditure projections, and developing the recommendations presented in this Five-Year Financial Plan ("Plan"), staff analyzed results of operations from the General Operating Funds for 3 fiscal years from 2004-05 through 2006-07 and July through March of fiscal year 2007-08. The analysis focused on identifying and understanding trends in revenues and expenditures, quantifying any significant variances in these trends, and then determining the reasons for these variances, where possible. In addition, staff also considered the economic outlook of the national, state and local economies in determining future growth trends. Schedule A (page 12) provides a history of resources and expenditures of the General Operating Funds from fiscal year 2004-2005 to fiscal year 2006-07. The schedule also contains an estimate of the General Operating Fund's operating results for fiscal year 2007-08, and the proposed fiscal year 2008-09 annual budget. Based on historical operating results and an evaluation of future economic outlook data, staff has presented a projection of resources and expenditures for the General Fund for five fiscal years 2009-10 through 2013-14 (page 13).

Results of Operation

The General Fund had an operating deficit of $8.3 million in fiscal year 2004-05 followed by surpluses in fiscal years 2005-06, and 2006-07 totaling $11.7 million. In fiscal year 2007-08, the General Fund is expected to generate a surplus of $4.2 million. The actual and projected surpluses are due to an improved local economy combined with the City's continuing efforts to control its operating costs. In fiscal years 2005-06 and 2006-07 the City experienced significant improvements in several key revenue sources including property tax, sales tax, transient occupancy tax and charges for current services. In fiscal year 2007-08, Staff is forecasting a decline in sales tax revenues with this trend continuing through fiscal year 2008-09. In fiscal year 2008-09, due to the sluggish economy, Staff is also projecting a decrease in sales tax revenue and slower revenue growth from property taxes, transient occupancy taxes and several other key revenue sources. This deceleration in overall revenue combined with the projected increases in expenditures during the Plan period is forecasted to result in structural deficits in the General Fund starting in fiscal year 2009-10. During the Plan period, the resulting deficit is due primarily to operating and maintenance expenses increasing faster than revenues. The General Fund cumulative deficit is projected to total approximately $9.1 million dollars. During the prior economic downturn, the Working Capital Reserve was significantly depleted from fiscal year 2002-03 through 2004-05 to help balance the General Fund budget. The balance in the Working Capital Reserve is forecasted to decrease from $20.7 million in June 2008 to $12.1 million in June 2014. In fiscal year 2013-14 the estimated beginning balance for the Working Capital Reserve will represent approximately 8.5% of General Fund budgeted expenditures compared to the 25% per City Council policy. Salaries and benefits remain the most significant operating expenses, while in the latter Plan period, the addition of a new Bayshore North Branch Library and the updated International Swim Center are projected to increase operating and maintenance costs by $1.4 million. These projected deficits may be eliminated if economic growth is significantly stronger than projected, and/or projected increases in operating expenditures are moderated because of additional efficiencies or cost control measures. The current expenditure assumptions in the Plan reflect the City's efforts to contain costs by continuing to freeze approximately 27.5 positions and deferring non-essential capital projects in the Capital Improvement Program. The Plan's revenue forecast assumes increases close to their historic averages for property, sales and transient occupancy taxes, increases in fees and customer service charges more reflective of the true costs for City services, and increases in rent and lease revenue based on current agreements. The Plan projects a cumulative deficit of $9.1 million, and several of the City's key revenue sources, including sales tax and transient occupancy tax, are still not projected to reach the peak levels realized in prior years. In addition, if all the capital projects are approved, the General Contingency Reserve for Capital Projects will be depleted sometime in fiscal year 2009-10. Staff will continue to identify further measures that must be taken to address the City's financial situation.

FINANCIAL, ECONOMIC, DEMOGRAPHIC AND GENERAL DISCUSSION

For a better perspective on Silicon Valley's economic condition, key economic indicators, such as total jobs, median household income, venture capital investment and commercial vacancy rates are analyzed each year in Joint Venture's Index of Silicon Valley. The indicators in the 2008 Index of Silicon Valley provide valuable data on the Silicon Valley's overall economic health over the last few years. They show the Silicon Valley economy continues to expand while employment growth shifts to new areas. Total employment in semiconductors and the computer hardware sectors continued to decline while the software and services in design and innovation support sectors continued to grow. From 2005 to 2006 median household income grew by two percent to $82,486. From 2006 to 2007, venture capital investment was up 11%, with Cleantech investment up over 94%. From the first quarter of 2006 to 2007, total job growth increased 2.1% and commercial vacancy rates declined 1.3% but remained 6.5 times the vacancy rate in 2000. For this same period vacancy rates for R&D space showed the steepest decline, decreasing by 11.5%. Finally, from 2006 to 2007, productivity as measured in value added per employee was up 2% in Silicon Valley. As seen from these long term economic indicators, the Silicon Valley economy has steadily improved over the last few years. However, more recent economic data indicates that the local economy is beginning to slowdown. The once strong housing and construction sectors have deteriorated significantly and this has spilled over into the mortgage and financial services sectors. Retail sales have also begun to slowdown both locally and nationally and regional job growth is expected to weaken significantly over the next year. Current prevalent economic opinion is that the local economy will experience a slowdown over the next 9-12 months but should recover early in the Plan period. While restructuring and economic slowdowns are not new to Silicon Valley, this ongoing economic slowdown is expected to be short lived and not have any major long-term negative impact on employment in Silicon Valley. During the Plan period, high-tech sectors such as green clean and biotechnology should also continue to grow and innovate.

The Association of Bay Area Governments' has a similar economic forecast. It is forecasting that the San Jose region will experience slower growth across the board but will be one of the brighter spots in California's economy. In fiscal year 2008-09, City revenues are expected to be up only slightly over fiscal year 2007-08. However, sales tax revenue, the City's largest source of revenue, is expected to decline compared to the prior fiscal year. This is due to the economic slowdown which is expected to be short lived. Because of the Silicon Valley's unique ability to redefine itself, the local economy should be back on track early in the Plan period. The Plan reflects revenue increases based on a gradually growing economy. Revenue increases are projected to approach long-term historical averages for growth. Increases in the City's operating expenditures including materials and supplies, salaries, health and retirement benefits reflect CPI based inflation and current MOU agreements. Additional operating and maintenance expenses are included for key capital projects coming online during the latter part of the Plan period. During the early part of the Plan period, it is expected that regional economic growth will slightly outpace that of the national economy. National and regional economic statistics from the Association of Bay Area Governments and Congressional Budget Office are presented in more detail in the economic conditions section.

General Operating Fund Resources

General Operating Fund resources include General Fund revenues plus transfers from other City funds. Consistent with current economic forecasts, the Plan reflects a slowly growing regional economy. During the Plan period, General Operating Fund resources are expected to grow at an average annual rate of approximately 2.7%. These growth estimates assume a brief economic slowdown over the next 9-12 months with a return to regional historical growth rates early in the Plan period. During the early part of the Plan, projected regional economic growth is expected to exceed that of the national economy. Staff forecasts continued growth of local sales and transient occupancy taxes which are particularly sensitive to changes in national and local economic conditions. Other revenue sources, including property taxes, contribution in lieu of taxes, rents and leases and charges for current services, which experience much less volatility when economic conditions change, are also expected to grow at historical average growth rates during the Plan period. A more

detailed discussion of the major General Operating Fund revenue sources including property tax, sales tax, transient occupancy tax, interest income, rents and leases and contribution in-lieu of taxes follows.

Property Tax and Motor Vehicle License Fee Swap

In fiscal year 2007-08, Staff forecasts the City will receive $27.6 million in property tax revenues. This figure includes both revenue from local property taxes and the Vehicle License Fee backfill which is now considered as property tax and paid by the County for the loss of motor vehicle license fees. From fiscal year 2007-08 to 2008-09 property taxes are projected to increase from $27.6 million to $28.6 million, or 3.5%. From 2008-09 through 2013-14, Santa Clara should continue to enjoy an average growth rate of 3.50%, which is slightly lower than the average historical growth rate for property tax. During the Plan period the City should continue to benefit from flatter but still positive increases in assessments for the City's residential real estate sector. Overall, the residential sector is projected to continue to increase in value despite a more turbulent mortgage market and some negative reassessments on specific residential properties purchased over the last couple of years. However, these future growth rates for assessments of residential property are expected to be significantly lower than those experienced by the City over the last few years. During the Plan period commercial/industrial real estate is expected to regain momentum and the assessed values for these properties are also forecasted to rise. This sector was particularly hard hit during the last economic recession, has begun to recover, and is poised to rebound over the next few years Finally, since fiscal year 1992-93 the State has shifted a portion of the City's property tax revenue to fund public schools. As a result, of this continuing shift in City property taxes to ERAF, the City's General Fund will lose approximately $4.2 million in fiscal year 2007-08. Since the inception of this ERAF program, which shifts revenues to the State, the City has lost approximately $44.1 million.

Sales Tax

Sales tax revenue performance is directly linked to the economic and business cycles. It remains the City's most significant source of revenue as well as one of its most volatile. Fiscal year 2007-08 sales tax revenues are forecasted to be $40.7 million, down 5.8% from the prior year. However, adjusting for a $505 thousand decrease due to an overpayment made to the city in fiscal year 2006-07 by a major department store the percent decrease from the prior fiscal year is approximately 4.7%. This figure is consistent with the downturn in general retail sales, construction related sales and business to business sales in the national and local economies. The strength of business to business sales activity remains key to achieving continued economic growth and improved local sales tax revenue next year and throughout the Plan period. Locally, business-to-business sales were particularly hard hit during the economic downturn and remain considerably below prior year peaks. The current turmoil in the housing and financial related sectors now seems to be negatively impacting sales tax receipts in the City which was down 8.6% from the fourth quarter of 2006 to 2007. The result is a further drag on local economic growth and sales tax revenue. The Association of Bay Area Government's (ABAG) Economic Outlook is forecasting no income growth for the region in 2008 with the possibility of a mild recession. For 2009 ABAG is forecasting a modest 0.5% increase in income growth. While this economic slowdown is expected to be short lived, Staff projects from fiscal year 2007-08 to 2008-09, sales tax revenues will decrease by 1.0% to $40.3 million. This figure includes a negative adjustment by the State of approximately $1 million based on the triple flip payments made in fiscal year 2007-08. The projected sales tax figure is consistent with estimates from MBIA MuniServices, the City's sales tax consultant. During the Plan period sales tax growth is expected to return to historical growth rates and City sales tax revenues are projected to grow steadily. While growing consistently throughout the Plan period, sales tax revenues are still not projected to reach the peak levels in fiscal year 2000-01. During the Plan period the forecast projects an average increase of 4.0% in sales tax revenue. This growth rate is close to the City's long-term historical average for sales tax.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) revenue estimates of $11.5 million for fiscal year 2007-08 represent an increase of approximately $1.1

million or 11.1% compared to fiscal year 2006-07. This increase in TOT receipts is due to both higher average occupancy rates and an increase in average daily lodging rates, a direct result of the continued strength of business travel in our area. Compared to December 2006 average daily lodging rates in the San Jose/Peninsula area, excluding San Francisco Airport, lodging rates in December 2007 were up 5.4%, and average occupancy rates were up 5.8%. However, recent information about hotel occupancy rates in the Santa Clara shows occupancy rates declining 1% to 4% over the last quarter. Compared to the City's peak fiscal year 2000-01 when $14.8 million was received, the $11.5 million in estimated TOT revenues for fiscal year 2007-08 is $3.4 million or 22.7% below the peak year.

For fiscal year 2008-09 TOT revenues are estimated to be $11.8 million, 3.0 % over the fiscal year 2007-08 estimate. This represents a deceleration in the growth of TOT revenue, not an overall decrease. It is expected that increases in occupancy and room rates will begin to abate because of overall slower economic growth. During the Plan period staff forecasts an average increase of 3.5% for TOT revenues. This growth estimate assumes the business travel market in our region will moderate somewhat and grow at rates closer to historical growth rates for TOT. This will be due to occupancy rates which are leveling off which is expected to affect the ability of lodging owners to raise the room rates. Staff believes the Plan's TOT revenue growth rates are reasonable given the City's past performance and projected economic outlook over the next five years.

Interest Income

The City invests all funds not needed for current cash requirements in accordance with the City Council approved investment policy. These funds are invested in a pooled portfolio consisting of securities having a maximum maturity of five years. The factors that directly influence General Fund interest income are the prevailing interest rates, the size of the portfolio and the relative percentage of the portfolio allocated to the General Fund. Over the last 2 fiscal years the return on the City's portfolio has ranged from 3.9% to 4.4%. Currently, the return on the City portfolio is approximately 4.2% and is forecasted to generate $4.9 million in interest income in fiscal year 2007-08, including interest from the land sale reserve. During the five-year Plan period, the return on the portfolio is projected to be between 3.5% and 4.0%. Overall, the Plan reflects a small increase in interest income. This is due to a relatively stable percentage of General Fund money in the investment portfolio and a slight increase long-term interest rates during the Plan period. Based on the current forecast, Staff projects interest income rising from $5.1 million in fiscal year 2008-09 to approximately $5.4 million by the end of Plan period.

Rents and Leases and Inter-Agency Transfers

Lease revenues are reported in the Plan under Rents and Leases and Inter-Agency Transfers. In fiscal year 2008-09, revenue reported in Rents and Leases is estimated to be $3.1 million and will grow to over $3.4 million by the end of the Plan period. This includes Redevelopment Agency lease revenues transferred to the General Fund of approximately $1.4 million from the Hyatt Regency Hotel and $1.1 million from Techmart. The remaining revenues are from a number of smaller General Fund leases.

In fiscal year 2008-09, Inter-Agency Transfers include approximately $11.3 million in lease revenues which are expected to grow to $11.6 million by the end of the Plan period. Approximately $3.6 million comes from development agreements between the City, the Redevelopment Agency and The Irvine Company and $5.6 million comes from the Great America Theme Park Lease. An additional $1.5 million comes from the Interland lease with SOSA and approximately $520 thousand from the Hilton hotel lease.

Charges for Current Services

Staff forecasts that Charges for Current Services will be $18.6 million in fiscal year 2007-08. In fiscal year 2008-09 Charges for Current Services will increase to $18.9 million growing to $19.4 million by the end of the Plan period. Major sources of revenue for this category include charges for services provided to non-General Fund departments, recreation charges, plan check and engineering fees and customer service fees. Reimbursement rates and customer fee rates are set to bring these charges more in line with the costs to provide departmental and customer services.

FINANCIAL, ECONOMIC, DEMOGRAPHIC AND GENERAL DISCUSSION

Contribution In-Lieu of Taxes

In accordance with the City's charter, the City's Utility enterprise funds pay 5% of gross revenues as Contribution-in-Lieu of Taxes (CLT). In fiscal year 2007-08, revenue from CLT is estimated to be approximately $14.9 million, up 1.5% compared to last year. For fiscal year 2008-09, CLT is forecasted to be $15.6 million. The forecast is that CLT will increase to approximately $17.5 million by end of the Plan period.

The Plan estimate is primarily driven by the market projections for electric consumption that anticipate moderate growth in power demand during the Plan period. The Plan estimates also reflect the Water and Sewer Utilities' forecast of CLT based on projected increases in water/sewer usage and rates. The projected average annual increase in CLT is approximately 2.2% during the Plan period and incorporates existing Council policy on CLT relative to the Electric, Water and Sewer and Recycled Water Utilities.

Expenditures

General Fund expenditures are expected to grow at an average annual rate of 3.0% during the Plan period. This average growth figure reflects City-wide efforts to control operating costs by freezing approximately 27.5 positions, by limiting increases for other operating expenses and materials to CPI inflation, by restricting capital outlay expenses to items previously deferred, and by delaying non-critical capital improvement projects. The expenditure forecast also includes the operation and maintenance costs associated with the planned opening of the new International Swim Center in 2010-11 and the Bayshore North Branch Library in fiscal year 2012-13. The combined operating and maintenance expenses for these new facilities exceed $1.4 million and are key factors contributing to the projected deficits in the latter Plan period.

For fiscal year 2008-09 total expenditures are estimated to increase by 5.1% over fiscal year 2007-08. Expenditures for salaries and benefits are estimated to increase by 5.2% in fiscal year 2008-09 over fiscal year 2007-08 and by another 2.6% in fiscal year 2009-10. These costs include retiree healthcare, pension benefits, dental insurance, life insurance, Medicare, Social Security, anticipated payouts for retirees and the Employee Assistance Program. During the Plan period salaries and benefits are expected to increase an average of 3.0%. The increase in salaries and benefits reflects the increased cost for salaries and benefits including retirement and retirement health benefits as defined in the Memoranda of Understanding (MOU's) for the various bargaining units. In fiscal year 2008-09 the costs associated with new positions added to the general fund were offset by reductions through departmental reorganization, the elimination of other positions or the reduction in as needed or other operating costs.

Other operating expenses in fiscal year 2008-09 are estimated to increase by 5.7% compared to fiscal year 2007-08 and increase by 3.0% in fiscal year 2009-10. Average annual increases in other operating expenses are estimated to be 2.5% during the Plan period. These increases are consistent with the local consumer price index and reflect increases in maintenance and operating costs. In fiscal year 2008-09 internal service costs are projected to increase by 7.0% compared to fiscal year 2007-08 and are more reflective of the actual costs associated with providing these services to other departments.

CIP incremental operating costs are expected to range from $92 thousand to $1.8 million during the Plan period. These costs represent incremental operating costs from new facilities that are planned for construction during the Plan period.

The General Fund continues to fund the debt service related to the 1997 Police Building Certificates of Participation (Police Building COPS) and 2002 Central Park Library Certificates of Participation (Central Park Library COPS) from current revenues. Annual debt service payments on the Police Building COPs will average $1.2 million through the year 2022 and annual debt service on the Central Park Library COPS will average $1.6 million through the year 2032. The total General Fund to annual debt service is $6.4 million.

FINANCIAL, ECONOMIC, DEMOGRAPHIC AND GENERAL DISCUSSION

NATIONAL, REGIONAL AND LOCAL ECONOMIC ASSUMPTIONS

National, regional and local economic and demographic statistics were analyzed in making the projections presented in this Plan. The economic and demographic projections presented in this section are obtained from various sources including the Association of Bay Area Governments and the Congressional Budget Office. They are summarized in Table 1a, 1b and 1c, Appendix B (page 27). They include such economic indicators as gross domestic product (GDP), employment projections, interest rates, and changes in the national and Bay Area consumer price index. The demographic information includes population trends, household size, and mean household income for the City of Santa Clara.

Economic Conditions

The Bay Area economy, and in particular the Silicon Valley region, continues to grow slowly. Growth in fiscal year 2008-09 is projected to be flat or exceptionally weak, with the increased possibility that the City may be working its way out of a mild recession. During the Plan period, regional economic growth is forecasted to be moderate but with the Silicon Valley projected to be somewhat stronger than the rest of the region or the State as a whole. Regional inflation is expected to remain moderate with income growth in Santa Clara County flat to weak during fiscal year 2008-09 but strengthening during the Plan period. The major risks to the regional economy are the duration of the housing slump, the severity of the continued turmoil in the financial sector, and increases in interest rates, all which would negatively impact local economic growth. Job growth in the Bay Area and Silicon Valley is expected to be slow in fiscal year 2008-09 with some improvement during the Plan period as the economic situation improves.

The Association of Bay Area Governments (ABAG) 2008-09 forecast predicts regional growth to be very weak and parallel the national economy. The Santa Clara Metropolitan Statistical Area (MSA) is expected to experience an economic slowdown but is projected to remain one of the bright spots in the State. This is particularly important because during the last economic downturn, the Silicon Valley was the epicenter of the recession and experienced severe job losses. Santa Clara County employment growth is expected to grow by 5,030 jobs in 2008 and 8,050 in 2009. This compares with an increase of 13,000 jobs from December 2006 to December 2007. Bay Area inflation is expected to be 3.5% in 2008 and 3.0% in 2009. In the San Jose/Santa Clara/Sunnyvale Metropolitan Statistical Area the unemployment rate increased from 4.1% in December 2006 to 5.1% in December 2007. In addition, according to the Silicon Valley Index 2008, there has been a steady decline in mid-wage jobs, defined as those with wages from $30,000 to $80,000 per year. From 2002 to 2006 mid-wage jobs declined from 52% of total jobs to 46%. Declines occurred in the job categories of secretaries, general office clerks, customer service representatives, electrical engineering technicians and semi conductor processors. During this same period, lower wage jobs, defined as wages less than $30,000 per year increased from 22% to 27% of the workforce. Still, median household income rose 2% to $82,486 from 2005 to 2006. Over all the Silicon Valley has a much larger proportion of households earning $100,000 or more (39%) compared to either California (25%) or the nation as a whole (18%). This shows the region remains vibrant as per capita income is still rising due to these high wage earners. In addition, the commercial real estate market continues to improve as vacancy rates drop and rents rise. Through October 2007, commercial vacancy rates declined for the fourth year in a row. Demand was particularly strong for R&D space where vacancy rates declined by 11.5%. In 2007, for the first time in a decade, rental rates for commercial space increased two years in a row in all categories. The R&D and office sectors had their largest average increase in asking rent since 2002. Despite these positive developments in the commercial real estate market, commercial vacancy rates still remain 6.5 times higher than in 2000.

During the Plan period, the real change in Gross Domestic Product (GDP) is expected to average around 3.1% nationally, inflation as measured by the CPI is expected to average 2.2%, and unemployment is expected to average 4.9%. The interest rate for the 10-year Treasury is forecasted to average 5.2% during the Plan period. Based on ABAG's economic forecast for the Bay Area, the

regional economy is expected to experience slow but steady growth. In the near term, the housing slump should result in less construction spending, some households may curtail their consumer spending on high-ticket items and turmoil in the financial sector will create an additional drag on both the local and national economies. Local wage increases are also expected to be flat in 2008 and only slightly improved in 2009. But during the Plan period, economic growth is expected to return to historical averages. The Plan reflects these moderate growth and inflation assumptions.

The long-term fundamentals and economic health of the Bay Area remain solid. The Silicon Valley work force remains one of the most productive in the world. This labor productivity combined with the region's vibrant economic infrastructure should result in the region's long-term economic expansion and the continued production of value added goods and services. With the repositioning of local area businesses, there has been a renewed focus on the high-tech areas of green, clean technology and biotechnology as high growth industries. Additional venture capital investment is flowing into these areas, resulting in the Silicon Valley emerging as one of the top regions in the country for green, clean technology investment. A key to sustaining this regional expansion will be the continued growth in the high technology industries. Because of the turbulence in the financial markets, the retraction of the residential real estate markets and a slowdown in consumer spending, the local and national economies are expected to show some deceleration over the next 9 to 12 months. However, the long term economic forecast remains upbeat during the Plan period. The region is expected to add both jobs and population during the Plan period. While economic turbulence and globalization will continue to affect the Silicon Valley, innovation based economies like the one found here should continue to thrive in this rapidly changing environment. Clean technology is one area wherein the region may already have a long term competitive advantage with 21% of the nation's cleantech venture funding coming to Silicon Valley. The local economy should experience broad changes across a variety of economic sectors. Outsourcing will continue to be a factor affecting the local economy. However, the highly productive, well educated work force and the high concentration of venture capital should continue to give Silicon Valley a competitive advantage in the global market place.

Demographic Statistics

Population growth projections indicate that Santa Clara County will continue to be the most populous county in the region. As of January 2008 Santa Clara County has a population of 1.84 million. By 2010 The Association of Bay Area Governments (ABAG) forecasts that the Santa Clara County population will grow to 1.87 million. As of January 2008 the City has a population of 115,503.

ABAG estimates that the City's population will grow to approximately 117,800 in 2010, an increase of 2.0%. The development of the former BAREC site for Senior Housing and market rate housing, and the planned development of several below market housing projects and some mixed-use developments will also contribute to the City's population growth. With this population growth, demands for City services will also increase.

OTHER ISSUES AND CITY POLICY ITEMS

Other issues that are significant in assessing and projecting the City's fiscal capacity over the Plan period include City Council goals, General Contingency Reserves policy, legal and administrative requirements, electric power industry environment, City land use issues, economic development activities including provision of affordable housing, and technological improvements.

Political, Legal and Administrative Requirements

Santa Clara is a Charter City, with the current charter approved by the electorate in 1951 and updated in 2000. The City Charter establishes the form of government, sets forth the powers and duties of the Mayor, City Council, and the City Manager and organizes the City's various boards and commissions.

The residents elect a City Council composed of seven citizens, a Mayor and six councilmembers, all directly elected at large, who serve

terms of four years each and who, in turn, appoint a City Manager. The City operates under a Council-Manager form of government. The City Manager is the Chief Executive Officer responsible for the proper administration of all affairs of the City.

The City Charter contains strict requirements for a balanced budget and provisions to ensure that funds are not expended without legal appropriation. Administrative guidelines with respect to budget development and execution ensure strict adherence to the Charter requirements. The City is also subject to various other finance-related legal requirements such as the legal debt limit, appropriations limits of Propositions 111 and 4, Proposition 218 and various financial audit requirements that it has consistently met through requisite administrative guidelines.

Electric Power Industry

Silicon Valley Power (SVP), the City's Electric Utility, operates in a relatively favorable but competitive business environment, providing electric power to over 50,000 City customers. SVP owns power generation facilities, has investments in joint ventures that produce electric power, and trades power on the open market. One of its primary goals is to remain competitive in the marketplace and maintain its continuous focus on customer service. While the business environment has changed, and continues to do so, SVP's dedication to its customers and its traditional values remains paramount. Each year SVP prepares a five-year financial plan (see page 23). SVP also develops a Strategic Plan to adapt to the changes in the electrical power industry. During the Plan period, the City and SVP will continue to monitor the ever-changing situation and future developments in the power industry. SVP will continue to develop and modify its strategies to successfully adapt to the power industry's operating environment. This means preparing for the new competitive electric market by continuing to implement green technologies, further streamlining operations and working with its customers to enhance the value they receive from municipal ownership of their electric utility.

City Land Issues

General information regarding the City's current land use, development potential, and specific plans as outlined in the City General Plan (2000–2010) dated July, 2002, updated in February, 2005, has been considered in the preparation of the Plan. A key upcoming project is the comprehensive update of the City's General Plan. This effort will include the environmental analysis and community outreach efforts necessary to chart the City's future. Several significant projects are scheduled for completion during the Plan period. The former Bay Area Research Extension Center (BAREC) site when realized will include 165 senior housing units and 110 single-family homes. The South of Forest neighborhood improvement project will upgrade streets to City standards, improve drainage and increase safety of pedestrians and vehicular traffic. The Bill Wilson Center Commons Project is a 28 unit apartment complex being renovated for use as permanent housing for youth transitioning out of foster care and staff counselors who mentor youth residents. The City will also continue its financing program to provide mortgage financing to moderate income first time home buyers. While new residential development in the City is necessary, it will also require additional General Fund expenditures to meet the costs associated with the increased demand for recreation, police and fire services. These costs are in addition to those already estimated in the Plan.

Another major project, included in this year's capital plan, is the Bayshore North Branch Library which will provide a branch library to the residents of the area. The design costs are also included for the updating of the International Swim Center project which will include the construction of 4 new pools. The City is also expanding its Green Program which includes low emitting diode traffic signals, evaluating the construction of a completely green office building and using solar panels on substations. There are also several upgrades and new additions to the Silicon Valley Power's infrastructure including construction of several substations, modifications to the medium voltage distribution system, modifications to high voltage power line distribution system and requested fiber optic connections and extensions. The City also plans a major upgrade to the sanitary sewer system to enhance the capacity and reliability of service. Operating

costs associated with these new capital projects have been incorporated into the Plan or the appropriate utilities' 5 year plan which are part of this document.

Finally, City staff completed the San Francisco 49'ers stadium feasibility study and the City Council voted in January 2008 to continue further negotiations between the City and the 49'ers. The City and 49'ers will now develop a Term Sheet describing the stadium transaction before submitting the project to the citizens as part of a ballot measure in November. Since only those projects are included in the Plan for which an estimated occupancy date is known, there is nothing included in the Plan for this project. As completion dates for specific projects become better known, additional revenues and expenditures are added to the Plan.

The City has generally followed a policy of leasing, rather than selling, City land. As a policy, ground leases of City land will continue to be used, when appropriate, as additional sources of long-term revenue. The ground lease of the Yerba Buena property to The Irvine Company is consistent with this policy. However, during fiscal years 1996-97 and 1997-98, Council approved the sale of selected City-owned property. These decisions were intended to enhance industry and business expansion in the City and as such are consistent with the City Council's goal to promote the economic success of Santa Clara. The City Council has also adopted a policy that the proceeds of the sale of City-owned land be placed in a designated General Contingency Reserve for the Proceeds of Land Sales. On June 10, 1997 City Council authorized staff to establish the General Contingency Reserve for Non-Expendable Land Sale Proceeds (Land Sale Reserve). Net proceeds from the sale of City-owned land are held in the Land Sale Reserve and the interest earned on these funds is available for General Fund appropriations. Only the interest earnings from the account are available for appropriation through the annual budget process, or by specific City Council action. The projected balance in the account as of June 30, 2008 is approximately $17.0 million.

Long Term Maintenance - City Buildings/Structures

The City has a preventive maintenance program designed to maintain the appearance and operating efficiency of City buildings and facilities. The funds budgeted for the program cover regular maintenance such as repairs, replacement, or upgrade of building components, and minor landscape work. Staff has incorporated the projected expenditures for this program in the Plan. The proposed Plan includes expenditure projections for requested major projects and regular maintenance items that may be needed during the next five years.

Contingency Reserve Policy

During fiscal year 1985-86, the City Council established a policy regarding use of the City's General Contingency Reserve funds. Under that policy, two separate reserves were established: a Working Capital (Emergency) Reserve and a General Contingency Reserve for Capital Projects. The Working Capital Reserve is set aside for emergency, financial crisis or disaster situations. Current policy for the Working Capital Reserve is to provide funding for 90 days of General Fund budgeted expenditures. For fiscal year 2008-09 this would be approximately $37.1 million compared to an estimated available balance of $20.7 million as of June 2008. During fiscal years 2002-03, 2003-04 and 2004-05 approximately $20.5 million in reserves were used to meet the City's financial needs. Over the last few years because of the severity of the City's financial situation, the 90 day Working Capital Reserve for the General Fund has not been met. During the Plan period, it is forecasted that the City may again rely on its Working Capital Reserve to meet operating deficits. Based on the Plan forecast it is estimated that the balance of the Working Capital Reserve will decrease from $20.7 million in June 2008 to $12.1 million in June 2014. The estimated beginning balance of $14.6 million in fiscal year 2013-14 for the Working Capital Reserve represents approximately 8.5% of the General Fund operating budget compared to the 25% minimum under Council policy. The current and projected balances of both the Working Capital Reserve and the General

Contingency Reserve for Capital Projects are presented in Schedule D, page 19.

The General Contingency Reserve for Capital Projects funds are set aside to fund the City's capital spending program. The projects in the program maintain basic City infrastructure and quality facilities. The Council adopted a policy in fiscal year 1996-97 to maintain a minimum of $5 million in the General Contingency Reserve for Capital Projects. As of June 2008 the balance in this fund is estimated to be $7.7 million. It will be drawn down to $1 million in 2008-09 in order to fund Capital Projects of $6.7 million, as part of the total funding for the CIP budget. During the Plan period, the General Contingency Reserve for Capital Projects fund is not projected to meet the $5 million balance. If all the projects in the Plan were approved the balance in the General Contingency Reserve for Capital Projects would be sometime in fiscal year 2009-10.

Historically, these precautionary reserve balances, coupled with the City's excellent credit rating and above revenue coverage of its obligations, allowed the City to maintain its sound financial position. This has made it unlikely that the City would have to levy higher taxes or take similar measures to fund necessary General Operating Fund expenditures. For this reason Staff will be carefully monitoring changes in the City's financial situation as well as our local economy.

CAPITAL IMPROVEMENTS PROGRAM FUNDING OPTIONS

Another function of the Plan is to determine the City's financial capacity to fund its capital improvement program. A summary of the Proposed Capital Project Costs is contained in Schedule B (pages 16-17) along with available project funding. The amount of "Net to be Funded Costs" is shown in Schedule C (page 18). Details of all proposed projects are contained in the Capital Improvement Plan.

Staff analysis indicates that the balance in the General Contingency Reserve for Capital Projects will be approximately $7.7 million as of June 30, 2008. If all the projects in the Plan are approved then sometime in fiscal year 2009-10, the balance in the General Contingency Reserve for Capital Projects will be depleted. This reserve balance is not forecasted to increase during the Plan period due to efforts to replenish the Working Capital Reserve and projected General Operating Fund deficits forecasted during the Plan period. Therefore there will not be sufficient funds to cover the total capital project costs in the Five Year Plan. Staff is reviewing options and will present City Council with a discussion during the 2008-09 Study Sessions.

ENTERPRISE TYPE PROGRAMS

The City owns and operates various enterprise type activities including the Electric, Water, and Sewer utilities, Solid Waste program, City Cemetery, and the Sports and Open Space Authority. A five year projection of individual enterprise fund revenues and expenses is included as part of Appendix A of this Plan. The projections were prepared by the respective entities with underlying economic and other pertinent assumptions that may differ from those outlined in this Plan. Also, this Plan does not include any analysis of the respective enterprise entities' reserves or plans for financing the listed projects. Presentation of enterprise fund information in this Plan is designed to draw attention to their financial relationship to the City's General Fund, and to give Council an overview of their major capital improvement projects over the next five years.

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Schedule A

TEN YEAR RESOURCE AND EXPENDITURE TREND

GENERAL OPERATING FUNDS

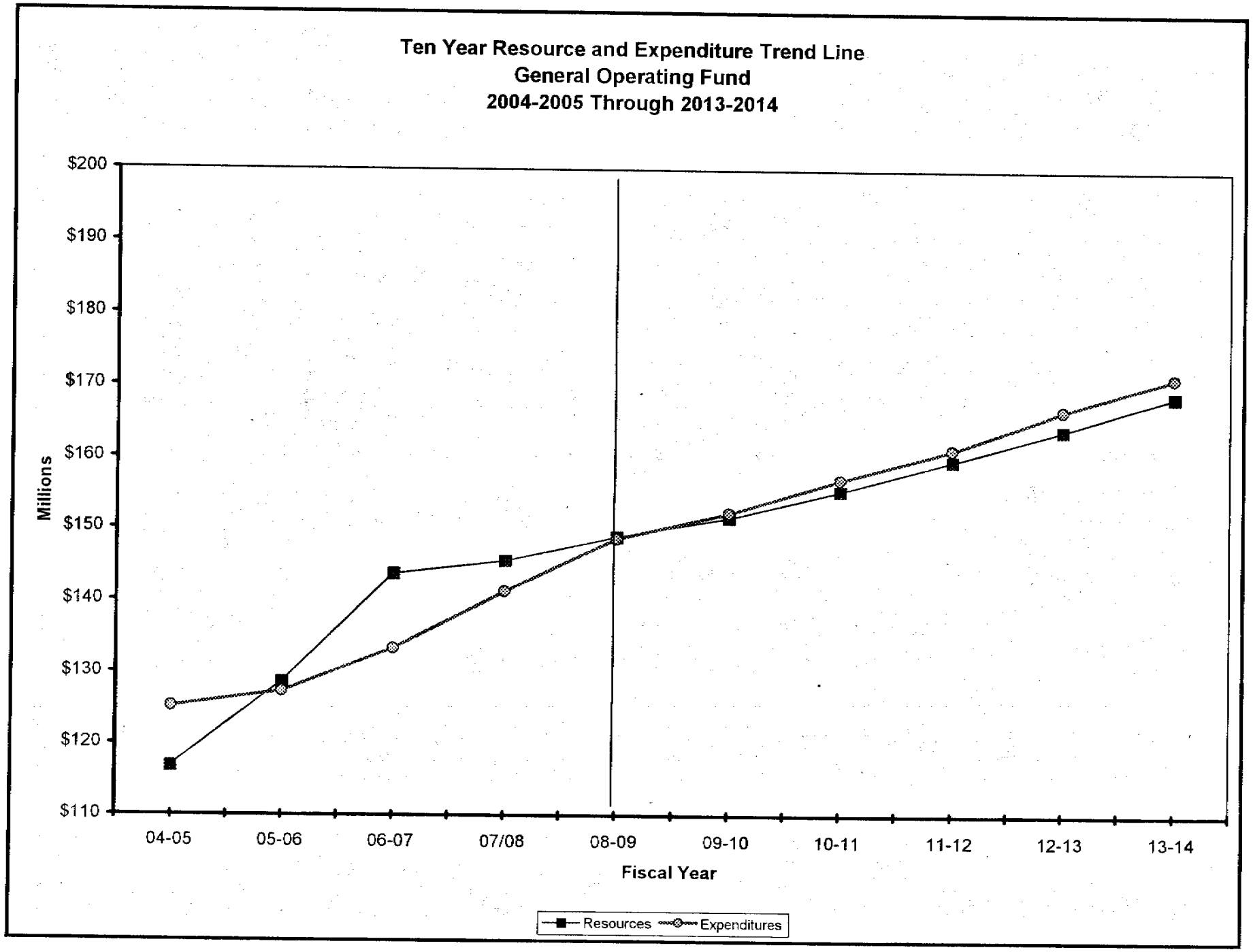
	Actual - Fiscal Year				Proposed
	2004-2005	2005-2006	2006-2007	2007 - 2008	2008 - 2009
ESTIMATED RESOURCES					
Property Tax	$ 19,934,513	$ 22,032,336	$ 25,468,193	$ 27,600,000	$ 28,566,000
Sales Tax	37,076,578	38,142,524	43,217,143	40,708,000	40,307,000
Transient Occupancy Tax	7,795,616	9,341,790	10,306,555	11,450,000	11,794,000
Franchise Tax	2,755,470	2,907,192	3,166,797	2,941,120	3,000,000
Documentary Transfer Tax	1,146,343	1,708,157	1,173,816	1,000,000	1,000,000
Subtotal	**68,708,520**	**74,131,999**	**83,332,504**	**83,699,120**	**84,667,000**
Licenses and Permits	3,636,945	3,432,757	3,351,007	3,003,100	3,063,000
Fines and Penalties	1,504,816	1,561,111	1,772,055	1,615,000	1,631,000
Interest	5,946,076	4,651,653	5,146,005	4,850,000	5,064,500
Rents and Leases	6,983,264	2,823,148	3,047,454	2,765,000	3,052,000
Vehicle License Fee	1,155,322	2,447,284	735,999	678,000	685,000
Revenue From Other Agencies	1,124,264	763,604	1,328,540	1,085,000	1,085,000
Charges For Current Services	13,325,909	18,325,581	18,796,584	18,612,161	18,903,679
Contribution In-Lieu of Taxes	11,992,617	12,860,316	14,722,138	14,938,832	15,556,435
Other Revenue	198,347	118,938	607,331	243,983	246,000
Subtotal	**45,867,560**	**46,984,392**	**49,507,113**	**47,791,076**	**49,286,614**
Inter-fund Transfers	**2,362,190**	**7,490,947**	**10,870,111**	**13,989,075**	**14,866,819**
Total Estimated Resources	**116,938,270**	**128,607,338**	**143,709,728**	**145,479,271**	**148,820,433**
ESTIMATED EXPENDITURES					
Salaries and Benefits	94,047,591	96,026,943	101,400,335	108,004,476	113,660,544
Other Operating Expenditures	20,167,740	19,858,896	20,256,136	20,355,088	21,518,027
CIP Incremental Operating Costs	-	-	-	-	
Total Operating Expenditures	**114,215,331**	**115,885,839**	**121,656,471**	**128,359,564**	**135,178,571**
Interfund Services	4,717,358	5,056,066	5,345,919	6,567,211	7,024,343
Debt Service	6,341,549	6,347,106	6,347,083	6,364,007	6,356,794
Total Estimated Expenditures	**125,274,238**	**127,289,011**	**133,349,473**	**141,290,782**	**148,559,708**
Surplus or (Deficit)	**$ (8,335,968)**	**$ 1,318,327**	**$ 10,360,255**	**$ 4,188,489**	**$ 260,725**

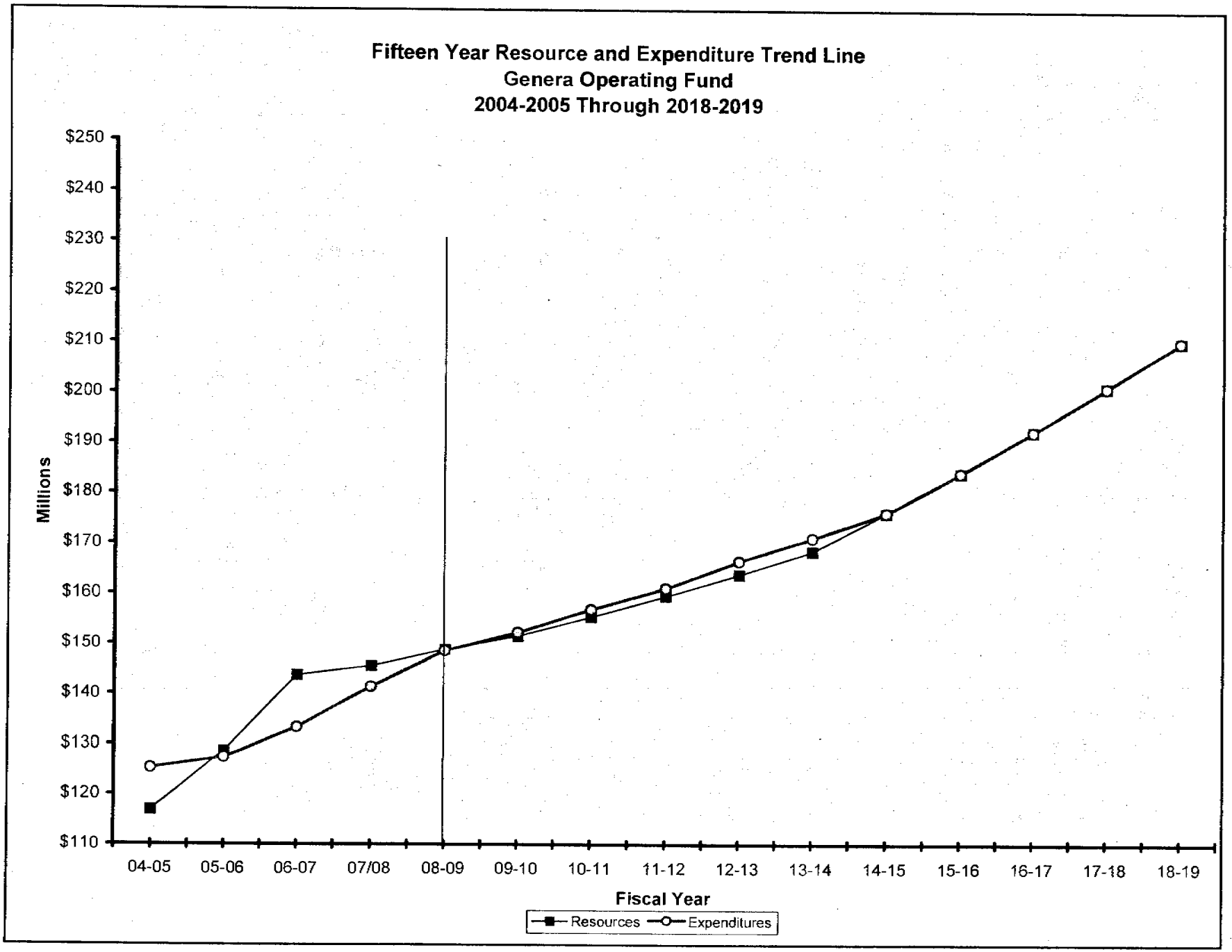
Schedule A

TEN YEAR RESOURCE AND EXPENDITURE TREND (continued)

GENERAL OPERATING FUNDS

	Forecasted - Fiscal Year				
	2009 - 2010	2010 - 2011	2011-2012	2012-2013	2013-2014
ESTIMATED RESOURCES					
Property Tax	$ 29,566,000	$ 30,601,000	$ 31,672,000	$ 32,781,000	$ 33,928,000
Sales Tax	41,919,000	43,596,000	45,340,000	47,154,000	49,040,000
Transient Occupancy Tax	12,207,000	12,634,000	13,076,000	13,534,000	14,008,000
Franchise Tax	3,060,000	3,121,000	3,183,000	3,247,000	3,312,000
Documentary Transfer Tax	1,010,000	1,020,000	1,030,000	1,051,000	1,072,000
Subtotal	**87,762,000**	**90,972,000**	**94,301,000**	**97,767,000**	**101,360,000**
Licenses and Permits	3,094,000	3,125,000	3,156,000	3,188,000	3,220,000
Fines and Penalties	1,647,000	1,663,000	1,680,000	1,697,000	1,714,000
Interest	5,130,000	5,197,000	5,265,000	5,333,000	5,402,000
Rents and Leases	3,097,780	3,144,247	3,191,410	3,239,282	3,430,264
Vehicle License Fee	692,000	699,000	706,000	713,000	720,000
Revenue From Other Agencies	1,085,000	1,085,000	1,085,000	1,085,000	1,085,000
Charges For Current Services	18,998,000	19,093,000	19,188,000	19,284,000	19,380,000
Contribution In-Lieu of Taxes	16,011,376	16,193,799	16,601,168	17,032,933	17,486,184
Other Revenue	248,000	250,000	253,000	256,000	259,000
Subtotal	**50,003,156**	**50,450,046**	**51,125,578**	**51,828,215**	**52,696,448**
Inter-fund Transfers	**13,741,000**	**13,878,000**	**14,071,000**	**14,157,000**	**14,299,000**
Total Estimated Resources	**151,506,156**	**155,300,046**	**159,497,578**	**163,752,215**	**168,355,448**
ESTIMATED EXPENDITURES					
Salaries and Benefits	116,570,361	120,067,472	123,669,496	127,379,581	131,200,968
Other Operating Expenditures	22,164,000	22,718,000	23,286,000	23,868,000	24,465,000
CIP Incremental Operating Costs	92,200	637,200	664,500	1,681,700	1,787,200
Total Operating Expenditures	**138,826,561**	**143,422,672**	**147,619,996**	**152,929,281**	**157,453,168**
Interfund Services	7,052,000	7,080,000	7,108,000	7,136,000	7,165,000
Debt Service	6,319,876	6,328,386	6,319,951	6,332,342	6,332,342
Total Estimated Expenditures	**152,198,437**	**156,831,058**	**161,047,947**	**166,397,623**	**170,950,510**
Surplus or (Deficit)	**$ (692,281)**	**$ (1,531,012)**	**$ (1,550,368)**	**$ (2,645,408)**	**$ (2,595,062)**


Ten Year Resource and Expenditure Trend Line
General Operating Fund
2004-2005 Through 2013-2014
$200
$190
$180
$170
$160
$150
$140
$130
$120
$110
Millions
04-05
05-06
06-07
07/08
08-09
09-10
10-11
11-12
12-13
13-14
Fiscal Year
Resources
Expenditures


Fifteen Year Resource and Expenditure Trend Line
Genera Operating Fund
2004-2005 Through 2018-2019
Millions
$250
$240
$230
$220
$210
$200
$190
$180
$170
$160
$150
$140
$130
$120
$110
04-05
05-06
06-07
07/08
08-09
09-10
10-11
11-12
12-13
13-14
14-15
15-16
16-17
17-18
18-19
Fiscal Year
Resources
Expenditures

Schedule B

PROPOSED CAPITAL PROJECT COSTS

Fund	Fund Name	Fiscal Year 2009 - 10	2010 - 11	2011 - 12	2012-13	2013-14
Streets and Highways Programs:						
521	Special Gas Tax (2105)	$ 372,100	$ 379,900	$ 388,000	$ 396,400	$ 405,000
522	Special Gas Tax (2107)	1,025,000	1,025,000	825,000	1,225,000	1,275,000
524	Collier-Unruh Act (2106)	640,000	660,000	680,000	700,000	720,000
525	Traffic Mitigation	650,000	650,000	3,843,000	1,243,000	650,000
531	Street Beautification	90,000	480,000	875,000	70,000	70,000
533	Streets and Highways	2,617,000	1,441,000	75,000	290,000	50,000
	Sub-Total	**5,394,100**	**4,635,900**	**6,686,000**	**3,924,400**	**3,170,000**
General Government Programs:						
532	Parks and Recreation	12,750,000	1,590,000	1,985,000	6,480,000	3,075,000
535	Storm Drains	2,395,000	2,425,000	2,395,000	11,035,000	2,195,000
536	Fire Department	110,650	116,700	122,800	110,000	115,000
537	Library	77,000	60,000	41,000	41,000	36,000
538	Public Buildings	1,363,500	4,549,000	6,565,000	2,695,000	505,000
539	General Government-Other	-	-	-	-	-
562	Community Services (HUD)	660,000	660,000	660,000	800,000	160,000
	Sub-Total	**17,356,150**	**9,400,700**	**11,768,800**	**21,161,000**	**6,086,000**
TOTAL PROPOSED COSTS		**$ 22,750,250**	**$ 14,036,600**	**$ 18,454,800**	**$ 25,085,400**	**$ 9,256,000**

Schedule B

FUNDED / UNFUNDED PROJECT COSTS

	Fiscal Year				
	2009 - 10	2010 - 11	2011 - 12	2012-13	2013-14
*** Funded Project Costs:**					
Streets and Highways Program	$ 4,224,100	$ 3,055,900	$ 5,186,000	$ 2,729,400	$ 1,925,000
General Government Program	750,000	750,000	750,000	9,660,000	210,000
Sub-Total	4,974,100	3,805,900	5,936,000	12,389,400	2,135,000
Unfunded Project Costs:					
Streets and Highways Program	1,170,000	1,580,000	1,500,000	1,195,000	1,245,000
General Government Program	16,606,150	8,650,700	11,018,800	11,501,000	5,876,000
Sub-Total	17,776,150	10,230,700	12,518,800	12,696,000	7,121,000
TOTAL SOURCES OF REVENUE	**$ 22,750,250**	**$ 14,036,600**	**$ 18,454,800**	**$ 25,085,400**	**$ 9,256,000**

*** See detailed listing of individual Capital Projects**

Schedule C

SUMMARY - NET TO BE FUNDED

Fund	Fund Name	Fiscal Year 2009 - 10	2010 - 11	2011 - 12	2012-13	2013-14
Streets and Highways Programs:						
521	Special Gas Tax (2105)	$ -	$ -	$ -	$ -	$ -
522	Special Gas Tax (2107)	420,000	420,000	615,000	1,165,000	1,215,000
524	Collier-Unruh Act (2106)	-	-	-	-	-
525	Traffic Mitigation	650,000	650,000	-	-	-
531	Street Beautification	50,000	440,000	835,000	30,000	30,000
533	Streets and Highways	50,000	70,000	50,000	-	-
	Sub-Total	**1,170,000**	**1,580,000**	**1,500,000**	**1,195,000**	**1,245,000**
General Government Programs:						
532	Parks and Recreation	12,700,000	1,540,000	1,935,000	6,430,000	3,025,000
535	Storm Drains	2,195,000	2,225,000	2,195,000	2,225,000	2,195,000
536	Fire Department	110,650	116,700	122,800	110,000	115,000
537	Library	77,000	60,000	41,000	41,000	36,000
538	Public Buildings	1,363,500	4,549,000	6,565,000	2,695,000	505,000
539	General Government-Other	-	-	-	-	-
562	Community Services (HUD)	160,000	160,000	160,000	-	-
	Sub-Total	**16,606,150**	**8,650,700**	**11,018,800**	**11,501,000**	**5,876,000**
	Sub-Total General Funds	**17,776,150**	**10,230,700**	**12,518,800**	**12,696,000**	**7,121,000**
Enterprise Funds:						
593	Cemetery	2,900	5,500	3,001,500	1,509,800	1,500
596	Solid Waste	435,000	511,428	526,433	555,234	620,033
	Sub-Total	**437,900**	**516,928**	**3,527,933**	**2,065,034**	**621,533**
Agency Funds						
840	SOSA	200,000	100,000	100,000	100,000	-
		200,000	**100,000**	**100,000**	**100,000**	**-**
TOTAL NET TO BE FUNDED		**$ 18,414,050**	**$ 10,847,628**	**$ 16,146,733**	**$ 14,861,034**	**$ 7,742,533**

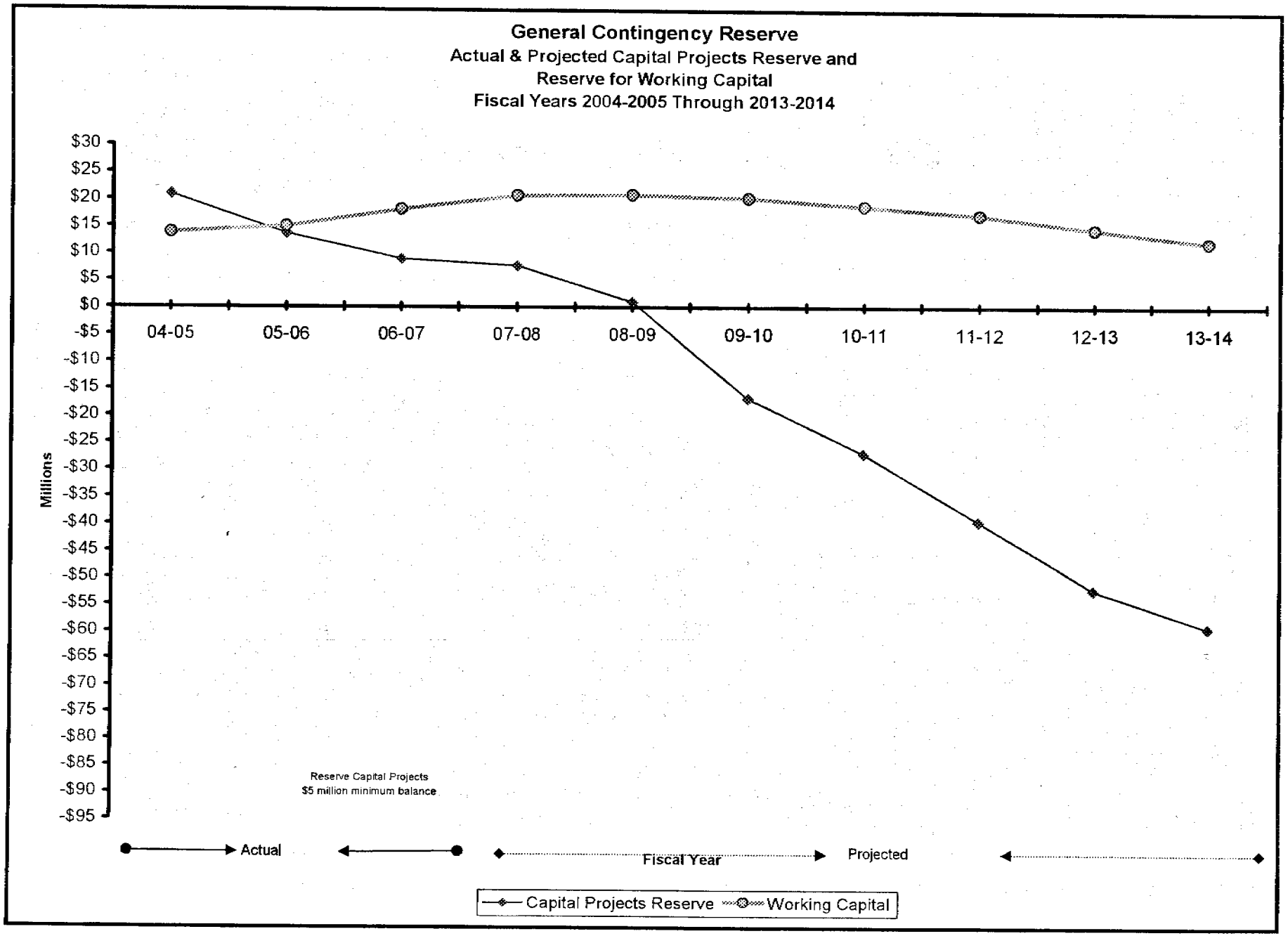
Schedule D

GENERAL CONTINGENCY RESERVE

PROJECTED FLOW OF FUNDS

CAPITAL PROJECTS RESERVE		RESERVE FOR WORKING CAPITAL
$ 7,746,720	Balance Est. June 30, 2008	$ 20,666,869
-	2008-2009 General Operating Funds (Page 13)	260,725
(6,746,720)	Capital Projects - Net To Be Funded	-
-	Working Capital Adjustment	-
$1,000,000	**BALANCE - JUNE 30, 2009**	**$20,927,594**
-	2009-2010 General Operating Funds (Page 13)	(656,281)
(17,776,150)	Capital Projects - Net To Be Funded (Page 18)	-
-	Working Capital Adjustment	-
($16,776,150) *	**BALANCE - JUNE 30, 2010**	**$20,271,313**
	2010-2011 General Operating Funds (Page 13)	(1,493,012)
(10,230,700)	Capital Projects - Net To Be Funded (Page 18)	-
-	Working Capital Adjustment	-
($27,006,850) *	**BALANCE - JUNE 30, 2011**	**$18,778,301**
	2011-2012 General Operating Funds (Page 13)	(1,565,368)
(12,518,800)	Capital Projects - Net To Be Funded (Page 18)	-
-	Working Capital Adjustment	-
($39,525,650) *	**BALANCE - JUNE 30, 2012**	**$17,212,933**
-	2012-2013 General Operating Funds (Page 13)	(2,604,408)
(12,696,000)	Capital Projects - Net To Be Funded (Page 18)	-
-	Working Capital Adjustment	-
($52,221,650) *	**BALANCE - JUNE 30, 2013**	**$14,608,525**
-	2013-2014 General Operating Funds (Page 13)	(2,552,062)
(7,121,000)	Capital Projects - Net To Be Funded (Page 18)	-
-	Working Capital Adjustment	-
($59,342,650) *	**BALANCE - JUNE 30, 2014**	**$12,056,463**

*** Amount available for funding Capital Projects. Negative balances indicate a need for debt financing or delaying projects until future years.**


General Contingency Reserve
Actual & Projected Capital Projects Reserve and
Reserve for Working Capital
Fiscal Years 2004-2005 Through 2013-2014
$30
$25
$20
$15
$10
$5
$0
-$5
-$10
-$15
-$20
-$25
-$30
-$35
-$40
-$45
-$50
-$55
-$60
-$65
-$70
-$75
-$80
-$85
-$90
-$95
Millions
04-05
05-06
06-07
07-08
08-09
09-10
10-11
11-12
12-13
13-14
Reserve Capital Projects
$5 million minimum balance
Actual
Fiscal Year
Projected
Capital Projects Reserve
Working Capital

Schedule E

HISTORICAL ANALYSIS
of the
GENERAL CONTINGENCY RESERVE

ITEM DESCRIPTION	Fiscal Year 2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Beginning Balance:					
Date	**July 1, 2003**	**July 1, 2004**	**July 1, 2005**	**July 1, 2006**	**July 1, 2007**
Amount	$ 55,806,517	$ 45,158,265	$ 34,693,658	$ 26,472,755	$ 32,194,695
Add: Transfer In					
General Operating Surplus (Deficit)	(9,223,536)	(8,335,968)	1,318,327	10,360,255	4,188,489 *
Capital Projects Fund - Repmt.	4,408,332	6,373,925	-	473,313	1,240,000
RDA Parking Garage Reserve	-	-	-	-	-
Loan Repayment	5,814	24,853	23,401	24,687	18,505
Sub-Total	(4,809,390)	(1,937,190)	1,341,728	10,858,255	5,446,994
Less: Transfer Out					
General Operating	17,226	13,103	27,500	64,500	180,022
Capital Improvement Fund	4,462,536	6,304,000	6,267,859	3,361,400	7,599,498
Cemetery	47,757	155,838	410,940	175,190	93,154
Worker's Comp. Insurance	-	1,347,367	2,429,184	707,800	
SOSA Loans	-	100,000	-	-	100,000
Special Liability Insurance	-	-	-	-	-
Solid Waste	1,300,353	582,669	396,252	504,160	1,192,219
Miscellaneous	10,990	24,440	30,896	23,265	63,207
Sub-Total	5,838,862	8,527,417	9,562,631	4,836,315	9,228,100
Ending Balance:					
Amount	$ 45,158,265	$ 34,693,658	$ 26,472,755	$ 32,494,695	$ 28,413,589
Date	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	Est. June 30, 2008
Working Capital Reserve	$ 22,163,972	$ 13,828,004	$ 15,146,331	$ 18,133,786	$ 20,666,869
Capital Improvement Projects Res.	22,994,293	20,865,654	11,326,424	14,060,909	7,746,720
Total Reserve	$ 45,158,265	$ 34,693,658	$ 26,472,755	$ 32,194,695	$ 28,413,589

*** Estimated 2007/08 operating surplus (Deficit)**

ACTION PLAN

The following actions are included in Plan:

1. Review the City's forecasted General Operating Fund expenditures to identify areas for future cost reductions and efficiencies and the City's revenue sources for possible revenue enhancements with the goal of implementing a balanced General Operating Fund budget.

2. Review the five-year capital improvement project plan included in the proposed 2008-09 Capital Improvement Project Budget to assure that the projects are consistent with the City's long-term Budget Principles including:

   - Budget decisions will be made with long-term implications taken into account, using data from the Five-Year Financial Plan
   - Value of fiscal responsibility will be used as a guide for decisions
   - Focus on benefit to community as a whole
   - During this time of economic uncertainty, the City will need a period of time to determine whether the current economic status will continue on a path to recovery
   - Inform residents, businesses and employees of challenges and the City's responses
   - Budget decisions will be made as a whole in context, with no special requests considered in isolation
   - Any reduction of permanent positions will be through attrition, retirement, with avoidance of layoffs as a goal
   - Continue to balance budget without use of emergency reserves throughout current 5 Year Financial Plan
   - Reduce hours of operations where possible while maintaining essential service levels
   - Review options for consolidation of functions that reduce operational costs and improve efficiency
   - Capital Improvement Projects (CIP) that have significant continuing staffing, operational and maintenance costs will be evaluated for deferral/elimination
   - Consider delay in opening or phase in opening of new facilities
   - The perception of funding actions, as well as the fiscal impact, will be considered before expenditures are made
   - Complete a long-range plan to increase certain fees which reduce subsidy from the General Fund while maintaining the City's low-fee structure
   - Continue to implement a Council policy to rebuild General Fund Contingency Reserves (Working Capital and Capital) for the long-term financial health of the City

Appendix A

Utility Funds Projected Revenues

Santa Clara
All-America City
2001

CITY OF SANTA CLARA
ELECTRIC UTILITY
REVENUE AND EXPENDITURE PROJECTIONS

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
ESTIMATED REVENUE					
Charges for Current Service (1)	$ 249,797,117	$ 252,964,078	$ 256,131,039	$ 259,298,000	$ 262,464,961
Mandated Revenue, not subject to CLT (2)	7,701,310	7,798,949	7,896,587	7,994,225	8,091,863
Use of Money & Property	12,513,131	12,113,737	11,909,433	11,357,657	10,834,755
Other Revenue (Except Bond Proceeds)	10,332,888	6,768,485	6,867,532	7,263,188	7,460,176
Beginning Balance - Capital Projects	-	-	-	-	-
To Be Funded - CIP #091	-	-	-	-	-
Budgeted CRF Withdrawal or Rate Increase	25,132,891	7,684,333	13,862,418	21,013,722	21,588,430
Total Revenue	**305,477,338**	**287,329,583**	**296,667,009**	**306,926,792**	**310,440,185**
ESTIMATED EXPENDITURES					
Utility & Street Light Construction (3)	$ 26,861,800	$ 15,942,700	$ 16,473,600	$ 16,504,500	$ 12,140,035
Salaries & Benefits	21,646,987	22,188,162	22,742,866	23,311,438	23,894,224
Other Operating Expenditures	13,491,797	13,829,092	14,174,819	14,529,190	14,892,420
Resource & Production Costs					
Purchased Power, Non-JPA (7)	48,309,508	50,456,473	56,819,205	59,518,949	63,948,602
Purchased Power, JPA	104,504,449	94,358,454	94,834,107	94,428,416	95,135,342
Other Production Costs	47,037,466	46,613,882	45,609,738	52,099,632	53,376,635
Mandated Cost (4)	7,701,310	7,798,949	7,896,587	7,994,225	8,091,863
Internal Service Funds	8,298,713	8,506,180	8,718,835	8,936,806	9,160,226
Contribution-in-lieu of Taxes	13,632,157	13,592,315	13,745,400	13,895,942	14,037,995
Debt Service (5)	13,993,151	14,043,376	15,651,851	15,707,694	15,762,844
Total Expenditures	**305,477,338**	**287,329,583**	**296,667,008**	**306,926,792**	**310,440,185**
TOTAL AVAILABLE REVENUE (6)	$ -	$ -	$ -	$ -	$ -
Cost Reduction Fund Balance - End of FY	**$142,025,964**	**$134,341,631**	**$120,479,213**	**$99,465,491**	**$77,877,061**

(1) Assumes present rates at 8.19 cents/kWh (Excl. PBC, SS)
(2) Mandated Revenue: PBC, State Surcharge
(3) Includes Electric Utility General Operating Funds 091 and 491 and Elec Utility Capital Improve. Funds 591 and 534.
(4) Mandated Cost to include PBC and State Surcharge
(5) Including DVR on line January 2005
(6) Deficits funded either from Cost Reduction Fund or additional revenue from rate increases
(7) Excludes ISO-related costs collected as Mandated Cost

Note: Avg. Cost of Gas- $/MMBtu	$ 7.11	$ 7.04	$ 6.89	$ 7.89	$ 8.09

CITY OF SANTA CLARA
WATER UTILITY
REVENUE AND EXPENDITURE PROJECTIONS

	Fiscal Year				
ESTIMATED REVENUE	**2009 - 10**	**2010 - 11**	**2011 - 12**	**2012 - 13**	**2013 - 14**
Transfers From (To) Reserves	$ 1,818,220	$ 2,504,300	$ 888,700	$ 468,500	$ (847,000)
Customer Service Charges	23,185,000	25,504,000	28,054,000	30,859,000	33,945,000
Other Revenue 2.	1,118,000	1,163,000	1,210,000	1,258,000	1,308,000
Use of Money and Property	549,000	560,000	571,000	582,000	594,000
Additional Revenue from Rate Adjustments 1.	2,319,000	2,550,000	2,805,000	3,086,000	3,395,000
Total Revenue	**28,989,220**	**32,281,300**	**33,528,700**	**36,253,500**	**38,395,000**
ESTIMATED EXPENDITURES					
Salaries and Benefits 2.	$ 5,149,000	$ 5,355,000	$ 5,569,000	$ 5,792,000	$ 6,024,000
Other Operating Expenditures 3.	905,000	932,000	960,000	989,000	1,019,000
Resources and Production 4.	15,809,000	17,548,000	19,478,000	21,621,000	23,999,000
Internal Service Fund Allocations 3.	2,240,000	2,307,000	2,376,000	2,447,000	2,520,000
Contribution-in-Lieu of Taxes	1,359,000	1,489,000	1,632,000	1,789,000	1,962,000
Utility Capital Improvements	3,527,220	4,650,300	3,513,700	3,615,500	2,871,000
Total Expenditures	**28,989,220**	**32,281,300**	**33,528,700**	**36,253,500**	**38,395,000**
TOTAL AVAILABLE REVENUE	$ -	$ -	$ -	$ -	$ -

1. Assumes 10% per year increases in rates.
2. Assumes 4% per year increases.
3. Assumes 3% per year increases.
4. Assumes agency projections for wholesale rates and 1% per year increases in use.

CITY OF SANTA CLARA
SEWER UTILITY
REVENUE AND EXPENDITURE PROJECTIONS

	Fiscal Year				
ESTIMATED REVENUE	**2009 - 10**	**2010 - 11**	**2011-12**	**2012-13**	**2013-14**
Transfers From (To) Reserves	$ 3,174,900	$ (2,302,200)	$ (1,143,870)	$ (152,000)	$ 1,428,000
Customer Service Charges & Fees	15,286,000	17,732,000	19,682,000	21,847,000	24,250,000
Sewer Connection Fees	1,000,000	1,100,000	1,100,000	1,200,000	1,400,000
Use of Money and Property	756,000	629,000	721,000	767,000	773,000
Bonds	7,000,000				
Additional Revenue from Rate Adjustments (1)	2,293,000	1,773,000	1,968,000	2,185,000	2,425,000
Total Revenue	**29,509,900**	**18,931,800**	**22,327,130**	**25,847,000**	**30,276,000**
ESTIMATED EXPENDITURES					
Salaries and Benefits (2)	$ 1,940,000	$ 1,998,000	$ 2,058,000	$ 2,120,000	$ 2,184,000
Other Operating Expenditures	257,000	267,000	278,000	289,000	301,000
Resources and Production	7,315,000	8,388,000	10,772,000	12,380,000	14,404,000
Internal Service Fund Allocations	1,121,000	1,166,000	1,213,000	1,262,000	1,312,000
Contribution-in-Lieu of Taxes	910,000	1,000,000	1,111,000	1,233,000	1,365,000
Utility Capital Improvements (3)	16,766,900	4,312,800	5,095,130	6,763,000	8,910,000
Debt Service	1,200,000	1,800,000	1,800,000	1,800,000	1,800,000
Total Expenditures	**29,509,900**	**18,931,800**	**22,327,130**	**25,847,000**	**30,276,000**
TOTAL AVAILABLE REVENUE	$ -	$ -	$ -	$ -	$ -

(1) Assumes 15% increase in FY09/10, and 10% through FY 13/14
(2) Assumes 3% per year increase.
(3) Capital projects will require debt financing.

CITY OF SANTA CLARA
CEMETERY
REVENUE AND EXPENDITURE PROJECTIONS

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
ESTIMATED REVENUE *					
Sales-Facilities	$ 167,200	$ 183,920	$ 202,312	$ 222,543	$ 244,798
Sales-Labor	270,600	297,660	327,426	360,169	396,185
Sales-Care	500	500	500	500	500
Sales-Material	185,900	204,490	224,939	247,433	272,176
Use of Money and Property	49,785	49,785	51,278	52,303	54,919
Loan from General Contingency Reserve	148,332	148,332	111,680	69,448	20,726
Total Revenue	**822,317**	**884,687**	**918,135**	**952,396**	**989,304**
ESTIMATED EXPENDITURES *					
Salaries and Benefits	$ 565,274	$ 582,232	$ 599,699	$ 617,690	$ 636,221
Other Operating Expenditures	117,360	120,881	124,507	128,242	132,090
Internal Service Fund Allocations	126,985	133,334	140,001	147,001	154,351
Improvements	12,698	12,698	13,080	12,720	13,356
Total Expenditures	**822,317**	**849,145**	**877,287**	**905,654**	**936,018**
TOTAL AVAILABLE REVENUE	**$ -**	**$ 35,542**	**$ 40,848**	**$ 46,742**	**$ 53,287**

*** Includes Cemetery Operating Fund 093. Does not include Cemetery Capital Projects Fund 593.**

Appendix B

Assumptions and Projections

NATIONAL ECONOMIC ASSUMPTIONS

Table 1 (a)

	2009	2010	2011	2012	2013
Real GDP (% Change)	2.8	3.1	3.1	3.1	3.1
10 Year Treasury Rate	4.9	5.2	5.2	5.2	5.2
U. S. Unemployment Rate	5.4	4.9	4.9	4.9	4.9
U. S. CPI (% Change)	2.3	2.2	2.2	2.2	2.2

LOCAL ECONOMIC & DEMOGRAPHIC ASSUMPTIONS

Table 1 (b)

	2009	2010	2015
Santa Clara Population	116,560	117,800	124,700
Santa Clara Total Jobs	107,264	107,850	116,900
Bay Area CPI (% Change)	3.0	3.0	3.0

SELECTED CITY PROJECTIONS

Table 1 (c)

	2009	2010	2015
Persons Per Household	2.63	2.64	2.63
Total number of Households	43,990	44,610	47,330
Total employed residents	58,078	60,230	66,070
Mean Household Income *	$89,440	$90,600	$96,600

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Appendix C

Miscellaneous Statistical Information

Santa Clara
All-America City
2001

City of Santa Clara
Legal Debt Margin Information
Last Ten Fiscal Years
(In Thousands)

Table 1

Fiscal Year Ending June 30	Assessed Valuation	Debt Limit- 15% of Assessed Valuation*	Debt Applicable to Limit	Legal Debt Margin
1997 / 98	$12,037,517	$1,805,628	$76,830	$1,728,798
1998 / 99	13,138,392	1,970,759	20,000	1,950,759
1999 / 00	14,207,950	2,131,193	20,000	2,111,193
2000 / 01	15,288,558	2,293,284	10,096	2,273,284
2001 / 02	18,224,346	2,733,652	20,000	2,723,556
2002 / 03	19,320,514	2,898,077	20,000	2,878,077
2003 / 04	18,925,445	2,838,817	20,000	2,818,817
2004 / 05	17,972,599	2,695,890	20,000	2,675,890
2005 / 06	18,702,210	2,805,332	20,000	2,785,332
2006 / 07	20,365,381	3,054,807	20,000	3,034,807

Notes: * Section 1309 of the City Charter of the City states: "Bonded Debt Limit. The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and this Charter."

Sources: Santa Clara County, Department of Finance
City of Santa Clara

CITY OF SANTA CLARA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(In Thousands)

Table 2

Fiscal Year Ending June 30	Net Local Secured Roll	SBE (2)	Net Unsecured Roll	Net Assessed Valuation (1)	Estimated Actual Value	Ratio of Assessed Value To Estimated Value	% of Growth of Assessed Valuation	Total Direct Tax Rate
1997 / 98	$8,949,286	3,327	$3,084,904	$12,037,517	$12,424,530	96.89%	11.87%	1.0852%
1998 / 99	$10,088,177	3,425	$3,046,790	$13,138,392	$13,250,246	99.16%	9.15%	1.0920%
1999 / 00	$10,879,040	2,632	$3,326,278	$14,207,950	$14,320,454	99.21%	8.14%	1.0629%
2000 / 01	$11,822,175	2,497	$3,463,886	$15,288,558	$15,400,547	99.27%	7.61%	1.0605%
2001 / 02	$13,744,409	2,554	$4,477,383	$18,224,346	$18,335,454	99.39%	19.20%	1.0792%
2002 / 03	$15,110,520	2,861	$4,207,133	$19,320,514	$19,429,970	99.44%	6.01%	1.0712%
2003 / 04	$15,283,368	2,803	$3,639,274	$18,925,445	$19,033,631	99.43%	-2.04%	1.0738%
2004 / 05	$14,978,836	2,471	$2,991,292	$17,972,599	$18,081,181	99.40%	-5.03%	1.0824%
2005 / 06	$15,663,135	1,756	$3,037,319	$18,702,210	$18,813,195	99.41%	4.06%	1.1467%
2006 / 07	$17,458,047	1,605	$2,905,729	$20,365,381	$20,478,830	99.45%	8.89%	1.1383%

Notes: (1) Full cash value

(2) Beginning in fiscal 1989, Chapter 921 of the Statutes of 1987 requires the establishment of a single County-wide tax rate area for the assignment of the assessed value of certain types of State-assessed utility property.

Source: Santa Clara County, Department of Finance

CITY OF SANTA CLARA
Principal Property Tax Payers
2006-07 and 2002-03 Comparison for General Fund
(In Thousands)

Table 3

Organization	2006-07 Revenue in Thousands	2006-07 Percent of Total	2002-03 Revenue in Thousands	2002-03 Percent of Total
Intel Corporation	$ 1,619	8.70%	$ 1,409	9.83%
Applied Materials Inc.	472	2.54%	537	3.75%
Kaiser Foundation Hospital	190	1.02%		
Sun Microsystems, Inc.	181	0.97%	259	1.81%
National Semiconductor Corporation	174	0.93%	195	1.36%
Agilent Technologies Inc.	173	0.93%	204	1.42%
Nvidia Corporation	143	0.77%		
Sobrato Development Company	139	0.74%	311	2.17%
Marvell Technology, Inc.	136	0.73%		
Ellis Middlefield Business Park, L.P.	109	0.59%		
Rivermark Partners LLC			178	1.24%
3Com Corporation			159	1.11%
Exodus Communications Inc.			147	1.03%
BRE San Tomas LLC			132	0.92%
Mission West Properties, L.P.				
Silicon Valley California, LLC				
Top Ten Total	$ 3,336	17.92%	$ 3,531	24.64%
City Total	$ 18,612		$ 14,333	

Source: Santa Clara County Assessor 2006/07 Combined Tax Rolls through HdL Coren & Cone.
Additional years of historical data are not available

CITY OF SANTA CLARA
Principal Private Employers
Current Year and Five Years Ago

Table 4

Company	2007 Number of Employees	2007 Percentage of Total City Employment	2003 Number of Employees	2003 Percentage of Total City Employment
Intel Corporation	5,700	11.2%	8,000	15.6%
National Semiconductor Inc.	5,100	10.0%	2,000	3.9%
Advanced Cardiovascular Systems	4,200	8.3%		
Sun Microsystems, Inc.	3,500	6.9%	3,500	6.8%
Coast Personnel	2,000	3.9%	1,895	3.7%
Nortel Networks	1,895	3.7%		
Kaiser Foundation Hospitals	1,500	2.9%		
Coherent Inc.	1,500	2.9%		
Iseva Inc.	1,200	2.4%		
Guidant Corp.	1,082	2.1%		
Agilent Technologies			3,000	5.8%
Sanmina-SCI Corp.			1,500	2.9%
3Com Corporation			1,000	1.9%
Integrated Device Technology			1,000	1.9%
NEC Electronics			1,200	2.3%
Analog Devices			900	1.8%
Total Top Ten	27,677	54.3%	23,995	46.6%
All Others	24,823	45.7%	27,305	53.4%
Total Employment	52,500	100.0%	51,300	100.0%

Sources: City of Santa Clara The City implemented the new reporting model in fiscal year 2001-2002. Until 10 years of data are available, only the available years will be presented.
2003-2006 Northern California Business Directory
California Employment Development Department

CITY OF SANTA CLARA
Capital Assets Statistics by Function
Last Five Fiscal Years

Table 5

	Fiscal Year Ending June 30				
	2007	2006	2005	2004	2003
Culture and Recreation:					
Number of community centers	4	4	4	4	4
Number of parks	32	31	30	30	28
Park acreage	282	282	277	277	265
Number of golf courses	1	1	1	1	1
Number of swimming pools	4	4	4	4	4
Number of tennis courts	28	28	27	27	27
Number of lawn bowling greens	1	1	1	1	1
Number of lighted soccer fields	3	3	3	3	0
Number of lighted softball fields	7	7	7	7	7
Number of neighborhood park buildings	8	8	8	8	8
Number of gymnastic centers	1	1	1	1	1
Number of skate parks	1	1	1	1	1
Number of community theaters	1	1	1	0	0
Number of libraries	2	2	2	2	2
Cemetery	2	2	2	2	2
Fire Protection:					
Number of stations	10	10	10	10	10
Police Protection:					
Number of stations	2	2	2	2	2
Electric System:					
Number of meters	50858	50069	49775	48753	48489
Miles of high voltage lines	479	479	477	475	471
Number of substations	16	16	14	14	14
Sewerage System:					
Miles of sanitary sewers	282	282	282	277	275
Miles of storm sewers	138	138	138	137	137
Number of treatment plants	1 Tertiary	1 Tertiary	1 Tertiary	1 Tertiary	1 Tertiary
Water System:					
Miles of water mains	335	334	301	301	298
Number of fire hydrants	3261	3249	3249	3143	3143
Miles of recycled watermains	20	19	19	19	19
Streets:					
Miles of Streets	249	249	249	248	248
Number of Street Lights	8181	8179	8170	8163	8171
Number of Traffic Signals	187	184	182	178	175

Source: City of Santa Clara Annual Budget 2006-2007 The City implemented the new reporting model in fiscal year 2001-2002. Until 10 years of data are available, only the available years will be presented.

CITY OF SANTA CLARA
Demographic and Economic Statistics
Last Ten Calendar Years

Table 6

As of June 30	Population (1)	Personal Income (2) ($000)	Per Capita Buying Income	Median Age	Public School Enrollment	County Unemployment Rate	City Unemployment Rate
1997 / 98	100,030	$1,991,697	$19,911	33.5	14,098	3.0%	2.8%
1998 / 99	101,877	2,169,160	21,292	33.7	14,182	3.2%	3.0%
1999 / 00	102,682	2,319,073	22,585	34.1	14,338	3.0%	2.8%
2000 / 01	102,895	2,482,753	24,129	34.3	14,308	2.0%	1.9%
2001 / 02	104,616	2,920,983	27,921	34.5	13,565	4.5%	4.2%
2002 / 03	104,306	2,818,661	27,023	34.2	13,321	8.4%	7.9%
2003 / 04	105,831	2,677,383	25,282	35.2	13,188	8.2%	7.7%
2004 / 05	107,200	2,720,598	26,465	35.7	13,839	6.2%	5.9%
2005 / 06	109,106	2,765,258	26,513	35.3	13,317	5.5%	4.8%
2006 / 07	110,771	3,831,569	34,590	-	13,366	5.0%	4.3%

Note: (-) Data unavailable

Sources: (1) Population and the Unemployment Rate are provided by California Department of Finance Projections.
(2) FY 2006-07 Income Data is determined using 2005 American Community Survey Data and adjusted for inflation in accordance with rates provided by the Bureau of Labor Statistics. Prior years are from Sales & Marketing Power Management- Survey Of Buying Power and previously published CAFR reports
2006-07 Source: MuniServices, LLC

CITY OF SANTA CLARA
Ratios of Outstanding Debt by Type
Last Five Fiscal Years
(In Thousands)

Table 7

	Governmental Activities				Redevelopment Agency	Business Activities	Total Primary Government	Population	Debt per Capita	Total Personal Income ($000)	Debt/Income Ratio
	Public Financing Authority										
Fiscal Year Ending June 30	Certificates of Participation	Insurance Funding Bonds	Assessment Bonds	Total Governmental Activities	Tax Allocation Bonds	Tax Allocation Bonds					
2002 / 03	$ 72,895	$ 20,000	$ 8,240	$ 101,135	$ 159,727	$ 132,646	$ 393,508	104,306	$ 3,773	$ 2,818,661	13.96%
2003 / 04	70,010	20,000	7,490	97,500	151,214	280,609	529,323	105,831	5,002	2,677,383	19.77%
2004 / 05	66,725	20,000	6,700	93,425	141,938	275,360	510,723	107,200	4,764	2,720,598	18.77%
2005 / 06	63,345	20,000	5,875	89,220	140,225	269,883	499,328	109,106	4,577	2,765,258	18.06%
2006 / 07	59,850	20,000	5,015	84,865	135,325	258,015	478,205	110,771	4,317	3,831,569	12.48%

Sources: Note 11, Note 2; Statement of Net Assets;MuniServices LLC

The City implemented the new reporting model in fiscal year 2001-2002. Until 10 years of data are available, only the available years will be presented.

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Appendix D

Bibliography

Santa Clara
All-America City
2001

SELECTED MAJOR SOURCES

Association of Bay Area Governments (ABAG)	"Just a Bump in the Road?" January 2008
Bureau of Labor Statistics	CPI All Urban Consumers SF-OAK-SJ, Calendar Year 2007
The UCLA Anderson Forecast	Forecasts for the Nation and California, March 2008
The UCLA Anderson Forecast	"Regional Employment Recessions CA's Uneven Growth" March 2008
California Department of Finance	Various Financial & Economic Data
City of Santa Clara	Annual Budget Fiscal Year 2008-2009 (Proposed)
City of Santa Clara	Capital improvement Project Budget Fiscal Year 2008-2009
City of Santa Clara	General Plan (2000–2010) updated in February 2005
City of Santa Clara	Comprehensive Annual Financial Report, June 30, 2007
Congressional Budget Office	CBO's Current Economic Projections, January 2008
County of Santa Clara	County of Santa Clara Tax Rates & Information, Fiscal Year 2008-2009
County Assessor's Office	2007-08 Assessor's Annual Report
Joint Venture: Silicon Valley Network	Joint Venture's 2008 Index of Silicon Valley
Federal Reserve Bank of San Francisco	"Prospects for the Economy in 2008", February 08, 2008

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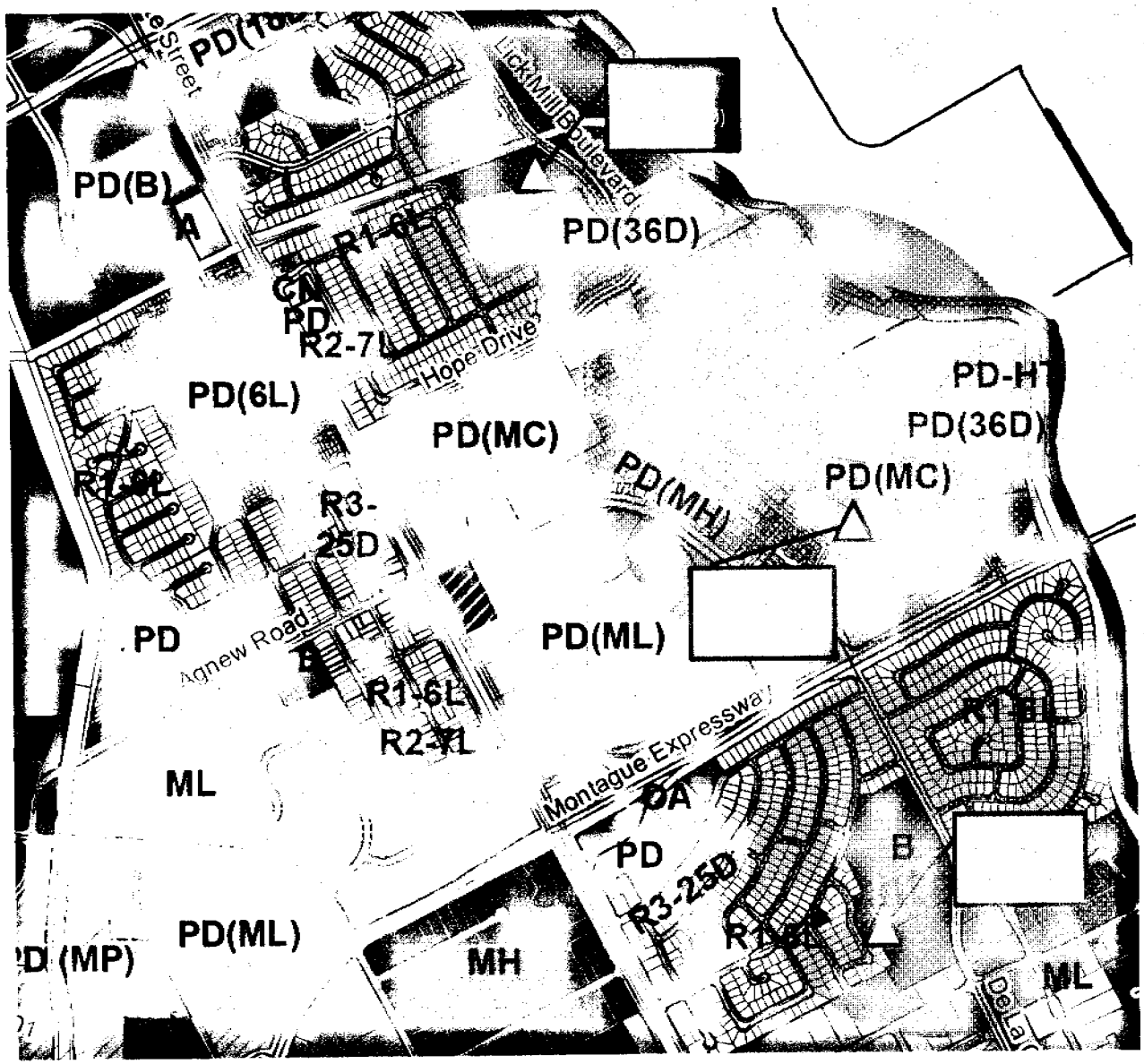
Support for the Library North of Bayshore Project ID 9060

Friends for the Northside Branch Library

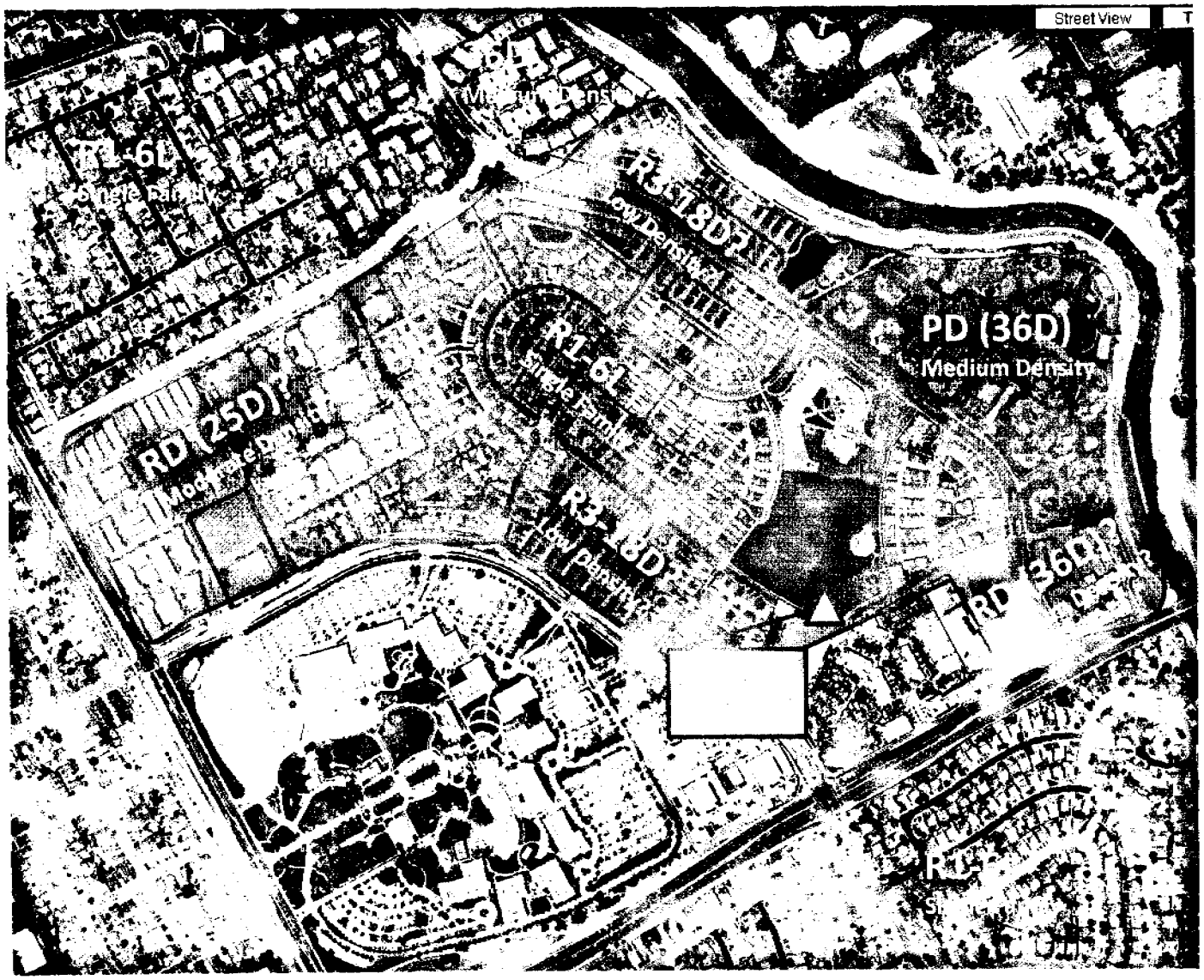
May 13, 2008

Northside Area Community Centers



Director of Planning and Inspection Zoning Map Updated 12-07

Rivermark Area Population Density



550 Moreland
(400-800 residents)

1777 Agnew Road
(59 Townhome
Subdivision)

Google Map Satellite View
May 2008

5/13/08

5D

RECEIVED

MAY 14 2008

City Clerk's Office
City of Santa Clara

May 13, 2008

Madam Mayor and City Council:

Thank you for your time in considering a bike park for the kids in Santa Clara. Our kids need it for so many reasons. We need to get them away from the TV and their game boys. And get them outside for their own health. Our kids are now over weight and out of shape. This park will help so many kids get some exercise. I have seen this happen with kids in the bike park in San Jose. The San Jose bike park has from 30 to 50 kids riding at any given time. We need a safe place for our kids to ride their bikes. I would like to help this happen but we need land so I am asking for the land next to the creek side trail parking lot at Monroe and San Thomas exp. If this land can be used as a bike park then we can go to our friends for donations to help build.

I would like to see this park put on fast track to completion.

Thank you for your consideration.

Sincerely,

James Lee

5/13/08

SD

Unusual Street and Sidewalk Situation

South of Forest Neighborhood Association (SOFNA)

May 2008

Unusual Street and Sidewalk Situation

The residents of the SOFN appreciate the

- Council's June 5, 2007 approval of:

"100% City funding of the South of Forest Neighborhood street improvements in the Five Year Financial Plan 2008-2009 through 2012-13 through pay as you go, bonding or other funding measures not including the general fund."

- Staff's May 9, 2008 recommendation of:

"For the South of Forest Neighborhood Street Improvements, the Five-Year Plan includes total funding of $13.5 million from a variety sources, with $3.537 million proposed for the 2008-09 Capital Improvement Budget."

Unusual Street and Sidewalk Situation

The residents of the SOFN respectfully request the Council's approval of the Staff's May 9, 2008 recommendation:

"For the South of Forest Neighborhood Street Improvements, the Five-Year Plan includes total funding of $13.5 million from a variety sources, with $3.537 million proposed for the 2008-09 Capital Improvement Budget."

Unusual Street and Sidewalk Situation

Background

Unusual Street and Sidewalk Situation

Streets and sidewalks in the South of Forest area have been neglected for as many as 47 years and are in substandard condition

As a result:

1. The safety of Santa Clara citizens and visitors is at risk
2. Maintenance costs and property owner dissatisfaction continue to rise, as does the City's liability
3. Residents of "South of Forest" organized to address the deplorable street and sidewalk conditions

Unusual Street and Sidewalk Situation

Pavement Condition Index (PCI) - A numerical index between 0 and 100 widely used in transportation civil engineering to indicate the condition of a roadway. It is a statistical measure based on a survey of 7 distress factors.

Santa Clara:

- 2007 - City Average PCI **was 84 (very good)**
- Second Highest Rating in the Bay Area

County:

- 2005 - County average PCI was 79

SOFN:

- 2004 - Average PCI was 29, ranging from 17 to 49*
- 2004 - 5 streets rated lower than 25
- Streets are rapidly deteriorating
- 2001 PCI for North Henry Ave **was 44. 2004 PCI was 23.** (photo to follow)

PCI: 29 = Low end of "Poor" - "require major rehabilitation or reconstruction"**
PCI: 17 to 24 = "Very Poor" - "roads difficult to drive on & need reconstruction"**

*According to data provided by Mr. Roger Lee, Street/Storm Drain Superintendent.
**Per the Metropolitan Transportation Commission (MTC)

Fact or Fiction?

Assumption: There was an agreement with the entire neighborhood to participate in an assessment district to improve the streets and sidewalks

Fact: No Legal Agreement with the Entire Neighborhood Exists

- Various terms were associated with the separate annexations – City Council Resolutions and LAFCO
- Fewer than 40% of current property owners participated in the annexation process – Santa Clara County of the Clerk - Recorder
- There are no public records or disclosure to new home owners about an "agreement"

Fact: No Legal Agreement with the Entire Neighborhood Exists

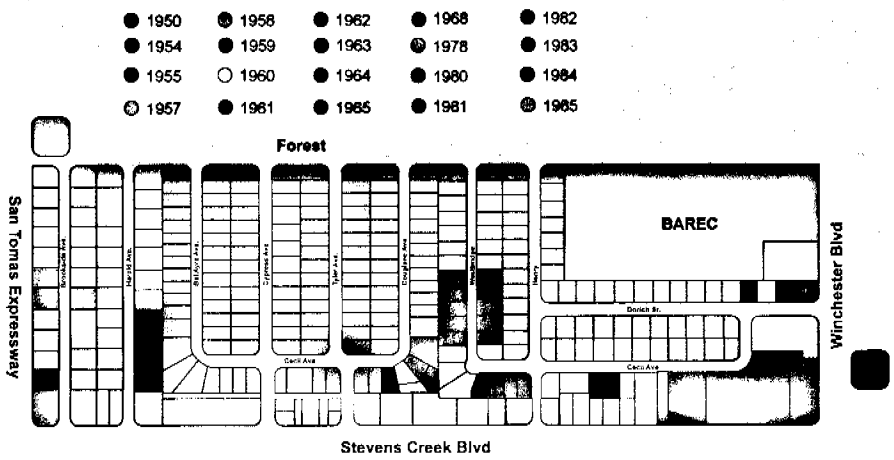
There were various terms associated with the separate annexations

- SOFN properties were annexed from 1961 to 1985
- There were at least 30 or more annexations within the SOFN
- 15 annexations included residential properties

The formation of an assessment district is not a binding, legally recorded condition for annexation of all the SOFN properties. It was not executed within a defined period of time

Annexation History

Chronological Annexation Chart – 1950 to 1985

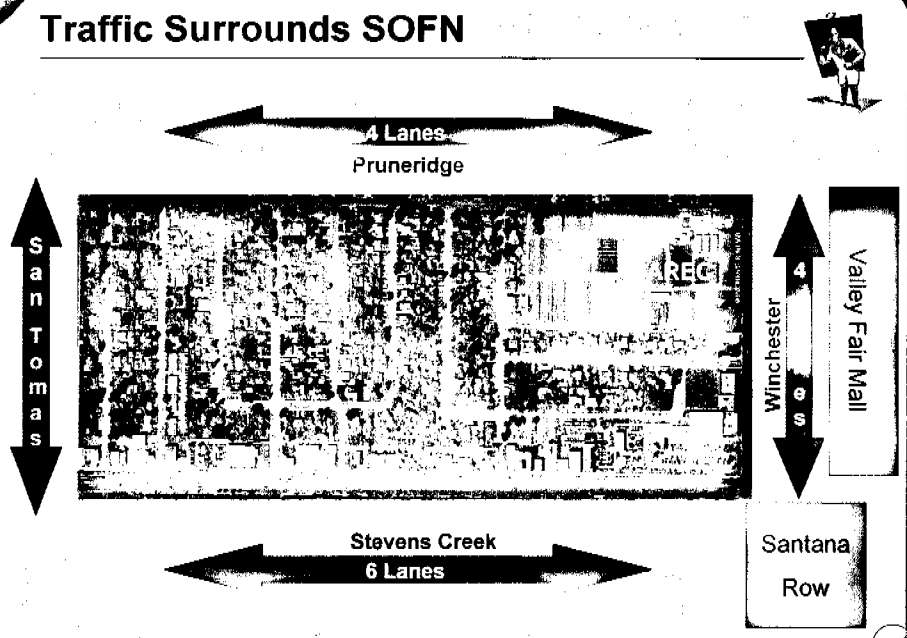


Fact of Fiction?

Assumption: The city will be paying for new streets and sidewalks that will only benefit the homeowners

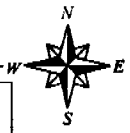
Fact: Streets and sidewalks in the SOFN serve a general benefit to the community because of location

Traffic Surrounds SOFN



South of Forest Neighborhood Association (SOFNA)

Vehicles Per Day (VPD) Metrics



North of SOFN

Fernwood Ave	Henry Ave	Pineview Dr	Crestview Dr	Jill Ave
199 VPD	321 VPD	214 VPD	168 VPD	217 VPD

Cypress Ave
2,037 VPD

Forest Ave
995 VPD

Dorcich St
560 VPD

Cecil Ave
478 VPD

Stevens Creek Blvd

Henry Ave
755 VPD

Winchester Blvd

Streets and sidewalks in the SOFN serve a general benefit to the community because of location

South of Forest Neighborhood Association (SOFNA)

Residential/Commercial Neighborhood

- SOFN has over 250 single family homes

- SOFN has over 85 businesses large and small, including:
  - Lexus of Stevens Creek
  - Subaru
  - Hyundai
  - David's Bridal
  - Stevens Creek Surplus
  - JJ's Blues Bar
  - A Slice of New York
  - Shoe Pavilion
  - Tony and Alba's

Arterial Roads and Thoroughfare

Streets and sidewalks in the SOFN serve a general benefit to the community because of location

- The SOFN is a major "gateway" into Santa Clara
- Busy Streets and Commercial Borders Increase Traffic
- General Benefit of Streets and Sidewalks to Increase
  - Westfield Valley Fair Expansion
  - Santa Clara Gardens (BAREC)
  - Santana Row Office Tower (proposed)

Arterial Roads and Thoroughfare

Streets and sidewalks in the SOFN serve a general benefit to the community because of location

- 2005 Traffic Studies Counted:
  - Almost 1000 Vehicles Per Day Use Forest Avenue
  - Over 2000 Vehicles Per Day Use Cypress Avenue

Only 4 to 13% of vehicles per day were resident trips

Source: Santa Clara Gardens Development Project Draft EIR, City of Santa Clara and Fehr & Peers Transportation Consultants, 2005; Institute of Transportation Engineers Average residential trip generation rate for suburban single-family detached homes

Fact of Fiction?

Assumption: South of Forest Neighborhood is asking for special treatment; everyone else paid for their streets

Fact: South of Forest Neighborhood is seeking equitable treatment

Unusual Street and Sidewalk Situation

South of Forest Neighborhood is seeking equitable treatment

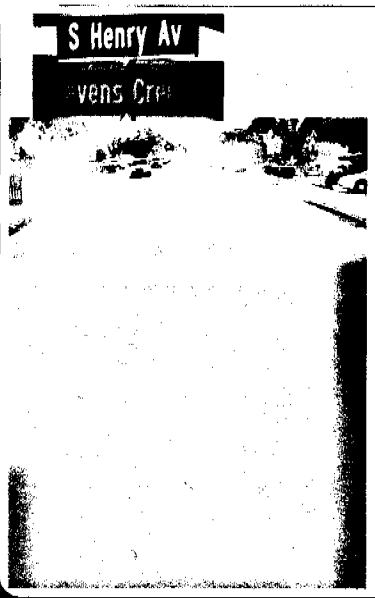
- The SOFN streets **have not been maintained**, while **surrounding** city and county streets have been maintained
- San Jose treats annexed streets like existing city streets
- Property Taxes have been paid since annexation

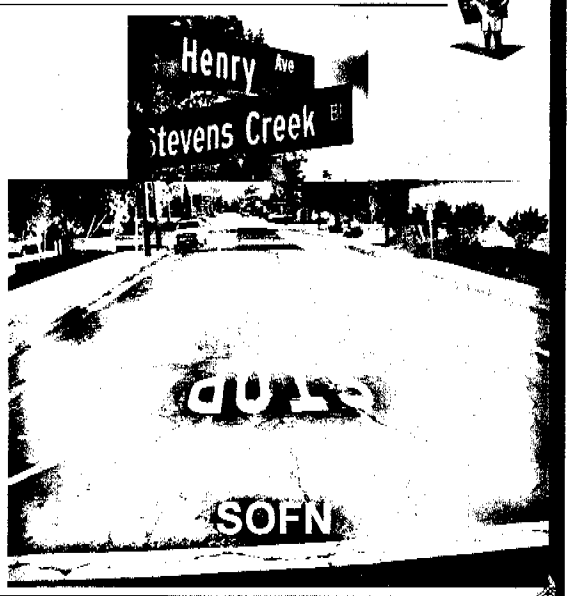
Let's review these points in more detail, but first let's look at some photographs

- The following slides show streets surrounding the SOFN
- Photos on the left are non-SOFN; right are SOFN
- All streets were built to county standards
- Streets built at the same time
- Streets pictured on left have been maintained

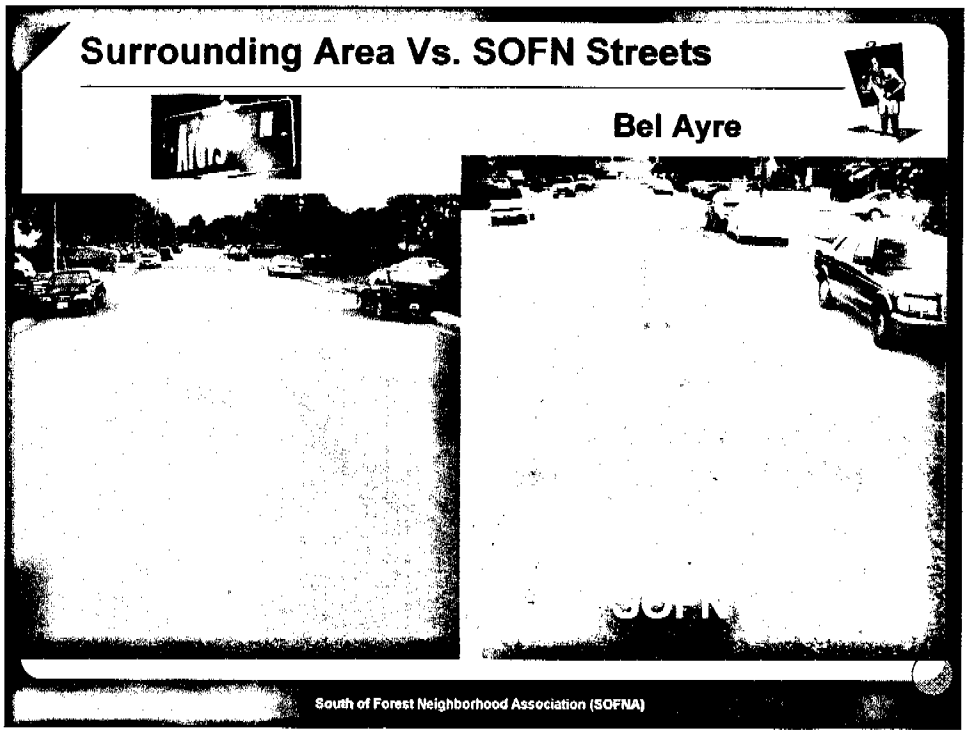
South of Forest Neighborhood Association (SOFNA)

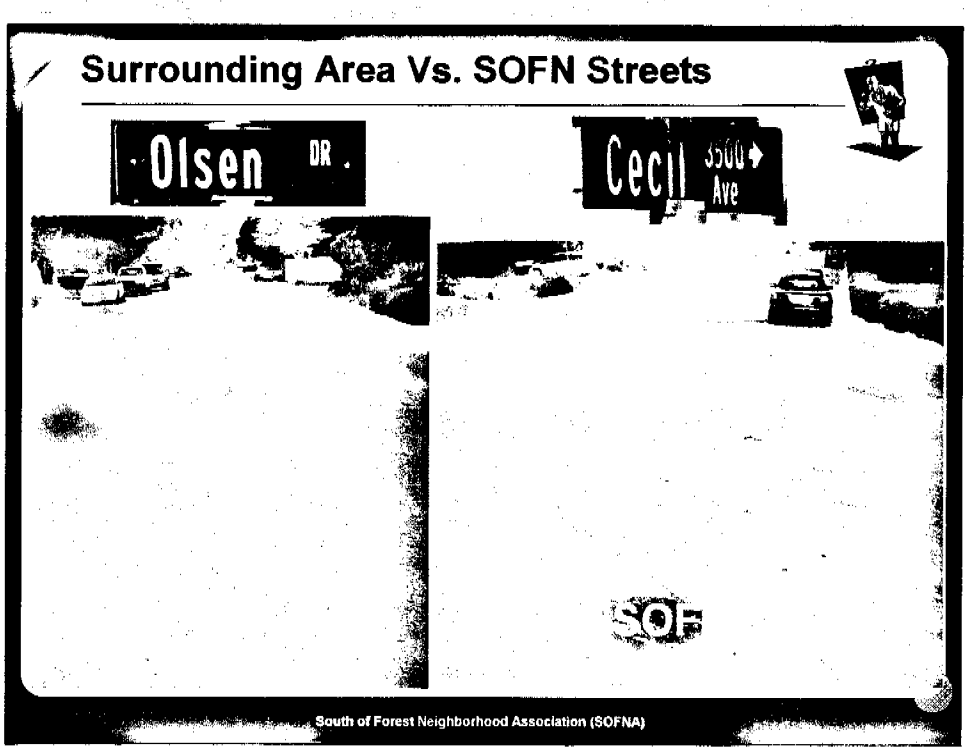
Surrounding Area Vs. SOFN Streets





South of Forest Neighborhood Association (SOFNA)


Surrounding Area Vs. SOFN Streets
Bel Ayre
South of Forest Neighborhood Association (SOFNA)


Surrounding Area Vs. SOFN Streets
Olsen DR
Cecil Ave
South of Forest Neighborhood Association (SOFNA)

Surrounding Area Vs. SOFN Streets

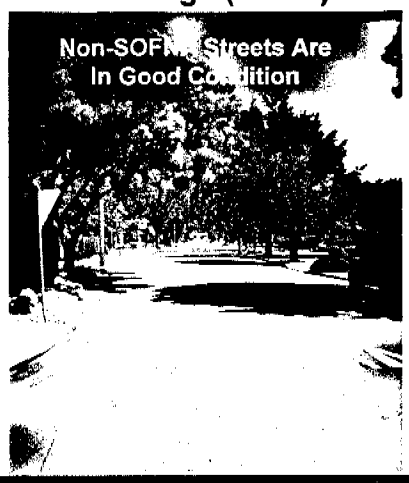
Bundy **Douglane**

South of Forest Neighborhood Association (SOFNA)

Surrounding Area Vs. SOFN Streets

Within the City of Santa Clara, there is a visible difference at the SOFN Borders

Westridge (North) **Westridge (South)**



South of Forest Neighborhood Association (SOFNA)

Surrounding Area Vs. SOFN Streets What Do Other Jurisdictions Do?

- Santa Clara County maintains old streets
- San Jose maintains annexed streets to the standard of existing city streets

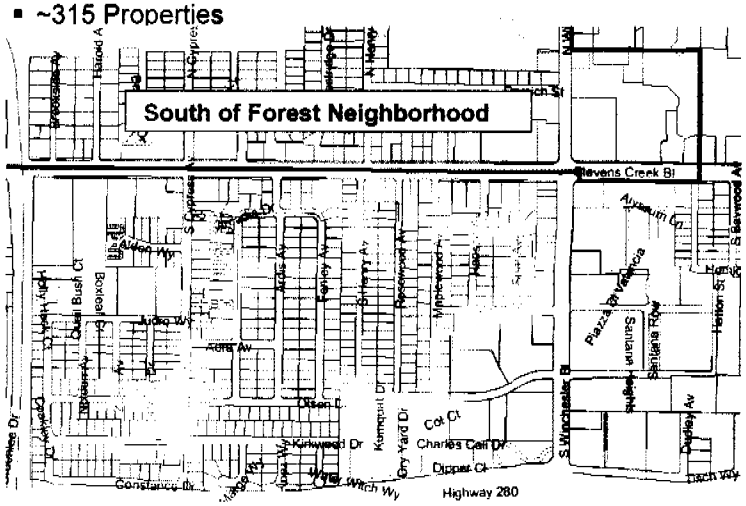
Right across the street (Stevens Creek Blvd) from the SOFN

- Streets were built at the same time
- San Jose will provide street maintenance
- There will be no direct cost to City residents for street services

Source: City of San Jose, "County Island Annexation Program, Annexation Answer Book," March 2008.

County Maintains Neighboring Streets

- 85 Acres are Currently Being Annexed
- ~315 Properties



Equity Concerns

Property Taxes have been paid since annexation

Property taxes paid over the past 23 to 47 years by both residents and businesses

Category	Rest of City	SOFNA
Assessed by Standard Rate	Yes	Yes
Tax Payment Guidelines	Yes	Yes
Realized Substantial Increase in Assessed Value	Yes	Yes
Streets and Sidewalks Meet City Standards	Yes	No

Fact of Fiction?

Assumption: Funding South of Forest streets and sidewalk improvements will set a precedent for many other neighborhoods and will cost the city millions more

Fact: There are only 5 other Santa Clara streets with substandard conditions

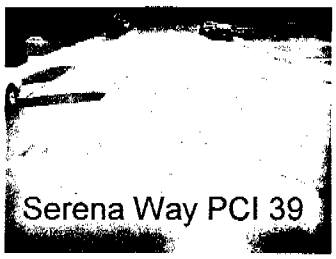
Unusual Street and Sidewalk Situation

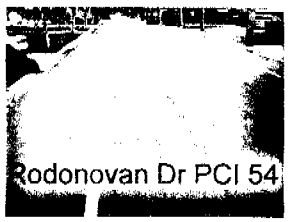
There are only 5 other Santa Clara streets with substandard conditions

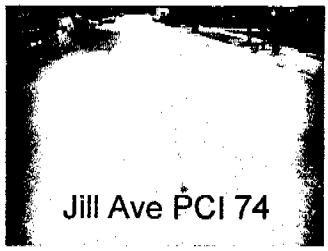
Street	PCI	Issue
Serena Way	39	Substandard street and sidewalk
Rodonovan	54	No sidewalk
Via Dondera	68	Substandard curb
Jill Avenue*	74	Substandard sidewalk and curb on west side
Woodland Avenue	92	No sidewalk

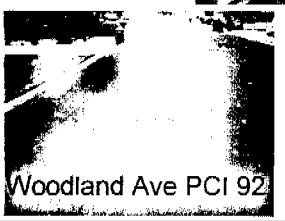
- Homes built at same time as SOFN
- Sum Total of Properties Affected is ~100; SOFN~268
- PCIs exceed SOFN average of 29

*Petition signed identical to 3 certified petitions in the SOFN









South of Forest Neighborhood Association (SOFNA)

Unusual Street and Sidewalk Situation

There are only 5 other Santa Clara streets with substandard conditions

- The magnitude of needed repairs for the other areas is not as great
- SOFNA Suggestion: *Establish City Policy to bring all City Streets to a Minimum PCI Rating*

Unusual Street and Sidewalk Situation

In Closing

The residents of the SOFN appreciate the Council's approval of:

"100% City funding of the South of Forest Neighborhood street improvements in the Five Year Financial Plan 2008-2009 through 2012-13 through pay as you go, bonding or other funding measures not including the general fund;"

and respectfully request the Council's approval of the Staff's May 9, 2008 recommendation of:

"For the South of Forest Neighborhood Street Improvements, the Five-Year Plan includes total funding of $13.5 million from a variety sources, with $3.537 million proposed for the 2008-09 Capital Improvement Budget."

5/13/08 -5D

From: Larry Fargher <manxman1@pacbell.net>
To: Pat Kolstad <patkolstad@aol.com>, Joseph Kornder <jkornder@comcast.net>, William Kennedy <willkennedy-sclara@pacbell.net>, Dominic Caserta <dominic@dominiccaserta.com>, <cmccarthy@ci.santa-clara.ca.us>
Date: 5/13/2008 3:37 PM
Subject: Budget Item re South of Forest Neighborhood on May 13 Agenda
Attachments: Re: Budget Item re South of Forest Neighborhood on May 13 Agenda

Dear City Council,

That was a mistake last year to do something for these citizens at the cost to other Citizens who had to pay for their own improvements.

Please don't fund a " FREE LUNCH" for this one group of Homeowners. It would be terribly unfair.

Larry
Former Mayor

PS. Unfortunately, I have to be at a HOA Board of Directors meeting tonight. I am one of the Board.

Note: forwarded message attached.

Larry / Duke
Lawrence L. Fargher
Realcom Associates
830 Kiely Blvd. Suite #200
Santa Clara, CA 95051
Ph. 408-244-7785
Fax 408-984-7055
www.realcom-associates.com

5/13/08 SD

SANTA CLARANS FOR FISCAL RESPONSIBILITY

P.O. Box 26, Santa Clara, CA 95052
scffr07@gmail.com 408-247-8528 Fax: 408-247-5552

May 12, 2008

Honorable Mayor and City Council
1500 Warburton Avenue
Santa Clara, CA 95050

Re: Agenda Item #13B - SOFN

Honorable Mayor and Council Members:

In June 2007, after the Council voted 4 to 3 (against the staff recommendation) to "approve 100% funding" of the street improvements in the South of Forest Neighborhood (SOFN), there was a major out cry of opposition from citizens. The Council's action was a blatant give away of general public funds to benefit one group of citizens at the expense of the majority for no justifiable purpose.

In the past, Santa Clara citizens have paid for the public improvements serving their properties either through development costs, assessment district or the price of their lot. The cost of public improvements, which significantly increase their property value, were built into their lot costs. No property was exempt, until the SOFN "100% City Funding" was initiated last June. This funding, if it ultimately comes to be a reality, is the same as a gift of $100,000 or more to each property owner in the SOFN. No prior City Council has ever done this. There simply is no justification for this gift of public funds to a special interest group. What will SOFN ask for next - that the City also pay for all electrical facilities to be under grounded?

We still feel strongly that the Council should not have voted in 2007 to initiate "100% City Funding". However, in the event the current Council majority will continue a second year of funding set aside to achieve the "100% City Funding" during the 2008 budget process, we strongly recommend the Council approve Option #3 as presented in the staff report for agenda item #13.B. Don't further compound the inequity to the City majority that you did in 2007.

Sincerely,

Bill Gissler

Bill Gissler
SCFFR, Chairman

Bill Gissler, **Chair**
former Mayor
Judy Boccignone, **Secretary**
former City Clerk
Dave Tobkin, **Treasurer**
former Council Member

Steering Committee
Charlie Arolla
former Police Chief
Miles Barber
local businessman
Ted Chamberlain
retired accountant
David DeLozier
former Council Member
Larry Fargher
former Mayor
Ketra Oberlander
local business woman
Steve Van Dorn
President Chamber of Commerce
Don Von Raesfeld
former City Manager

Committee Background
SCFFR evolved from the Committee Against Binding Arbitration ("No on Measure B") in 2006. Our City Council voted 5-2 to put Measure B on the ballot without charter process. The measure was defeated through our community education outreach and strong editorial support from local newspapers. We don't want to be caught off guard again. We're staying in touch.

"We watch the money"

5/13/08

SD

City of Santa Clara

Proposed Five Year Financial Plan 2009-10 through 2013-14 and Capital Improvement Budget 2008-09

May 13, 2008

1

Agenda

- List of Budget Briefings and Public Meetings
- General Fund Overview
  - 2007-08 General Fund Status
  - 2008-09 General Fund Budget Preview
- Review of the Five Year Financial Plan for General Fund
  - BMX Bike Park (BMX Bicycle Motocross)
  - Transportation Shuttle System proposed by the Youth Commission

2

Agenda
(continued)

- Capital Improvement Budget
  - Budget Summary
  - Significant Projects
    - Northside Branch Library
      - Larger Community Room
    - South of Forest Neighborhood Street Improvements
    - Lawn Bowl Clubhouse
    - International Swim Center
      - International Swimming Hall of Fame
- Capital Financing Options
- Review Reserves Replenishment Policy
- Next Meetings

3

Budget Briefings and Public Meetings for 2008-09 Budget

- February 12 – Mid-Year Financial Report
- February 12 & March 4 - CDBG Public Hearings
- May 6
  - Presentation of significant Capital Projects
- May 13
  - Review of Five Year Financial Plan
  - CIP Study Session
  - Significant Capital Projects
  - Capital Financing Options
  - Review Reserves Replenishment Policy

4

Budget Briefings and Public Meetings for 2007-08 Budget

- May 19 - Citizens Advisory Committee Budget Presentation
- May 20 –
  - Operating Budget Study Session
  - Presentations by Community Groups
- June 10 –
  - Public Hearing/Budget Adoption
  - Solid Waste Rate Hearing
  - Water & Sewer Rate Hearing
  - Convention Center Maintenance District
  - Urban Renewal Parking District (Franklin Square)
  - Municipal Fee Schedule Adoption

5

Five Year Plan Pro-Active Approach

Balanced Approach Consists of Six Elements

1. Revenue Increases: Continue to develop fee and other revenue sources which are recurring
2. Reorganization Plan - Frozen Positions and Retirements: A total of approximately 30 positions will be frozen throughout the Plan
3. Capital Projects: Defer or eliminate due to operational cost impacts. Examine alternative financing methods

6

Five Year Plan
Pro-Active Approach

Balanced Approach Consists of Six Elements

4. Economic Development: Continue to work with developers and community retain and add revenue-producing businesses.
5. Reserves: Continue to implement strategy to replenish General Contingency Reserves.
6. Continue to Research Tax and/or Fee Increases based on need.

7

General Fund Overview

- Estimate for FY 2007-08
- Preview of FY 2008-09
- Five Year Financial Plan Projections for FY 2009-10 through 2013-14

8

General Fund: Estimate FY 2007-08

Surplus of $4.2 million (3.0% of adopted General Fund budget of $142.4 million)

- Proactive steps taken to attack the deficit to result in surplus. Continued freezing of 31 positions for annual savings of $3.0 million
- Includes Increased costs of Salaries and Benefits effective in January 2007
- Includes estimated operational savings
- Increased Property Taxes, TOT, decreased sales taxes
- Decrease in other revenue streams (documentary transfer tax, plan check fees)

9

General Fund: Estimate FY 2007-08

Surplus of $4.2 million (3.0% of General Fund)

- Recommend $1.7 million deposit to Capital Project Reserves in order to fund CIP for 2008-09
- Recommend balance of $2.5 million deposit to Working Capital (Emergency) Reserves

10

General Fund Contingency Reserves for Capital Projects

	$ Millions
➢ Balance FYE 6-30-08	$ 7.7
➢ Deduct Budget Appropriation proposed for 2008-09	(6.7)
➢ Proposed Balance FYE 6-30-09	$ 1.0

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General Fund Contingency Reserve for Working Capital (Emergency) Reserve

	$ Millions
➢ Beginning Balance 7-01-07	$18.14
➢ General Fund Surplus	2.52
Total for 2008-09	$20.66

➢ This represents 13.9% of the Proposed 2008-09 budget of $148.6 million. (Last year, the level was 12.7%.)

➢ Policy is 25%, or $37.2 million

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General Fund Projection for 2008-09

- Budget projected at $148.6 million, up 4.4% over 2007-08
- Balanced Budget without use of reserves (Surplus of $260 thousand)
  - Projected revenue growth 2.3%, economic slowdown affecting sales tax receipts
  - Projected expenditure growth 4.4% due to operating cost increases
- Economic slowdown is impacting sales tax revenues
- Still too early to tell if recovery will occur or slowdown will continue into 2008-09

13

Five Year Plan

2009-10

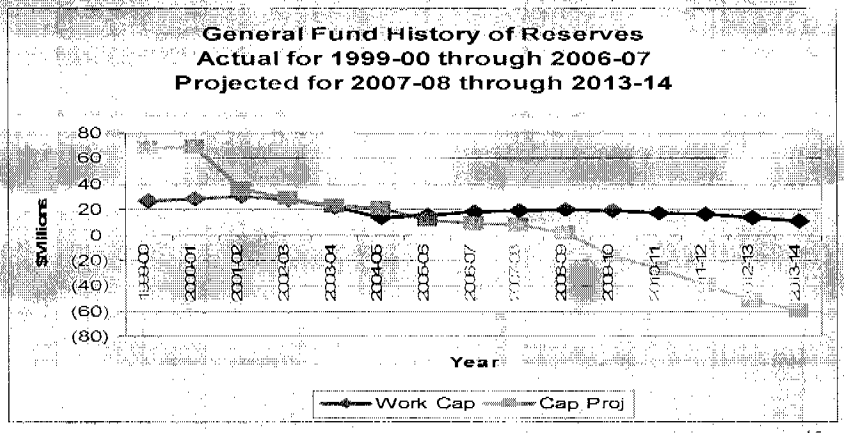
through

2013-14

14

Five Year Plan
Recovery Delayed

Long term: revenues covering expenditures requires diligence and continued economic recovery



15

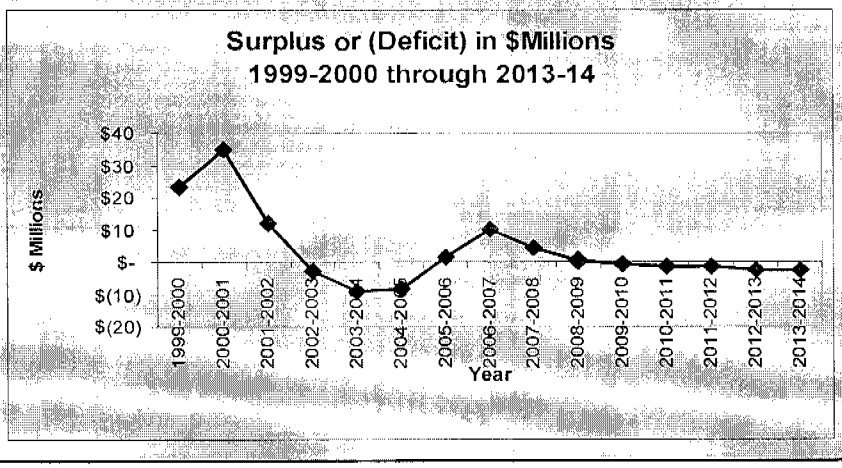
Five Year Plan
Recovery Delayed

- Revenues: Historical growth rates applied: overall five year growth rate of 2.5% per year
- Expenditures: Historical growth rates applied to expenditures + known impact of new capital projects: overall five year growth rate of 2.85%
- Structural deficit when expenditures outpace revenues

16

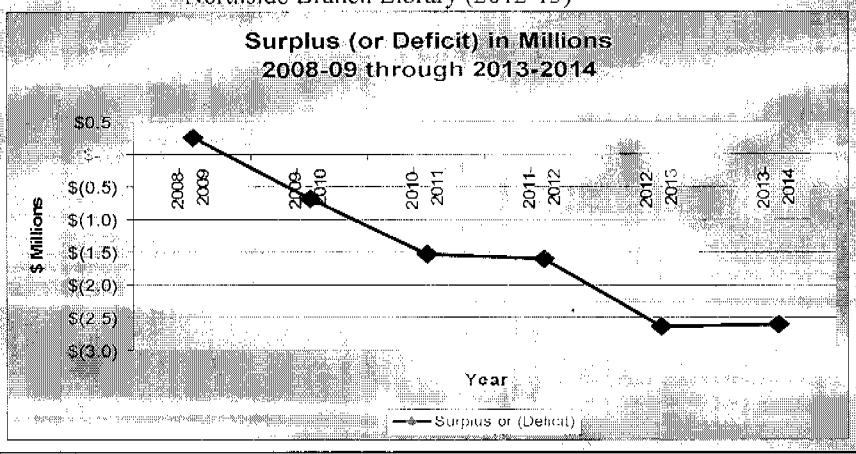
Five Year Plan
Recovery Delayed

Economic Slowdown + Increased Expenditures =
Diligence to Balance the General Fund



General Fund:
Five Year Plan Projections

Assumes $3.0 million annual savings from frozen positions
Includes operating effects of International Swim Center (2010-11) and
Northside Branch Library (2012-13)



General Fund: Five Year Plan Projections

Balanced budget for 2008-09 without use of reserves

If economy does not improve, deficits 2009-10 through 2013-14

- Re-organization Plan: continue to keep approximate y 28 positions frozen; no funds are included to pay for these positions (Citywide approximately 30 positions)
- Increased costs due to labor contracts are budgeted
- Increased operating costs of international swim center (2010-11) and new branch library (2012-13)
- Continued actuarial funding for Retiree Health Care
- Revenues overall growing at 2.5% per year
- Expenditures overall growing at 2.85% per year

Continued diligence required

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Proposed 2008-09 Budget

Capital Improvement Project Study Session

20

Proposed 2008-09 CIP Budget Overview

City Funds:(Millions)	2008-09	2007-08	Incr(Decr)
Streets & Highways	$6.0	$5.0	$ 1.0
General Government	9.3	11.6	(2.3)
Enterprise	52.8	42.8	10.0
Subtotal City Funds	$68.1	$59.4	$ 8.7
Agency Funds	23.9	27.9	(3.9)
TOTAL	$92.0	$87.2	$ 4.8

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Significant Capital Projects

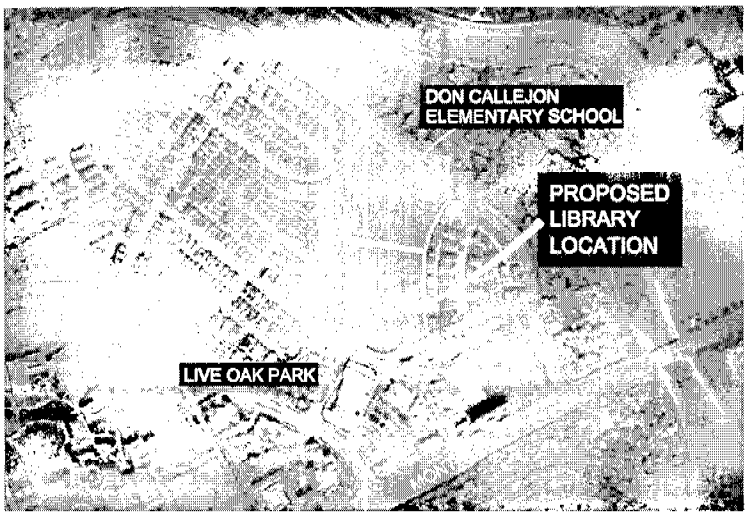
- Northside Branch Library
- South of Forest Neighborhood Street Improvements
- Lawn Bowl Clubhouse
- International Swim Center

22

Northside Branch Library

23

Northside Branch Library



24

Northside Branch Library

- Branch library for Northside area residents approved by City Council in November 1987, reaffirmed in August 1991
- Building Program by Kathryn Page Associates developed in 1998, revised and approved in April 2003
- Building Program of 2003 identified 15,708 sq. ft. branch library for the Northside area located on 1.5 acres of land at the edge of Live Oak Park, with 56 adjacent parking spaces. This branch library will be twice the size of Mission Family Reading Center
- Features include a 1,258 sq. ft. Community/Program Room with kitchenette which seats 100 (similar in size to Cedar Meeting Room), two group study rooms, one small additional meeting room, a collection size of 62,000 items, 102 reader seats

25

Northside Branch Library

Estimated Project Cost Escalated to Year 2010

Hard Costs		
Construction (@ 15,700 GSF)	$	10,150,000
LEED Silver Certification Cost (10% of Construction Cost)	$	1,015,000
Soft Costs (Architecture, Engineering & Project Management)	$	3,320,000
Furniture, Fixtures Computers & Audio/Visual	$	2,200,000
Library Material	$	1,930,000
Total Estimated Project Cost - Staff Recomendation	**$**	**18,615,000**
Community Room (Additional 2,750 sq ft, total 4,000 sq ft)	$	2,350,000
Estimated Project Cost with Community Room	**$**	**20,965,000**

26

Northside Branch Library

Funding

Project Remaining Balance	$	1,720,000
Requested Additional Funding in 08-09	$	15,900,000
Total Project Budget	**$**	**17,620,000**
Total Estimated Project Cost - Staff Recomendation	**$**	**18,615,000**
Additional Budget Need	**$**	**(995,000)**

27

Northside Branch Library

Project Schedule

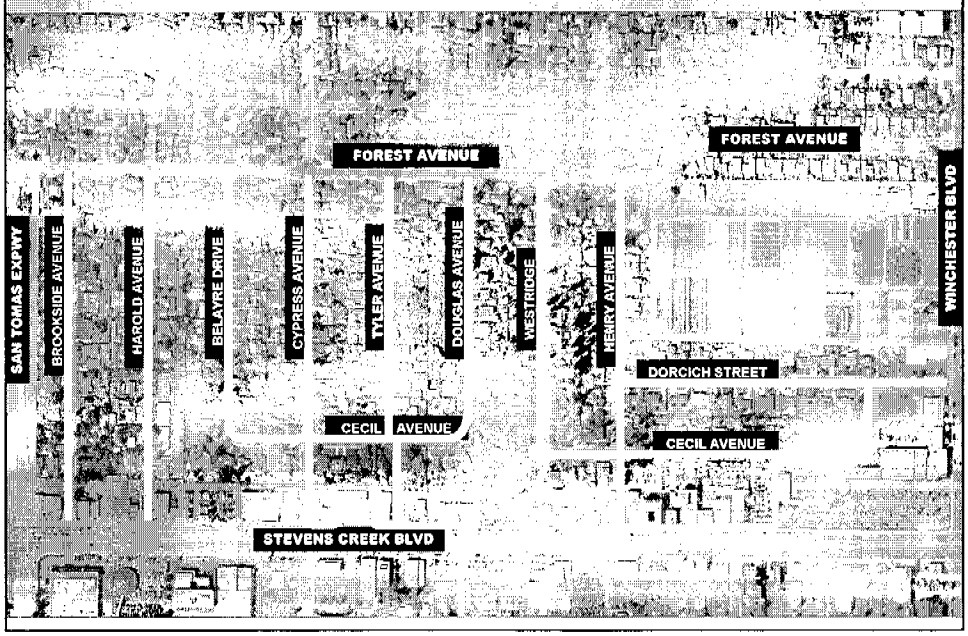
Design Development	**Summer 2009**
Council Approval, Bid & Award	**Winter 2010**
Construction, Furnishing & Technology Installation Complete	**Spring 2012**
Library Opening	**Summer 2012**

28

South of Forest Neighborhood Street Improvements and Other Gas Tax Projects

29

SOFN PROJECT AREA MAP



10-Year Plan (FY 08/09 to FY 17/18)
SOFN and Other Gas Tax Projects

10-YEAR PLAN STREET IMPROVEMENT PROJECTS ESTIMATED COSTS	
PROJECTS	TOTAL
TOTAL SOFN STREET IMPROVEMENTS	$ 13,476,000
TOTAL OTHER SUBSTANDARD STREET IMPROVEMENTS	$ 6,450,000
TOTAL RESURFACING & RESEAL PROGRAM	$ 7,000,000
TOTAL OTHER GAS TAX PROJECTS	$ 16,169,000
TOTAL ANNUAL STREET PROJECTS:	$ 43,095,000

10-YR PROJECTED REVENUE (FY 08/09 TO FY 17/18)	
FUNDING SOURCES	TOTAL
NON-GAS TAX REVENUE:	$ 19,833,000
GAS TAX REVENUE:	$ 19,500,000
TOTAL 10-YRS PROJECTED REVENUE:	$ 39,333,000

ADDITIONAL BUDGET NEED	$ (3,762,000)*

*Can be offset by Unallocated Funds and other sources

31

5-Year Plan
SOFN Improvements

5-YEAR PLAN SOFN IMPROVEMENTS	
PROJECT DESCRIPTION	TOTAL
SOFN IMPROVEMENTS	$13,476,000

5-YEAR PLAN SOFN FUNDING SOURCES		
FUNDING SOURCES	FUND ID	TOTAL
Proposition 42 (TCRF)	533	$ 6,101,000
Proposition 1B-Local Streets & Roads Imprv.	533	$ 3,575,000
Community Devt Block Grant (CDBG)	562	$ 220,000
Water Dept. Offset - Replacing water main	592	$ 120,000
Developer Contribution	533	$ 300,000
GAS TAX	522	$ 1,900,000
Covenants	533	$ 1,260,000
TOTAL SOFN FUNDING		$ 13,476,000

32

6 to 10 - Year Plan
Other Annexed Areas Improvements

6-10 YEAR PLAN OTHER ANNEXED AREAS IMPROVEMENTS	
PROJECT DESCRIPTION	TOTAL
OTHER SUBSTANDARD STREET IMPROVEMENTS	$ 3,450,000

6-10 YEAR PLAN OTHER ANNEXED AREAS FUNDING SOURCES		
FUNDING SOURCES	FUND ID	TOTAL
PROPOSITION 42 (TCRF)	533	$ 2,995,000
COVENANTS	533	$ 455,000
TOTAL FUNDING		$ 3,450,000

33

Santa Clara Lawn Bowl
Clubhouse Project

34

Santa Clara Lawn Bowl Clubhouse Project

Project Funding and Schedule

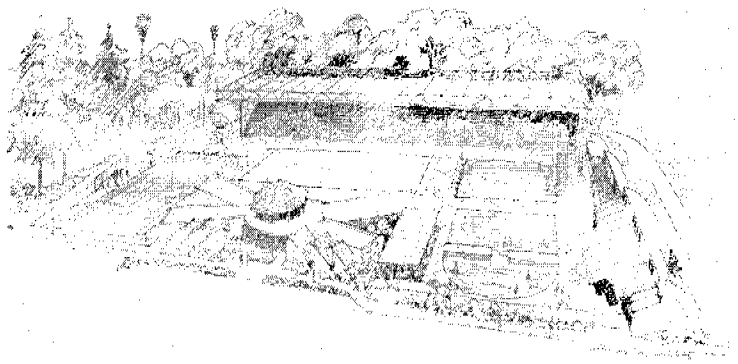
- Complete Master Plan and Cost Estimate in FY 08-09 using current Funding
- Remaining Project funding to be recommended in FY 2009-10

35

George F. Haines International Swim Center

36

George F. Haines International Swim Center



Conceptual Rendering of Master Plan

37

George F. Haines International Swim Center

- **New Pools Project** – Total of 4 new Swim Pools and construction of mechanical and support facilities to meet required codes
- **Swim Center Building** – Replacement of Existing Swim Center Building to provide additional offices for Staff and Swim Team operations, and to provide Swim Meet support areas (officials and media)
- **Training Center** – New Training building with rooms and facilities for Swim Team training and Swim Meet support

38

George F. Haines International Swim Center

- **New Pools Project** – $33.4 million project
- **Swim Center Building** – $18.5 million project

****

Combined New Pools + Swim Center - $49.7 million due to construction efficiencies

****

- **Training Center** – $6.2 million project

39

George F. Haines International Swim Center

New Pools Design Costs

• Current funding FY 2007-08	$450,000
• Proposed CIP FY 2008-09	$550,000
• Required to complete design	$400,000
• **Total Design Funding Needed**	**$1,400,000**

40

George F. Haines International Swim Center

New Pools Project Schedule

- New Pools Design — July 08 – June 09
- New Pools Bidding — July 09 – August 09
  Project Funding of $33.4 million is required in **FY 2009-10**
- New Pools Construction — 18 Months
  Swim Center closing at end of season September 7, 2009 and reopening in **March 2011**
- New Swim Center Building — TBD
  Tentatively Design to be completed Winter/Spring 09/10 and construction completed May 2011
- New Training Building — TBD

41

George F. Haines International Swim Center

New Pools Project Recommendation

- Estimated Construction Costs — $29,860,000
- Project Alternates Allowance — 1,751,000
- Architectural & Engineering — 1,792,290

Total New Pool Construction $33,403,290

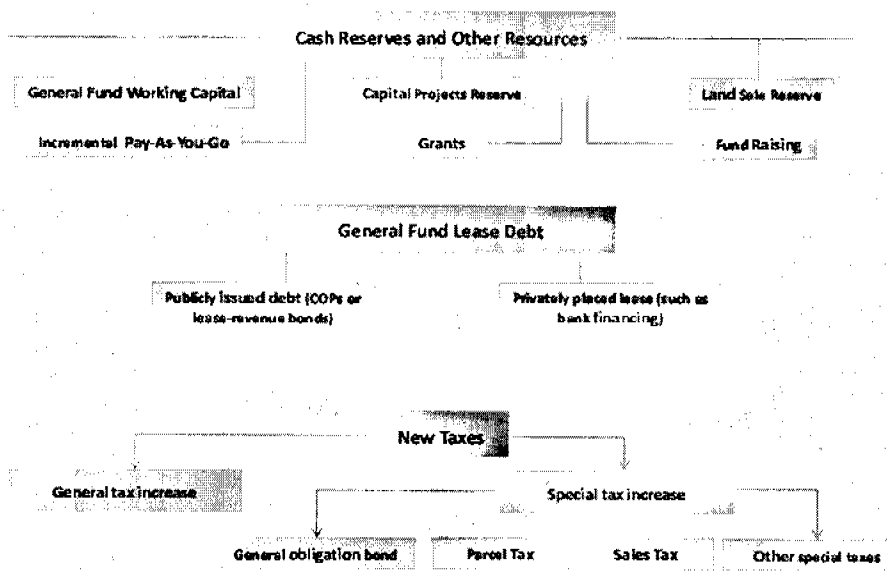
Staff Recommendation, Subject to Funding Availability

42

Capital Financing Options

43

Financing Alternatives for Swim Center and 800 Mhz Public Safety Radio Projects



Annual Debt Service

- Bond issue for $33 million project (International Swim Center New Pools Project)
  - 30-year term
  - 4.6% tax-exempt interest cost
  - $2.1 million annual principal and interest payment (General Fund obligation)

45

Annual Debt Service

- Bond issue for $50 million project (International Swim Center Pools + Swim Center Building)
  - 30-year term
  - 4.6% tax-exempt interest cost
  - $3.2 million annual principal and interest payment (General Fund obligation)

46

Financing Options Summary

- Cash Reserves and Other Resources
- General Fund Lease Debt (COPs)
- New Taxes (and Bonds)

47

Proposed 2008-09 Budget

Review Policy for Rebuilding General Fund Contingency Reserves

48

General Fund Contingency Reserve for Working Capital (Emergency) Reserve

	$ Millions
➢ Beginning Balance 7-01-07	$18.14
➢ General Fund Surplus	2.52
Total for 2008-09	$20.66

- ➢ This represents 13.9% of the Proposed 2008-09 budget of $148.6 million. (Last year, the level was 12.7%.)
- ➢ Policy is 25%, or $37.2 million

49

Rebuilding General Fund Contingency Reserves

- ➢ Capital Project Reserve (CPR)
  - Recommend using $1.7 million of $4.2 surplus to fund CPR
  - Projection for 2008-09 is draw down to $1.0 million.
  - This is below stated policy minimum of $5 million

50

Rebuilding General Fund Contingency Reserves

- Capital Project Reserve (CPR)

	($millions)
• Balance FYE 6-30-08	$ 7.7
• Deduct Budget Appropriation for 2008-09	(6.7)
• Proposed Balance FYE 6-30-09	$ 1.0

51

Staff Recommendations

- Northside Branch Library
  - Additional RDA funding of $995,000
  - Total funding $18.6 million
  - Original size of 15,708 square feet with LEED certification
  - Design – Summer 2009

52

Staff Recommendations

- South of Forest Neighborhood Street Improvements
  - Funding of $3.537 million for 2008-09
  - Complete funding over five years
  - No General Fund commitment

53

Staff Recommendations

- International Swim Center
  - Delay New Pools Project one additional year to 2009-10
  - Refer to City Manager to make recommendations regarding funding

  OR
  - Optional Recommendation: Add $400,000 to 2008-09 CIP to complete International Swim Center Design

54

Staff Recommendations

- Lawn Bowl Clubhouse:
  - Complete Master Plan and Cost Estimate in 2008-09 using current funding
  - Remaining Project funding to be recommended in 2009-10
- BMX Bike Park: Add $725,000 to Five Year Plan (2013-14)
- International Swimming Hall of Fame: Refer to the City Manager for review

55

Proposed 2008-09 Budget

Next Meetings

56

FY 2008-09 Budget Study Sessions and Public Hearings

May 19 – Citizens Advisory Committee

May 20 - Study Session:

- Operating Budget Study Session
- Group Presentations – Operating Budget

June 10 -

- Public Hearing/Budget Adoption
- Solid Waste Rate Hearing
- Water & Sewer Rate Hearing
- Convention Center Maintenance District
- Urban Renewal Parking District (Franklin Square)
- Municipal Fee Schedule Adoption

57

Questions?

58

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-1

Santa Clara All-America City 2001

Date: May 6, 2008

To: City Manager for Council Action

From: Senior Staff Aide

Subject: Request to approve and authorize the publication of the proposed *Mission City SCENES/* July 2008

EXECUTIVE SUMMARY:

The July 2008 issue of *Mission City SCENES* is scheduled to include the following:

- Department Updates
- Dog Gone! (A Note from City Meter Readers)
- Graffiti Watch
- Sister City News
- National Night Out
- Street Dance
- Campaign Season Begins and So Do Reminders to Vote Ethics

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The *Mission City SCENES* provides timely and important information to citizens, including details about City events and programs, and updates of City activities. There are no recognized disadvantages.

ECONOMIC/FISCAL IMPACT:

Cost of printing the *Mission City SCENES* for one year is $28,000 or roughly 4.5 cents for each insert printed. There is no additional postage cost for including the *SCENES* with utility bills. With the current one-page utility bills, there is sometimes sufficient postage to handle a second, additional insert without incurring increased postage costs.

RECOMMENDATION:

That the Council approve and authorize the publication of the proposed July 2008 *Mission City SCENES.*

Jashma Kadam
Senior Staff Aide

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:

1) July 2008 Mission City SCENES

I:\Citymanagers\CMO Publications\Mission City SCENES\2008/July Council Report 2008

Rev. 02/26/08

COVER

Dog Gone!

Have you recently become the proud owner of a puppy or new adult dog? Many pet owners know that opened gates are invitations for runaway and sometimes lost pets. Please help the City of Santa Clara Meter Readers and keep your pets safe! Post a note on your gate to let the City Meter Reader know about your pet before the gate is opened, or call the City's Finance Department Customer Service number at 615-2300 so a note may be entered in your meter file. Help keep your pets SAFE!

INSIDE –

- Department Updates
- Graffiti Watch
- Sister City News
- National Night Out
- Street Dance
- Campaign Season Begins and So Do Reminders to Vote Ethics

Department Update

Engineering

The "grand opening and ribbon cutting" for the new Fire Station 4 took place on April 24, 2008. The new 5,600 sq. ft. building was constructed on the same lot as the original building completed in 1958. Fire Station 4 is similar to the recently completed Fire Station 3 on Homestead Road near Kiely Blvd. and will usually be occupied by three firefighters with a single fire truck. In event of an emergency, the new facility can accommodate two fire vehicles and can sleep as many as ten firefighters. Like all newer fire stations, there are separate men's and women's restroom and shower facilities. In addition, it is equipped with modern communications equipment, a roof mounted photovoltaic electric system, and emergency back-up power.

Graffiti Watch

Graffiti is no longer something that only big cities have to contend with. Graffiti has spread to smaller communities and rural areas. The presence of graffiti can trigger a decline in perceived property values and is seen as one factor in the overall decline of a community's quality of life. Graffiti taggers consider themselves to be artists, but graffiti is not an art form -- it is the deliberate defacing of public or private property without the owners' permission. Rapid and continual removal is one of the best ways to discourage tagging. It denies graffiti vandals the recognition they seek and results in the area remaining graffiti free for a longer period. The City of Santa Clara offers a $250 reward for information that leads to an arrest of graffiti vandals. For more information on the City's Graffiti Removal and Abatement Program, and the procedures for graffiti removal from private property, call 615-3080.

Annual Night Out - 2008

The City of Santa Clara will participate in the 25th Annual National Night Out program, designed to increase awareness of crime prevention programs and strengthen neighborhood spirit by creating a positive police and community partnership.

On Tuesday, August 5, 2008 from 6 to 9 p.m. residents in neighborhoods throughout Santa Clara and across the nation are asked to lock their doors, turn on the outside lights and spend the evening outside with neighbors and police to promote neighborhood unit against crime.

Neighborhood events can be casual and informal such as a potluck or ice cream social, or more elaborate activities including closing off a block for a street party. A petition needs to be signed by all neighbors affected by the street closure and turned into the City's Business License Department at least two weeks before the event.

For more information, contact Jamie Caron in the Community Services Unit of the Police Department at 615-4876 or email - jcaron@santaclaraca.gov.

Sister City News

2008 Showcase of Young Artists - The winner of the 4th Annual Showcase was Johnny Chao from Santa Clara High School. His entry titled " Santa Clara" will also be judged in the Sister Cities International Contest in Washington D.C. During the April 9, 2008 City Council Meeting Johnny was awarded $100 as

the winner and presented with a $25 gift certificate from University Art. Special thanks to University Art for supporting such a great opportunity for young local artists.

Annual Chicken BBQ - Mark your calendars for the SCA's Annual Chicken BBQ August 24, 2008 at the Elks Lodge on 1680 Martin Ave. This is one of the associations most popular fundraisers to help support their exchange programs. For more information please call 244-7551 or email - debid56@comcast.net

9-11 Concert - Thursday, September 11, 2008 the SCA will hold their annual September Concert at the Redwood Grove behind the Triton Museum. The best local bands will be entertaining you once again. The concert begins at 5 p.m. and runs until 9 p.m. Food and beverages will be available. The September Concert remembers the anniversary of September 11, 2001 with the goal to bring communities together, reaffirm hope for world peace, and celebrate life and universal humanity.

Santa Clara Sister Cities Association Cookbook - SCA has published their own cookbook to sell as a fundraiser to support international exchanges. Inside the book are delicious recipes, including Portuguese Cabbage Soup to Hawaiian Malasada, submitted by local residents. Like the All America City we are, these recipes represent all Santa Clarans. Cookbooks are only $10. To purchase a copy, call 244-7551.

Street Dance with Joe Sharino

The Franklin Square Street Dance, a free event, featuring the Joe Sharino Band, will be held on Friday, August 1, 7 to 9:30 p.m. This all-star band will provide the best of pop, rock, Motown, funk, country and swing on Jackson Street, between Homestead Road and Benton Street, adjacent to the Franklin Square.

Refreshments will be available for purchase, or plan to start the evening with an early dinner at a Franklin Square restaurant. The City of Santa Clara Cultural Advisory Commission sponsors this enjoyable event. For more information, call 615-2219.

Campaign season begins and so do reminders to Vote Ethics

Although candidates do not have to file official documents announcing their intention to run for City Council until August, some campaigns are already underway in seeking endorsements and contributions for the November 4 election.

In Santa Clara, the start of campaign season is also the start of the award-winning Vote Ethics public awareness program to remind voters - as well as candidates and their supporters - that ethics should be considered at the ballot box.

Vote Ethics is an extension of the City's comprehensive ethics program and the Code of Ethics and Values adopted in 2000. The community values identified in the Code -- ethical, professional, service-oriented, fiscally responsible, organized, communicative, collaborative, progressive - have been the basis for a series of training workshops for different segments of City government, including elected officials, appointed members of commissions and boards, senior staff, and entire City departments. During three election cycles, the Code has also been the centerpiece of workshops for candidates and their supporters.

In 2004 and 2006, the program expanded to include outreach to voters to educate them about how to evaluate the ethics and values of candidates. A Vote Ethics insert was published in the "Inside Santa Clara" quarterly newspaper [look for a new insert in the September issue], and other communication tools were used to describe campaign financing regulations and disclosure laws.

More information about Vote Ethics can be found on the City's website at www.santaclaraca.gov.

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-2

Santa Clara All-America City 2001

Date: May 6, 2008

To: City Manager for Council Action

From: Acting Director of Parks and Recreation

Subject: Request to Accept Donation from Mission City Community Fund for Senior Center Activities

EXECUTIVE SUMMARY:

Mission City Community Fund has offered to donate $200 to support Senior Center activities.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approval of this donation will provide $200 to help fund Senior Center activities.

ECONOMIC/FISCAL IMPACT:

Approval of this donation will provide $200 to help fund the Senior Center Activities account (084-1114-58700-(A)20903).

RECOMMENDATION:

That the Council accept the donation from Mission City Community Fund in the amount of $200 to help support Senior Center activities and authorize the transmittal of letter of appreciation signed by the Mayor and City Manager.

George Friedenbach
Acting Director of Parks and Recreation

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Letter of Appreciation

I:\Parks\Agendas\Donation\2008\Mission City Community Fund 08 S.C. Activities.doc

SANTA CLARA
CALIFORNIA

Santa Clara
All-America City
2001

Mayor

Patricia M. Mahan

Council Members

Dominic J. Caserta
Will Kennedy
Pat Kolstad
Joe Kornder
Jamie McLeod
Kevin Moore

May 14, 2008

Mission City Community Fund
P.O. Box 587
Santa Clara, California 95052

Dear Mission City Community Fund:

On behalf of the City of Santa Clara, please accept this letter of appreciation for your generous donation of $200.00 to the Senior Center for senior activities. The Senior Center offers a variety of ongoing recreational activities to anyone age 50 and older. We appreciate your support.

Sincerely,

Patricia M. Mahan
Mayor

Jennifer Sparacino
City Manager

Mayor and Council Offices
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2250
FAX (408) 241-6771
www.santaclaraca.gov

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-3

Santa Clara All-America City 2001

Date: May 6, 2008

To: City Manager for Council Action

From: Acting Director of Parks and Recreation

Subject: Request to Accept Donation from Carole Anne Reilly for Senior Center Activities

EXECUTIVE SUMMARY:

Carole Anne Reilly has offered to donate $100 to support Senior Center activities.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approval of this donation will provide $100 to help fund Senior Center activities.

ECONOMIC/FISCAL IMPACT:

Approval of this donation will provide $100 to help fund the Senior Center Activities account (084-1114-58700-(A)20903).

RECOMMENDATION:

That the Council accept the donation from Carole Anne Reilly in the amount of $100 to help support Senior Center activities and authorize the transmittal of letter of appreciation signed by the Mayor and City Manager.

George Friedenbach
Acting Director of Parks and Recreation

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Letter of Appreciation

I:\Parks\Agendas\Donation\2008\Carole Anne Reilly Senior Center Activities 08.doc

SANTA CLARA
CALIFORNIA

Santa Clara
All-America City
2001

Mayor

Patricia M. Mahan

Council Members

Dominic J. Caserta
Will Kennedy
Pat Kolstad
Joe Kornder
Jamie McLeod
Kevin Moore

May 14, 2008

Carole Anne Reilly
2050 Town and Country Lane
Santa Clara, CA 95050

Dear Ms. Carole Anne Reilly:

On behalf of the City of Santa Clara, please accept this letter of appreciation for your generous donation of $100.00 to the Senior Center for senior activities. The Senior Center offers a variety of ongoing recreational activities to anyone age 50 and older. We appreciate your support.

Sincerely,

Patricia M. Mahan
Mayor

Jennifer Sparacino
City Manager

Mayor and Council Offices
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2250
FAX (408) 241-6771
www.santaclaraca.gov

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-4

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: John C. Roukema, Acting Director of Electric Utility

Subject: Approval for Use of City Forces, Electric Department Estimates

EXECUTIVE SUMMARY:

It is requested that the City Council find that City Forces, supplemented by Public Works and Contract Labor, if necessary, can best perform the installation of the following electric facilities and approve the use of City Forces, therefore:

Estimate No.: 15389
Title/Location: Subsurface Transformer Replacement, 3404 Homestead Road
Type of Job: Reliability

Description of Work: Remove three subsurface transformer. Install two padmount transformers, remove and repull 552' of PRI conductors and 1102' of secondary conductors. Modify existing conduit work.

Estimated Cost	**$71,1548.07**	**Contributions in Aid of Construction**	**$**	**.00**
		Salvaged Plant	**$**	**.00**
		Customer Service Charge	**$**	**71,148.07**

Estimate No.: 30528
Title/Location: Install new Bridge Tap, Corvin Drive and Kifer Road
Type of Job: Reliability

Description of Work: Install 1000' of 1/0 al triplex conductor to complete a loop and avoid customer outage. Cable to be pulled in existing conduits.

Estimated Cost	**$5,000.00**	**Contributions in Aid of Construction**	**$**	**.00**
		Salvaged Plant	**$**	**.00**
		Customer Service Charge	**$**	**.00**

RECOMMENDATION:

That Council approve the use of City Electric forces for the installation of facilities at various locations.

John C Roukema
John C. Roukema
Acting Director of Electric Utility

APPROVED
Jennifer Sparacino
Jennifer Sparacino
City Manager

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-5

Santa Clara All-America City 2001

DATE: May 7, 2008

TO: City Manager for Council Action

FROM: Director of Public Works/City Engineer

SUBJECT: Resolution ordering the vacation of a portion of an emergency access easement located at 550 Moreland Way (APN 097-08-109)

EXECUTIVE SUMMARY: The above-referenced property is encumbered with an emergency access easement of which a portion is no longer needed. A new easement, within the adjacent property to the west, has been dedicated to provide rights-of-way for emergency vehicles accessing the properties within the subject area. Therefore the owner is requesting the City to vacate a portion of the subject easement. The City Fire Department, the only agency having an interest in the subject easement, has agreed to the vacation.

A Resolution ordering the vacation of a portion an emergency access easement has been prepared and approved for form by the City Attorney.

ADVANTAGES AND DISADVANTAGES OF ISSUE: The vacation will remove an unnecessary encumbrance from the property's title.

ECONOMIC/FISCAL IMPACT: There is no additional cost to the City other than staff time and expense.

RECOMMENDATION: That the Council:

1. Approve and adopt the Resolution ordering the vacation of a portion of an emergency access easement located at 550 Moreland Way (APN 097-08-109; S.C. 18,181) to Fourth Avenue Partners, LLC, a California limited liability company; and
2. Authorize the recordation thereof.

Rajeev Batra

Rajeev Batra
Director of Public Works/City Engineer

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Resolution

I:\ENGINEERING\Draft\WP\Agenda\SC18181 vac ptn EAE agn.doc

RECORD WITHOUT FEE
PURSUANT TO GOV'T CODE SECTION 6103

Recording Requested by:
Office of the City Attorney
City of Santa Clara, California

When Recorded, Mail to:
Office of the City Clerk
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Form per Gov't Code Section 27361.6

[SPACE ABOVE THIS LINE FOR RECORDER'S USE]

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ORDERING THE VACATION OF AN EMERGENCY ACCESS EASEMENT LOCATED AT 550 MORELAND AVENUE [APN 097-08-109 (2006-07)]

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, pursuant to the provisions of Section 8333 of the California Streets and Highways Code, the City Council "may summarily vacate a public service easement in any of the following cases:

(a) The easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation;

(b) The date of dedication or acquisition is less than five years, and more than one year, immediately preceding the proposed vacation, and the easement was not used continually since that date; and/or

(c) The easement has been superseded by relocation and there are no other public facilities located within the easement."

WHEREAS, the City Council of the City of Santa Clara having duly considered all the evidence, and followed the procedures prescribed by law, hereby finds and determines from all evidence submitted that the public service easement described below in this Resolution conforms to the provisions of Section 8333(c) of the California Streets and Highways Code, as described hereinabove, and has been superseded by relocation and there are no other public facilities located within the easement.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the following portion of a public service easement in the City is hereby vacated pursuant to California Streets and Highways Code Section 8333(c) in that the easement had been relocated:

Please see Exhibit "A" and the plat to accompany legal description, attached hereto and made a part hereof by this reference.

2. The vacation hereby releases all easement rights to **Fourth Avenue Partners, LLC, a California Limited Liability Company,** that may have accrued.

3. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares

that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thercof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2008, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:_____

ROD DIRIDON, JR.
City Clerk
City of Santa Clara

Attachments Incorporated by Reference:
1. Exhibit "A"

EXHIBIT A
VACATION OF PORTION OF
EMERGENCY ACCESS EASEMENT

That certain portion of that Emergency Access Easement as described in Document No. 17870990 Santa Clara County Records, said easement is within that real property in the City of Santa Clara, County of Santa Clara, State of California, being a portion of Parcel A as described in that Notice of Lot Line Adjustment (LLA) filed for record on October 12, 2004 as Document No. 18042518, Santa Clara County Records, described as follows:

Commencing at the most westerly corner of said Parcel A, LLA, Document No. 18042518;

Thence along the northwesterly line of said Parcel A, North 62°07'00" East, 16.75 feet, to a line parallel with and 16.75 feet northeasterly of the southwesterly line of said Parcel A, LLA, Document No. 18042518;

Thence along the said parallel line, South 28°23'07" East, 442.39 feet to the **True Point of Beginning;**

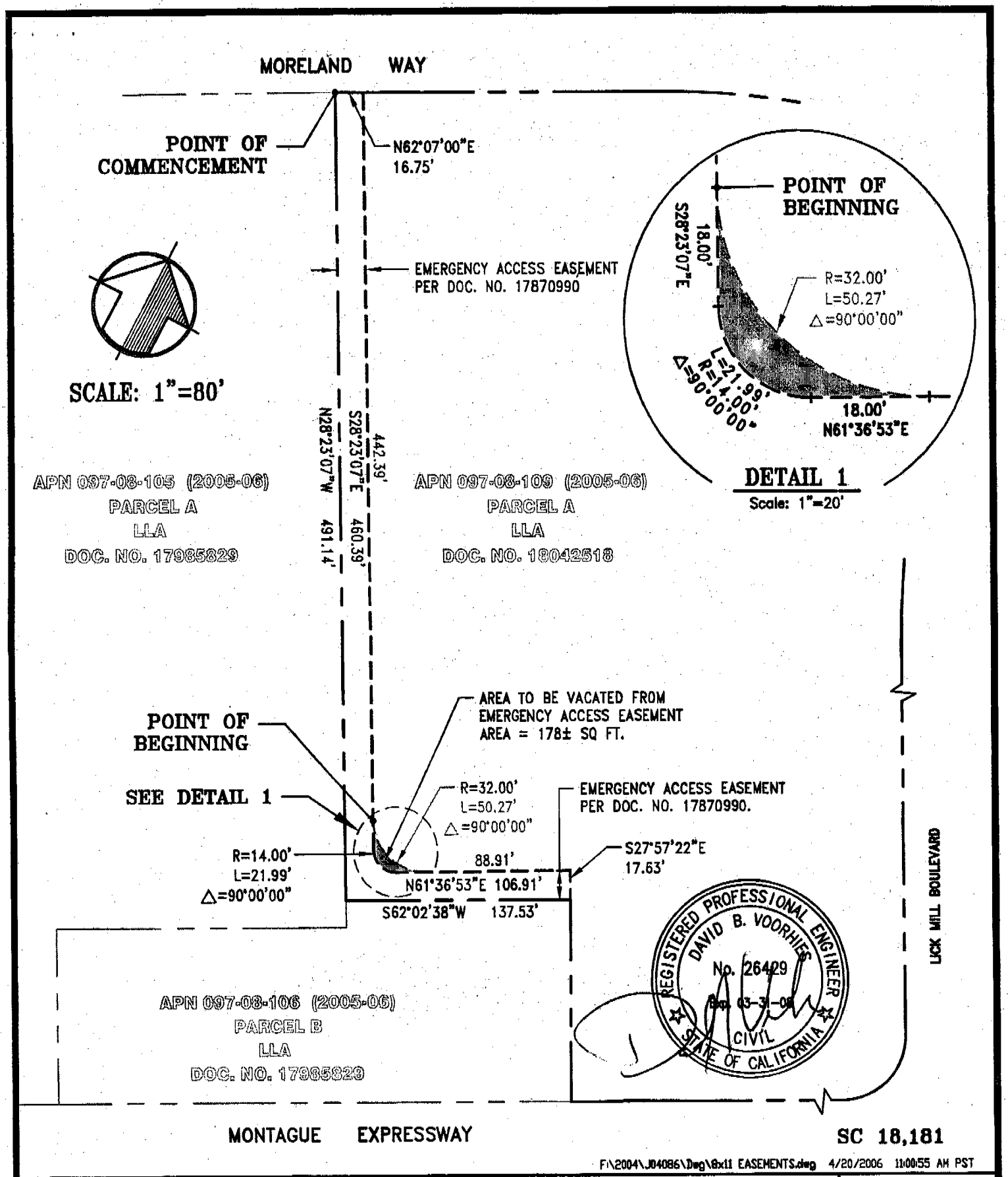
Thence along said parallel line, South 28°23'07" East 18.00 feet to the beginning of a curve;

Thence along a tangent curve to the left, having a radius of 14.00 feet, through a central angle of 90°00'00" for an arc length of 21.99 feet;

Thence North 61°36'53" East 18.00 feet to the beginning of a tangent curve to a northwesterly direction;

Thence along said tangent curve to the right, concave to the North, having a radius of 32.00 feet, through a central angle of 90°00'00" for an arc length of 50.27 feet, to the **True Point of Beginning** containing an area of 178± square feet.

REGISTERED PROFESSIONAL ENGINEER
DAVID B. VOORHIES
No. 26429
Exp. 03-31-08
CIVIL
STATE OF CALIFORNIA



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UNDERWOOD & ROSENBLUM, INC.
civil engineers and surveyors
1630 Oakland Road Ste. A114 San Jose, Ca. 95131
Tel. No. (408) 453 1222 Fax No. (408) 453 1207

PLAT TO ACCOMPANY LEGAL DESCRIPTION: VACATION OF PORTION OF EMERGENCY ACCESS EASEMENT

SANTA CLARA CALIFORNIA

Date: 4-20-06	
Scale 1"=20'	
Job No. J04086	
Sheet 1 of 1	

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: 5-13-2008

SUBJECT: S.C. 18,181 – Resolution
550 Moreland Way

CERTIFICATION

The proposed Resolution
Regarding the vacation of a portion of an emergency access easement
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by — for Rajeev Batra
Department Head

2. As to Legality, by — Jnam HL
City Attorney's Office / CAO Assignment No 08.0603

3. As to Environmental Impact Requirements, by — Kevin L. Riley
Director of Planning and Inspection

4. As to Substance, by — J Sparacino
City Manager

Revision Date June 7, 2005

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RECORD WITHOUT FEE
PURSUANT TO GOV'T CODE SECTION 6103

Recording Requested by:
Office of the City Attorney
City of Santa Clara, California

When Recorded, Mail to:
Office of the City Clerk
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

CERTIFIED COPY: This document has been compared with the original.
SANTA CLARA COUNTY CLERK-RECORDER

Doc#: 19854590
5/15/2008 11:28 AM

Form per Gov't Code Section 27361.6

[SPACE ABOVE THIS LINE FOR RECORDER'S USE]

RESOLUTION NO. 08-7513

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ORDERING THE VACATION OF AN EMERGENCY ACCESS EASEMENT LOCATED AT 550 MORELAND AVENUE [APN 097-08-109 (2006-07)]

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, pursuant to the provisions of Section 8333 of the California Streets and Highways Code, the City Council "may summarily vacate a public service easement in any of the following cases:

(a) The easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation;

(b) The date of dedication or acquisition is less than five years, and more than one year, immediately preceding the proposed vacation, and the easement was not used continually since that date; and/or

(c) The easement has been superseded by relocation and there are no other public facilities located within the easement."

WHEREAS, the City Council of the City of Santa Clara having duly considered all the evidence, and followed the procedures prescribed by law, hereby finds and determines from all evidence submitted that the public service easement described below in this Resolution conforms to the provisions of Section 8333(c) of the California Streets and Highways Code, as described hereinabove, and has been superseded by relocation and there are no other public facilities located within the easement.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the following portion of a public service easement in the City is hereby vacated pursuant to California Streets and Highways Code Section 8333(c) in that the easement had been relocated:

> **Please see Exhibit "A" and the plat to accompany legal description, attached hereto and made a part hereof by this reference.**

2. The vacation hereby releases all easement rights to **Fourth Avenue Partners, LLC, a California Limited Liability Company,** that may have accrued.

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3. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13TH DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit "A"

EXHIBIT A
VACATION OF PORTION OF
EMERGENCY ACCESS EASEMENT

That certain portion of that Emergency Access Easement as described in Document No. 17870990 Santa Clara County Records, said easement is within that real property in the City of Santa Clara, County of Santa Clara, State of California, being a portion of Parcel A as described in that Notice of Lot Line Adjustment (LLA) filed for record on October 12, 2004 as Document No. 18042518, Santa Clara County Records, described as follows:

Commencing at the most westerly corner of said Parcel A, LLA, Document No. 18042518;

Thence along the northwesterly line of said Parcel A, North 62°07'00" East, 16.75 feet, to a line parallel with and 16.75 feet northeasterly of the southwesterly line of said Parcel A, LLA, Document No. 18042518;

Thence along the said parallel line, South 28°23'07" East, 442.39 feet to the **True Point of Beginning;**

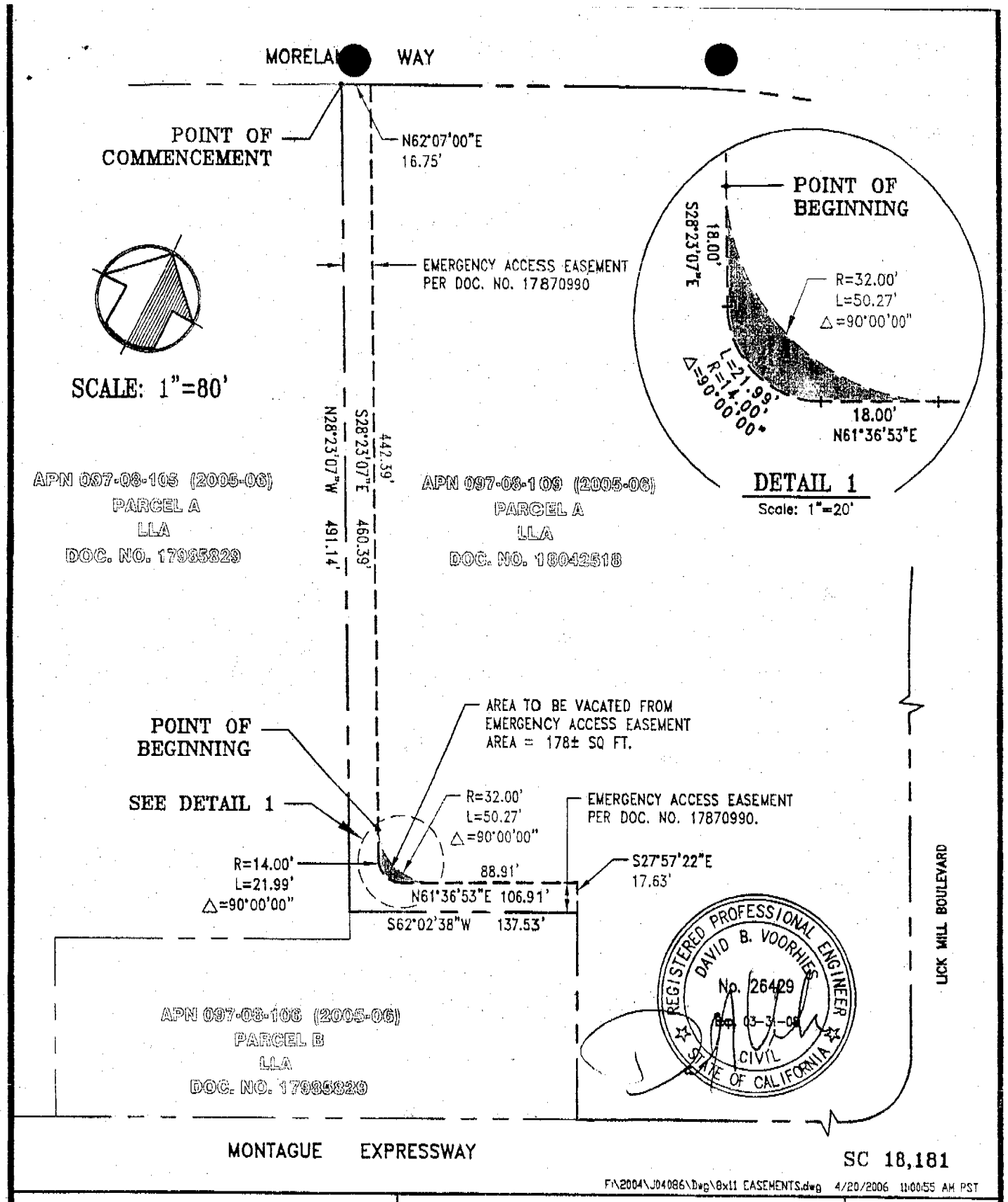
Thence along said parallel line, South 28°23'07" East 18.00 feet to the beginning of a curve;

Thence along a tangent curve to the left, having a radius of 14.00 feet, through a central angle of 90°00'00" for an arc length of 21.99 feet;

Thence North 61°36'53" East 18.00 feet to the beginning of a tangent curve to a northwesterly direction;

Thence along said tangent curve to the right, concave to the North, having a radius of 32.00 feet, through a central angle of 90°00'00" for an arc length of 50.27 feet, to the **True Point of Beginning** containing an area of 178± square feet.

REGISTERED PROFESSIONAL ENGINEER
DAVID B. VOORHIES
No. 26429
Exp. 03-31-08
CIVIL
STATE OF CALIFORNIA



SC 18,181

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UNDERWOOD & ROSENBLUM, INC.
civil engineers and surveyors
1630 Oakland Road Ste. A114 San Jose, Ca. 95131
Tel. No. (408) 453 1222 Fax No. (408) 453 1207

PLAT TO ACCOMPANY LEGAL DESCRIPTION:
VACATION OF PORTION OF
EMERGENCY ACCESS EASEMENT

SANTA CLARA CALIFORNIA

Date: 4-20-06	
Scale 1"=20'	
Job No. J04086	
Sheet 1 of 1	

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-6

Santa Clara All-America City 2001

Date: May 6, 2008

To: City Manager for Council Action

From: Acting Director of Parks and Recreation

Subject: Approval of Resolution Declaring a Temporary Restriction and Control of Animals at the All City Picnic and Fireworks Spectacular on July 4, 2008

EXECUTIVE SUMMARY:

The Parks and Recreation Department is requesting the City Council approve a resolution that will restrict animals in Central Park during the July 4, 2008 All City Picnic and Fireworks Spectacular.

In 1994 a resolution prohibiting dogs was approved by the City Council. Since, 1995, the resolution included other pets such as snakes and birds. These pets create safety concerns during the heavily attended picnic.

The Parks and Recreation Department has requested that the animals provided by the 4-H Club in the petting zoo as well as guide, signal and service dogs be permitted under the resolution.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Keeping animals out of the All City Picnic and Fireworks Spectacular areas of Central Park will ensure the animals not injuring or frightening the adults and children enjoying the picnic. The health problems associated with the presence of animals in a heavily congested area will also be eliminated.

Dog owners will be given the availability of the unused open space at Central Park for their needs. This space is adequate and located south of the Community Recreation Center.

ECONOMIC/FISCAL IMPACT:

The City will incur no cost.

RECOMMENDATION:

That the Council pass and adopt a resolution declaring the temporary restriction and control of animals at the Santa Clara All City Picnic and Fireworks Spectacular on July 4, 2008.

George Friedenbach
Acting Director of Parks and Recreation

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Resolution Restricting Animals at the All City Picnic and Fireworks Spectacular

I:\Parks\Agendas\Resolution\All City Picnic Animal Control Resolution 2008.doc

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, DECLARING A TEMPORARY RESTRICTION AND CONTROL OF ANIMALS AT THE SANTA CLARA ALL CITY PICNIC AND FIREWORKS SPECTACULAR ON JULY 4, 2008

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, The City of Santa Clara ("City") hereby finds and determines that the necessity for the provisions, prohibitions, and restrictions contained in and enacted by this Resolution are declared, as a matter of the City Council's determination, to be for the purpose of securing and promoting the public health, safety, and welfare of all citizens of the City; and

WHEREAS, the City Council finds that a temporary restriction and control of animals at the Santa Clara All City Picnic and Fireworks Spectacular to take place on July 4, 2008, is necessary because of the anticipated crowds and the potential threat animals pose to the health, safety, and welfare of the individuals attending the Santa Clara All City Picnic and Fireworks Spectacular; and

WHEREAS, the City Council finds that a temporary restriction and control of animals at the All City Picnic and Fireworks Spectacular is necessary to preserve the health and safety concerns of the citizens by restricting the access and presence of animals in the area of the All City Picnic and Fireworks Spectacular in which the entertainment and games are located and in an area where food and beverages are being served to the public.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

SECTION 1: There shall be a temporary restriction and control of all animals at the All City Picnic and Fireworks Spectacular in the entertainment and game area and within the food booth area of Central Park, Santa Clara, California ("Central Park"). The restricted areas shall be posted with a copy of this Resolution; and

SECTION 2: This temporary restriction and control of all animals within the All City Picnic and Fireworks Spectacular area of Central Park shall remain in full force and effect on July 4, 2008, from 8:00 a.m. until 10:00 p.m.; and

SECTION 3: This temporary prohibition shall not apply to "guide dogs", "signal dogs", or "service dogs" as each is defined in Section 54.1 of the California Civil Code, or to the 4-H petting zoo animals; and

SECTION 4: This temporary restriction and control of all animals within the All City Picnic and Fireworks Spectacular area of Central Park shall not include the remainder of Central Park where the animal owners will have access to the unused open space in Central Park area south of the Community Recreation Center in accordance with established City rules and regulations; and

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SECTION 5: Constitutionality, severability.

If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2008, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
City Clerk
City of Santa Clara

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: _____

SUBJECT: Approval of Resolution Declaring a Temporary Restriction and Control of Animals at the All City Picnic and Fireworks Spectacular on July 4, 2008

CERTIFICATION

The proposed _____
Regarding _____
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by _____
Department Head

2. As to Legality, by Helene Leichter
City Attorney's Office / CAO Assignment No 08.0677

3. As to Environmental Impact Requirements, by _____
Director of Planning and Inspection

4. As to Substance, by J Sparacino
City Manager

Revision Date June 7, 2005

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RESOLUTION NO. 08-7514

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, DECLARING A TEMPORARY RESTRICTION AND CONTROL OF ANIMALS AT THE SANTA CLARA ALL CITY PICNIC AND FIREWORKS SPECTACULAR ON JULY 4, 2008

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, The City of Santa Clara ("City") hereby finds and determines that the necessity for the provisions, prohibitions, and restrictions contained in and enacted by this Resolution are declared, as a matter of the City Council's determination, to be for the purpose of securing and promoting the public health, safety, and welfare of all citizens of the City; and

WHEREAS, the City Council finds that a temporary restriction and control of animals at the Santa Clara All City Picnic and Fireworks Spectacular to take place on July 4, 2008, is necessary because of the anticipated crowds and the potential threat animals pose to the health, safety, and welfare of the individuals attending the Santa Clara All City Picnic and Fireworks Spectacular; and

WHEREAS, the City Council finds that a temporary restriction and control of animals at the All City Picnic and Fireworks Spectacular is necessary to preserve the health and safety concerns of the citizens by restricting the access and presence of animals in the area of the All City Picnic and Fireworks Spectacular in which the entertainment and games are located and in an area where food and beverages are being served to the public.

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NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

SECTION 1: There shall be a temporary restriction and control of all animals at the All City Picnic and Fireworks Spectacular in the entertainment and game area and within the food booth area of Central Park, Santa Clara, California ("Central Park"). The restricted areas shall be posted with a copy of this Resolution; and

SECTION 2: This temporary restriction and control of all animals within the All City Picnic and Fireworks Spectacular area of Central Park shall remain in full force and effect on July 4, 2008, from 8:00 a.m. until 10:00 p.m.; and

SECTION 3: This temporary prohibition shall not apply to "guide dogs", "signal dogs", or "service dogs" as each is defined in Section 54.1 of the California Civil Code, or to the 4-H petting zoo animals; and

SECTION 4: This temporary restriction and control of all animals within the All City Picnic and Fireworks Spectacular area of Central Park shall not include the remainder of Central Park where the animal owners will have access to the unused open space in Central Park area south of the Community Recreation Center in accordance with established City rules and regulations; and

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SECTION 5: Constitutionality, severability.

If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # MA-7

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: Acting Director of Human Resources

Subject: Request for an Extension of Leave of Absence – Chad Wozniak, Electric Division Manager

EXECUTIVE SUMMARY:

Chad Wozniak, Electric Division Manager, has requested an extension of his Leave of Absence through May 31, 2009. The Electric Department is recommending Mr. Wozniak's request be approved due to his significant extenuating circumstances. His original Leave of Absence began on July 30, 2007 and will conclude on July 30, 2008. The City Council has the authority pursuant to the Personnel and Salary Resolution No. 4652, to grant a leave of absence greater than one (1) calendar year. Including this requested leave extension, the entire length of Mr. Wozniak's Leave of Absence will total 672 calendar days. He will be expected to return to his regular job assignment on June 1, 2009.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The City is accommodating Mr. Wozniak's request of his Leave of Absence. There are no disadvantages.

ECONOMIC/FISCAL IMPACT:

Since Mr. Wozniak is on an unpaid Leave of Absence, there is no fiscal impact.

RECOMMENDATION:

That the Council approve the extension of Chad Wozniak's Leave of Absence through May 31, 2009.

Alan V. Christenson
Acting Director of Human Resources

APPROVED:

Jennifer Sparacino
City Manager

Rev. 02/26/08

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-8

Santa Clara All-America City 2001

Date: May 2, 2008

To: City Manager for Council Action

From: Senior Staff Aide

Subject: Give A Little . . . Help A Lot Campaign Progress Report and Request for Council Action During the 2008-09 Budget Process

EXECUTIVE SUMMARY:

The Give A Little...Help A Lot donation campaign, approved by Council in January 1990, continues to generate funds for specific community service programs of the City. Utility bill inserts are mailed two times each year to citizens, informing them of the program and inviting their participation. The programs that benefit from the Give A Little...Help A Lot campaign are: Art in Public Places, Concerts in the Park, Keep Santa Clara Clean, Harris-Lass Historic Preserve, Mission City Community Fund, Championship Team Trust Fund, HELP Your Neighbor, Foundation and Friends of the Santa Clara City Library, and July 4th Fireworks.

On July 1, 2006, the Give A Little...Help A Lot campaign program had a total balance of $19,838.53. Donations received during fiscal year 2006-07 totaled $5,355.25. After $11,489.23 of approved allocations for all programs, the balance on June 30, 2007 was $13,704.55.

So far, donations totaling $3,852.73 have been received in fiscal year 2007-08. After $4,221.92 of approved allocations, the balance on April 30, 2008, was $13,335.36 (see table on page 5).

Council may consider referring discussion of the unexpended Give A Little...Help A Lot campaign donations to the fiscal year 2008-09 budget process for allocation at that time. The attached table on page 5 includes recommendations for the disposition of funds in all Give A Little...Help A Lot categories, to be referred to the Budget Study Session on May 20, 2008.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The Give A Little...Help A Lot community donation campaign allows citizens to easily become involved in their community by contributing to several City sponsored programs and projects which serve people of all ages in the City of Santa Clara. Referring this year's donations, along with the existing trust account balances, to the 2008-09 budget process will allow for Council allocations to be made, as well as citizen input to be received as part of the budget public hearings. Traditionally, the Cultural Advisory Commission provides recommendations for use of the money donated to the Art in Public Places, Concerts in the Park, and Keep Santa Clara Clean accounts. There are no recognized disadvantages to this program.

The Give a Little...Help A Lot donation campaign has a total balance of $13,335.36 available for disposition by Council action. Utilizing the donated funds for community programs can help defray costs of existing or new programs. This is described more fully in the discussion section of this report. The cost for printing the utility bill inserts is $400.00 for each issue for a total of $800.00 per fiscal year. There is no additional postage cost associated with including the insert in the utility bill mailings.

ECONOMIC/FISCAL IMPACT:

The Give a Little...Help A Lot donation campaign has a total balance of $13,335.36 available for disposition by Council action. Utilizing the donated funds for community programs can help defray costs of existing or new programs. This is described more fully in the discussion section of this report. The cost for printing the utility bill inserts is $400.00 for each issue for a total of $800.00 per fiscal year. There is no additional postage cost associated with including the insert in the utility bill mailings.

RECOMMENDATION:

That the Council refer the disposition of funds from the Give A Little...Help A Lot community donation campaign to the 2008-09 budget process. It is also recommended that the Cultural Advisory Commission provide recommendations on the use, during the 2008-09 budget year, of donations made to the following categories: Art in Public Places, Concerts in the Park, and Keep Santa Clara Clean.

Jashma Kadam
Senior Staff Aide

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) None

DISCUSSION:

Information on Programs Supported by the Give A Little...Help A Lot Campaign:

Art in Public Places: The Cultural Advisory Commission administers the Art in Public Places program. Donations are used to support the City's effort to place sculptured art at City Hall and other locations throughout the City. As part of the fiscal year 2006-07 budget process, Council authorized the transfer of $500.00 from the Art in Public Places to support the recent sculpture show. As part of the fiscal year 2007-08 budget process, Council authorized the fund balance to remain in the account. For the fiscal year 2008-09 budget process, staff recommends that Council once again consider allowing the $94.57 fund balance to remain in the account.

Concerts in the Park: The City's Concerts in the Park program is held at the Central Park Pavilion and occurs on Wednesday evenings and Sunday afternoons in late June, July, and August. As part of the budget process, Council authorized the transfer of $300.00 for fiscal year 2006-07 and $300.00 for fiscal year 2007-08 from the Give A Little...Help A Lot Trust Fund to the City's General Fund to support this program. For the fiscal year 2008-09 budget process, staff recommends that Council consider the transfer of $200.00 from the Give A Little...Help A Lot Trust Fund to the City's General Fund to support the 2008 Concerts in the Park program.

Keep Santa Clara Clean: This program is an anti-litter, anti-graffiti effort, promoting a clean and healthy City environment. Traditionally, it has been used to fund rewards for information leading to the arrest of graffiti perpetrators through the graffiti abatement program, sponsored by the Cultural Advisory Commission. As part of the budget process, Council authorized the transfer of $500.00 for fiscal year 2006-07 and $500.00 for fiscal year 2007-08 from the Give A Little...Help A Lot Trust Fund to the City's General Fund to support this program. For the fiscal year 2008-09 budget process, staff recommends that Council consider the transfer of $500.00 from the Give A Little...Help A Lot Trust Fund to the City's General Fund to support the 2008-09 Keep Santa Clara Clean program.

Harris-Lass Historic Preserve: This program provides support to the Harris-Lass Living History Museum, which is representative of the area's agricultural past. Per Council direction, The Historic Preservation Society of Santa Clara received $30.00 in fiscal year 2006-07 and $47.00 in fiscal year 2007-08 from donations earmarked for the Harris-Lass Historic Preserve. The $30.00 received in fiscal year 2006-07 was applied to printing costs for additional copies of the museum tour brochure distributed at the Harris-Lass Historic Preserve. For the fiscal year 2008-09 budget process, staff recommends that Council consider remitting $50.00 from the Give A Little...Help A Lot Trust Fund to the Historic Preservation Society of Santa Clara.

Mission City Community Fund: The Mission City Community Fund (MCCF) provides support for theater and the arts, social services, education, health care, and the environment. A partial list of grant recipients includes Project Hired, de Saisset Museum, Westwood School PTA, Community Literacy, South Bay Historical Railroad Society, Soroptimist International, and Santa Clara PAL. Per Council direction, MCCF received $2007.25 from designated donations and $525.00 from undesignated donations in fiscal year 2006-07. In fiscal year 2007-08, MCCF received $417 from designated donations and $170.00 from undesignated donations per Council direction. For the fiscal year 2008-09 budget process, staff recommends that Council consider remitting $395.00 from designated donations and $195.00 from undesignated donations to MCCF.

Championship Teams: This program provides assistance for championship teams/individuals and sports affiliated groups to travel to state, national, and international competitions. These requests are brought before Council for approval as they occur. During fiscal years 2006-07 and 2007-08, there were no transfers from the Give A Little...Help A Lot Trust Fund to the General Fund for contributions to groups for their representation and promotion of Santa Clara in their travels. For the fiscal year 2008-09 budget process, staff recommends that the $1,157.69 balance be allocated upon request with Council approval.

HELP Your Neighbor: This program provides emergency assistance with utility bill payments for Santa Clara residents experiencing financial hardship. In fiscal year 2006-07, the Give A Little...Help A Lot Trust Fund provided $3,120.23 of assistance. So far in fiscal year 2007-08, $1,652.19 of assistance has been provided. For the fiscal year 2008-09 budget process, staff recommends that the $10,001.83 balance be allocated on an as-needed basis with the City Manager's approval.

Foundation and Friends of the Santa Clara City Library: Donations are used to expand and enhance the library's programs and services. Per Council direction, the Foundation and Friends of the Santa Clara City Library received $440.50 in fiscal year 2006-07 and $357.00 in fiscal year 2007-08 from designated donations. For the fiscal year 2008-09 budget process, staff recommends that Council consider remitting $130.00 from the Give A Little...Help A Lot Trust Fund to the Foundation and Friends of the Santa Clara City Library.

July 4th Fireworks: Donations to this program provide assistance towards the traditional fireworks display in Central Park on Independence Day. Fiscal year 2006-07 donations were $1,328.25. So far in fiscal year 2007-08 donations received are $861.73 for the July 4th fireworks display. Per Council direction, the accumulated donation balance in the Give A Little...Help A Lot Trust Fund of $4,318.25 for fiscal year 2006-07 and $526.73 for fiscal year 2007-08 was transferred to the City's General Fund to support the July 4th fireworks display. For the fiscal year 2008-09 budget process, staff recommends that Council consider transferring the accumulated donation balance at the next anticipated progress report date of December 31, 2008, from the Give A Little...Help A Lot Trust Fund to the City's General Fund to cover the cost of the July 4th 2008 fireworks display.

Undesignated: Traditionally, Council has chosen to remit undesignated donations to the Mission City Community Fund (MCCF), which supports theater and the arts, social services, education, health care, and the environment. Per Council direction, MCCF received $525.00 during fiscal year 2006-07 and $170.00 during fiscal year 2007-08 from undesignated donations. For the fiscal year 2008-09 budget process, staff recommends that Council consider remitting $195.00 from undesignated donations to MCCF.

Summary of Recommendations for the Give A Little...Help A Lot Trust Fund Balances:

The following table summarizes the April 30, 2008 Give A Little...Help A Lot Trust Fund balances along with staff's recommendations for their disposition.

DONATION TRUST FUND ACCOUNT	APRIL 30, 2008 ACCOUNT BALANCE	FY2008-09 RECOMMENDATION FOR DISPOSITION
Art in Public Places	$94.57	Remain in account.
Concerts in the Park	$236.32	Allocate $200 to Concerts in the Park in the General Fund.
Keep Santa Clara Clean	$739.95	Allocate $500 Keep Santa Clara Clean in the General Fund.
Harris-Lass Historic Preserve	$50.00	Remit to Historic Preservation Society of Santa Clara.
Mission City Community Fund	$395.00	Remit to MCCF.
Championship Teams	$1,157.69	To be allocated upon request with Council approval.
Help Your Neighbor	$10,001.83	To be allocated as needed, with City Manager's approval.
Foundation and Friends of the Santa Clara City Library	$130.00	Remit to Foundation and Friends of Santa Clara City Library.
July 4th Fireworks	$335.00	Allocate accumulated balance at 12/31/08 to the General Fund for the July 4th 2008 fireworks display.
Undesignated	$195.00	Remit to MCCF.
TOTAL	$13,335.36	

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-9

Santa Clara All-America City 2001

DATE: May 7, 2008

TO: City Manager for Council Action

FROM: Director of Public Works/City Engineer

SUBJECT: Traffic Resolution for Parking Regulations on Bray Avenue and on Los Padres Boulevard

EXECUTIVE SUMMARY: The following proposed parking regulation is requested:

1. One-Hour Parking, between the hours of 8:00 a.m. to 6:00 p.m. on the same day, at the following locations:
   a) on both sides of Bray Avenue, east of Los Padres Boulevard; and
   b) on the east side of Los Padres Boulevard, south of Bray Avenue.

The attached Resolution prepared by staff to accomplish the proposed parking regulation has been approved by the City Attorney.

ADVANTAGES AND DISADVANTAGES OF ISSUE: The proposed One-Hour Parking zone is at the request of residents in order to limit the longer-term parking of non-resident vehicles from nearby El Camino Real businesses on both weekdays and weekend days. Two parking stickers are available to residents for unlimited parking of two of their own vehicles on the street. Restricting the parking on Bray Avenue and on Los Padres Boulevard to prohibit non-resident vehicles parking longer than one hour will make parking more readily available for residents on these streets. The proposed parking regulation will decrease the number of on-street parking spaces for general use.

ECONOMIC/FISCAL IMPACT: There is no additional cost to the City other than staff time and expense.

RECOMMENDATION: That the Council pass and adopt a Resolution establishing:

1. One-Hour Parking zones between the hours of 8:00 a.m. to 6:00 p.m. on the same day, at the following locations:
   a) on both sides of Bray Avenue, east of Los Padres Boulevard; and
   b) on the east side of Los Padres Boulevard, south of Bray Avenue.

Rajeev Batra

Rajeev Batra
Director of Public Works/City Engineer

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Resolution
2) Sketch

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ESTABLISHING CERTAIN PARKING REGULATIONS ON BRAY AVENUE AND ON LOS PADRES BOULEVARD

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, non-resident vehicles from commercial businesses on El Camino Real currently park on Bray Avenue and on Los Padres Boulevard for periods of time, thereby preventing residents from parking near their homes on these streets; and

WHEREAS, the residents of Bray Avenue and of Los Padres Boulevard have petitioned the City to restrict parking on their street on both weekdays and on weekends to discourage non-residents from long-term parking on the street. A copy of the Petition is available for viewing at the Department of Engineering and Public Works, located at 1500 Warburton Avenue in Santa Clara, during normal business hours; and

WHEREAS, the residents of Bray Avenue and of Los Padres Boulevard may obtain up to two parking sticker permits from the Santa Clara Police Department to affix to their vehicles which will allow the residents' vehicles to be parked for longer than the time limit; and

WHEREAS, restricting the parking on Bray Avenue and on Los Padres Boulevard to prohibit non-resident vehicles parking longer than the time limit will make parking more readily available for residents on these streets, thereby enhancing the safety and quality of life for residents.

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WHEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, HEREBY FINDS AND ORDERS AS FOLLOWS:

1. The City of Santa Clara hereby finds that based on the request by residents, restricting the parking on Bray Avenue and on Los Padres Boulevard to one hour on both weekdays and on weekends will allow residents to park near their homes on these streets, thereby enhancing the safety and quality of life for residents; and

2. That there is hereby established One-hour Parking zones between the hours of 8:00 a.m. to 6:00 p.m. on the same day, at the following locations:

A. on both sides of Bray Avenue, between Los Padres Boulevard and Cunningham Street; and

B. on the east side of Los Padres Boulevard from the south curb of Bray Avenue to a point 100 feet south of the south curb of Bray Avenue.

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3. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 200__, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

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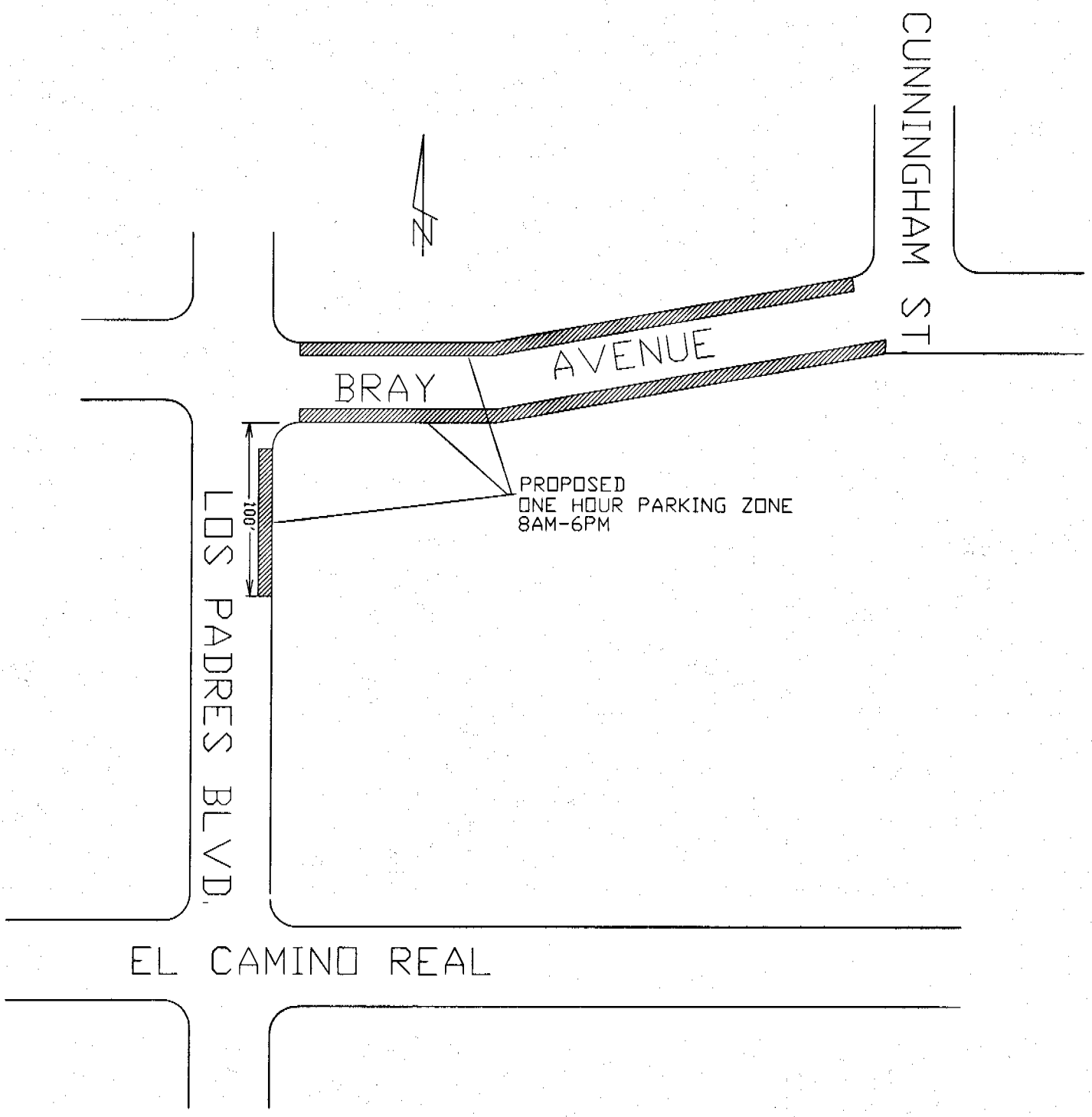
CUNNINGHAM ST
N
BRAY
AVENUE
PROPOSED
ONE HOUR PARKING ZONE
8AM-6PM
100'
LOS PADRES BLVD.
EL CAMINO REAL

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: 5/13/08

SUBJECT: Traffic Resolution for Parking Regulations on Bray Avenue and on Los Padres Boulevard

CERTIFICATION

The proposed Traffic Resolution for Parking Regulations regarding One-Hour Parking zones between the hours of 8:00 a.m. to 6:00 p.m. on the same days, on Bray Avenue and on Los Padres Boulevard has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by Rajeev Bass
Department Head

2. As to Legality, by
City Attorney's Office / CAO Assignment No 08. 0512

3. As to Environmental Impact Requirements, by Kevin L. Riley
Director of Planning and Inspection

4. As to Substance, by
City Manager

Revision Date June 7, 2005

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RESOLUTION NO. 08-7515

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ESTABLISHING CERTAIN PARKING REGULATIONS ON BRAY AVENUE AND ON LOS PADRES BOULEVARD

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, non-resident vehicles from commercial businesses on El Camino Real currently park on Bray Avenue and on Los Padres Boulevard for periods of time, thereby preventing residents from parking near their homes on these streets; and

WHEREAS, the residents of Bray Avenue and of Los Padres Boulevard have petitioned the City to restrict parking on their street on both weekdays and on weekends to discourage non-residents from long-term parking on the street. A copy of the Petition is available for viewing at the Department of Engineering and Public Works, located at 1500 Warburton Avenue in Santa Clara, during normal business hours; and

WHEREAS, the residents of Bray Avenue and of Los Padres Boulevard may obtain up to two parking sticker permits from the Santa Clara Police Department to affix to their vehicles which will allow the residents' vehicles to be parked for longer than the time limit; and

WHEREAS, restricting the parking on Bray Avenue and on Los Padres Boulevard to prohibit non-resident vehicles parking longer than the time limit will make parking more readily available for residents on these streets, thereby enhancing the safety and quality of life for residents.

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WHEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, HEREBY FINDS AND ORDERS AS FOLLOWS:

1. The City of Santa Clara hereby finds that based on the request by residents, restricting the parking on Bray Avenue and on Los Padres Boulevard to one hour on both weekdays and on weekends will allow residents to park near their homes on these streets, thereby enhancing the safety and quality of life for residents; and

2. That there is hereby established One-hour Parking zones between the hours of 8:00 a.m. to 6:00 p.m. on the same day, at the following locations:

A. on both sides of Bray Avenue, between Los Padres Boulevard and Cunningham Street; and

B. on the east side of Los Padres Boulevard from the south curb of Bray Avenue to a point 100 feet south of the south curb of Bray Avenue.

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3. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Meeting Date: 05-13-08

AGENDA REPORT

Agenda Item # 7.A.10

Santa Clara

All-America City

2001

City of Santa Clara, California

DATE: May 6, 2008

TO: City Manager for City Council Action
Executive Director, Redevelopment Agency for Board of Directors Action
Contract Administrator, Sports and Open Space Authority for Action

FROM: Director of Finance
Treasurer, Redevelopment Agency
Director of Finance, Sports and Opens Space Authority

SUBJECT: City Excess Liability Insurance with Alliant National Municipal Liability Program(ANML) for the Period May 1, 2008 to July 1, 2009.

EXECUTIVE SUMMARY:

Alliant Insurance Services, the City's insurance broker, was successful in obtaining excess liability insurance with the Alliant National Municipal Liability Program (ANML) for the period of May 1, 2008 to July 1, 2009. The excess liability insurance has an aggregate and per occurrence coverage of $20 million with the City's self insured retention limit (deductible) being $5 million. The primary carrier is Everest National Insurance Company for the first $10 million dollars excess over the City's $5 million self insured retention. American Merchants Casualty Company provides the next $10 million of coverage for a total excess liability limit of $20 million. This excess liability insurance policy replaces the City's $20 million 1987 insurance funding bonds. An excess liability insurance policy is a cost effective way to provide the City with necessary Liability insurance coverage. Applications for this insurance were solicited from 11 underwriters with 4 electing not to respond. Of the remaining 7 insurers that responded, the Alliant National Municipal Liability Program provided the lowest bid. Alliant is well known to the City having provided insurance broker services for many years.

The primary insurance carrier which provides the first $10 million of liability coverage is Everest National Insurance Company and is rated A+ Superior, FSC XV. The secondary carrier which provides the next $10 million of liability coverage is American Merchants Casualty Company and is rated A Excellent, FSC XV by A.M. Best Company. Documents summarizing policy coverage are available for review in the Council Offices.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The advantages of insuring the City for liability is that for a relatively modest charge of $222,063 per year ($259,074 for 14 months), the City has protection against liability claims, which can amount to millions of dollars. Another advantage is that it is a reasonable alternative to self-insuring given the size of the premium. There are no disadvantages.

ECONOMIC/FISCAL IMPACT:

The policy premium is a total of $259,074 for 14 months of coverage from May 1, 2008 to July 1, 2009. Funds are available in the Special Liability Fund Contractual Services (082-0141-87870).

RECOMMENDATION:

That the Council/Redevelopment Agency/Sports and Open Space Authority:

(1) Approve the purchase of the excess liability insurance for the City for the period May 1, 2008 to July 1, 2009 for 14 months at a cost of $259,074, and

(2) Authorize the City Manager/Executive Director/Contract Administrator to execute any and all documents necessary to complete the transaction.

Certified as to Availability of Funds:
082-0141-87870 $259,074

Mary Ann Parrot
Director of Finance
Treasurer, Redevelopment Agency
Director of Finance, SOSA

Mary Ann Parrot
Director of Finance
Treasurer, Redevelopment Agency
Director of Finance, SOSA

APPROVED:

Jennifer Sparacino
City Manager
Executive Director, Redevelopment Agency
Contract Administrator, SOSA

Documents Related to this Report:
1) Summary of Coverage for Alliant National Municipal Liability Program (ANML)

Alliant

DRIVER SPECIALTY GROUP

CITY OF SANTA CLARA
PRELIMINARY EXCESS LIABILITY INSURANCE SUMMARY

INSURANCE COMPANY:	1) Everest National Insurance Co. (ANML) – Primary 2) American Merchants Casualty Co. – Excess
***A.M. BEST'S GUIDE RATING:**	1) A+, Superior; Financial Size Category 15; Greater than $2,000,000,000 2) A, Excellent, Financial Size Category 15; Greater than $2,000,000,000
***STANDARD & POOR'S RATING:**	1) AA-; Very Strong Financial Security 2) Not Rated
CALIFORNIA STATUS:	1) Admitted 2) Admitted
POLICY NUMBERS:	1) 71A2040001-081 2) EXC10000895200
PROGRAM TERM:	May 1, 2008 to July 1, 2009
COVERAGE:	Special Excess Liability on an Occurrence Basis including Bodily Injury, Property Damage Liability, Errors and Omissions Liability, Employment Practices Liability, Employee Benefit Liability, Wrongful Act or Employee Benefits Wrongful Act; Products and Completed Operations Hazard
LIMITS OF LIABILITY:	$20,000,000 Each Occurrence/Aggregate 1) Everest National - ANML (Primary) $10,000,000 Any One Occurrence or Wrongful Act $10,000,000 Annual Aggregate applies to Public Officials Errors & Omissions $10,000,000 Each Wrongful Act/Aggregate for Employment Practices Liability 2) American Merchants Casualty Co. (Excess) $10,000,000 Any One Occurrence or Wrongful Act
SELF-INSURED RETENTION:	$5,000,000 Any One Occurrence or Wrongful Act or Employee Benefit Wrongful Act or series of continuous, repeated, or related occurrences, wrongful acts or employee benefit wrongful acts.

Alliant

DRIVER SPECIALTY GROUP

CITY OF SANTA CLARA
PRELIMINARY EXCESS LIABILITY INSURANCE SUMMARY

ANNUAL PREMIUM: **$259,074.00**

1) Everest National – ANML (primary layer)
   $ 20,374.00 Premium (5/1/08-7/1/08)
   $ 122,000.00 Annual Premium (7/1/08-7/1/09)

2) American Merchants Casualty Co. (excess layer)
   $ 16,700.00 Premium (5/1/08-7/1/08)
   $ 100,000.00 Annual Premium (7/1/08-7/1/09)

MAJOR EXCLUSIONS (including but not limited to):

- Asbestos
- Pollution/Contamination except for: Hostile Fire and Collision Upset/Overturn of owned and non-owned vehicles, Time Element Extension, and Products and Completed Operations
- Eminent Domain
- ERISA
- Dams (only those owned or operated by the insured)
- Financial Interests
- Subsidence
- Schools – Owned or Operated (Does not apply to child care programs operated by the insured)
- Terrorism
- Uninsured/Underinsured Motorist Exclusion

ENDORSEMENTS (including but not limited to):

- California Cancellation/ - Non-renewal Endorsement
- 60 Days Notice of Cancellation except 10 Days for Non-Payment
- Coverage Territory Endorsement
- Acts of Terrorism Retained Amounts Endorsement (if coverage chosen)
- 25% Minimum Earned Premium
- Financial Institution Endorsement
- Service of Suit

BROKER:

ALLIANT INSURANCE SERVICES, INC.

NEWPORT BEACH, CALIFORNIA

Rennetta Poncy, Vice President
Ryan Jacques, Account Manager
Gwenne Van Gelder, Account Manager

INVOICE

Alliant Insurance Services, Inc.
ATTN: Accounts Receivable
PO Box 6450
Newport Beach, CA 92658-6450
949-756-0271

INVOICE

TO: City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050	**INVOICE NUMBER** 70108 **CUSTOMER NUMBER** SA850571	**INVOICE DATE** 4/30/08 **PRODUCER** 5255 **INVOICE TOTAL** $ 222,000.00

POLICY INFORMATION

TYPE OF POLICY: ALLIANT NATIONAL MUNICIPAL LIABILITY (ANML) AND OPTIONAL EXCESS
INVOICE: 70108
INSURANCE COMPANY: EVEREST NATIONAL INS. CO. (ANML) & AMERICAN MERCHANTS CASUALTY CO. (EXCESS)
POLICY #: TBD
NAME INSURED: CITY OF SANTA CLARA, ET AL
POLICY EFFECTIVE DATE: 7/1/08
POLICY EXPIRATION DATE: 70/1/09
POLICY TERM ANNUAL
TRANSACTION: ANNUAL PREMIUM
TRANSACTION EFFECTIVE DATE:7/1/08

CHARGES	AMOUNT
ANML Premium 7/1/08 to 7/1/09	$ 122,000.00
Optional Excess Liability Premium 7/1/08 to 7/1/09	$ 100,000.00
PLEASE RETURN A COPY OF INVOICE WITH YOUR PAYMENT. REMEMBER TO INCLUDE YOUR ACCOUNT NUMBER ON YOUR CHECK. THANK YOU. **TOTAL**	$ 222,000.00

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliantinsurance.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at Alliant Insurance Services, Inc., Attention General Counsel, 1620 Fifth Avenue, San Diego, CA 92101-2797

INVOICE

Alliant Insurance Services, Inc.
ATTN: Accounts Receivable
PO Box 6450
Newport Beach, CA 92658-6450
949-756-0271

INVOICE

TO: City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

INVOICE NUMBER
50108
CUSTOMER NUMBER
SA850571

INVOICE DATE
4/30/08
PRODUCER
5255
INVOICE TOTAL
37,074.00

POLICY INFORMATION

TYPE OF POLICY: ALLIANT NATIONAL MUNICIPAL LIABILITY (ANML) AND OPTIONAL EXCESS
INVOICE: 50108
INSURANCE COMPANY: EVEREST NATIONAL INS. CO. (ANML) & AMERICAN MERCHANTS CASUALTY CO. (EXCESS)
POLICY #: TBD
NAME INSURED: CITY OF SANTA CLARA, ET AL
POLICY EFFECTIVE DATE: 5/1/08
POLICY EXPIRATION DATE: 7/1/08
POLICY TERM TERM
TRANSACTION: TERM PREMIUM
TRANSACTION EFFECTIVE DATE:5/1/08

CHARGES	AMOUNT
ANML Premium 5/1/08 to 7/1/08	$ 20,374.00
Optional Excess Liability Premium 5/1/08 to 7/1/08	$ 16,700.00
PLEASE RETURN A COPY OF INVOICE WITH YOUR PAYMENT. REMEMBER TO INCLUDE YOUR ACCOUNT NUMBER ON YOUR CHECK. THANK YOU. **TOTAL**	$ 37,074.00

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliantinsurance.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at Alliant Insurance Services, Inc., Attention General Counsel, 1620 Fifth Avenue, San Diego, CA 92101-2797

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item #: 7A-11

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: Acting Director of Human Resources

Subject: Approval of New Job Description for Assistant Director of Water & Sewer Utilities, Setting of the Control Point at $12,046 per month, and Addition to the City's Conflict of Interest Code, Disclosure Category 1

EXECUTIVE SUMMARY:

This is a new job description for the position of Assistant Director of Water & Sewer Utilities. This is a management position in the Unclassified Service. Under the general direction of the Director of Water and Sewer Utilities, the Assistant Director will be assigned the responsibility to oversee/supervise one or more of the divisions in the City's Water, Wastewater, Recycled Water and Solar Utilities; exercises independent judgment and discretion; manages employees; formulates administrative policies for the effective use of assigned staff; and acts in the capacity of the Director of Water and Sewer Utilities in his/her absence. Staff is recommending approval of this new job description, which incorporates the expectation for incumbents to adhere to the City's Code of Ethics and Values, and demonstrate strong professional and service-oriented leadership, and also recommends addition of the job specification to the City's Conflict of Interest Code, Disclosure Category 1.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approval of this job description for the classification of Assistant Director of Water & Sewer Utilities will allow the City to begin a recruitment, and ensure currency of language in the job description. There are no disadvantages.

ECONOMIC/FISCAL IMPACT:

There is no economic or fiscal impact to the City, other than administrative staff time and expense. Funding is provided for in the 2007-2008 budget.

RECOMMENDATION:

That the Council approve the job description for Assistant Director of Water & Sewer Utilities, set the Control Point at $12,046 per month, and add this new job specification to the City's Conflict of Interest Code, Disclosure Category 1.

Alan Christenson
Acting Director of Human Resources

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:

1) New Job Specification for Assistant Director of Water & Sewer Utilities

CITY OF SANTA CLARA, CALIFORNIA
ASSISTANT DIRECTOR OF WATER & SEWER UTILITIES
(Unclassified)
(014)

EDUCATION AND EXPERIENCE

- Education and experience equivalent to graduation from an accredited college or university with a Bachelor's Degree in engineering or an approved related field, and
- Four (4) years of increasingly responsible experience in the water, wastewater, recycled water and/or solar utility industries, at least one year of which shall have included management and supervision of professional and paraprofessional staff.
- An advanced degree in engineering, management, business or public administration is desirable.

REGISTRATION/CERTIFICATION

- Possession of a Water Distribution Operator's Certificate D5 issued by the California Department of Public Health is desirable.
- Possession of a Grade 3 Wastewater Collection System Maintenance Certificate issued by the California Water Environment Association is desirable.
- Registration as a Civil Engineer by the California State Board of Registration for Professional Engineers is desirable.

LICENSE

Possession of a valid California Class C driver's license is required at time of application and for the duration of employment.

DISTINGUISHING CHARACTERISTICS

This is a management position in the Unclassified Service. Under the general direction of the Director of Water and Sewer Utilities, the Assistant Director will be assigned the responsibility to oversee/supervise one or more of the divisions in the City's Water, Wastewater, Recycled Water and Solar Utilities; exercises independent judgment and discretion; manages employees; formulates administrative policies for the effective use of assigned staff; and acts in the capacity of the Director of Water and Sewer Utilities in his/her absence.

As a member of the City's Unclassified Service, this is an "at-will" position. The incumbent serves at the discretion of the City Manager. An incumbent in this classification: demonstrates strong ethical, professional, and service-oriented leadership and interpersonal skills; sets a good example; and correctly applies the tenets of the City's Code of Ethics and Values.

TYPICAL DUTIES

Each position in this classification may not include all the duties listed below, nor do the examples cover all duties that may be performed.

Under general direction:

- Plans, develops, and manages the activities of the Water, Wastewater, Recycled Water, and Solar Utilities of the City of Santa Clara;
- Plans, organizes, and manages water, wastewater, recycled water and solar engineering projects from the preliminary design stage to the completion of construction and installation;
- Coordinates departmental activities with other City departments, governmental entities, contractors, developers, water suppliers, wastewater treatment facilities, joint powers authorities, and the department's customers;
- Works with departmental and other City staff in: planning utility improvements, deploying staff and resources, solving organizational and human resources problems, setting rates, securing financing for projects, administering revenue bonds and other debt arrangements, ensuring regulatory compliance, preparing reports on departmental activities, and reviewing and recommending positions on Federal and State legislation;
- Prepares, submits, and manages the annual Capital and Operating budgets for the Water & Sewer Divisions within the guidelines provided;
- Plans, prepares, and administers Capital Budget projects;
- Prepares, awards, and administers contracts and agreements as required;
- May be required to make presentations to the City Council and other City boards and commissions and represents the department and/or the City in front of a variety of outside groups;
- Recommends for selection and termination, trains and assigns staff, assigns, coordinates and reviews work of staff;
- Performs specialized technical studies and investigations;
- Prepares complete and comprehensive reports and makes recommendations on departmental problems;
- Confers with and assists the Director of Water and Sewer Utilities in the development of departmental long-range plans, goals and objectives;
- Responds directly, or delegates responses when appropriate, to customer inquiries;
- Assists in the preparation of the department operating and capital improvement budgets;
- May act as the Director of Water & Sewer Utilities in his/her absence; and
- Performs other related work as assigned.

KNOWLEDGE AND ABILITIES

Knowledge of:

- Principles, practices and methods as applied to the planning, design, construction, operations and maintenance of municipal water, wastewater, recycled water and solar energy systems;
- Pertinent Federal, State and local laws, codes and ordinances(e.g. Federal Clean Water Act, OSHA, DOT, California Title 22 water and recycled water requirements, etc.);
- Principles and practices of human resources and public administration;
- Principles and practices of municipal labor relations;
- Effective leadership, organization and management principles and practices;
- Principles of management, supervision, training and performance evaluation;
- Office safety practices, procedures and standards;
- Complex spreadsheets and database applications;

- Preparation and administration of contracts and fiscal planning;
- Problem solving and conflict resolution practices and techniques; and
- Principles and practices of budgeting, communications, information technology, project management, performance standards, records management and the use of resources to achieve outcomes and expectations.

Ability to:

- Provide leadership and management in the department through coaching, enabling and facilitating employees working in a team environment;
- Plan, organize, direct, and coordinate organization activities and effectively manage the work of others in order to operate the Water Engineering Division, which operates seven days a week, including nights and weekends;
- Creating a culture that is conducive to change and that is able to select, recruit retain, develop and motivate a skilled and talented workforce where everyone knows their mission, role and job;
- Establish clear goals and objectives in order to create an organization that delivers excellent customer service through ethical leadership standards, establishes an atmosphere of respect for employees consistent with the City's Code of Ethics and Values;
- Build constructive relationships by promoting and developing effective partnerships with other departments, employees, City bargaining units, citizens, businesses and other groups;
- Represent and speak for the department and its work, e.g., presenting, explaining, promoting, defining, and negotiating to those within and outside the department by making clear and convincing oral presentations to individuals and groups, by listening effectively and clarifying information and by facilitating an open exchange of ideas;
- Prepare clear, complete, accurate, concise and logical written and oral reports;
- Effectively handle multiple priorities, organize workload for self and others, and meet strict deadlines;
- Communicate a strong positive vision of the future of the Water & Sewer Utilities Department;
- Exercise good judgment in structuring and organizing work and setting priorities, balancing the interests of the City and constituents, and readily readjusting priorities to respond to current and future needs;
- Ensure compliance with regulatory, code and other legal requirements;
- Work effectively as a member of the department's management team to achieve common goals and be able to deliver excellent customer service to both internal and external City clients;
- Identify, research and gather relevant information from variety of sources;
- Prepare and present clear, complete, accurate, concise and logical written and oral reports;
- Develop creative and practical solutions to complex and difficult problems;
- Walk or stand for extended periods of time and bend, stoop, crawl, climb, lift or any other physical requirement as necessitated by the position to perform assigned duties.

SUPERVISION RECEIVED
Works under the general direction of the Director of Water and Sewer Utilities or other manager as assigned.

SUPERVISION EXERCISED
Manages professional, paraprofessional, administrative and other staff as assigned.

SPECIAL CONDITIONS
May be required to work unusual hours, including evenings and weekends, and to be available on an on-call basis.

OTHER REQUIREMENTS
Must be able to perform all of the essential functions of the job assignment.

CONFLICT OF INTEREST
The incumbent in this classification is required to file a Conflict of Interest statement upon assuming office, annually, and upon leaving office, in accordance with City Manager Directive 100.

Meeting Date: 05-13-08 **AGENDA REPORT** Agenda Item # 7A-12

City of Santa Clara, California

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: Acting Director of Human Resources

Subject: Approval of New Job Description for Principal Engineer - Water, Setting of the Control Point at $11,670 per month, and Addition to the City's Conflict of Interest Code, Disclosure Category 1

EXECUTIVE SUMMARY:

This is a new job description for the position of Principal Engineer - Water. This is a management position in the Unclassified Service responsible for managing the Water Engineering Division of the City's Water and Sewer Utilities Department. An incumbent in this classification will be responsible for the design and construction of a variety of water facilities (production, treatment, and distribution facilities, structures, and related equipment), operation of the potable and recycled water system, including water quality. Staff is recommending this new job description, which incorporates the expectation for incumbents to adhere to the City's Code of Ethics and Values, and demonstrate strong professional and service-oriented leadership, and also recommends addition of this job description to the City's Conflict of Interest Code, Disclosure Category 1.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approval of this job description for the classification of Principal Engineer - Water will allow the City to begin a recruitment, and ensure currency of language in the job description. There are no disadvantages.

ECONOMIC/FISCAL IMPACT:

There is no economic or fiscal impact to the City, other than administrative staff time and expense. Funding is provided for in the 2007-2008 budget.

RECOMMENDATION:

That Council approve the job description for Principal Engineer - Water, set the Control Point at $11,670 per month, and add Principal Engineer - Water to the City's Conflict of Interest Code, Disclosure Category 1.

Alan Christenson
Acting Director of Human Resources

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) New Job Description for Principal Engineer - Water

CITY OF SANTA CLARA, CALIFORNIA

PRINCIPAL ENGINEER – WATER

(Unclassified)

(142W)

EDUCATION AND EXPERIENCE

- Education and experience equivalent to graduation from an accredited college or university with a Bachelor's Degree in engineering or an approved related field, and
- Four (4) years of increasingly responsible experience in engineering office and field work, two years of which shall have included supervision of professional and paraprofessional staff.

REGISTRATION

- Registration as a Civil Engineer by the California State Board of Registration for Professional Engineers is required.
- Possession of a Water Distribution Operator's Certificate D5 issued by the California Department of Public Health is desirable.

LICENSE

Possession of a valid California Class C driver's license is required at the time of application and for the duration of employment.

DISTINGUISHING CHARACTERISTICS

This is a management position in the Unclassified Service responsible for managing the Water Engineering Division of the City's Water and Sewer Utilities Department. An incumbent in this classification will be responsible for the design and construction of a variety of water facilities (production, treatment, and distribution facilities, structures, and related equipment), operation of the potable and recycled water system, including water quality.

As a member of the City's Unclassified Service, this is an "at-will" position. The incumbent serves at the discretion of the City Manager. An incumbent in this classification: demonstrates strong ethical, professional, and service-oriented leadership and interpersonal skills; sets a good example; and correctly applies the tenets of the City's Code of Ethics and Values.

TYPICAL DUTIES

Each position in this classification may not include all of the duties listed below, nor do the examples cover all duties that may be performed.

Under general direction:

- Plans, develops, coordinates and directs the activities of the Water Engineering Division of the City of Santa Clara. Division activities include water, recycled water and solar utility related projects;
- Plans, organizes, and manages engineering projects from the preliminary stage to the completion of construction and/or installation;

- Plans and directs the design and preparation of drawings, specifications and estimates in connection with the construction of engineering projects; expedites proper solutions to difficult problems and may personally perform the more difficult phases of the work;
- Manages, trains, and schedules the work of professional and paraprofessional staff;
- Coordinates with the City's Public Works Engineering Division on wastewater related projects;
- Recommends for selection and termination, trains and assigns staff, assigns, coordinates and reviews work of staff;
- Manages the maintenance of various engineering records and performs work in connection with purchases, cost analyses and progress reports;
- Prepares Requests for Proposals for consulting and/or construction projects;
- Inspects or directs the inspection of projects being performed by outside contractors;
- Makes specialized technical studies and/or investigations;
- Prepares complete and comprehensive oral and written reports and makes recommendations on engineering and related issues;
- Acts as a mentor to staff and provides them with leadership, training, direction and support;
- May represent the department and be required to speak for the department in front of the City Council, City Boards and/or Commissions, and a variety of outside groups;
- Monitors the progress of projects and ensures that projects are completed on-time and within budget;
- Assists in the preparation of division and department operating and capital improvement budgets;
- May act as the Director of Water & Sewer Utilities in his/her absence; and
- Performs other related work as assigned.

KNOWLEDGE AND ABILITIES

Knowledge of:

- Principles, practices and methods of Civil Engineering as applied to the planning, design, construction, operation and maintenance of water, recycled water and solar systems;
- Principles and practices of customer service;
- Principles and practices of safety, including office safety practices and CAL OSHA requirements;
- Principles of management, supervision, training and performance evaluation;
- Principles of organization and management, effective leadership and municipal budgeting and administration;
- Regulatory requirements as they apply to water, recycled water and solar utilities;
- Research methods and statistical analysis;
- Complex spreadsheets and database applications;
- Preparation and administration of contracts and fiscal planning;
- Problem solving and conflict resolution practices and techniques; and
- Principles and practices of budgeting (operating and capital), communications, information technology, project management, performance standards, records management and the use of resources to achieve outcomes and goals.

Ability to:

- Prepare, review and evaluate engineering plans, cost estimates and specifications;
- Understand and carry out highly complex technical tasks;
- Provide leadership and management for the Water Engineering Division through coaching, enabling and facilitating employees working in a team environment;
- Plan, organize, direct, and coordinate organization activities and effectively manage the work of others in order to operate the Water Engineering Division, which operates seven days a week, including nights and weekends;
- Create a culture that is conducive to change and that is able to select, recruit, retain, develop and motivate a skilled and talented workforce where everyone knows their mission, role, and job;
- Establish clear goals and objectives in order to create an organization that delivers excellent customer service through ethical leadership standards, establishes an atmosphere of respect for employees consistent with the City's Code of Ethics and Values;
- Establish and maintain effective working relationships with contractors, consultants, employees, other City departments, citizens, businesses and other groups;
- Represent and speak for the division and/or department in front of various groups. Be able to effectively listen and modify views as a result of open exchanges of ideas;
- Prepare and present clear, complete, accurate, concise and logical written and oral reports;
- Effectively handle multiple priorities, organize workload for self and others, and meet strict deadlines;
- Exercise good judgment in structuring and organizing work and setting priorities, balancing the interests of the City and constituents, and readily readjusting priorities to respond to current and future needs.
- Ensure compliance with regulatory, code and other legal requirements;
- Work in a team-based environment to achieve common goals;
- Develop creative and practical solutions to complex and difficult problems; and
- Walk or stand for extended periods of time and bend, stoop, crawl, climb, lift or any other physical requirement as necessitated by the position to perform assigned duties.

SUPERVISION RECEIVED

Works under the supervision of the Assistant Director of Water and Sewer Utilities or other manager as assigned.

SUPERVISION EXERCISED

Manages professional, paraprofessional, administrative and other staff as assigned.

SPECIAL CONDITIONS

May be required to work unusual hours, including evenings and weekends, and to be available on an on-call basis.

OTHER REQUIREMENTS

Must be able to perform all of the essential functions of the job assignment.

CONFLICT OF INTEREST

The incumbent in this classification is required to file a Conflict of Interest statement upon assuming office, annually, and upon leaving office, in accordance with City Manager Directive 100.

Meeting Date: 05-13-08 **AGENDA REPORT** Agenda Item # 7A-13

City of Santa Clara, California

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: Acting Director of Human Resources

Subject: Approval of New Job Description for Electric Division Manager - Engineering, Setting of the Control Point at $12,046 per month, and Addition to the City's Conflict of Interest Code, Disclosure Category 1

EXECUTIVE SUMMARY:

This is a new job description for the position of Electric Division Manager – Engineering. This is a management position in the unclassified service responsible for managing the Engineering Division of the Electric Department relating to planning, engineering, design construction and environmental compliance of electric utility transmission, distribution and generation facilities. This job description includes language which specifies an electrical engineering degree or possession of a valid certificate of registration as an Electrical Engineer issued by the California State Board of Registration for Civil and Professional Engineers may be substituted in lieu of a bachelor's degree in electrical engineering or closely related field. The position requires a demonstrated ability to work well with management, professional and administrative support employees in the Department, and with customers, professionals, managers and all City Departments. Staff is recommending this new job description, which incorporates the expectation for incumbents to adhere to the City's Code of Ethics and Values, and demonstrate strong professional and service-oriented leadership, and also recommends addition of the job specification to the City's Conflict of Interest Code, Disclosure Category 1.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approval of this job description for the classification of Electric Division Manager - Engineering will allow the City to begin a recruitment, and ensure currency of language in the job description. There are no disadvantages.

ECONOMIC/FISCAL IMPACT:

There is no economic or fiscal impact to the City, other than administrative staff time and expense. Funding is provided for in the 2007-2008 budget.

RECOMMENDATION:

That the Council approve the job description for Electric Division Manager - Engineering, set the Control Point at $12,046 per month, and add this specification to the City's Conflict of Interest Code, Disclosure Category 1.

Alan Christenson
Acting Director of Human Resources

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) New Job Description for Electric Division Manager - Engineering

Proposed May, 2008

CITY OF SANTA CLARA, CALIFORNIA

ELECTRIC DIVISION MANAGER - ENGINEERING

(Unclassified)

(104Q)

EDUCATION AND EXPERIENCE

- Education or experience equivalent to graduation from an accredited college or university with a bachelor's degree in electrical engineering or closely related field; and
- Four (4) years experience at a responsible level in engineering in the electric utility industry or closely related field is required.
- One (1) year of experience managing staff and with responsibility for division budget planning and administration is desirable.

Possible Substitutions:

- Possession of a valid certificate of registration as an Electrical Engineer issued by the California State Board of Registration for Civil and Professional Engineers may be substituted in lieu of a bachelor's degree in electrical engineering or closely related field.

LICENSE

- Possession of a, valid California Class C driver's license is required at time of application and for the duration of employment.

DISTINGUISHING CHARACTERISTICS

This is a management position in the unclassified service responsible for managing the Engineering Division of the Electric Department relating to planning, engineering, design construction and environmental compliance of electric utility transmission, distribution and generation facilities. The position requires a demonstrated ability to work well with management, professional and administrative support employees in the Department and with customers, professionals, managers and all City Departments.

As a member of the City's Unclassified Service, this is an "at-will" position and the incumbent serves at the discretion of the City Manager. An incumbent in this classification demonstrates strong ethical, professional, and service-oriented leadership and interpersonal skills; sets a good example; and correctly applies the tenets of the City's Code of Ethics and values.

TYPICAL DUTIES

This description may not include all the duties listed below, nor do the examples cover all duties that may be performed.

Under general direction:

- Plans, develops, coordinates, performs, and directs the activities of an assigned Division(s) of the Electric Utility Department;

- Provides management and supervision for all activities of Engineering in the planning, engineering and design of individual system extensions, revisions and improvements;
- Provides recommendations on a broad spectrum of division related issues;
- Manages assigned staff, provides technical instructions and assistance as necessary; develops, performs and manages the implementation of utility plans based upon applicable State and Federal laws;
- May be responsible for directing the activities of consultants and contractors;
- Attends meetings and works with engineers, contractors, specialists and City staff to ensure that City guidelines are met in the defining of the details of projects;
- Represents the City at industry meetings, management groups, professional organizations, and other meetings;
- Makes periodic and special reports, which describe current activities of Engineering and conducts special studies and prepares reports, including findings and recommendations, as required;
- Prepares or directs the preparation of all purchase specifications required to implement Electric Utility Department purchases in connection with system expansion and improvements;
- Conducts review and analyses of new equipment, methods and materials pertinent to the improvement, operation and maintenance of the system and makes recommendations to the Operations Manager;
- Administer and assist in the staff and financial matters of the Engineering Division; and
- Performs other related duties as assigned.

KNOWLEDGE, SKILLS, AND ABILITIES

Knowledge of:

- Principles of electrical utility planning and engineering involved in the development, construction, production, operational methods in interconnected utility area, principles of program evaluation, forecasting and planning, probability and energy analysis and formulation; customer service; telecommunications; information technology;
- Principles of engineering economics; and the principles of management and personnel administration;
- Confers with and assists the Director of Electric Utility in the development of long-range plans, goals and objectives, and budgets;
- Principles of management, supervision, training and performance evaluation;
- Principles of organization and management, effective leadership and municipal budgeting and administration;
- Manages, schedules and evaluates the work of Engineering Division staff, and develops processes designed to support a continuous learning environment;
- Analyzes Engineering Division operations to determine the most efficient and effective assignment of staff;
- Prepares the division budget, recommends allocation of division funds within guidelines; monitors expenditures to ensure adherence to the approved budget, manages contractual services;
- Prepares complete and comprehensive reports and records and presents a variety of reports regarding Engineering Division operations;
- Research methods and statistical analysis;

- Problem solving and conflict resolution practices and techniques;
- Complex spreadsheets and database applications;
- Preparation and administration of contracts and fiscal planning;
- Project and workload planning;
- Environmental and safety practices, procedures and standards; and

Ability to:

- Analyze complex data; resolve applicable problems; evaluate alternatives and recommend course of action;
- Effectively negotiate contracts and customer business relations;
- Manage contractor activities;
- Manage project development, and operations management;
- Identify, research and gather relevant information from a variety of sources;
- Exercise sound and independent judgment, conduct independent analyses and make recommendations on difficult and sensitive issues;
- Anticipate potential problems, develop contingency plans when needed and solve concurrent problems;
- Provide the leadership and management of the division through coaching, enabling and facilitating employees working in a team environment;
- Create a culture that is conducive to change and that is one that is able to select, recruit, retain, develop and motivate a skilled and talented workforce where everyone knows their mission, role, and job;
- Establish clear goals and objectives in order to create an organization that delivers excellent customer service through ethical leadership standards, establishes an atmosphere of respect for employees consistent with the City's Code of Ethics and Values;
- Build constructive relationships by promoting effective partnerships with department peers, bargaining units, employees, citizens, and others contacted in the course of work;
- Represent and speak for the department and its work, e.g., presenting, explaining, promoting, defining, and negotiating to those within and outside the department by making clear and convincing oral presentations to individuals and groups, by listening effectively and clarifying information and by facilitating an open exchange of ideas;
- Prepare and present highly technical and complex written and oral reports using multi-media to large groups and City staff;
- Work effectively as a member of the department's management team to achieve common goals and be able to deliver excellent customer service to both internal and external City clients;
- Plan, organize, direct, and coordinate organization activities and effectively manage the work of Engineering Division staff;
- Work effectively and coordinate multiple projects and complex tasks simultaneously in time-sensitive situations and meet deadlines;
- Communicate logically and clearly, both orally and in writing; follow oral and written instructions;
- Understand and carry out highly complex technical tasks;
- Use computer applications, prepare memos and procedural documentation;
- Create, manage and maintain complex filing and record systems;

- Operate office machines and common office equipment including a personal computer, copier and facsimile machine; and
- Walk or stand for extended periods of time and bend, stoop, crawl, climb, lift or any other physical requirement as necessitated by the position to perform assigned duties.

SUPERVISION RECEIVED

Works under the general direction of the Director of Electric Utility, Assistant Director of Electric Utility, or other manager as assigned.

SUPERVISION EXERCISED

Manages professional, administrative support staff and other staff as assigned.

OTHER REQUIREMENTS

Must be able to perform all of the essential functions of the job assignment.

CONFLICT OF INTEREST

Incumbents in this position are required to file a Conflict of Interest statement upon assuming office, annually and upon leaving office, in accordance with City Manager Directive 100.

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7B-1

Santa Clara All-America City 2001

Date: May 2, 2008

To: City Manager for Council Action

From: John C. Roukema, Acting Director of Electric Utility

Subject: Approval of Call No. 08-1 with Soudi Consultants for Investigation of "Fault Current Limiter" Technology Developments and Possible Application within SVP System

EXECUTIVE SUMMARY:

In 2006, Silicon Valley Power (SVP) began a review of its electric transmission and distribution system to determine the ability of the distribution system cables to withstand the available distribution system fault current. The results of the initial investigation indicated that the existing distribution system cable would not withstand a high magnitude distribution fault current without causing damage to the cable insulation. Several solutions were proposed to reduce distribution system fault currents, including implementing various operational schemes and installing current limiting reactors in substations and receiving stations.

Recent developments in the uses of high temperature superconductors have led to the development of Fault Current Limiters. A Fault Current Limiter (FCL) uses high temperature superconductors to raise the system impedance during a fault but has very low impedance during normal system operation. Therefore, FCLs passively detect fault currents without significant load or voltage losses across the devices during steady-state operations. This is contrary to the typical system impacts associated with current limiting reactors.

Staff considers it necessary to use a consultant to investigate this latest technology for reducing fault current to see if Fault Current Limiters should be used on the SVP system. Staff requested Soudi Consultants to submit a proposal to review FCLs and prepare a feasibility study for possible application of FCLs in the SVP system. Soudi Consultants has offered to undertake this work as Call No. 08-1 under their current Call Agreement.. A copy of Call 08-1 and Soudi Consultants' proposal are available for review in the Council Offices.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The completion of Call 08-1 will enable SVP to determine the most efficient and reliable method of reducing fault currents on the SVP distribution system.

ECONOMIC/FISCAL IMPACT:

The cost for Call 08-1 is not to exceed $50,000. Sufficient funds are available in the System Short Circuit Reduction project account [591-1361-80100-2106-(A)00042-(F)36200].

RECOMMENDATION:

That Council approve, and authorize the City Manager to execute, Call 08- 1 with Soudi Consultants in an amount not to exceed $50,000, for investigation of "Fault Current Limiter" technology developments and possible application within the Silicon Valley Power system.

John C Roukema

John C. Roukema, Acting Director of Electric Utility

Certified as to Availability of Funds

591-1361-80100-2106 $50,000.00

APPROVED

Jennifer Sparacino

Jennifer Sparacino, City Manager

Mary Ann Parrott, Director of Finance

Documents Related to this Report: Soudi Consultants Call 08-1 and Proposal

MAJORITY VOTE OF COUNCIL

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: May 13, 2008

SUBJECT: Approval of Call No. 08-1 with Soudi Consultants to Investigate "Fault Current Limiter" Technology Developments and Possible Application within the SVP System

CERTIFICATION

The proposed Call No. 08-1 with Soudi Consultants

Regarding: Investigation of "Fault Current Limiter Technology Developments

has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by Paul Ofg
Department Head

2. As to Legality, by Lindsay Spick
City Attorney's Office/CAO Assignment No. 08.0585

3. As to Environmental Impact Requirements, by
~~Director of~~ Planning and Inspection

4. As to Substance, by for Donald E. Lanatt
City Manager

Revision Date: June 7, 2005

CALL NO. 08-1
FOR PROFESSIONAL SERVICES
TO BE PROVIDED TO THE
CITY OF SANTA CLARA, CALIFORNIA
BY SOUDI CONSULTANTS

The Parties to this Call No.08-1 ("Call") agree that on this _____ day of _____, 2008, this Call is made pursuant to the terms of a Call Agreement between the Parties entitled, "Call Agreement by and Between the City of Santa Clara, California and Soudi Consultants," dated October 23, 2007, the terms of which are incorporated by this reference. This Call describes the Services to be provided to the City of Santa Clara, California ("City") by Soudi Consultants ("Contractor"), which are more fully described in Contractor's proposal to City entitled "Investigate the Fault Current Limiter Technology Developments and Possible Application within SVP System" dated February, 14 2008 ("Proposal"), attached to this Call as Exhibit A and incorporated by this reference. The Services to be performed under this Call shall be completed within the time period beginning on April 1, 2008, and ending on January 30, 2009. The attached Proposal contains a complete description of the Services, and performance dates for the completion of such Services, to be performed by the Contractor under this Call. In no event shall the amount paid to the Contractor for the Services provided to City by the Contractor under this Call, including all fees or pre-approved costs and/or expenses, exceed fifty thousand dollars ($50,000), subject to budgetary appropriations.

The Parties acknowledge and accept the terms and conditions of this Call as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation

Approved as to Form:

_____
HELENE L. LEICHTER
City Attorney

Attest:

_____
ROD DIRIDON, JR.
City Clerk

By: _____
JENNIFER SPARACINO
City Manager

1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

SOUDI CONSULTANTS
a California sole proprietor

By: _____
FARAJOLLAH SOUDI
Title: President
Address: 26 Sassafras Lane
San Ramon, CA 94583
Telephone: (925) 964-1144
Fax: (925) 964-1144

Soudi Consultants
Farajollah Soudi, Ph.D. P.E.
President

26 Sassafras Lane
San Ramon, CA 94582
(925) 964-1144

PROPOSAL FOR:

Investigate the "Fault Current Limiter" Technology Developments and Possible Application within SVP System

February 14, 2008

Proposal to investigate latest technologies for mitigation of short circuit duty and experience gained from installation of Fault Current Limiters in various utilities world wide. Conduct feasibility study in SVP system and provide recommendation for any feature projects within SVP system. This study will perform the following studied:

1. Report the current state and trends of research and development of Fault Current Limiter by manufacturers and utilities.
2. Investigate some of the latest installed or pilot projects that various types of fault current limiters have been built, tested and installed in a power system to mitigate fault currents.
3. Conduct the feasibility study for a possible practical application of fault current limiter technology in SVP system to reduce fault currents.
4. Recommend the future approach by SVP for installing a pilot system depending on the state and commercial availability of the FCL technology.

The total cost for this project is $50,000. All services under this proposal will be completed by January 30, 2009.

Farajollah Soudi

Farajollah Soudi

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7B-2

Santa Clara All-America City 2001

Date: May 7, 2008

To: City Manager for Council Action

From: John C. Roukema, Acting Director of Electric Utility

Subject: Acceptance of Assignment of Capacity Rights from Current Northern California Power Agency Participants and Approval of Agreement for Assignment of Rights Relating to and Amending a Capacity and Energy Exchange Agreement with Seattle City Light

EXECUTIVE SUMMARY:

The Northern California Power Agency (NCPA), a summer peaking utility system, and Seattle City Light (SCL), a winter peaking utility, entered into a Capacity and Energy Exchange Agreement on March 16, 1993. This agreement requires NCPA to make available to SCL, firm capacity in the amount of 46 MW and energy during the months of November through April. In return, SCL is required to make available to NCPA firm capacity in the amount of 60 MW and energy during the months of June through October. The City of Santa Clara has the opportunity to acquire a percentage of the available capacity and associated energy from member participants of NCPA. The five participants associated with this agreement are the City of Lodi (41.667%), City of Roseville (33.333%), City of Palo Alto (18.333%), City of Ukiah (4%), and the City of Healdsburg (2.667%). Roseville, Palo Alto and Healdsburg have expressed interest in transferring their rights of the agreement to the City of Santa Clara. This equates to 32.6 MW of capacity or 54.333% of the Agreement. Energy supplied under the exchange agreement to the City is returned to SCL at a rate of 1.2 MW for every 1 MW received.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

To maintain the City's capacity requirements during months of high loads and projected increased load growth, the City will have to be proactive in acquiring additional capacity and associated energy, primarily during the summer months of June through September. Additionally, in recent years several flexible contracts that Santa Clara had available for peaking capacity and energy have either terminated or have been modified, (Western Area Power 2948A and the M-S-R Bonneville Power Agency contracts). The loss or modification of these contracts places the burden of load following and peaking on Santa Clara's physical resources such as the Donald Von Raesfeld Power Plant and Collierville. This limits Santa Clara's ability to optimize these resources in the California Independent System Operator (CAISO) ancillary services and energy markets, and impacts the overall efficiency of these units. The addition of 32.6 MW of capacity during these months will allow Santa Clara to satisfy its needs during high load months in the immediate future as well as allowing Santa Clara to capture more Ancillary Service revenue with its physical resources. The City will also be able to provide its excess capacity during the winter months, which typically are low load months for Santa Clara in addition to being a lower value Ancillary Service season. Added capacity will allow for the flexibility that is essential during high load months and in exchange utilize surplus winter capacity and energy at the same time. NCPA has the resources to accommodate a transfer of rights by participants to the City with little effort. Additional capacity will be required for the City to meet its continuous load growth requirements during the next ten years.

ECONOMIC/FISCAL IMPACT:

Historical market prices and conditions show that it would be economical for the City to seasonally exchange capacity and energy with Seattle City Light. Summer prices are typically 15-25% higher than winter prices. This price difference allows for a seasonal exchange of capacity and energy between the City of Santa Clara, a summer peaking electric system, and Seattle City Light, a winter peaking utility. Added capacity during high load summer months allows the City to optimize its unique resource mix economically.

RECOMMENDATION:

That Council:

1) accept the assignment of capacity rights from current Northern California Power Agency participants, and
2) approve, and authorize the City Manager to execute, the Northern California Power Agency Agreement for Assignment of Rights Relating to and Amending the Seattle City Light Capacity and Third Phase Agreement.

John C. Roukema
Acting Director of Electric Utility

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:

1) NCPA Agreement for Assignment of Rights Relating to Seattle City Light Capacity/Third Phase Agreement

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: May 13, 2008

SUBJECT: Acceptance of Assignment of Capacity Rights from Current Northern California Power Agency Participants and Approval of Agreement for Assignment of Rights Relating to and Amending a Capacity and Energy Exchange Agreement with Seattle City Light

CERTIFICATION

The proposed Northern California Power Agency Agreement for Assignment of Rights

Regarding: Capacity and Energy Exchange Agreement with Seattle City Light

has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by _____
Department Head

2. As to Legality, by _____
City Attorney's Office/CAO Assignment No. 08.0079

3. As to Environmental Impact Requirements, by _____
Director of Planning and Inspection

4. As to Substance, by _____
City Manager

Revision Date: June 7, 2005

AGREEMENT FOR ASSIGNMENT OF RIGHTS RELATING TO AND AMENDING SEATTLE CITY LIGHT CAPACITY AND THIRD PHASE AGREEMENT

This Agreement for Assignment of Rights Relating to and Amending Seattle City Light Capacity and Third Phase Agreement "Agreement" between certain Project Participants of the Seattle City Light ("SCL") Capacity and Energy Exchange Third Phase Agreement ("SCL Agreement"), and amending said SCL Agreement, dated as of _____ __, 2008 (the "Effective Date"), is by and among the Northern California Power Agency, a joint powers agency of the State of California ("NCPA"), and the Cities of Healdsburg, Lodi, Roseville, Palo Alto and Ukiah (all of whom, are jointly referred to as "the SCL Project Participants"), and the City of Santa Clara doing business as Silicon Valley Power ("SVP"), who is currently not a SCL Third Phase Project Participant, (all of whom are jointly referred to as "the Parties")

W I T N E S S E T H:

WHEREAS, NCPA and the Project Participants have previously executed that certain Agreement called Seattle City Light Capacity and Energy Exchange Third Phase Agreement dated October 6, 1992 (the "SCL Agreement"); and

WHEREAS, pursuant to the SCL Agreement, each of the SCL Project Participants owns participation percentages and megawatts of Firm Capacity and Associated Energy, which is specified in the SCL Third Phase Agreement; and

WHEREAS, Section 8 of the SCL Agreement provides for the transfer of rights therein by SCL Project Participants to NCPA members who are not Project Participants and provides that those NCPA members have a right to purchase said rights from the Project Participants on the same terms and conditions set forth in the SCL Agreement; and

WHEREAS, pursuant to Section 8 of the SCL Agreement, certain Project Participants, specifically, the Cities of Roseville, Palo Alto and Healdsburg desire to transfer their surplus project capacity to SVP, who is a NCPA member, but not a SCL Project Participant; and

WHEREAS, SVP is the sole NPCA member that has an interest in obtaining the surplus SCL Agreement Project capacity;

WHEREAS, NCPA's Capacity and Energy Exchange Agreement permits NCPA to transfer project participants rights between the Cities of Roseville, Palo Alto and Healdsburg to SVP;

WHEREAS, Section 15 of the SCL Agreement permits NCPA and the Project Participants to amend said agreement in writing executed by all parties;

WHEREAS, capitalized terms used in this Agreement and not expressly defined herein shall have the same meanings as such terms have in the SCL Agreement;

WHEREAS, on January 25, 2008, at a regularly schedule meeting of the NCPA Commission, SCL Agreement Project Participants reviewed and approved this transaction pending approval from Project Participants' governing boards; and

WHEREAS, on January 25, 2008, the NCPA Commission also directed the General Manager and General Counsel to prepare the necessary Agreement to effect this transfer and assignment by seeking Project Participants' governing boards approvals;

NOW, THEREFORE, the Parties agree as follows:

Section 1. Purpose. The purpose of this Agreement is to (a) amend the SCL Capacity and Exchange Third Phase Agreement to allow SVP to become a Project Participant; (b) enable certain SCL Project Participants, specifically, the Cities of Healdsburg, Palo Alto and Roseville, to transfer their rights to Project Capacity and Associated Energy and all benefits and burdens associated with the SCL Agreement to SVP; and (c) permit NCPA to effect the transfer of this surplus Project Capacity and energy related to the SCL Agreement and to reimburse NCPA for all reasonable costs incurred in effecting this transfer and assignment; and to (d) amend the SCL Agreement so that SVP becomes a Project Participants and agrees to be bound by the irrevocable assignment of the obligations and rights of the Cities of Roseville, Palo Alto and Healdsburg under the SCL Agreement.

Section 2. Amendment to SCL Third Phase Agreement

2.1 Pursuant to Section 15 of the SCL Agreement, the Project Participants and NCPA hereby amend and modify the SCL Agreement to add SVP as a Project Participant.

2.2 SVP agrees to be added as a Party to the SCL Agreement, and becomes a Project Participant of the SCL Agreement and expressly agrees to be bound to all terms, conditions, obligations, responsibilities and duties set forth in the SCL Agreement as of the Effective Date of this Agreement.

2.3 All Project Participants, including the Cities of Lodi and Ukiah, whose interests, rights and responsibilities pursuant to the SCL Agreement, remain unchanged, expressly consent to and agree to add SVP as Project Participant to the SCL Third Phase Agreement.

2.4 All other terms and conditions of the SCL Agreement that are not amended or modified herein remain unchanged and shall continue in force and effect.

Section 3. Transfer of Surplus Capacity and Energy

3.1 Pursuant to Section 8 of the SCL Agreement, as of May 31, 2008, the "Transfer Date," the Cities of Healdsburg, Palo Alto and Roseville shall transfer and assign their surplus Project Capacity and the Project Entitlement Percentages to SVP as set forth in Appendix A, which is attached to this Agreement and is incorporated herein. Such Project Capacity Associated Energy is hereby deemed as "surplus" by the Cities of Healdsburg, Palo Alto and Roseville, and shall be transferred to SVP for its beneficial use. NCPA and the Project Participants acknowledge and agree that Healdsburg, Palo Alto and Roseville's surplus Project Capacity and Energy interests shall be deemed to be transferred to SVP as of the Transfer Date, pursuant to Appendix A.

3.2 Said transfers and assignments shall be irrevocable and shall take effect on the Transfer Date. After the Transfer Date, the participation percentages of the Project Participants shall be adjusted on a going forwarded basis pursuant to Appendix A.

3.3 After the transfer and assignment of surplus Project Capacity and Project Entitlement percentages to SVP, the Cities of Healdsburg, Palo Alto and Roseville, shall have a remaining Project Entitlement Percentages as set forth in Appendix A. The participation percentages of the Cities of Lodi and Ukiah remain unchanged.

3.4 NCPA shall undertake all necessary actions to effect this transfer and assignment and will continue to perform the duties set forth in the SCL Agreement for all Project Participants, including SVP.

3.5 NCPA shall make all necessary adjustments to the budget and billing statements to all Parties pursuant to Section 6 of the SCL Agreement. A new monthly billing statement shall be sent to SVP, showing its share of costs and other charges payable pursuant to this Agreement, and any other credit or debit adjustments in accordance with the SCL Agreement.

3.6. The Parties recognize that NCPA will incur expense in administering this assignment. The Parties expressly agree to reimburse all costs and fees, including attorney's fees, incurred by NCPA in effecting this transfer and assignment of surplus Project Capacity and Project Entitlement percentages to SVP in an amount not to exceed $10,000 in total.

Section 4. Authority. Each signatory to this Agreement represents and warrants that he/she has been duly authorized by the signatory's governing board for whom he/she executed it as demonstrated by a resolution from each signatory's governing board.

Section 5. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall constitute a single instrument.

Section 6. Notice. Any notice, demand or request required or authorized by this Agreement to be given to any Party shall be in writing, and shall be personally delivered to the Party' representative on the NCPA Commission or transmitted to the Party at the address shown on the signature page hereof. The designation of such address may be changed at any time by written notice given to the Secretary of the NCPA Commission who shall thereupon give written notice of such change to each Party.

Section 7. Waiver. No waiver of the performance by a Party of any obligation under this Agreement with respect to any default or any other matter arising in connection with this Agreement shall be effective unless in writing.

Section 8. Withdrawal by Project Participants. No Project Participant, which term now includes SVP, may withdraw from this Agreement. However, NCPA will use its best efforts to assist any Participant that wishes to assign all or any portion of its rights pursuant to terms of the SCL Third Phase Agreement.

Section 9. Counsel Representation. Pursuant to the provisions of California Civil Code section 1717(a), each Party to this Agreement was represented by counsel in the negotiation and execution of this Agreement. In light of this representation, this Agreement shall not be construed as drafted by or be construed against any particular one of the Parties.

Section 10. Dispute Resolution. The Parties agree to make best efforts to settle all disputes related to this Agreement among themselves, and to meet and confer in good faith to that end. In the event that a dispute cannot be resolved by consultation and good faith meet and confer processes, the Parties agree that any such dispute shall be submitted to binding arbitration. The arbitration shall be governed by the Commercial Arbitration Rules of the American Arbitration Association from time to time in force. Costs and attorney's fees shall be recoverable by the prevailing party.

Section 11. Amendments. This Agreement may be amended only in writing.

Section 12. Integrated Agreement. This is an integrated agreement. It contains all of the understandings of the Parties.

Section 13. Severability. This Agreement is severable. In the event that any of the terms, covenants or conditions of this Agreement or the application of any such term, covenant or condition is held invalid as to any person or circumstance by any court having jurisdiction, all other terms, covenants or conditions of this Agreement and their application shall not be affected thereby, but shall remain in full force and effect unless the court holds that they are not severable from the other provisions of this Agreement.

Section 14. Governing Law. This Agreement shall be governed by the law of the State of California.

* * *

IN WITNESS WHEREOF, each Party has executed this Agreement with the approval of its governing body.

NORTHERN CALIFORNIA POWER AGENCY

By_____

Its:_____

Attested by:_____

_____
Secretary

_____

Approved as to form

_____
General Counsel

CITY OF HEALDSBURG

By_____

Its:_____

Attest by:_____

_____
City Clerk

_____

Approved as to Form

_____
City Attorney

CITY OF LODI

By_____

Its:_____

Attested by

_____
City Clerk

CITY OF PALO ALTO

By_____

Its:_____

Attested by

_____
City Clerk

Approved as to form

_____
City Attorney

Approved as to Form

_____
City Attorney

CITY OF ROSEVILLE

By_____

Its:_____

Attested by

_____
City Clerk

CITY OF SANTA CLARA

By_____

Its:_____

Attested by

_____
City Clerk

Approved as to form

_____
City Attorney

Approved as to Form

_____
City Attorney

CITY OF UKIAH

By_____

Its:_____

Attest by

_____
City Clerk

Approved as to form

_____
City Attorney

APPENDIX A

AMENDED
NCPA / SCL CAPACITY AND ENERGY EXCHANGE
THIRD PHASE AGREEMENT

PARTICIPATION PERCENTAGES AND MEGAWATTS

Member	Percent	Megawatts
Healdsburg	**0.000**	**0.0**
Lodi	**41.667**	**25.0**
Palo Alto	**0.00**	**0.0**
Roseville	**0.00**	**0.0**
Santa Clara (SVP)	**54.333**	**32.6**
Ukiah	**4.00**	**2.4**
Total	**100.00**	**60.0**

Percentages amended as of Effective Date of May 31, 2008

Meeting Date: 05-13-08

Santa Clara

All-America City

2001

AGENDA REPORT

City of Santa Clara, California

Agenda Item # MB-3

DATE: May 6, 2008

TO: City Manager for Council Action

FROM: Director of Streets & Automotive Services

SUBJECT: Approve Change Order No. 1 with Galedrige Construction for 2008 Asphalt Removal & Repair Project

EXECUTIVE SUMMARY:

On March 18, 2008 Council approved an award of contract to Galedrige Construction, Inc., the lowest of 11 bidders, for the 2008 Asphalt Removal & Repair Project for a contract amount of $717,769 plus up to an additional (5%) for change orders. The work by Galedrige Construction has been acceptable and their unit prices very competitive with past unit prices for this type of work. The project contract allows extension of the quantity of work, up to twenty-five percent (25%) of the contract quantities, with no change in unit cost.

Staff desires to extend Galedrige Construction contract amount up to $823,657. This request is a $105,888 (14.8%) increase in the base contract amount. Staff has identified sufficient available Capital Improvement Project funds for this additional increase of $105,888 above the $717,769 base contract amount previously authorized. A copy of the change order has been placed in Council Offices for review.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Increase of the contract amount would provide needed funds to resolve additional asphalt failures on Tasman Drive within the City limits. Tasman Drive is a main arterial road scheduled for additional preventative maintenance this year. Prior to performing this maintenance, all asphalt failures must be removed and replaced. Maintaining a sound and quality roadway system is vital to the City's economy and an essential convenience to the public.

ECONOMIC/FISCAL IMPACT:

This change order increases by an amount of $105,888 from $717,769 to a total not to exceed contract amount of $823,657. Additional funding of $105,888 for this contract is available in the FY 07/08 Capital Improvement Budget account (533-4443-80300-1322(G)TCRF).

RECOMMENDATION:

That the Council approve and authorize the City Manager to execute Change Order No. 1 for the 2008 Asphalt Removal & Repair Project for an additional $105,888 (14.8%) for a total contract not to exceed amount of $823,657.

Certified as to Availability of Funds:

533-4443-80300-1322(G)TCRF	$472,677
538-29xx-80300-6123	$ 79,500
532-29xx-80300-3001	$ 83,160
592-1423-80300-7049[I2984]	$188,320

Richard J. Mauck
Director of Streets & Automotive Services

Mary Ann Parrot
Director of Finance

MAJORITY VOTE OF COUNCIL

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Change Order No. 1

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: May 13, 2008

SUBJECT: Approve and Execute Change Order No. 1 in Connection with the Contract Amount with Galedrige Construction for 2008 Asphalt Removal & Repair Project

CERTIFICATION

The proposed Change Order No. 1
Regarding 2008 Asphalt Removal & Repair Project
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by _____
Department Head

2. As to Legality, by _____
City Attorney's Office / CAO Assignment No 08.0692

3. As to Environmental Impact Requirements, by _____
Director of Planning and Inspection

4. As to Substance, by _____
City Manager

Revision Date June 7, 2005

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CONTRACT CHANGE ORDER NO. 1

This Change Order is issued after the Effective Date of the Agreement and modifies the terms of the Agreement. It is signed by Contractor, Project Manager and Owner and authorizes the addition(s), deletion(s) or revision(s) in the Work described in the Agreement and/or provides for an adjustment in the Contract Price and/or the Contract Times included in the Agreement.

PROJECT NAME: **2008 Asphalt Removal & Repair Project**
CITY CONTRACT NO. **N/A**

ORIGINAL CONTRACT PRICE: **$717,769.00**

OWNER: **CITY OF SANTA CLARA, CALIFORNIA**
PROJECT MANAGER: **Street Department**
CONTRACTOR: **Galedrige Construction, Inc.**

Contractor agrees to make the following changes in the Contract Work and/or Contract Times:

Description of Change(s) to be Made: See page 2

CHANGE IN CONTRACT PRICE:	**CHANGE IN CONTRACT TIMES:**
Net Change This Change Order: **$ 105,888.00**	Net Change in Contract Time Per This Change Order: **14 Calendar Days**

The Parties to this negotiated Contract modification ("Change Order") acknowledge and agree that this Change Order amends the Contract between the City and Contractor and changes the Contract Documents to adjust the Contract Price, Contract Time, or both. A significant element of the consideration between the Parties which formed the basis for this Change Order is that it includes all of the costs related to the changes in the Scope of Work to be performed by the Contractor. As an integral part of the consideration for this Change Order, any Work performed or to be performed as a result of this Change Order and any direct or indirect costs related to such Work (including, but not limited to, any and all home office overhead, special overhead, delay costs, costs incurred due to lost efficiency or contract delays of any kind) have been included in the Description of Changes to be made, above. The Parties agree that all other terms and conditions included in the Contract Documents and all previous Change Orders which have not been addressed in this Change Order shall remain unchanged and continue in full force and effect.

ENGINEER	**CONTRACTOR**	**CITY OF SANTA CLARA**
Recommended:	**Accepted and Agreed:**	**Approved:**
By: Roger A. Lee Engineer (Authorized Signature)	By: Contractor (Authorized Signature)	By: City Manager
Date: 5-08-08	Date: 5-08-08	Attest: City Clerk
DEPARTMENT HEAD **Recommended:**		Approved as to Form:
By: Roger A. Lee for Rich Wheeler		City Attorney
Date: 5-8-08		Date: The Effective Date of this Change Order

CITY OF SANTA CLARA, DEPARTMENT OF PUBLIC WORKS

CONTRACT CHANGE ORDER NO. 1 **SUPPL. NO.** _____

PROJECT: 2008 Asphalt Removal & Repair Project

CITY PROJECT NO. _____

TO: Galedrige Construction, Inc.

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this contract.

NOTE: This change order is not effective until approved by The CITY OF SANTA CLARA.

Description of work to be done, estimate of quantities, and prices to be paid. Segregate between additional work at contract price, agreed price and force account. Unless otherwise stated, rates for rental of equipment cover only such time as equipment is actually used and no allowance will be made for idle time.

Change requested by: Owner

Increase on the amount would provide needed funds to resolve additional asphalt failure on Tasman Drive withih the City limits. Tasman Drive Is a main arteial road scheduled for additional preventive maintenance this year. Prior to performing this maintenance, all asphalt failure must be removed and replaced. Maintaining a sound quality roadway system is a vital to the City's economy and an essential convenience to the public.

New Contract Amount:	$823,657.00
Original Contract Amount:	$717,769.00
Net Increase in Contract:	**$105,888.00**

An additional $0.54 / ton will be added to all asphalt bid items in excess of bid quantities for escalation of asphalt prices.

For Compensation of the Lump Sum Bid Item of Traffic Control (Bid Item #11), an additional $8.37/ton will be added to Asphalt Concrete - Collector (Bid Item #5) in excess of Bid Quantity.

Due to this increase in quantities of asphalt deep lift, the corresponding time of completion on the project is extended for fourteen (14) days, which will be June 13, 2008.

TOTAL ESTIMATED COST = $823,657.00

Compensation for This Change: The Contractor agrees to accept the above increase in contract payment totaling a net increase in in payment of **$105,888.00** as full compensation for all labor, equipment, material, tools, incidentals and markups for these changes.

TOTAL COST Decrease _____ Increase **$105,888.00**

By reason of this order, the time of completion will be adjusted as follows: **Not Applicable**

Submitted by: Wilfredo Dones Date _____

Date _____

Approval recommended: Date _____

Approved: Roger Lee Date _____

We the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this proposal is approved, that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefor the prices shown above.

Accepted Date 5/2/08 Contractor _____ CEO

By Title

If the contractor does not sign acceptance of this order, his attention is directed to the requirements of the specifications as to proceeding with the ordered work and filing a written protest within the time therein specified.

Meeting Date: 05-13-08

AGENDA REPORT

Agenda Item # 7B.4

City of Santa Clara, California

DATE: May 7, 2008

TO: City Manager for Council Action

FROM: Director of Finance

SUBJECT: Approval of Contract with Phase II Systems, dba Public Agency Retirement Services (PARS), for GASB 45 OPEB Trust Services, Trust Agreement, Master Plan and Resolution

EXECUTIVE SUMMARY:

In June 2004, the Governmental Accounting Standards Board (GASB) which establishes financial reporting standards for state and local governments adopted Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*. GASB 45 requires disclosure of information regarding the OPEB obligations and the extent to which progress is being made in funding those obligations in its Comprehensive Annual Financial Report (CAFR). In addition, GASB 45 requires that local governments establish an irrevocable trust or the equivalent, to hold their OPEB assets. To implement the changes required by GASB 45 by the June 30, 2008 effective date, an irrevocable trust for the City's Retiree Healthcare Reimbursement Program must be established.

Staff issued a Request-for-Proposal (RFP) on February 21, 2008, to four potential providers, for the establishment and administration of an irrevocable trust for the City of Santa Clara Retiree Healthcare Reimbursement Program in accordance with GASB 45. Staff received three proposals by the due date of March 10, 2008. The proposed fees for the initial set up, trust maintenance, investment management and expenses, and disbursements to the retirees are projected to range from $57,000 to $129,000 for the initial year.

Staff recommends retaining Phase II Systems, dba Public Agency Retirement Services (PARS), and Union Bank of California (Union Bank) to establish the GASB 45 trust and provide trust, investment management and administration services for the City. PARS is a leading retirement plan trust administrator in the country and has designed and delivered more than 700 retirement plans in 25 years, serving more than 400 public agencies, including a number of cities. Union Bank of California is a well-known and well-established trustee, and is one of the largest banks in the United States, with a strong local California presence and a track record of commitment to the public sector. They clearly understand the requirements of GASB 45 and have received a Private Letter Ruling from the IRS on their Section 115 Post–Retirement Healthcare Trust, crafted for GASB 45 OPEB Trust. The total fees of their proposal is the lowest of three proposals received. Staff recommends accepting their proposal and awarding the contract to PARS and Union Bank for this GASB 45 Trust.

In order to implement the Section 115 Post–Retirement Healthcare Plan Trust, the City must also enter into a Trust Agreement and adopt the Master Plan by Resolution.

The proposed agreement with Public Agency Retirement Services and the proposed Trust Agreement and Master Plan document are available in the Council Office for review.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Approving a contract for services and the Trust Agreement and Master Plan to establish an irrevocable trust for the City's retiree healthcare reimbursement program will assure that the City's annual financial audit and

financial reports will be completed according to the requirements of GASB 45. An unqualified audit opinion is critical for the City to maintain or improve its credit ratings. A satisfactory implementation of GASB 45 will also keep the City's CAFR eligible for award consideration by the Government Finance Officers Association and California Society of Municipal Finance Officers. In addition, this trust will provide a segregated fund for the employees' post employment benefits other than pension, and the assets would be invested prudently to safeguard their value. If the City does not implement GASB 45, the audit opinion issued will be a "qualified opinion." A qualified audit opinion will negatively impact the City's fiscal credibility and could affect the City's credit ratings.

ECONOMIC/FISCAL IMPACT:
The cost of the services under the contract with PARS and the cost of asset management of the Trust assets will be through asset management fees which will be paid from trust assets. The interest earnings on the funds under management are expected to exceed the fees required. There is no cost to the General Fund.

RECOMMENDATION:
That the City Council:

1. Approve and authorize the City Manager to execute the following agreements:
    a. Agreement between the City and Phase II Systems, dba Public Agency Retirement Services, for services related to the establishment and maintenance of an irrevocable trust for the City's Retiree Healthcare Reimbursement Program;
    b. Trust Agreement establishing an irrevocable trust to fund postemployment benefits other than pension benefits, such as medical reimbursements.
2. Adopt Resolution establishing the trust and authorizing the City Manager the authority to sign the Master Plan document with PARS.

Mary Ann Parrot
Director of Finance

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Agreement for Services
2) Public Agencies Post-Retirement Health Care Plan Master Plan Document
3) Public Agencies Post-Retirement Health Care Plan Trust Agreement
4) Resolution

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RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ADOPTING THE PARS POST-RETIREMENT HEALTH CARE PLAN TRUST AND DELEGATING AUTHORITY TO THE CITY MANAGER TO EXECUTE THE ADMINISTRATIVE SERVICES AGREEMENT WITH PARS FOR GASB 45 OPEB TRUST AND ALL RELATED LEGAL DOCUMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the City of Santa Clara (the "City") wishes to fund post-retirement benefits for its employees; and

WHEREAS, it is determined to be in the best interest of the City to participate in the PARS Post-Retirement Health Care Plan Trust (the "Program") to fund such post-employment benefits; and,

WHEREAS, the City is eligible to participate in the Program, a tax-exempt trust and plan performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued thereunder, and is a tax-exempt trust under the provisions of the relevant statutory provisions of the State of California.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. The City Council hereby adopts the PARS Post-Retirement Health Care Plan Trust, including the PARS Post-Retirement Health Care Plan, as part of the City Post-Retirement Health Care Benefits Program, effective May 13, 2008, attached Public Agencies Post-Retirement Health Care Plan Master Plan Document and Public Agencies Post-Retirement Health Care Plan Trust Agreement as Exhibit A and incorporated herein by this reference; and,

2. The City Council hereby appoints the City Manager, or her successor or her designee as the City's Plan Administrator for the Program; and

3. The City's Plan Administrator, upon approval of such documents by the City Attorney, is hereby authorized to execute the PARS legal documents on behalf of the City, and to take whatever additional actions are necessary to institute and maintain the City's participation in the Program, including maintaining compliance with any relevant law.

4. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 200__, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Exhibit A Incorporated by Reference:
1. Public Agencies Post-Retirement Health Care Plan Master Plan Document
2. Public Agencies Post-Retirement Health Care Plan Trust Agreement

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CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: 5

SUBJECT: Contract with Public Agency Retirement Services (PARS) for GASB 45 OPEB Trust Services, Trust Agreement, Master Plan + Resolution

CERTIFICATION

The proposed Contract with PARS
Regarding GASB 45 OPEB Trust Services, Trust agreement, Master Plan, Resolution
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by MAPala 5-7-08
Department Head

2. As to Legality, by Helene h
City Attorney's

3. As to Environmental Impact Requirements, by N/A
Director of Plan

4. As to Substance, by J Spar
City Manager

The Signed originals will be attached before being routed for city signatures

S:\Agenda Report Processing\Forms for Routing of Agenda Report Items\Route Sheet for Agenda M: Rx

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ADOPTING THE PARS POST-RETIREMENT HEALTH CARE PLAN TRUST AND DELEGATING AUTHORITY TO THE CITY MANAGER TO EXECUTE THE ADMINISTRATIVE SERVICES AGREEMENT WITH PARS FOR GASB 45 OPEB TRUST AND ALL RELATED LEGAL DOCUMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the City of Santa Clara (the "City") wishes to fund post-retirement benefits for its employees; and

WHEREAS, it is determined to be in the best interest of the City to participate in the PARS Post-Retirement Health Care Plan Trust (the "Program") to fund such post-employment benefits; and,

WHEREAS, the City is eligible to participate in the Program, a tax-exempt trust and plan performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued thereunder, and is a tax-exempt trust under the provisions of the relevant statutory provisions of the State of California.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. The City Council hereby adopts the PARS Post-Retirement Health Care Plan Trust, including the PARS Post-Retirement Health Care Plan, as part of the City Post-Retirement Health Care Benefits Program, effective May 13, 2008, attached Public Agencies Post-Retirement Health Care Plan Master Plan Document and Public Agencies Post-Retirement Health Care Plan Trust Agreement as Exhibit A and incorporated herein by this reference; and,

2. The City Council hereby appoints the City Manager, or her successor or her designee as the City's Plan Administrator for the Program; and

3. The City's Plan Administrator, upon approval of such documents by the City Attorney, is hereby authorized to execute the PARS legal documents on behalf of the City, and to take whatever additional actions are necessary to institute and maintain the City's participation in the Program, including maintaining compliance with any relevant law.

4. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 200__, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Exhibit A Incorporated by Reference:
1. Public Agencies Post-Retirement Health Care Plan Master Plan Document
2. Public Agencies Post-Retirement Health Care Plan Trust Agreement

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IDS Insurance No. _____

AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA,
and
PHASE II SYSTEMS, dba PARS

PREAMBLE

This agreement for the performance of services ("Agreement") is made and entered into on this_____ day of _____, 200__, ("Effective Date") by and between Phase II Systems, a corporation organized and existing under the laws of the State of California, doing business as Public Agency Retirement Services (hereinafter "PARS"), with its primary business address at 5141 California Ave., Ste. 150, Irvine, CA 92617-3069, and the City of Santa Clara, California, a chartered California municipal corporation with its primary business address at 1500 Warburton Avenue, Santa Clara, California 95050 ("City"). City and PARS may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

A. City has adopted the PARS Public Agencies Post-Retirement Health Care Plan (the "Plan"), and is desirous of retaining PARS, as Trust Administrator to the PARS Trust, to provide administrative services;

B. PARS represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,

C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. SERVICES.

PARS will provide the services pertaining to the Plan as described in the exhibit attached hereto as "Exhibit 1A" ("Services") in a timely manner, subject to the further provisions of this Agreement.

2. FEES FOR SERVICES.

PARS will be compensated for performance of the Services as described in the exhibit attached hereto as "Exhibit 1B".

3. PAYMENT TERMS.

Payment for the Services will be remitted directly from Plan assets unless the City chooses to make payment directly to PARS. In the event that the City chooses to make payment directly to PARS, it shall be the responsibility of the City to remit payment directly to PARS based upon an invoice prepared by PARS and delivered to the City. If payment is not received by PARS within thirty (30) days of the invoice delivery date, the balance due shall bear interest at the rate of 1.5% per month. If payment is not received from the City within sixty (60) days of the invoice delivery date, payment plus accrued interest will be remitted directly from Plan assets, unless PARS has previously received written communication disputing the subject invoice that is signed by a duly authorized representative of the City.

4. FEES FOR SERVICES BEYOND SCOPE.

Fees for services beyond those specified in this Agreement will be billed to the City at the rates indicated in the PARS' standard fee schedule in effect at the time the services are provided and shall be payable as described in Section 3 of this Agreement. Before any such services are performed, PARS will provide the City with written notice of the subject services, terms, and an estimate of the fees therefore.

5. INFORMATION FURNISHED TO PARS.

PARS will provide the Services contingent upon the City's providing PARS the information specified in the exhibit attached hereto as "Exhibit 1C" ("Data"). It shall be the responsibility of the City to certify the accuracy, content and completeness of the Data so that PARS may rely on such information without further audit. It shall further be the responsibility of the City to deliver the Data to PARS in such a manner that allows for a reasonable amount of time for the Services to be performed. Unless specified in Exhibit 1A, PARS shall be under no duty to question Data received from the City, to compute contributions made to the Plan, to determine or inquire whether contributions are adequate to meet and discharge liabilities under the Plan, or to determine or inquire whether contributions made to the Plan are in compliance with the Plan or applicable law. In addition, PARS shall not be liable for non performance of Services if such non performance is caused by or results from erroneous and/or late delivery of Data from the City. In the event that the City fails to provide Data in a complete, accurate and timely manner and pursuant to the specifications in Exhibit 1C, PARS reserves the right, notwithstanding the further provisions of this Agreement, to terminate this Agreement upon no less than ninety (90) days written notice to the City.

6. SUSPENSION OF CONTRIBUTIONS.

In the event contributions are suspended, either temporarily or permanently, prior to the complete discharge of PARS' obligations under this Agreement, PARS reserves the right to bill the City for Services under this Agreement at the rates indicated in PARS' standard fee schedule in effect at the time the Services are provided, subject to the terms established in Section 3 of this Agreement. Before any such Services are performed, PARS will provide the City with written notice of the subject Services, terms, and an estimate of the fees therefore.

7. RECORDS.

Throughout the duration of this Agreement, and for a period of five (5) years after termination of this Agreement, PARS shall provide duly authorized representatives of City access to all records and material relating to calculation of PARS' fees under this Agreement. Such access shall include the right to inspect, audit and reproduce such records and material and to verify reports furnished in compliance with the provisions of this Agreement. All information so obtained shall be accorded confidential treatment as provided under applicable law.

8. CONFIDENTIALITY.

Without the City's consent, PARS shall not disclose any information relating to the Plan except to duly authorized officials of the City, subject to applicable law, and to parties retained by PARS to perform specific services within this Agreement. The City shall not disclose any information relating to the Plan to individuals not employed by the City without the prior written consent of PARS, except as such disclosures may be required by applicable law.

9. INDEPENDENT CONTRACTOR.

PARS is and at all times hereunder shall be an independent contractor. As such, neither the City nor any of its officers, employees or agents shall have the power to control the conduct of PARS, its officers, employees or agents, except as specifically set forth and provided for herein. PARS shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

10. INDEMNIFICATION.

PARS and City hereby indemnify each other and hold the other harmless, including their respective officers, directors, employees, agents and attorneys, from any claim, loss,

demand, liability, or expense, including reasonable attorneys' fees and costs, incurred by the other as a consequence of PARS' or City's, as the case may be, acts, errors or omissions with respect to the performance of their respective duties hereunder.

11. COMPLIANCE WITH APPLICABLE LAW.

The City shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding the administration of the Plan. PARS shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding Plan administrative services provided under this Agreement.

12. APPLICABLE LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any party institutes legal proceedings to enforce or interpret this Agreement, venue and jurisdiction shall be in any state court of competent jurisdiction.

13. FORCE MAJEURE.

When a party's nonperformance hereunder was beyond the control and not due to the fault of the party not performing, a party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by such cause, including but not limited to: any incidence of fire, flood, acts of God, acts of terrorism or war, commandeering of material, products, plants or facilities by the federal, state or local government, or a material act or omission by the other party.

14. OWNERSHIP OF REPORTS AND DOCUMENTS.

The originals of all letters, documents, reports, and data produced for the purposes of this Agreement shall be delivered to, and become the property of the City. Copies may be made for PARS but shall not be furnished to others without written authorization from City.

15. DESIGNEES.

The Plan Administrator of the City, or their designee, shall have the authority to act for and exercise any of the rights of the City as set forth in this Agreement, subsequent to and in accordance with the written authority granted by the Governing Board of the City, a copy of which writing shall be delivered to PARS. Any officer of PARS, or his or her designees, shall have the authority to act for and exercise any of the rights of PARS as set forth in this Agreement.

16. NOTICES.

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of the notices in person or by depositing the notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

(A) To PARS:
PARS
5141 California Avenue, Ste. 150
Irvine, CA 92617
Attention: President

(B) To City:
The Office of the Director of Finance
City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050
or by facsimile at (408) 243-8687

Notices shall be deemed given on the date received by the addressee.

17. TERM OF AGREEMENT.

This Agreement shall remain in effect for the period beginning _____, 2008 and ending June 30, 2012 ("Term"). This Agreement will continue unchanged for successive twelve month periods following the Term unless either party gives written notice to the other party of the intent to terminate prior to ninety (90) days before the end of the Term.

18. AMENDMENT.

This Agreement may not be amended orally, but only by a written instrument executed by the parties hereto.

19. ENTIRE AGREEMENT.

This Agreement, including exhibits, contains the entire understanding of the parties with respect to the subject matter set forth in this Agreement. In the event a conflict arises between the parties with respect to any term, condition or provision of this Agreement, the remaining terms, conditions and provisions shall remain in full force and legal effect. No waiver of any term or condition of this Agreement by any party shall be construed by the other as a continuing waiver of such term or condition.

20. ATTORNEYS FEES.

In the event any action is taken by a party hereto to enforce the terms of this Agreement the prevailing party herein shall be entitled to receive its reasonable attorney's fees.

21. COUNTERPARTS.

This Agreement may be executed in any number of counterparts, and in that event, each counterpart shall be deemed a complete original and be enforceable without reference to any other counterpart.

22. HEADINGS.

Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

23. EFFECTIVE DATE.

This Agreement shall be effective on the date first above written, and also shall be the date the Agreement is executed.

24. COMPLIANCE WITH ETHICAL STANDARDS.

As a condition precedent to entering into this Agreement, PARS shall:

a. Read the attached Exhibit D entitled "ETHICAL STANDARDS," and,

b. Execute the affidavit attached as Exhibit E entitled "AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS."

25. INSURANCE REQUIREMENTS.

A. During the term of this Agreement, and for any required time thereafter as set forth below, PARS shall purchase and maintain in full force and effect, at no cost to City, the following insurance policies:

1) commercial general liability policy (bodily injury and property damage);
2) comprehensive automobile liability policy;
3) workers' compensation and employer's liability policy; and
4) professional liability policy.

B. Said policies shall be maintained with respect to employees and vehicles assigned to the performance of work under this Agreement with coverage amounts,

required endorsements, certificates of insurance, and coverage verifications as defined in Exhibit F entitled "INSURANCE REQUIREMENTS."

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to form:

HELENE L. LEICHTER
City Attorney

Attest:

ROD DIRIDON, JR.
City Clerk

JENNIFER SPARACINO
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408)615-2210
Fax: (408)241-6771

"City"

*PHASE II SYSTEMS, dba PARS
a California corporation

By: Tod Hammeras
(Signature of Person executing the Agreement on behalf of Contractor)
Tod Hammeras
(Please Print or Type Name)
Title: Chief Financial Officer
Local Address: 5141 California Ave., Ste. 150
Irvine, CA 92617-3069

Telephone: (800) 540-6369
Fax: (949) 823-9900

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AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT 1A
SCOPE OF SERVICES

PARS will provide the following services for the City of Santa Clara PARS Post-Retirement Health Care Plan:

The PARS's proposal entitled TRUST, INVESTMENT MANAGEMENT, AND ADMINISTRATION SERVICES FOR GASB 45 OPEB TRUST, dated March 7, 2008 ("Proposal") is attached to this Exhibit 1A and is incorporated by this reference, and identified as "Attachment 1" as though fully set forth herein.

1. Plan Installation Services:
   (A) Meeting with appropriate Agency personnel to discuss plan provisions, implementation timelines, actuarial valuation process, funding strategies, benefit communication strategies, data reporting and contribution submission requirements;
   (B) Providing the necessary analysis and advisory services to finalize these elements of the Plan;
   (C) Providing the documentation needed to establish the Plan for review by Agency legal counsel;
2. Plan Administration Services:
   (A) Monitoring the receipt of Plan contributions made by the Agency to the trustee of the PARS Trust Program ("Trustee"), based upon information received from the Agency and the Trustee;
   (B) Performing periodic accounting of Plan assets, reimbursements and investment activity, based upon information received from the Agency and/or Trustee;
   (C) Coordinating the processing of reimbursement payments pursuant to authorized direction by the Agency, and the provisions of the Plan, and, to the extent possible, based upon Agency-provided Data;
   (D) Coordinating actions with the Trustee as directed by the Plan Administrator within the scope this Agreement;
   (E) Preparing and submitting a monthly report of Plan activity to the Agency, unless directed by the Agency otherwise;

(F) Preparing and submitting an annual report of Plan activity to the Agency;

(G) Facilitating actuarial valuation updates and funding modifications for compliance with GASB 45;

(H) Coordinating periodic audits of the Trust;

(I) Monitoring Plan and Trust Compliance with federal and state laws.

3. PARS is not licensed to provide and does not offer tax, accounting, legal, investment or actuarial advice. In providing the services specified above, PARS will retain qualified professional service providers at its cost as it deems necessary if the service lies outside its area of expertise.

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AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT 1B
FEE SCHEDULE

PARS will be compensated for performance of Services, as described in Exhibit 1A based upon the following schedule:

A. An annual asset fee paid from Plan assets based on the following schedule:

For Plan Assets from:			Annual Rate:
$0	to	$10,000,000	0.25%
$10,000,001	to	$15,000,000	0.20%
$15,000,001	to	$50,000,000	0.15%
$50,000,001	and	above	0.10%

Annual rates are subject to a monthly minimum equal to $400.00. Annual rates are prorated and paid monthly. The annual asset fee shall be calculated by the following formula [Annual Rate divided by 12 (months of the year) multiplied by the Plan asset balance at the end of the month]. Trustee and Investment Management Fees are not included.

B. A fee equal to the out of pocket costs charged to PARS by an outside contractor for formatting contribution data on to a suitable magnetic media, charged only if the contribution data received by PARS from the City is not on readable magnetic media ("Data Processing Fee").

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AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT 1C
DATA REQUIREMENTS

PARS will provide the Services under this Agreement contingent upon receiving the following information:

1. Contribution Data – Completed Contribution Transmittal Form signed by Plan Administrator (or authorized Designee) which contains the following information:
   (A) Agency name
   (B) Contribution amount
   (C) Signed certification of reimbursement from the Plan Administrator, or authorized Designee
2. Reimbursement Data – Completed Payment Reimbursement Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
   (A) Agency name
   (B) Payment reimbursement amount
   (C) Applicable statement date
   (D) Copy of applicable premium statement
   (E) Signed certification of reimbursement from the Plan Administrator (or authorized Designee)
3. Executed Legal Documents:
   (A) Certified Resolution
   (B) Adoption Agreement to the PARS Post-Retirement Health Care Plan
   (C) Trustee Investment Forms
4. Other information requested by PARS and Actuarial Provider

AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT D
ETHICAL STANDARDS

Termination of Agreement for Certain Acts.

A. The City may, at its sole discretion, terminate this Agreement in the event any one or more of the following occurs:

1. If a Contractor[1] does any of the following:

a. Is convicted[2] of operating a business in violation of any Federal, State or local law or regulation;

b. Is convicted of a crime punishable as a felony involving dishonesty.[3]

c. Is convicted of an offense involving dishonesty or is convicted of fraud or a criminal offense in connection with: (1) obtaining; (2) attempting to obtain; or (3) performing a public contract or subcontract;

d. Is convicted of any offense which indicates a lack of business integrity or business honesty which seriously and directly affects the present responsibility of a City contractor or subcontractor; and/or,

e. Made (or makes) any false statement(s) or representation(s) with respect to this Agreement.

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[1] For purposes of this Agreement, the word "Contractor" (whether a person or a legal entity) means any of the following: an owner or co-owner of a sole proprietorship; a person who controls or who has the power to control a business entity; a general partner of a partnership; a principal in a joint venture; or a primary corporate stockholder [i.e., a person who owns more than ten percent (10%) of the outstanding stock of a corporation] and who is active in the day to day operations of that corporation.

[2] For purposes of this Agreement, the words "convicted" or "conviction" mean a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere within the past five (5) years.

[3] As used herein, "dishonesty" includes, but is not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, failure to pay tax obligations, receiving stolen property, collusion or conspiracy.

2. If fraudulent, criminal, or other seriously improper conduct of any officer, director, shareholder, partner, employee, or other individual associated with the contractor can be imputed to the contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of the Contractor, with the Contractor's knowledge, approval or acquiescence, the contractor's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval, or acquiescence.

B. The City may also terminate this Agreement in the event any one or more of the following occurs:

1. If the City determines that Contractor no longer has the financial capability[4] or business experience[5] to perform the terms of, or operate under, this Agreement; or

2. If the City determines that the Contractor fails to submit information, or submits false information, which is required to perform or be awarded a contract with City, including, but not limited to, contractor's failure to maintain a required state issued license, failure to obtain a City business license (if applicable), or failure to purchase and maintain bonds and/or insurance policies required under this Agreement.

B. In the event a prospective Contractor (or bidder) is ruled ineligible (debarred) to participate in a contract award process, or a contract is terminated pursuant to the these provisions, Contractor may appeal the City action to the City Council by filing a written request with the City Clerk to have the matter heard within ten (10) days of the notice given by the City. The matter will be heard within thirty (30) days of the filing of the appeal request with the City Clerk. The Contractor will have the burden of proof on the appeal. The Contractor shall have the opportunity to present evidence, both oral and documentary, and argument.

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[4] Contractor becomes insolvent, transfers assets in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or chapter of the federal Bankruptcy Code [11 U.S.C.], as amended, or under any similar law or statute of the United States or any state thereof, is adjudged bankrupt or insolvent in proceedings under such laws, or a receiver or trustee is appointed for all or substantially all of the assets of Contractor.

[5] Loss of personnel deemed essential by the City for the successful performance of the obligations of the Contractor to the City.

AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT E
AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS

I,_____, being first duly sworn, depose and state I am _____ (title or capacity) of _____ (entity name) and I hereby state that I have read and understand the language, entitled "Ethical Standards" set forth in Exhibit D. I have the authority to make these representations on my own behalf or on behalf of the legal entity identified herein. I have examined appropriate business records, and I have made appropriate inquiry of those individuals potentially included within the definition of "Contractor" contained in Ethical Standards at footnote 1.

Based on my review of the appropriate documents and my good-faith review of the necessary inquiry responses, I hereby state that neither the business entity nor any individual(s) belonging to said "Contractor" category [i.e., owner or co-owner of a sole proprietorship, general partner, person who controls or has power to control a business entity, etc.] has been convicted of any one or more of the crimes identified in the Ethical Standards within the past five (5) years.

The above assertions are true and correct and are made under penalty of perjury under the laws of the State of California.

PHASE II SYSTEMS, dba PARS
a California Corporation

_____
Signature of Authorized Person or Representative

_____
Title

NOTARY'S ACKNOWLEDGMENT TO BE ATTACHED

Please execute the affidavit and attach a notary public's acknowledgment of execution of the affidavit by the signatory. If the affidavit is on behalf of a corporation, partnership, or other legal entity, the entity's complete legal name and the title of the person signing on behalf of the legal entity shall appear above. Written evidence of the authority of the person executing this affidavit on behalf of a corporation, partnership, joint venture, or any other legal entity, other than a sole proprietorship, shall be attached.

AGREEMENT FOR SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
PHASE II SYSTEMS, dba PARS

EXHIBIT F
INSURANCE REQUIREMENTS

INSURANCE COVERAGE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant shall purchase and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to the City of Santa Clara so that any other coverage held by the City shall not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

$1,000,000 Each Occurrence
$2,000,000 General Aggregate
$2,000,000 Products/Completed Operations Aggregate
$1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:

a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Consultant and/or its subcontractors involved in such activities shall provide coverage with a limit of one million dollars ($1,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Consultant included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an

amount of not less than one million dollars ($1,000,000 per occurrence or two million dollars ($2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Consultant shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Consultant's insurance.

3. Cancellation.

   (a) Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

   (b) Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit F, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

City of Santa Clara – Finance department
c/o Insurance Data Services - Insurance Compliance

P.O. 12010-S2	or	151 North Lyon Avenue
Hemet, CA 92546-8010		Hemet, CA 92543

Telephone: (951)766-2280; or
Fax: (951)766-2299

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/04/2008

PRODUCER 1

Warner Pacific Insurance Servi
32110 AGOURA ROAD
WESTLAKE VILLAGE, CA 91361-4026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
PHASE II SYSTEMS dba PARS
5141 CALIFORNIA AVE # 150
IRVINE, CA 92617

PHA200

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: EMPLOYERS COMPENSATION INS. CO	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	SG81-0408-21106	04/01/2008	04/01/2009	X WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$ 1000000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$ 1000000
						E.L. DISEASE - POLICY LIMIT	$ 1000000
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

PHASE II SYSTEMS dba PARS

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Joanne Clay

JMC

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ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID 09
PHASE-1

DATE (MM/DD/YYYY) 07/26/07

PRODUCER
Beissel Insurance Service-CL
Commercial Lines
P.O. Box 749
Tustin CA 92781-0749
Phone: 714-838-0601 Fax: 714-731-7166

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

PARS
Phase II Insurance Services
5141 California Ave, Suite 150
Irvine CA 92617

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Hartford Insurance Company	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR X Contractual for Lessors Risk GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC	72SBAAC2429 SAME	05/08/07	05/08/08	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000
A		AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	72SBAAC2429	05/08/07	05/08/08	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 2,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
		EXCESS/UMBRELLA LIABILITY OCCUR CLAIMS MADE DEDUCTIBLE RETENTION $				EACH OCCURRENCE AGGREGATE	$ $ $ $ $
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

*10 days notice of cancellation for nonpayment of premium.

CERTIFICATE HOLDER

INSURED

INSUREDS COPY

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

Dick Beissel

© ACORD CORPORATION 1988

Client#: 51573 PHASEII

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/06/07

PRODUCER
HRH Professional Practice
Insurance Brokers, Inc.
2030 Main Street, Suite 350
Irvine, CA 92614-7248

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Phase II Systems; DBA: PARS
5141 California Avenue
Suite 150
Irvine, CA 92617

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Travelers Indemnity Company of CT	25682
INSURER B: Lloyd's of London	B2094
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO					
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS					
		HIRED AUTOS				BODILY INJURY (Per accident)	$
		NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR / CLAIMS MADE				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	UB85K2703A07	06/01/07	06/01/08	X WC STATUTORY LIMITS / OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$1,000,000
						E.L. DISEASE - POLICY LIMIT	$1,000,000
B		OTHER Professional Liability	07GPOM2426	07/01/07	07/01/08	$2,000,000 per claim $2,000,000 aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

EVIDENCE OF INSURANCE

CANCELLATION Ten Day Notice for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~DELIVER OR~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.~~

AUTHORIZED REPRESENTATIVE
Cora Finn

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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CITY OF SANTA CLARA, CALIFORNIA

TRUST, INVESTMENT MANAGEMENT, AND ADMINISTRATION SERVICES FOR GASB 45 (OPEB) TRUST

PROPOSAL FORM

TO: CITY OF SANTA CLARA, CALIFORNIA

Pursuant to the Notice Inviting Sealed Proposals, the undersigned Proposer herewith submits a Proposal on the Proposal Form or Forms attached hereto and binds itself on award by the City of Santa Clara, California under this Proposal to execute a Contract in accordance with its Proposal, the Proposal documents, and the award. The attached Request for Proposal and Addenda, if any, are made a part of this Proposal and all provisions thereof are accepted, and all representations and warranties required thereby are hereby affirmed.

Proposers shall submit the following fee information outlined in Part I and Part II below to perform all services described in the Scope of Services (RFP Section 4) for each contract year (including option years).

PART I: TRUST SERVICES

Fees relating to Trust services outlined in the Scope of Services (RFP Section 4) must be all-inclusive. No additional reimbursement will be provided for travel, expenses, telephone costs, copying costs, etc.

	Year 1	Year 2	Year 3	Year 4	Year 5
Trust Document Fee	$ 0	$ 0	$ 0	$ 0	$ 0
Trustee Fee	$ 0	$ 0	$ 0	$ 0	$ 0
Private Letter Ruling	$ 0	$ 0	$ 0	$ 0	$ 0
Termination/Transfer Costs	$ 0	$ 0	$ 0	$ 0	$ 0
Other: (please list) / include refunds of 12b-1, etc.	$ 0	$ 0	$ 0	$ 0	$ 0
*Administrative Fee**	$5,750	$11,500	$17,250	$23,000	$28,000
(see comments)	$	$	$	$	$
	$	$	$	$	$

Proposers Comments:

*Fee is based on $2.3 million contribution annually over 5 years with no distributions and no investment return assumption. Trust Administration Fee (PARS) is based on a tiered schedule calculated on assets under administration: 0.25 % for assets under $10 million; 0.20% for assets $10-15 million; 0.15% for assets $15-50 million; and 0.10% for assets over $50 million. There is a $400 monthly minimum fee. Since annual distributions will occur under City's Retiree Medical Reimbursement Program, the fee projection is likely overstated without a more accurate distribution assumption.

The Proposal Form must be signed on Proposal Form page 4. Proposals submitted in any other form will be considered non-responsive and may be rejected.

PART II: INVESTMENT MANAGEMENT SERVICES

Please provide tier pricing for the duration of the contract based on total dollar value of trust assets managed. If your firm's pricing structure is not based on an annual percentage of total dollars of assets managed, please describe your alternative pricing structure. For example, if fund assets will be invested in mutual funds, please list name of mutual fund, CUSIP, total expense ratio, and any associated administrative fees. Fee structure must be all-inclusive to incorporate total cost of investing in the program or funds such as asset manager(s)' fees, expense ratios, trading fees, sub-account expense, separate account or other asset-based administrative expenses that are added to the base or sub-advisor investment management fees. You must disclose any form of compensation that you will receive from any source relating to the management of the City's OPEB assets.

		Annual % of assets managed
First	$ 5 million	0.35 %
Next	$ 10 million	0.25 %
Next	$ 15 million	0.20 %
Next	$ 35 million	0.15 %
Above	$ 50 million	0.10 %

Proposer's Alternative Pricing Structure (if different from above); please describe:

The fees above are charged by Union Bank for investment management of the assets.

The following investment expense detail is for the mutual funds with the Active Plus and Index Plus strategies used in the Trust Program. The table includes a list of mutual funds currently within the various strategies including their CUSIPs, expense ratios, percentage of the strategy, and the weighted expense ratio for the each strategy (as of 1/31/08). Union Bank does not receive revenue sharing fees or any other fees from any of the funds within the strategies (nor does PARS, the Trust Administrator).

	PARS Conservative	PARS Moderately Conservative	PARS Moderate	PARS Moderately Aggressive			Embedded Fee
Equity	<20% equity	20-40% equity	40-60% equity	50-70% equity			
Large Cap Blend	1.6%	3.0%	4.6%	5.2%	DNVYX	Davis NY Venture Fund	0.62%
	1.6%	3.0%	4.6%	5.2%	EXEYX	Manning & Napier Equity Fund	1.05%
Large Cap Growth	2.5%	5.1%	7.4%	8.7%	RLGIX	Rainier Large Cap Growth Instl	0.94%
	2.5%	5.1%	7.4%	8.7%	PRGFX	T. Rowe Price Growth Stock	0.70%
Large Cap Value	2.4%	4.5%	6.9%	7.9%	JCVIX	Hancock Classic Value	0.89%
	2.4%	4.5%	6.9%	7.9%	HMIEX	HighMark Large Cap Value	0.95%
Small Cap Growth	1.5%	2.9%	4.6%	5.5%	PRNHX	T. Rowe Price New Horizons	0.82%
Small Cap Value	1.5%	2.9%	4.6%	5.5%	NSVAX	Columbia Small Cap Value II Z	0.97%
Real Estate	0.0%	0.0%	0.0%	0.0%	MSUSX	Morgan Stan Ins US R/E A	0.87%
International	1.6%	3.4%	4.9%	5.7%	FDVIX	Fidelity Adv Diversified Intl I	0.97%
	0.8%	1.7%	2.5%	2.9%	MQGIX	MFS International Growth I	1.30%
	0.8%	1.7%	2.5%	2.9%	DODFX	Dodge & Cox International	0.66%
Emerging	0.3%	0.6%	1.0%	1.2%	LZEMX	Lazard Emerging Markets Inst	1.20%
Fixed Income							
Long Term Bond	0.0%	0.0%	0.0%	0.0%	MGFIX	Managers Bond	1.00%
Interm Term Bond	11.6%	18.7%	12.1%	10.0%	PTTRX	PIMCO Total Return Instl	0.43%
	11.6%	18.7%	12.1%	10.0%	HMBDX	HighMark Bond	0.75%
Short Term Bond	45.6%	19.0%	9.3%	5.7%	VFSUX	Vanguard Sht-Term Corp Adm	0.10%
High Yield	3.6%	3.0%	1.8%	1.3%	PHIYX	PIMCO High-Yield Instl	0.50%
Cash	8.1%	2.1%	6.8%	6.0%	HMDXX	HighMark Diversified MM	0.54%
TOTAL	100.0%	100.0%	100.0%	100.0%			
Wtd. Exp. %	0.41%	0.60%	0.70%	0.75%			

	PARS Conservative	PARS Moderately Conservative	PARS Moderate	PARS Moderately Aggressive			Embedded Fee
Equity	<20% equity	20-40% equity	40-60% equity	50-70% equity			
Large Cap Blend	8.7%	17.8%	26.3%	29.8%	IVV	iShares S&P 500	0.09%
Large Cap Growth	2.0%	4.1%	6.1%	7.1%	IVW	iShares S&P 500 Growth	0.18%
Large Cap Value	1.9%	3.7%	5.6%	6.5%	IVE	iShares S&P 500 Value	0.18%
Small Cap Growth	1.5%	2.9%	4.6%	5.5%	IJT	iShares S&P 600 Growth	0.25%
Small Cap Value	1.5%	2.9%	4.6%	5.5%	IJS	iShares S&P 600 Value	0.25%
Real Estate	0.0%	0.0%	0.0%	0.0%	ICF	iShares Cohen & Steers Realty	0.35%
International	3.6%	6.5%	9.8%	11.4%	EFA	iShares MSCI EAFE	0.35%
Emerging	0.3%	0.6%	1.0%	1.2%	EEM	iShares MSCI Emerging Markets	0.75%
Fixed Income							
Interm/Long Term Bond	23.2%	37.4%	24.1%	20.0%	AGG	iShares Lehman Aggregate	0.20%
Short Term Bond	45.6%	19.0%	9.3%	5.7%	VFSUX	Vanguard Short-Term Adm	0.10%
High Yield	3.6%	3.0%	1.8%	1.3%	PHIYX	PIMCO High Yield	0.50%
Cash	8.1%	2.1%	6.8%	6.0%	HMDXX	HighMark Diversified MM	0.54%
TOTAL	100.0%	100.0%	100.0%	100.0%			
Wtd. Exp. %	0.19%	0.19%	0.21%	0.21%			

Note: The City plans to fund approximately $2.1 to 2.5 million per year to the OPEB Trust.

The Proposal Form must be signed on Proposal Form page 4. Proposals submitted in any other form will be considered non-responsive and may be rejected.

Name under Which Business is conducted: **PARS**

Business Address: 5141 California Avenue, Suite 150, Irvine, CA 92617

Telephone No.: (800) 540-6369 Facsimile No.: (949) 854-7238

MANDATORY SIGNATURE(S)

IF SOLE OWNER, sign here: I sign as sole owner of the business named above:

_____

IF PARTNERSHIP, one or more partners sign here: The undersigned certifies that we are partners in the business named above and that we sign this contract proposal with full authority to do so:

_____

IF CORPORATION, sign here: The undersigned certifies that they sign this contract proposal with full and proper authorization to do so:

Corporate Name: Phase II Systems d.b.a. PARS

By: _____ Title: President

*By: _____ Title: Corporate Secretary

Incorporated under the laws of the State California

(Corporate Seal) *Two corporate officers must sign on behalf of the corporation as follows: (1) Chairman of the Board, President, or Vice President; and (2) Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Financial Officer. In the alternative, this Proposal may be executed by a single officer or person other than an officer provided that evidence is satisfactory to the City is provided, demonstrating that such individual is authorized to bind the corporation (e.g., a copy of a certified resolution from the corporation's board or a copy of the corporation's by laws.

IF JOINT VENTURE, officers of each participating firm signs here: The undersigned certifies that they sign this contract proposal with full and proper authorization to do so:

Joint Venture Name Composed of: _____

By: _____ Title: _____

By: _____ Title: _____

PUBLIC AGENCIES
POST-RETIREMENT HEALTH CARE PLAN

MASTER PLAN DOCUMENT

(amended and restated as of May 16, 2007)

<u>No guaranty that payments or reimbursements to employees, former employees or retirees will be tax-free</u>. The Trust has obtained a ruling from the Internal Revenue Service concerning only the federal tax treatment of the Trust's income. That ruling may not be cited or relied upon by the Employer whatsoever as precedent concerning any matter relating to the Employer's health plan(s) (including post-retirement health plans). In particular, that ruling has no effect on whether contributions to the Employer's health plan(s) or payments from the Employer's health plan(s) (including reimbursements of medical expenses) are excludable from the gross income of employees, former employees or retirees, under the Internal Revenue Code. The federal income tax consequences to employees, former employees and retirees depend on the terms and operation of the Employer's health plan(s).

INTRODUCTION

The Employer specified in the Adoption Agreement has adopted this qualified governmental post-retirement health care plan ("Plan") for the benefit of its Eligible Employees. The Plan document consists of this Master Plan Document plus the Adoption Agreement. Assets of the Plan are held under a trust (the "Trust") evidenced by a trust agreement (the "Trust Agreement"). Each Employer's separate portion of the Trust is referred to as such Employer's "Agency Account." Capitalized terms that are not defined herein shall have the meaning attributed to such terms in the Trust Agreement.

It is intended that this Plan and the Trust established to hold the assets of the Plan shall be tax-exempt under Section 115 of the Internal Revenue Code of 1986, together with any amendments thereto ("Code"), and that contributions to the Plan shall be deemed "plan assets" pursuant to Government Accounting Standards Board Statement No. 45 ("GASB 45"). At any time prior to the satisfaction of all liabilities with respect to Eligible Employees under an Employer's Agency Account, the Agency Account assets shall not be used for, or diverted to, purposes other than the exclusive benefit of Eligible Employees.

ARTICLE I

PLAN AND TRUST INFORMATION

1.1 Plan Name.

The name of the Plan adopted by the Employer is set forth in Section A.1.2 of the Adoption Agreement.

1.2 Effective Date.

The Plan is effective as of the date set forth in Section A.1.3 of the Adoption Agreement. If as stated in the Adoption Agreement, this Plan is a restatement of an existing plan, the effective date of the restatement is set forth in the Adoption Agreement.

1.3 Plan Year.

The Plan Year shall be the consecutive twelve-month period beginning on January 1 and ending on December 31.

ARTICLE II

EMPLOYER INFORMATION

2.1 Employer.

The name and address of the Employer sponsoring this Plan (the "Employer") are as set forth in Section A.2.1 of the Adoption Agreement. The Adoption Agreement can only be used by a governmental agency that is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code to establish a plan.

ARTICLE III

ELIGIBLE EMPLOYEES

3.1 Eligible Employees

Each employee of the Employer who is or becomes eligible for post-retirement health care and welfare benefits as specified in such Employer's applicable policies and/or applicable collective bargaining agreements shall become an Eligible Employee hereunder. Dependents of an Eligible Employee shall be entitled to benefits under the Plan after the termination of such Eligible Employee's employment with the Employer (the "Eligible Dependents") to the extent so provided in the applicable policies and/or collective bargaining agreement of the Employer.

3.2 Termination of Eligible Employee or Eligible Dependent Status

An Eligible Employee or Eligible Dependent shall cease to be an Eligible Employee or Eligible Dependent as specified in the Employer's applicable policies and/or applicable collective bargaining agreements.

ARTICLE IV

CONTRIBUTIONS

4.1 Amount of Member Agency Contributions

Eligible Employees and Eligible Dependents are not permitted to make contributions to the Trust, provided however, that nothing herein shall be deemed to (i) prevent the Employer from imposing a charge (including, without limitation, a payroll deduction) for coverage under the Plan, or (ii) prevent the Employer from depositing the proceeds of any such charge to the Trust (provided that such deposit shall be considered an Employer contribution and shall not be segregated within Employer's Agency Account from any other Employer contributions). Each Employer shall from time-to-time contribute to its Agency Account an amount determined by such Employer in its sole discretion. Such amount may, but need not, equal such Employer's "annual required contribution" ("ARC") as determined in accordance with GASB45.

4.2 Administrative Expenses

The Employer may make contributions to its Agency Account sufficient to defray all or part of the expenses of administering the Plan or may pay such expenses directly.

4.3 Allocation of Administrative Expenses

If the Employer chooses not to directly pay the expenses of administering this Plan, such expenses shall be charged against the Agency Account for such Employer.

4.4 Reversions

The Employer shall have the right to a return of contributions from this Plan only if the conditions for such return set forth in the Trust Agreement are satisfied.

ARTICLE V

DISTRIBUTION OF BENEFITS

5.1 Payment of Distribution

Distribution shall only be made to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services as designated by the Employer or to the Employer for the reimbursement of Plan benefits and expenses paid by the Employer. No distributions shall be made directly to Eligible Employees or Eligible Dependents. The Plan Administrator or its Delegatee shall provide instructions to the Trustee regarding how distributions and reimbursements are to be made.

ARTICLE VI

FUNDING AND INVESTMENT

6.1 Funding and Investment

The assets of the Plan shall be held in the Agency Account of each Employer. In Section A.4.1 of the Adoption Agreement, each Employer shall elect between a discretionary or directed investment approach. If the Employer elects a discretionary investment approach, the Employer shall further elect between the various investment strategies offered in the investment strategy selection and disclosure form. If the Employer elects a directed investment approach, the Employer, in accordance with the Trust Agreement, shall have absolute discretion over the investment of the assets of its Agency Account.

6.2 Type and Nature of Plan and Trust

Neither the faith and credit nor the taxing power of each Employer is pledged to the distribution of benefits hereunder. Except for contributions, earnings and other amounts held in the Trust, no amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of the Employer, but are payable solely from contributions, as more fully described herein. No employee of any Employer or any other person may compel the exercise of the taxing power by the Employer. Distributions of benefits are not a debt of the Employer within the meaning of any constitutional or statutory limitation or restriction. Distributions are not a legal or equitable pledge, charge, lien or encumbrance, upon any of the Employer's property, or upon any of its income, receipts or revenues.

ARTICLE VII

ADMINISTRATION, AMENDMENT AND TERMINATION OF PLAN

7.1 Designation of Plan Administrator

In Section A.2.2 of the Adoption Agreement, the Employer shall provide the name of the Plan Administrator that has been duly authorized and designated by the governing body of the Employer to act on its behalf in all matters pertaining to the Plan and the Trust pursuant to Section 3.4 of the Trust Agreement. If no name is provided, the Employer is the Plan Administrator. In addition to a Plan Administrator the Employer may designate a Delegatee to perform those activities relating to the Plan as specified in the written appointment of such Delegatee certified to the Trust Administrator. Except where the context requires otherwise, the term "Employer" as used in this Article shall mean the Plan Administrator or Delegatee where responsibility for administration of the Plan has been given to such parties.

7.2 Rules and Regulations

The Employer has full discretionary authority to supervise and control the operation of this Plan in accordance with its terms and may make rules and regulations for the administration of this Plan that are not inconsistent with the terms and provisions hereof. The Employer shall determine any questions arising in connection with the interpretation, application or administration of the Plan (including any question of fact relating to age, employment, compensation or eligibility of Eligible Employees or Eligible Dependents) and its decisions or actions in respect thereof shall be conclusive and binding upon all persons and parties.

The Employer shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

(a) To determine all questions relating to an Eligible Employee's or Eligible Dependent's eligibility;

(b) To construe and interpret the terms and provisions of the Plan;

(c) To compute, certify to, and direct the Trustee with regard to the amount and kind of benefits payable to health care providers;

(d) To authorize all disbursements from its Agency Account;

(e) To maintain all records that may be necessary for the administration of the Plan other than those maintained by the Trustee; and

(f) To appoint a Plan Administrator or, any other agent, and to delegate to them or to the Trustee such powers and duties in connection with the administration of the Plan as it may from time to time prescribe.

Expenses and fees incurred in connection with the administration of the Plan and the Trust shall be paid from the Trust assets to the fullest extent permitted by law, unless the Employer determines otherwise. The Employer may elect to make contributions to its Agency Account sufficient to defray the expenses of administering the Plan or may pay such expenses directly.

7.3 Amendment and Termination

The Employer shall have the right to amend, modify or terminate the Plan at any time. If an Employer terminates the Plan, the Assets held in its Agency Account shall be distributed by the Trustee as provided in Section 7.3 of the Trust Agreement.

ARTICLE VIII

MISCELLANEOUS

8.1 Nonalienation

An Eligible Employee or Eligible Dependent does not have any interest in the Plan or the Assets held in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee, Eligible Dependent or any other party.

8.2 Investment

All contributions, interest earned, and any assets of the Plan shall at all times be invested and managed in accordance with the Trust Agreement and the requirements of applicable law.

8.3 Parties to the Plan

Eligible Employees, Eligible Dependents and unions of each Employer are not parties to this Plan. The Plan is only a funding source for such Employer's post-retirement health care and welfare benefits and does not increase the rights of any Eligible Employee, Eligible Dependent or union.

8.4 Confidential Medical Information

Each Employer and its health care providers or other service providers shall not share confidential medical information regarding employees of the Employer with the Plan, the Trustee, or the Trust Administrator.

PUBLIC AGENCIES

POST-RETIREMENT HEALTH CARE PLAN

TRUST AGREEMENT

(amended and restated as of May 16, 2007)

ARTICLE I

DEFINITIONS

1.1 "**Adoption Agreement**" shall have the meaning given to such term in Section 2.3.

1.2 "**Agency Account**" shall have the meaning given to such term in Section 2.4.

1.3 "**Agreement for Administrative Services**" shall mean the agreement executed between the Employer and the Trust Administrator which authorizes the Trust Administrator to perform specific duties of administering the Agency Account of the Employer.

1.4 "**Assets**" shall have the meaning given to such term in Section 2.5.

1.5 "**Code**" shall mean the Internal Revenue Code of 1986 as amended from time to time.

1.6 "**Delegatee**" shall mean an individual or entity, appointed by the Plan Administrator or Employer to act in such matters as are specified in the appointment.

1.7 "**Effective Date**" shall mean November 1, 2005, the date the Trust was established, and with respect to each Employer, the Effective Date shall be the date on which the Employer executes the Adoption Agreement.

1.8 "**Eligible Dependent**" shall mean any dependent of an Eligible Employee who is entitled to health care and welfare benefits after the termination of such Eligible Employee's employment with the Employer pursuant to the Employer's policies and/or applicable collective bargaining agreements.

1.9 "**Eligible Employee**" shall mean any employee of the Employer who is entitled to post-employment health care and welfare benefits pursuant to such Employer's policies and/or applicable collective bargaining agreements. Unless the context otherwise requires, the term "Eligible Employee" as used herein shall include any Eligible Dependents.

1.10 "**Employer**" shall mean a public agency that executes the Adoption Agreement, thereby adopting the provisions of this Trust Agreement, provided that such agency is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code.

1.11 "**GASB**" shall mean the Governmental Accounting Standards Board.

1.12 "**Omnibus Account**" shall mean an account, established for record keeping purposes only, to aggregate the balances of the Assets credited to the Agency Accounts. The Trust Administrator shall maintain and reconcile, at the Agency Account level, the investments of the Agency Accounts and will provide reports

to the Plan Administrator with respect to such investments. The Trustee will maintain a record of the aggregate balance (principal and earnings) for all Agency Accounts. The Trust Administrator will in the ordinary course of business maintain a record of the name, address, taxpayer identification number, account number and amount of funds, including earnings, of each Employer. On periodic valuation dates (no less frequently than monthly) to be established by the Trust Administrator, the Trustee and Trust Administrator will reconcile the aggregate balance information maintained by the Trustee with the Agency Account level records maintained by the Trust Administrator pursuant to this Trust Agreement.

1.13 "**OPEB**" shall mean "other post-employment benefits," such as medical, dental, vision, life insurance, long-term care and other similar benefits provided to retirees, other than pension benefits.

1.14 "**OPEB Obligation**" shall mean an Employer's obligation to provide post-employment health care and welfare benefits to its Eligible Employees as specified in such Employer's policies and/or applicable collective bargaining agreements.

1.15 "**Plan**" shall mean the Public Agencies Post-Retirement Health Care Plan, adopted by each Employer as a separate Plan for that Employer upon the execution of an Adoption Agreement and the satisfaction of certain other requirements contained herein.

1.16 "**Plan Administrator**" shall mean the individual designated by position of employment at the Employer to act on its behalf in all matters relating to the Employer's participation in the Trust.

1.17 "**Trust**" shall mean the Public Agencies Post-Retirement Health Care Plan trust arrangement.

1.18 "**Trust Administrator**" shall mean Public Agency Retirement Services or any successor trust administrator appointed by the Employers as provided herein. The Trust Administrator shall serve as trust administrator to the Trust established pursuant to this Trust Agreement until such Trust Administrator resigns or is removed as provided in Article III.

1.19 "**Trust Agreement**" shall mean this Public Agencies Post-Retirement Health Care Plan trust document adopted by each Employer upon execution of an Adoption Agreement, as amended from time to time.

1.20 "**Trustee**" shall mean Union Bank of California, N.A., or any successor trustee appointed by the Employers as provided herein. The Trustee shall serve as trustee of the Trust established pursuant to the provisions of this Trust Agreement until such Trustee resigns or is removed as provided in Article III.

ARTICLE II

THE TRUST

2.1 Multiple Employer Trust

The Trust is a multiple employer trust arrangement established to provide economies of scale and efficiency of administration to public agencies that adopt it to hold the assets used to fund its OPEB Obligation. The Trust is divided into Agency Accounts to hold the Assets of each Employer as described in Section 2.4.

2.2 Purpose

The Trust is established with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Code and any regulations issued thereunder and as a tax-exempt trust under the provisions of the relevant state's statutory provisions of each Employer. This Trust Agreement shall be construed and the Trust shall be administered in a manner consistent with such intention. The fundamental purpose of the Trust is to fund post-employment benefits (other than pension benefits), such as medical, dental, vision, life insurance, long-term care and similar benefits, offered by the Employer to its employees as specified in each Employer's policies and/or applicable collective bargaining agreements. It is intended that adopting Employers retain an interest in the underlying securities held in the Trust on their behalf, rather than in the Trust itself.

2.3 Employers

Any public agency may, by action of its governing body in writing accepted by the Trustee, adopt the provisions of the Trust Agreement. Executing an adoption instrument for the Trust ("**Adoption Agreement**"), in the form attached hereto as Exhibit "A" (or such other form as may be approved by the Trustee), shall constitute such adoption, unless the Trustee requires additional evidence of adoption. In order for such adoption to be effective, the public agency must also execute an Agreement for Administrative Services with Public Agency Retirement Services, the Trust Administrator, pursuant to section 3.6 of this Trust Agreement. Such adopting Employer shall then become an Employer of the Trust.

Each such Employer shall, at a minimum, furnish the Trust Administrator with the following documents to support its adoption of the Trust:

(a) a certified copy of the resolution(s) of the governing body of the Employer authorizing the adoption of the Trust Agreement and the appointment of the Plan Administrator for such Employer;

(b) an original of the Adoption Agreement executed by the Plan Administrator or other duly authorized Employer employee;

(c) an original of the Agreement for Administrative Services with Public Agency Retirement Services executed by the Plan Administrator or other duly authorized Employer employee and Public Agency Retirement Services;

(d) an address notice; and

(e) such other documents as the Trustee may reasonable request.

(f) Any action taken by the Plan Administrator for an Employer shall be deemed to have been taken by such Employer. Any notice given to or delivered by the Plan Administrator for an Employer shall be deemed to have been given to or delivered by such Employer.

2.4 Agency Accounts

Upon an Employer's adopting the Trust Agreement, as provided in Section 2.3, a separate "**Agency Account**" shall be established under the Trust for that Employer, and all Assets of the Trust attributable to that Employer shall be held in that Employer's Agency Account. The Assets of the Trust that are held in an Employer's Agency Account shall be available only to pay post-employment health care and welfare benefits of Eligible Employees of that Employer (including reimbursement of the Employer for payments to health care providers with respect to such benefits) and shall not be available to pay any obligations incurred by any other Employer as provided in Section 2.8.

2.5 Assets of Agency Account

The assets held in an Agency Account shall consist of all contributions and transfers received by the Trust on behalf of the Employer, together with the income and earnings from such contributions and transfers, and any increments accruing to them, net of any investment losses, benefits, expenses or other costs ("**Assets**"). All contributions or transfers shall be received by the Trustee in cash or in other property acceptable to the Trustee. The Trustee shall manage and administer the Assets held in Agency Accounts without distinction between principal and income. The Trustee and the Trust Administrator shall have no duty to compute any amount to be transferred or paid to the Agency Account by the Employer, and the Trustee and the Trust Administrator shall not be responsible for the collection of any contributions or transfers to the Agency Account.

2.6 Aggregate Balance for Investment and Administration

The balances of the Assets of more than one Agency Account may be aggregated by the Trustee in one or more Omnibus Accounts for investment and administrative purposes, to provide economies of scale and efficiency of administration to the Agency Accounts. The responsibility for Plan and Agency

Account level accounting within this Omnibus Account(s) shall be that of the Trust Administrator.

2.7 Trustee Accounting

The Trustee shall be responsible only for maintaining records and maintaining accounts for the aggregate assets of the Trust. The responsibility for Plan level accounting for each Agency Account, based upon the Omnibus Account(s), shall be that of the Trust Administrator.

2.8 No Diversion of Assets

The Assets in each Agency Account shall be held in trust for the exclusive purpose of providing post-employment health care and welfare benefits to the Eligible Employees of the Employer for which such Agency Account was established and defraying the reasonable administrative and actuarial expenses of such Employer's participation in the Trust. The Assets in each Agency Account shall not be used for or diverted to, any other purpose, including, but not limited to, the satisfaction of any other Employer's OPEB Obligation.

2.9 Type and Nature of Trust

Neither the full faith and credit nor the taxing power of each Employer is pledged to the distribution of benefits hereunder. Except for contributions and other amounts hereunder, no other amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of any Employer, but are payable solely from the Assets held in such Employer's Agency Account, as more fully described herein. No employee of any Employer or beneficiary may compel the exercise of the taxing power by any Employer.

Distributions of Assets from any Agency Account are not debts of any Employer within the meaning of any constitutional or statutory limitation or restriction. Such distributions are not legal or equitable pledges, charges, liens or encumbrances, upon any of an Employer's property, or upon any of its income, receipts, or revenues, except amounts in the accounts which are, under the terms of each Plan and the Trust set aside for distributions. Neither the members of the governing body of any Employer nor its officers, employees, agents or volunteers are liable hereunder.

2.10 Loss of Tax-Exempt Status as to Any Employer

If any Employer participating in the Trust receives notice from the Internal Revenue Service that the Trust as to such Employer fails to satisfy the requirements of Section 115 of the Code, or if any Employer consents to the Internal Revenue Service's determination that the Trust fails to meet such requirements, Assets having a value equal to the funds then held in such Employer's Agency Account shall be segregated and placed in a separate trust by the Trustee for the exclusive benefit of such Employer's Eligible Employees

within a reasonable time after the Trust Administrator notifies the Trustee of the Internal Revenue Service's determination. Each Employer participating in the Trust agrees to immediately notify the Trust Administrator upon receiving such notice or giving such consent. The separate trust provided for in this Section 2.10 shall thereafter be considered as a separate trust containing all of the provisions of this Trust Agreement until terminated as provided in this Trust Agreement.

ARTICLE III

ADMINISTRATIVE MATTERS

3.1 Appointment of Trustee

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as the trustee of this Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trustee of the Trust. If the Trustee is removed or resigns pursuant to Section 3.2, the Employers shall appoint a successor Trustee in accordance with the voting requirements set forth in this Section 3.1.

3.2 Resignation or Removal of Trustee

The Employers may act to remove the Trustee, provided that such action must satisfy the voting requirements set forth in Section 3.1 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trustee may also resign at any time by giving at least ninety (90) days prior written notice to the Trust Administrator and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trustee may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trustee hereunder without the Trustee's consent. The Trustee shall, upon the appointment and acceptance of a successor trustee, transfer and deliver the Assets and all records relating to the Trust to the successor, after reserving such reasonable amount as it shall deem necessary to provide for its fees and expenses and any sums chargeable against the Trust for which it may be liable. The Trustee shall do all acts necessary to vest title of record in the successor trustee.

3.3 Withdrawal of Employer

An Employer may elect to withdraw from the Trust by giving at least ninety (90) days prior written notice to the Trustee and the Trust Administrator. If an Employer so elects to withdraw, Assets having a value equal to the funds held in

such Employer's Agency Account shall be segregated by the Trustee and, as soon as practicable, shall be transferred to a trust established by the Employer, provided that (i) such trust shall satisfy the requirements of Section 115 of the Code, and (ii) all assets held by such trust shall qualify as "plan assets" within the meaning of GASB Statement No. 45, in each case as reasonably determined by the Employer and certified in writing by the Employer to the Trust Administrator. The Employer shall appoint a trustee for the such Employer's separate trust, and such appointment shall vest the successor trustee with title to the transferred Assets upon the successor trustee's acceptance of such appointment.

3.4 The Plan Administrator

The governing body of each Employer shall have plenary authority for the administration and investment of such Employer's Agency Account pursuant to any applicable state laws and applicable federal laws and regulations. Each Employer shall by resolution designate a Plan Administrator. Unless otherwise specified in the instrument the Plan Administrator shall be deemed to have authority to act on behalf of the Employer in all matters pertaining to the Employer's participation in the Trust and in regard to the Agency Account of the Employer. Such appointment of a Plan Administrator shall be effective upon receipt and acknowledgment by the Trustee and the Trust Administrator and shall be effective until the Trustee and the Trust Administrator are furnished with a resolution of the Employer that the appointment has been modified or terminated.

3.5 Failure to Appoint Plan Administrator

If a Plan Administrator is not appointed, or such appointment lapses, the Employer shall be deemed to be the Plan Administrator. As used in this document the term "Plan Administrator" shall be deemed to mean "Employer" when a Plan Administrator has not been appointed for such Employer.

3.6 Delegatee

The Plan Administrator, acting on behalf of the Employer, may delegate certain authority, powers and duties to a Delegatee to act in those matters specified in the delegation. Any such delegation must be in a writing that names and identifies the Delegatee, states the effective date of the delegation, specifies the authority and duties delegated, is executed by the Plan Administrator, is acknowledged in writing by the Delegatee, and is certified as required in Section 3.7 to the Trust Administrator. Such delegation shall be effective until the Trustee and the Trust Administrator are directed in writing by the Plan Administrator that the delegation has been rescinded or modified.

3.7 Certification to Trustee

The governing body of each Employer, or other duly authorized official, shall certify in writing to the Trustee and the Trust Administrator the names and specimen signatures of the Plan Administrator and Delegatee, if any, and all

others authorized to act on behalf of the Employer whose names and specimen signatures shall be kept accurate by the Employer acting through a duly authorized officer or governing body of the Employer. The Trustee and the Trust Administrator shall have no liability if they act upon the direction of a Plan Administrator or Delegatee that has been duly authorized, as provided in Section 3.6, if that Plan Administrator or Delegatee is no longer authorized to act, unless the Employer has informed the Trustee and the Trust Administrator of such change.

3.8 Directions to Trustee

All directions to the Trustee from the Plan Administrator or Delegatee must be in writing and must be signed by the Plan Administrator or Delegatee, as the case may be. For all purposes of this Trust Agreement, direction shall include any certification, notice, authorization, application or instruction of the Plan Administrator, Delegatee or Trustee appropriately communicated. The above notwithstanding direction may be implied if the Plan Administrator or Delegatee has knowledge of the Trustee's intentions and fails to file written objection.

The Trustee shall have the power and duty to comply promptly with all proper directions of the Plan Administrator or Delegatee, appointed in accordance with the provisions of this Trust Agreement. In the case of any direction deemed by the Trustee to be unclear or ambiguous the Trustee may seek written instructions from the Plan Administrator, the Employer or the Delegatee on such matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the Delegatee should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust and/or the applicable Agency Account which may include not taking any action. The Trustee may request directions or clarification of directions received and may delay acting until clarification is received. In the absence of timely direction or clarification, or if the Trustee considers any direction to be a violation of the Trust Agreement or any applicable law, the Trustee shall in its sole discretion take appropriate action, or refuse to act upon a direction.

3.9 Appointment of Trust Administrator

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as Trust Administrator of the Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trust Administrator of the Trust. If the Trust Administrator is removed or resigns pursuant to Section 3.13, the Employers shall appoint a successor Trust Administrator in accordance with the voting requirements set forth in this Section 3.9.

3.10 Trust Administrator

The Trust Administrator's duties involve the performance of the following services pursuant to the provisions of this Trust Agreement and the Agreement for Administrative Services:

(a) Performing periodic accounting of each Agency Account and reconciling such Agency Account balances with the Trust/Omnibus Account;

(b) Directing the Trustee to make distributions from the applicable Agency Account to health care providers (or to the Employer for reimbursement of payments made to health care providers) for post-employment health care and welfare benefits;

(c) Allocating contributions, earnings and expenses to each Agency Account;

(d) Directing the Trustee to pay the fees of the Trust Administrator and to do such other acts as shall be appropriate to carry out the intent of the Trust;

(e) Such other services as the Employer and the Trust Administrator may agree in the Agreement for Administrative Services pursuant to Section 2.3.

The Trust Administrator shall be entitled to rely on, and shall be under no duty to question, direction and/or data received from the Plan Administrator, or other duly authorized entity, in order to perform its authorized duties under this trust agreement. The Trust Administrator shall not have any duty to compute contributions made to the Trust, determine or inquire whether contributions made to the Trust by the Plan Administrator or other duly authorized entity are adequate to meet an Employer's OPEB Obligation as may be determined under GASB Statement Nos. 43 and 45 and any future GASB pronouncements; or determine or inquire whether contributions made to the Trust are in compliance with the Employer's policies and/or applicable collective bargaining agreements. The Trust Administrator shall not be liable for nonperformance of duties if such nonperformance is directly caused by erroneous, and/or late delivery of, directions or data from the Plan Administrator, or other duly authorized entity.

3.11 Additional Trust Administrator Services

The Plan Administrator may at any time retain the Trust Administrator as its agent to perform any act, keep any records or accounts and make any computations which are required of the Employer or the Plan Administrator by this Trust Agreement or by the Employer's policies and/or applicable collective bargaining agreements. The Trust Administrator shall be separately compensated for such service and such services shall not be deemed to be contrary to the Trust Agreement.

3.12 Trust Administrator's Compensation

As may be agreed upon from time to time by the Employer and Trust Administrator, the Trust Administrator will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to such Employer's Agency Account and to the Trust.

3.13 Resignation or Removal of Trust Administrator

The Employers may act to remove the Trust Administrator, provided that such action must satisfy the voting requirements set forth in Section 3.9 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trust Administrator may also resign at any time by giving at least one hundred and twenty (120) days prior written notice to the Trustee and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trust Administrator may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trust Administrator hereunder without the Trust Administrator's consent. The Trust Administrator shall, upon the appointment and acceptance of a successor trust administrator, transfer all records relating to the Trust to the successor.

ARTICLE IV

THE TRUSTEE

4.1 Powers and Duties of the Trustee

Except as otherwise provided in Article V and subject to Article VI, the Trustee shall have full power and authority with respect to property held in the Trust to do all such acts, take all proceedings, and exercise all such rights and privileges, whether specifically referred to or not in this document, as could be done, taken or exercised by the absolute owner, including, without limitation, the following:

(a) To invest and reinvest the Assets or any part hereof in any one or more kind, type, class, item or parcel of property, real, personal or mixed, tangible or intangible; or in any one or more kind, type, class, item or issue of investment or security; or in any one or more kind, type, class or item of obligation, secured or unsecured; or in any combination of them (including those issued by the Trustee of any of its affiliates, to the extent permitted by applicable law), and to retain the property for the period of time that the Trustee deems appropriate;

(b) To acquire and sell options to buy securities ("call" options) and to acquire and sell options to sell securities ("put" options);

(c) To buy, sell, assign, transfer, acquire, loan, lease (for any purpose, including mineral leases), exchange and in any other manner to acquire, manage, deal with and dispose of all or any part of the Trust property, for cash or credit and upon any reasonable terms and conditions;

(d) To make deposits, with any bank or savings and loan institution, including any such facility of the Trustee or an affiliate thereof provided that the deposit bears a reasonable rate of interest;

(e) To invest and reinvest the Assets, or any part thereof in any one or more collective investment trust funds, including common and group trust funds that consist exclusively of assets of exempt pension and profit sharing trusts and individual retirement accounts qualified and tax exempt under the Code, that are maintained by the Trustee or an affiliate thereof. The declaration of trust or plan of operations for any such common or collective fund is hereby incorporated herein and adopted into this Trust Agreement by this reference. The combining of money and other assets of the Trust with money and other assets of other non-qualified trusts in such fund or funds is specifically authorized. Notwithstanding anything to the contrary in this Trust Agreement, the Trustee shall have full investment responsibility over assets of the trust invested in such commingled funds. If the plan and trust for any reason lose their tax exempt status, and the Assets have been commingled with assets of other tax exempt trusts in Trustee's collective investment funds, the Trustee shall within 30 days of notice of such loss of tax exempt status, liquidate the Trust's units of the collective investment fund(s) and invest the proceeds in a money market fund pending investment or other instructions from the Plan Administrator. The Trustee shall not be liable for any loss or gain or taxes, if any, resulting from said liquidation;

(f) To place uninvested cash and cash awaiting distribution in one or more mutual funds and/or commingled investment funds maintained by or made available by the Trustee or any of its affiliates, and to receive compensation from the sponsor of such fund(s) for services rendered, separate and apart from any Trustee's fees hereunder. The Trustee or its affiliate may also be compensated for providing investment advisory services to any mutual fund or commingled investment funds;

(g) To borrow money for the purposes of the Trust from any source with or without giving security; to pay interest; to issue promissory notes and to secure the repayment thereof by pledging all or any part of the Assets;

(h) To take all of the following actions: to vote proxies of any stocks, bonds or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights or other options, and to make any payments incidental thereto; to consent to or otherwise participate in corporate reorganizations or other changes affecting

corporate securities and to delegate discretionary powers and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held in the Trust;

(i) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(j) To raze or move existing buildings; to make ordinary or extraordinary repairs, alterations or additions in and to buildings; to construct buildings and other structures and to install fixtures and equipment therein;

(k) To pay or cause to be paid from the Trust any and all real or personal property taxes, income taxes or other taxes or assessments of any or all kinds levied or assessed upon or with respect to the Trust;

(l) To exercise all the further rights, powers, options and privileges granted, provided for, or vested in trustees generally under applicable federal or state laws, as amended from time to time, it being intended that, except as herein otherwise provided, the powers conferred upon the Trustee herein shall not be construed as being in limitation of any authority conferred by law, but shall be construed as consistent or in addition thereto.

4.2 Additional Trustee Powers

In addition to the other powers enumerated above, the Trustee in any and all events is authorized and empowered:

(a) To invest funds pending required directions in any type of interest-bearing account, including, without limitation, time certificates of deposit or interest-bearing accounts issued by the Trustee, or any mutual fund or short term investment fund ("**Fund**"), whether sponsored or advised by the Trustee or any affiliate thereof); the Trustee or its affiliates may be compensated for providing such investment advice and providing other service to such Fund, in addition to any Trustee's fees received pursuant to this Trust Agreement;

(b) To cause all or any part of the Trust to be held in the name of the Trustee (which in such instance need not disclose its fiduciary capacity) or, as permitted by law, in the name of any nominee, and to acquire for the Trust any investment in bearer form, but the books and records of the Trust shall at all times show that all such investments are a part of the Trust and the Trustee shall hold evidences of title to all such investments;

(c) To serve as custodian with respect to the Trust Assets;

(d) To employ such custodians, agents and counsel as may be reasonably necessary in managing and protecting the Assets and to pay them reasonable compensation from the Trust; to employ any broker-dealer or other agent, including any broker-dealer or other agent affiliated with the Trustee, and pay to such broker-dealer or other agent, at the expense of the Trust, its standard commissions or compensation; to settle, compromise or abandon all claims and demands in favor of or against the Trust; and to charge any premium on bonds purchased at par value to the principal of the Trust without amortization from the Trust, regardless of any law relating thereto;

(e) In addition to the powers listed herein, to do all other acts necessary or desirable for the proper administration of the Trust, as though the absolute owner thereof;

(f) To prosecute, compromise and defend lawsuits, but without obligation to do so, all at the risk and expense of the Trust; and to tender its defense to the Employer in any legal proceeding where the interests of the Trustee and the Employer are not adverse;

(g) To exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Plan;

(h) To permit such inspections of documents at the principal office of the Trustee as are required by law, subpoena or demand by a United States agency;

(i) To comply with all requirements imposed by applicable provisions of law;

(j) To seek written instructions from the Plan Administrator or other fiduciary on any matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the fiduciary should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust;

(k) To compensate such executive, consultant, actuarial, accounting, investment, appraisal, administrative, clerical, secretarial, medical, custodial, depository and legal firms, personnel and other employees or assistants as are engaged by the Plan Administrator in connection with the administration of the Plan and to pay from the Trust the necessary expenses of such firms, personnel and assistants, to the extent not paid by the Plan Administrator;

(l) To act upon proper written directions of the Plan Administrator or Delegatee, including directions given by photostatic transmissions using facsimile signature, and such other forms of directions as the parties shall agree;

(m) To pay from the Trust the expenses reasonably incurred in the administration of the Trust as provided in the Plan;

(n) To maintain insurance for such purposes, in such amounts and with such companies as the Plan Administrator shall elect, including insurance to cover liability or losses occurring by reason of the acts or omissions of fiduciaries but only if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary.

ARTICLE V

INVESTMENTS

5.1 Discretionary Versus Directed Investment

The Employer shall elect either a discretionary or directed investment approach. If the Employer elects a discretionary investment approach, the Employer shall further elect between the various investment strategies offered and the Trustee, in accordance with Article IV, shall have absolute discretion over the investment of the Assets held in such Employer's Agency Account. If the Employer elects a directed investment approach, the Trustee shall direct the investment of the Assets of such Employer's Agency Account in accordance with the direction provided by such Employer.

5.2 Trustee Fees

As may be agreed upon, in writing, between the Plan Administrator and Trustee, the Trustee will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to the applicable Agency Account or the Trust.

5.3 Contributions

Eligible Employees are not permitted to make contributions to the Trust. The Plan Administrator shall, on behalf of the Employer, make all contributions to the Trustee. Such contributions shall be in cash unless the Trustee agrees to accept a contribution that is not in cash. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of this Trust Agreement. The Trustee shall not have any duty to determine or inquire whether any contributions to the Trust made to the Trustee by any Plan Administrator are in compliance with the Employer's policies and/or collective bargaining agreements; nor shall the Trustee have any duty or authority to compute any amount to be paid to the Trustee by any Plan Administrator; nor shall the Trustee be responsible for the collection or adequacy of the contributions to meet an Employer's OPEB Obligation, as may be determined under GASB Statement No. 45. The contributions received by the Trustee from each Employer shall be held and administered pursuant to the terms hereof without distinction between income and principal.

5.4 Records

(a) The Trustee shall maintain accurate records and detailed accounts of all investments, receipts, disbursements and other transactions hereunder at the Trust level. Such records shall be available at all reasonable times for inspection by the Trust Administrator. The Trustee shall, at the direction of the Trust Administrator, submit such valuations, reports or other information as the Trust Administrator may reasonably require.

(b) The Assets of the Trust shall be valued at their fair market value on the date of valuation, as determined by the Trustee based upon such sources of information as it may deem reliable; provided, however, that the Plan Administrator shall instruct the Trustee as to valuation of assets which are not readily determinable on an established market. The Trustee may rely conclusively on such valuations provided by the Plan Administrator and shall be indemnified and held harmless by the Employer with respect to such reliance. If the Plan Administrator fails to provide such values, the Trustee may take whatever action it deems reasonable, including employment of attorneys, appraisers or other professionals, the expense of which will be an expense of administration of the Trust. Transactions in the account involving such hard to value assets may be postponed until appropriate valuations have been received and Trustee shall have no liability therefore.

5.5 Statements

(a) Periodically as specified, and within sixty days after December 31, or the end of the Trust's fiscal year if different, Trustee shall render to the Trust Administrator as directed, a written account showing in reasonable summary the investments, receipts, disbursements and other transactions engaged in by the Trustee during the preceding fiscal year or period with respect to the Trust. Such account shall set forth the assets and liabilities of the Trust valued as of the end of the accounting period.

(b) The Trust Administrator may approve such statements either by written notice or by failure to express objections to such statements by written notice delivered to the Trustee within 90 days from the date the statement is delivered to the Trust Administrator. Upon approval, the Trustee shall be released and discharged as to all matters and items set forth in such statement as if such account had been settled and allowed by a decree from a court of competent jurisdiction.

5.6 Wire Transfers

The Trustee shall follow the Plan Administrator's, Delegatee's, or Trust Administrator's wire transfer instructions in compliance with the written security procedures provided by the party providing the wire transfers. The Trustee shall perform a telephonic verification to the Plan Administrator, Trust Administrator,

or Delegatee, or such other security procedure as selected by the party providing wire transfer directions, prior to wiring funds or following facsimile directions as Trustee may require. The Plan Administrator assumes the risk of delay of transfer if Trustee is unable to reach the Plan Administrator, or in the event of delay as a result of attempts to comply with any other security procedure selected by the directing party.

5.7 Exclusive Benefit

The Assets of an Employer's Agency Account shall be held in trust for the exclusive purpose of providing post-employment health care and welfare benefits to the Eligible Employees of the Employer pursuant to the Employer's policies and/or applicable collective bargaining agreements, and defraying the reasonable expenses associated with the providing of such benefits, and shall not be used for or diverted to any other purpose. No party shall have authority to use or divert the Assets of an Agency Account of an Employer for the payment of post-employment health care and welfare benefits or expenses of any other Employer.

5.8 Delegation of Duties

The Plan Administrator, Delegatee, or Trust Administrator, may at any time retain the Trustee as its agent to perform any act, keep any records or accounts and make any computations that are required of the Plan Administrator, Delegatee or Trust Administrator by this Trust Agreement or by the Plan. The Trustee may be compensated for such retention and such retention shall not be deemed to be contrary to this Trust Agreement.

5.9 Distributions

The Trustee shall, from time to time, upon the written direction of the Plan Administrator or Delegatee, make distributions from the Assets of the Trust to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services, or to the Employer for reimbursement of Plan benefits and expenses paid by the Employer in such manner in such form(s), in such amounts and for such purposes as may be specified in such directions.

In no event shall the Trustee have any responsibility respecting the application of such distributions, nor for determining or inquiring into whether such distributions are in accordance with the Employer's policies and/or applicable collective bargaining agreements.

ARTICLE VI

FIDUCIARY RESPONSIBILITIES

6.1 More Than One Fiduciary Capacity

Any one or more of the fiduciaries with respect to the Trust Agreement or the Trust may, to the extent required thereby or as directed by the Plan Administrator pursuant to this Trust Agreement, serve in more than one fiduciary capacity with respect to the Trust Agreement and the Trust.

6.2 Fiduciary Discharge of Duties

Except as otherwise provided by applicable law, each fiduciary shall discharge such fiduciary's duties with respect to the Trust Agreement and the Trust:

(a) solely in the interest of the Eligible Employees and for the exclusive purpose of providing post-employment health care and welfare benefits to Eligible Employees, and defraying reasonable administrative and actuarial expenses associated with providing such benefits; and

(b) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

6.3 Limitations on Fiduciary Responsibility

To the extent allowed by the laws of the state of each Employer:

No fiduciary shall be liable with respect to a breach of fiduciary duty by any other fiduciary if such breach was committed before such party became a fiduciary or after such party ceased to be a fiduciary.

No fiduciary shall be liable for a breach by another fiduciary except as provided by law.

No fiduciary shall be liable for carrying out a proper direction from another fiduciary, including refraining from taking an action in the absence of a proper direction from the other fiduciary possessing the authority and responsibility to make such a direction, which direction the fiduciary in good faith believes to be authorized and appropriate.

6.4 Indemnification of Trustee by Employer

The Trustee shall not be liable for, and Employer shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in 6.8 of this Trust Agreement), and hold the Trustee (including its officers, agents, employees

and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Employer's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.5 Indemnification of Employer by Trustee

The Employer shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in 6.8 of this Trust Agreement), and hold the Employer (including its officers, agents, employees and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.6 Indemnification of Trustee by Trust Administrator

The Trustee shall not be liable for, and Trust Administrator shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trustee (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trust Administrator's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.7 Indemnification of Trust Administrator by Trustee

The Trust Administrator shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trust Administrator (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.8 Indemnification Procedures

Promptly after receipt by an indemnified party of notice or receipt of a claim or the commencement of any action for which indemnification may be sought, the indemnified party will notify the indemnifying party in writing of the receipt or commencement thereof. When the indemnifying party has agreed to provide a defense as set out above that party shall assume the defense of such action

(including the employment of counsel, who shall be counsel reasonably satisfactory to such indemnitee) and the payment of expenses, insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the indemnifying party. Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the indemnifying party unless (i) the employment of such counsel has been specifically authorized by the indemnifying party or (ii) the named parties to any such action (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. The indemnifying party shall not be liable to indemnify any person for any settlement of any such action effected without the indemnifying party's consent. The indemnification procedures of this Trust Agreement shall survive the termination of the Trust, any Employer's participation in the Trust and/or this Trust Agreement.

6.9 No Joint and Several Liability

This document is not intended to and does not create any joint powers agreement or any joint and several liability. No Employer shall be responsible for any contributions, costs or distributions of any other Employer.

ARTICLE VII

AMENDMENT, TERMINATION AND MERGER

7.1 No Obligation to Continue Trust

Participation in the Trust and continuation of the Employer's policies and/or applicable collective bargaining agreements that provide post-employment health care and welfare benefits are not assumed as a contractual obligation of the Employer.

7.2 Amendment of Trust

(a) The Trust Agreement may be amended only by the approval of two-thirds (2/3) or more of the Employers then participating in the Trust. Any such amendment by the Employers shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators not less than one hundred and eighty (180) days before the effective date of such amendment; provided, however, that any party may waive in writing such 180-day requirement with respect to any amendment (and such waiver shall not constitute a waiver with respect to any other amendment); and provided, further, that a waiver in writing of such 180-day requirement by two-thirds (2/3) or more of the Plan Administrators of the Employers participating in the Trust as of the date the amendment is adopted shall constitute a waiver of such

180-day requirement by all of the Employers then participating in the Trust. In addition, the Trust Administrator or the Trustee shall have the right to amend this Trust Agreement from time to time (without the requirement of a vote of Employers) solely for the purpose of keeping the Trust Agreement in compliance with the Code and applicable state law. Any such amendment by the Trust Administrator or the Trustee shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators promptly as each is made.

(b) Any amendment of the Trust Agreement may be current, retroactive or prospective, provided, however, that no amendment shall:

(1) Cause the Assets of any Agency Account to be used for or diverted to purposes other than for the exclusive benefit of Eligible Employees of the applicable Employer or for the purpose of defraying the reasonable expenses of administering such Agency Account.

(2) Permit the Assets of any Agency Account to be used for the benefit of any other Employer.

7.3 Termination of Employer's Obligation to Provide OPEB

A termination of the Employer's obligation to provide OPEB pursuant to its policies and/or applicable collective bargaining agreements for which the Employer's Agency Account was established shall not, in itself, effect a termination of the Agency Account. Upon a termination of the Employer's obligation to provide OPEB pursuant to its policies and/or applicable collective bargaining agreements, the Assets of the Agency Account shall be distributed by the Trustee when directed by the Plan Administrator in accordance with this Section 7.3. From and after the date of such termination and until final distribution of the Assets, the Trustee shall continue to have all the powers provided herein as are necessary or expedient for the orderly liquidation and distribution of such Assets, and the Agency Account shall continue until the Assets have been completely distributed. Such Assets shall be used first to satisfy any remaining obligations of the Employer to provide OPEBs pursuant to its policies and/or applicable collective bargaining agreements (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in the Agency Account after giving effect to the foregoing sentence shall be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code.

7.4 Fund Recovery Based on Mistake of Fact

Except as hereinafter provided or in accordance with Section 7.3, the Assets of the Trust shall never inure to the benefit of the Employer. The Assets shall be

held for the exclusive purposes of providing post-employment health care and welfare benefits to Eligible Employees and defraying reasonable expenses of administering the Trust. However, in the case of a contribution which is made by an Employer because of a mistake of fact, that portion of the contribution relating to the mistake of fact (exclusive of any earnings or losses attributable thereto) may be returned to the Employer, provided such return occurs within two (2) years after discovery by the Employer of the mistake. If any repayment is payable to the Employer, then, as a condition to such repayment, and only if requested by Trustee, the Employer shall execute, acknowledge and deliver to the Trustee its written undertaking, in a form satisfactory to the Trustee, to indemnify, defend and hold the Trustee harmless from all claims, actions, demands or liabilities arising in connection with such repayment.

7.5 Termination of Trust

The Trust and this Trust Agreement may be terminated only by the unanimous agreement of all Employers. Such action must be in writing and delivered to the Trustee and Trust Administrator. Upon a termination of the Trust, the Assets of each Agency Account under the Trust shall be distributed by the Trustee when directed by the Plan Administrator for that Agency Account in accordance with this Section 7.5. From and after the date of such termination and until final distribution of the Assets, the Trustee shall continue to have all the powers provided herein with respect to each Agency Account as are necessary or expedient for the orderly liquidation and distribution of the Assets of such Agency Account, and the Agency Account shall continue until the Assets have been completely distributed. The Assets of each Agency Account shall be used first to satisfy any remaining obligations of the applicable Employer to provide OPEBs pursuant to its policies and/or applicable collective bargaining agreements (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in such Agency Account after giving effect to the foregoing sentence shall be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code. In no case will the assets of the Trust be distributed on termination to an entity that is not a state, a political subdivision of a state or an entity the income of which is excluded from gross income under Section 115 of the Code.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Nonalienation

Eligible Employees do not have an interest in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee or any other party. Trust Assets shall not be subject to the claims of any Employer or the claims of its creditors.

8.2 Saving Clause

In the event any provision of this Trust Agreement is held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Trust Agreement, but this instrument shall be construed and enforced as if said provision had never been included.

8.3 Applicable Law

This Trust Agreement and the Trust shall be construed, administered and governed under the Code and the law of the State of California. To the extent any of the provisions of this Trust Agreement are inconsistent with the Code or applicable state law, the provisions of the Code or state law shall control. In the event, however, that any provision is susceptible to more than one interpretation, such interpretation shall be given thereto as is consistent with the Trust Agreement being a tax-exempt trust within the meaning of the Code.

8.4 Joinder of Parties

In any action or other judicial proceedings affecting this Trust Agreement, it shall be necessary to join as parties only the Trustee, the Plan Administrator or Delegatee. No participant or other persons having an interest in the Trust or any Agency Account shall be entitled to any notice or service of process unless otherwise required by law. Any judgment entered in such a proceeding or action shall be binding on all persons claiming under this Trust Agreement; provided, however, that nothing in this Trust Agreement shall be construed as to deprive a participant of such participant's right to seek adjudication of such participant's rights under applicable law.

8.5 Employment of Counsel

The Trustee may consult with legal counsel (who may be counsel for the Trustee, the Trust Administrator or any Employer) with respect to the interpretation of this Agreement or the Trustee's duties hereunder or with respect to any legal

proceedings or any questions of law and shall be entitled to take action or not to take action in good faith reliance on the advice of such counsel and charge the Trust and, as applicable, one or more Agency Accounts.

8.6 Gender and Number

Words used in the masculine, feminine or neuter gender shall each be deemed to refer to the other whenever the context so requires; and words used in the singular or plural number shall each be deemed to refer to the other whenever the context so requires.

8.7 Headings

Headings used in this Trust Agreement are inserted for convenience of reference only and any conflict between such headings and the text shall be resolved in favor of the text.

8.8 Counterparts

This Trust Agreement may be executed in an original and any number of counterparts by the Plan Administrator (executing an Adoption Agreement), the Trust Administrator and the Trustee, each of which shall be deemed to be an original of the one and the same instrument.

******** Signature Page Follows ********

IN WITNESS WHEREOF, the Plan Administrator (by executing the Adoption Agreement), the Trustee and the Trust Administrator have executed this restated Trust Agreement by their duly authorized agents on the dates set forth below their names, to be effective on May 16, 2007.

UNION BANK OF CALIFORNIA

"Trustee"

By: John Fulton
Signature

John Fulton
Typed or printed name

Its: Vice President

By: _____
Signature

_____
Typed or printed name

Its: _____

Date: 6/26/2007

PUBLIC AGENCY RETIREMENT SERVICES

"Trust Administrator"

By: _____
Signature

Daniel Johnson
Typed or printed name

Its: President

Date: 6/25/2007

UNION BANK OF CALIFORNIA
BUSINESS TRUST
COMPLIANCE APPROVAL

BY Brian [illegible]

DATE 6/26/2007

NB1:657192.8

ADOPTION AGREEMENT

TO THE

PUBLIC AGENCIES

POST-RETIREMENT HEALTH CARE PLAN

<u>No guaranty that payments or reimbursements to employees, former employees or retirees will be tax-free</u>. The Trust has obtained a ruling from the Internal Revenue Service concerning only the federal tax treatment of the Trust's income. That ruling may not be cited or relied upon by the Employer whatsoever as precedent concerning any matter relating to the Employer's health plan(s) (including post-retirement health plans). In particular, that ruling has no effect on whether contributions to the Employer's health plan(s) or payments from the Employer's health plan(s) (including reimbursements of medical expenses) are excludable from the gross income of employees, former employees or retirees, under the Internal Revenue Code. The federal income tax consequences to employees, former employees and retirees depend on the terms and operation of the Employer's health plan(s).

Introduction

By executing this Adoption Agreement, the Employer specified in Section II of this Adoption Agreement adopts:

(1) the Public Agencies Post-Retirement Health Care Plan Document (the "Master Plan Document") integrated with the variable provisions contained within this Adoption Agreement, and

(2) the Public Agencies Post-Retirement Health Care Plan Trust Agreement (the "Trust Agreement").

Defined terms shall have the meanings attributed to such terms in the Master Plan Document or the Trust Agreement.

The Employer hereby selects the following Plan specifications:

Section I
Plan and Trust Information

A.1.1 FULL NAME OF TRUST: Public Agencies Post-Retirement Health Care Plan Trust

A.1.2 FULL NAME OF PLAN: Public Agencies Post-Retirement Health Care Plan, as adopted by (name of Employer): _____

A.1.3 EFFECTIVE DATE OF PLAN: If this is a restatement of an existing plan, the restatement became effective:_____

Section II
Employer Information

A.2.1 EMPLOYER INFORMATION: (See Section 2.1 of Master Plan Document):

NAME OF AGENCY: _____

ADDRESS: (Street): _____

(City, State Zipcode): _____

(Phone Number): _____

A.2.2 EMPLOYER'S PLAN ADMINISTRATOR: _____

A.2.3 EMPLOYER'S TAX IDENTIFICATION NUMBER: _____

A.2.4 EMPLOYER'S FISCAL YEAR means the 12 consecutive month period:

Commencing on (month, day) _____ and

Ending on (month, day) _____

Section III
Eligible Employees and Eligible Dependents

A.3.1 ELIGIBLE EMPLOYEE: The determination of Eligible Employees and Eligible Dependents is finally and conclusively made by the Employer according to its applicable policies and collective bargaining agreements, and without reference to this Plan.

Section IV
Investment

A.4.1 INVESTMENT APPROACH: (See Section 6.1 of the Master Plan Document): The Employer shall select either a discretionary or a directed approach to investment.

_____ a. Discretionary Investment Approach

If the Discretionary Investment Approach is selected, the Employer hereby directs the Trustee to invest the Assets of the Employer's Agency Account pursuant to one of the investment strategies listed on the accompanying Investment Strategy Selection and Disclosure Form or another investment strategy as mutually agreed upon by the Employer and the Trustee.

_____ b. Directed Investment Approach

If the Directed Investment Approach is selected, the Employer must attach its investment policy and retain its own Registered Investment Advisor. The Employer shall be permitted to direct investments of its Agency Account pursuant to the terms of the Trust Agreement.

Execution and Adoption of Plan and Related Documents

By executing this Adoption Agreement, the Employer hereby adopts and agrees to be bound by the Master Plan Document and the Trust Agreement, and hereby ratifies, confirms and approves the appointment of Union Bank of California, N.A. as the Trustee and the appointment of Public Agency Retirement Services as the Trust Administrator as of the Effective Date.

The Employer understands and agrees that the Trust Agreement may be amended from time to time by a vote of the Employers as set forth in the Trust Agreement.

This Adoption Agreement is hereby executed and effective as of this _____ day of _____, 20__.

EMPLOYER (specify):

_____

By_____
Plan Administrator

ACCEPTED:

Trust Administrator: Phase II Systems, dba Public Agency Retirement Services

By: _____ Title: _____

Date: _____

Trustee and Investment Fiduciary: Union Bank of California, N.A.

By: _____ Title: _____

Date: _____

APPENDIX A

ELIGIBLE EMPLOYEES AND ELIGIBLE DEPENDENTS OF EMPLOYER

(non-binding list set forth to facilitate administration)

RESOLUTION NO. 08-7520

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, ADOPTING THE PARS POST-RETIREMENT HEALTH CARE PLAN TRUST AND DELEGATING AUTHORITY TO THE CITY MANAGER TO EXECUTE THE ADMINISTRATIVE SERVICES AGREEMENT WITH PARS FOR GASB 45 OPEB TRUST AND ALL RELATED LEGAL DOCUMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the City of Santa Clara (the "City") wishes to fund post-retirement benefits for its employees; and

WHEREAS, it is determined to be in the best interest of the City to participate in the PARS Post-Retirement Health Care Plan Trust (the "Program") to fund such post-employment benefits; and,

WHEREAS, the City is eligible to participate in the Program, a tax-exempt trust and plan performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued thereunder, and is a tax-exempt trust under the provisions of the relevant statutory provisions of the State of California.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. The City Council hereby adopts the PARS Post-Retirement Health Care Plan Trust, including the PARS Post-Retirement Health Care Plan, as part of the City Post-Retirement Health Care Benefits Program, effective May 13, 2008, attached Public Agencies Post-Retirement Health Care Plan Master Plan Document and Public Agencies Post-Retirement Health Care Plan Trust Agreement as Exhibit A and incorporated herein by this reference; and,

2. The City Council hereby appoints the City Manager, or her successor or her designee as the City's Plan Administrator for the Program; and

3. The City's Plan Administrator, upon approval of such documents by the City Attorney, is hereby authorized to execute the PARS legal documents on behalf of the City, and to take whatever additional actions are necessary to institute and maintain the City's participation in the Program, including maintaining compliance with any relevant law.

4. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Exhibit A Incorporated by Reference:
1. Public Agencies Post-Retirement Health Care Plan Master Plan Document
2. Public Agencies Post-Retirement Health Care Plan Trust Agreement

PUBLIC AGENCIES
POST-RETIREMENT HEALTH CARE PLAN

MASTER PLAN DOCUMENT

(amended and restated as of May 16, 2007)

<u>No guaranty that payments or reimbursements to employees, former employees or retirees will be tax-free</u>. The Trust has obtained a ruling from the Internal Revenue Service concerning only the federal tax treatment of the Trust's income. That ruling may not be cited or relied upon by the Employer whatsoever as precedent concerning any matter relating to the Employer's health plan(s) (including post-retirement health plans). In particular, that ruling has no effect on whether contributions to the Employer's health plan(s) or payments from the Employer's health plan(s) (including reimbursements of medical expenses) are excludable from the gross income of employees, former employees or retirees, under the Internal Revenue Code. The federal income tax consequences to employees, former employees and retirees depend on the terms and operation of the Employer's health plan(s).

INTRODUCTION

The Employer specified in the Adoption Agreement has adopted this qualified governmental post-retirement health care plan ("Plan") for the benefit of its Eligible Employees. The Plan document consists of this Master Plan Document plus the Adoption Agreement. Assets of the Plan are held under a trust (the "Trust") evidenced by a trust agreement (the "Trust Agreement"). Each Employer's separate portion of the Trust is referred to as such Employer's "Agency Account." Capitalized terms that are not defined herein shall have the meaning attributed to such terms in the Trust Agreement.

It is intended that this Plan and the Trust established to hold the assets of the Plan shall be tax-exempt under Section 115 of the Internal Revenue Code of 1986, together with any amendments thereto ("Code"), and that contributions to the Plan shall be deemed "plan assets" pursuant to Government Accounting Standards Board Statement No. 45 ("GASB 45"). At any time prior to the satisfaction of all liabilities with respect to Eligible Employees under an Employer's Agency Account, the Agency Account assets shall not be used for, or diverted to, purposes other than the exclusive benefit of Eligible Employees.

ARTICLE I

PLAN AND TRUST INFORMATION

1.1 Plan Name.

The name of the Plan adopted by the Employer is set forth in Section A.1.2 of the Adoption Agreement.

1.2 Effective Date.

The Plan is effective as of the date set forth in Section A.1.3 of the Adoption Agreement. If as stated in the Adoption Agreement, this Plan is a restatement of an existing plan, the effective date of the restatement is set forth in the Adoption Agreement.

1.3 Plan Year.

The Plan Year shall be the consecutive twelve-month period beginning on January 1 and ending on December 31.

ARTICLE II

EMPLOYER INFORMATION

2.1 Employer.

The name and address of the Employer sponsoring this Plan (the "Employer") are as set forth in Section A.2.1 of the Adoption Agreement. The Adoption Agreement can only be used by a governmental agency that is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code to establish a plan.

ARTICLE III

ELIGIBLE EMPLOYEES

3.1 Eligible Employees

Each employee of the Employer who is or becomes eligible for post-retirement health care and welfare benefits as specified in such Employer's applicable policies and/or applicable collective bargaining agreements shall become an Eligible Employee hereunder. Dependents of an Eligible Employee shall be entitled to benefits under the Plan after the termination of such Eligible Employee's employment with the Employer (the "Eligible Dependents") to the extent so provided in the applicable policies and/or collective bargaining agreement of the Employer.

3.2 Termination of Eligible Employee or Eligible Dependent Status

An Eligible Employee or Eligible Dependent shall cease to be an Eligible Employee or Eligible Dependent as specified in the Employer's applicable policies and/or applicable collective bargaining agreements.

ARTICLE IV

CONTRIBUTIONS

4.1 Amount of Member Agency Contributions

Eligible Employees and Eligible Dependents are not permitted to make contributions to the Trust, provided however, that nothing herein shall be deemed to (i) prevent the Employer from imposing a charge (including, without limitation, a payroll deduction) for coverage under the Plan, or (ii) prevent the Employer from depositing the proceeds of any such charge to the Trust (provided that such deposit shall be considered an Employer contribution and shall not be segregated within Employer's Agency Account from any other Employer contributions). Each Employer shall from time-to-time contribute to its Agency Account an amount determined by such Employer in its sole discretion. Such amount may, but need not, equal such Employer's "annual required contribution" ("ARC") as determined in accordance with GASB45.

4.2 Administrative Expenses

The Employer may make contributions to its Agency Account sufficient to defray all or part of the expenses of administering the Plan or may pay such expenses directly.

4.3 Allocation of Administrative Expenses

If the Employer chooses not to directly pay the expenses of administering this Plan, such expenses shall be charged against the Agency Account for such Employer.

4.4 Reversions

The Employer shall have the right to a return of contributions from this Plan only if the conditions for such return set forth in the Trust Agreement are satisfied.

ARTICLE V

DISTRIBUTION OF BENEFITS

5.1 Payment of Distribution

Distribution shall only be made to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services as designated by the Employer or to the Employer for the reimbursement of Plan benefits and expenses paid by the Employer. No distributions shall be made directly to Eligible Employees or Eligible Dependents. The Plan Administrator or its Delegatee shall provide instructions to the Trustee regarding how distributions and reimbursements are to be made.

ARTICLE VI

FUNDING AND INVESTMENT

6.1 Funding and Investment

The assets of the Plan shall be held in the Agency Account of each Employer. In Section A.4.1 of the Adoption Agreement, each Employer shall elect between a discretionary or directed investment approach. If the Employer elects a discretionary investment approach, the Employer shall further elect between the various investment strategies offered in the investment strategy selection and disclosure form. If the Employer elects a directed investment approach, the Employer, in accordance with the Trust Agreement, shall have absolute discretion over the investment of the assets of its Agency Account.

6.2 Type and Nature of Plan and Trust

Neither the faith and credit nor the taxing power of each Employer is pledged to the distribution of benefits hereunder. Except for contributions, earnings and other amounts held in the Trust, no amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of the Employer, but are payable solely from contributions, as more fully described herein. No employee of any Employer or any other person may compel the exercise of the taxing power by the Employer. Distributions of benefits are not a debt of the Employer within the meaning of any constitutional or statutory limitation or restriction. Distributions are not a legal or equitable pledge, charge, lien or encumbrance, upon any of the Employer's property, or upon any of its income, receipts or revenues.

ARTICLE VII

ADMINISTRATION, AMENDMENT AND TERMINATION OF PLAN

7.1 Designation of Plan Administrator

In Section A.2.2 of the Adoption Agreement, the Employer shall provide the name of the Plan Administrator that has been duly authorized and designated by the governing body of the Employer to act on its behalf in all matters pertaining to the Plan and the Trust pursuant to Section 3.4 of the Trust Agreement. If no name is provided, the Employer is the Plan Administrator. In addition to a Plan Administrator the Employer may designate a Delegatee to perform those activities relating to the Plan as specified in the written appointment of such Delegatee certified to the Trust Administrator. Except where the context requires otherwise, the term "Employer" as used in this Article shall mean the Plan Administrator or Delegatee where responsibility for administration of the Plan has been given to such parties.

7.2 Rules and Regulations

The Employer has full discretionary authority to supervise and control the operation of this Plan in accordance with its terms and may make rules and regulations for the administration of this Plan that are not inconsistent with the terms and provisions hereof. The Employer shall determine any questions arising in connection with the interpretation, application or administration of the Plan (including any question of fact relating to age, employment, compensation or eligibility of Eligible Employees or Eligible Dependents) and its decisions or actions in respect thereof shall be conclusive and binding upon all persons and parties.

The Employer shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:

(a) To determine all questions relating to an Eligible Employee's or Eligible Dependent's eligibility;

(b) To construe and interpret the terms and provisions of the Plan;

(c) To compute, certify to, and direct the Trustee with regard to the amount and kind of benefits payable to health care providers;

(d) To authorize all disbursements from its Agency Account;

(e) To maintain all records that may be necessary for the administration of the Plan other than those maintained by the Trustee; and

(f) To appoint a Plan Administrator or, any other agent, and to delegate to them or to the Trustee such powers and duties in connection with the administration of the Plan as it may from time to time prescribe.

Expenses and fees incurred in connection with the administration of the Plan and the Trust shall be paid from the Trust assets to the fullest extent permitted by law, unless the Employer determines otherwise. The Employer may elect to make contributions to its Agency Account sufficient to defray the expenses of administering the Plan or may pay such expenses directly.

7.3 Amendment and Termination

The Employer shall have the right to amend, modify or terminate the Plan at any time. If an Employer terminates the Plan, the Assets held in its Agency Account shall be distributed by the Trustee as provided in Section 7.3 of the Trust Agreement.

ARTICLE VIII

MISCELLANEOUS

8.1 Nonalienation

An Eligible Employee or Eligible Dependent does not have any interest in the Plan or the Assets held in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee, Eligible Dependent or any other party.

8.2 Investment

All contributions, interest earned, and any assets of the Plan shall at all times be invested and managed in accordance with the Trust Agreement and the requirements of applicable law.

8.3 Parties to the Plan

Eligible Employees, Eligible Dependents and unions of each Employer are not parties to this Plan. The Plan is only a funding source for such Employer's post-retirement health care and welfare benefits and does not increase the rights of any Eligible Employee, Eligible Dependent or union.

8.4 Confidential Medical Information

Each Employer and its health care providers or other service providers shall not share confidential medical information regarding employees of the Employer with the Plan, the Trustee, or the Trust Administrator.

PUBLIC AGENCIES

POST-RETIREMENT HEALTH CARE PLAN

TRUST AGREEMENT

(amended and restated as of May 16, 2007)

ARTICLE I

DEFINITIONS

1.1 "**Adoption Agreement**" shall have the meaning given to such term in Section 2.3.

1.2 "**Agency Account**" shall have the meaning given to such term in Section 2.4.

1.3 "**Agreement for Administrative Services**" shall mean the agreement executed between the Employer and the Trust Administrator which authorizes the Trust Administrator to perform specific duties of administering the Agency Account of the Employer.

1.4 "**Assets**" shall have the meaning given to such term in Section 2.5.

1.5 "**Code**" shall mean the Internal Revenue Code of 1986 as amended from time to time.

1.6 "**Delegatee**" shall mean an individual or entity, appointed by the Plan Administrator or Employer to act in such matters as are specified in the appointment.

1.7 "**Effective Date**" shall mean November 1, 2005, the date the Trust was established, and with respect to each Employer, the Effective Date shall be the date on which the Employer executes the Adoption Agreement.

1.8 "**Eligible Dependent**" shall mean any dependent of an Eligible Employee who is entitled to health care and welfare benefits after the termination of such Eligible Employee's employment with the Employer pursuant to the Employer's policies and/or applicable collective bargaining agreements.

1.9 "**Eligible Employee**" shall mean any employee of the Employer who is entitled to post-employment health care and welfare benefits pursuant to such Employer's policies and/or applicable collective bargaining agreements. Unless the context otherwise requires, the term "Eligible Employee" as used herein shall include any Eligible Dependents.

1.10 "**Employer**" shall mean a public agency that executes the Adoption Agreement, thereby adopting the provisions of this Trust Agreement, provided that such agency is a state, a political subdivision of a state, or an entity the income of which is excludible from gross income under Section 115 of the Code.

1.11 "**GASB**" shall mean the Governmental Accounting Standards Board.

1.12 "**Omnibus Account**" shall mean an account, established for record keeping purposes only, to aggregate the balances of the Assets credited to the Agency Accounts. The Trust Administrator shall maintain and reconcile, at the Agency Account level, the investments of the Agency Accounts and will provide reports

to the Plan Administrator with respect to such investments. The Trustee will maintain a record of the aggregate balance (principal and earnings) for all Agency Accounts. The Trust Administrator will in the ordinary course of business maintain a record of the name, address, taxpayer identification number, account number and amount of funds, including earnings, of each Employer. On periodic valuation dates (no less frequently than monthly) to be established by the Trust Administrator, the Trustee and Trust Administrator will reconcile the aggregate balance information maintained by the Trustee with the Agency Account level records maintained by the Trust Administrator pursuant to this Trust Agreement.

1.13 "**OPEB**" shall mean "other post-employment benefits," such as medical, dental, vision, life insurance, long-term care and other similar benefits provided to retirees, other than pension benefits.

1.14 **"OPEB Obligation"** shall mean an Employer's obligation to provide post-employment health care and welfare benefits to its Eligible Employees as specified in such Employer's policies and/or applicable collective bargaining agreements.

1.15 **"Plan"** shall mean the Public Agencies Post-Retirement Health Care Plan, adopted by each Employer as a separate Plan for that Employer upon the execution of an Adoption Agreement and the satisfaction of certain other requirements contained herein.

1.16 **"Plan Administrator"** shall mean the individual designated by position of employment at the Employer to act on its behalf in all matters relating to the Employer's participation in the Trust.

1.17 "**Trust**" shall mean the Public Agencies Post-Retirement Health Care Plan trust arrangement.

1.18 **"Trust Administrator"** shall mean Public Agency Retirement Services or any successor trust administrator appointed by the Employers as provided herein. The Trust Administrator shall serve as trust administrator to the Trust established pursuant to this Trust Agreement until such Trust Administrator resigns or is removed as provided in Article III.

1.19 **"Trust Agreement"** shall mean this Public Agencies Post-Retirement Health Care Plan trust document adopted by each Employer upon execution of an Adoption Agreement, as amended from time to time.

1.20 **"Trustee"** shall mean Union Bank of California, N.A., or any successor trustee appointed by the Employers as provided herein. The Trustee shall serve as trustee of the Trust established pursuant to the provisions of this Trust Agreement until such Trustee resigns or is removed as provided in Article III.

ARTICLE II

THE TRUST

2.1 Multiple Employer Trust

The Trust is a multiple employer trust arrangement established to provide economies of scale and efficiency of administration to public agencies that adopt it to hold the assets used to fund its OPEB Obligation. The Trust is divided into Agency Accounts to hold the Assets of each Employer as described in Section 2.4.

2.2 Purpose

The Trust is established with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Code and any regulations issued thereunder and as a tax-exempt trust under the provisions of the relevant state's statutory provisions of each Employer. This Trust Agreement shall be construed and the Trust shall be administered in a manner consistent with such intention. The fundamental purpose of the Trust is to fund post-employment benefits (other than pension benefits), such as medical, dental, vision, life insurance, long-term care and similar benefits, offered by the Employer to its employees as specified in each Employer's policies and/or applicable collective bargaining agreements. It is intended that adopting Employers retain an interest in the underlying securities held in the Trust on their behalf, rather than in the Trust itself.

2.3 Employers

Any public agency may, by action of its governing body in writing accepted by the Trustee, adopt the provisions of the Trust Agreement. Executing an adoption instrument for the Trust ("**Adoption Agreement**"), in the form attached hereto as Exhibit "A" (or such other form as may be approved by the Trustee), shall constitute such adoption, unless the Trustee requires additional evidence of adoption. In order for such adoption to be effective, the public agency must also execute an Agreement for Administrative Services with Public Agency Retirement Services, the Trust Administrator, pursuant to section 3.6 of this Trust Agreement. Such adopting Employer shall then become an Employer of the Trust.

Each such Employer shall, at a minimum, furnish the Trust Administrator with the following documents to support its adoption of the Trust:

(a) a certified copy of the resolution(s) of the governing body of the Employer authorizing the adoption of the Trust Agreement and the appointment of the Plan Administrator for such Employer;

(b) an original of the Adoption Agreement executed by the Plan Administrator or other duly authorized Employer employee;

(c) an original of the Agreement for Administrative Services with Public Agency Retirement Services executed by the Plan Administrator or other duly authorized Employer employee and Public Agency Retirement Services;

(d) an address notice; and

(e) such other documents as the Trustee may reasonable request.

(f) Any action taken by the Plan Administrator for an Employer shall be deemed to have been taken by such Employer. Any notice given to or delivered by the Plan Administrator for an Employer shall be deemed to have been given to or delivered by such Employer.

2.4 Agency Accounts

Upon an Employer's adopting the Trust Agreement, as provided in Section 2.3, a separate "**Agency Account**" shall be established under the Trust for that Employer, and all Assets of the Trust attributable to that Employer shall be held in that Employer's Agency Account. The Assets of the Trust that are held in an Employer's Agency Account shall be available only to pay post-employment health care and welfare benefits of Eligible Employees of that Employer (including reimbursement of the Employer for payments to health care providers with respect to such benefits) and shall not be available to pay any obligations incurred by any other Employer as provided in Section 2.8.

2.5 Assets of Agency Account

The assets held in an Agency Account shall consist of all contributions and transfers received by the Trust on behalf of the Employer, together with the income and earnings from such contributions and transfers, and any increments accruing to them, net of any investment losses, benefits, expenses or other costs ("**Assets**"). All contributions or transfers shall be received by the Trustee in cash or in other property acceptable to the Trustee. The Trustee shall manage and administer the Assets held in Agency Accounts without distinction between principal and income. The Trustee and the Trust Administrator shall have no duty to compute any amount to be transferred or paid to the Agency Account by the Employer, and the Trustee and the Trust Administrator shall not be responsible for the collection of any contributions or transfers to the Agency Account.

2.6 Aggregate Balance for Investment and Administration

The balances of the Assets of more than one Agency Account may be aggregated by the Trustee in one or more Omnibus Accounts for investment and administrative purposes, to provide economies of scale and efficiency of administration to the Agency Accounts. The responsibility for Plan and Agency

Account level accounting within this Omnibus Account(s) shall be that of the Trust Administrator.

2.7 Trustee Accounting

The Trustee shall be responsible only for maintaining records and maintaining accounts for the aggregate assets of the Trust. The responsibility for Plan level accounting for each Agency Account, based upon the Omnibus Account(s), shall be that of the Trust Administrator.

2.8 No Diversion of Assets

The Assets in each Agency Account shall be held in trust for the exclusive purpose of providing post-employment health care and welfare benefits to the Eligible Employees of the Employer for which such Agency Account was established and defraying the reasonable administrative and actuarial expenses of such Employer's participation in the Trust. The Assets in each Agency Account shall not be used for or diverted to, any other purpose, including, but not limited to, the satisfaction of any other Employer's OPEB Obligation.

2.9 Type and Nature of Trust

Neither the full faith and credit nor the taxing power of each Employer is pledged to the distribution of benefits hereunder. Except for contributions and other amounts hereunder, no other amounts are pledged to the distribution of benefits hereunder. Distributions of benefits are neither general nor special obligations of any Employer, but are payable solely from the Assets held in such Employer's Agency Account, as more fully described herein. No employee of any Employer or beneficiary may compel the exercise of the taxing power by any Employer.

Distributions of Assets from any Agency Account are not debts of any Employer within the meaning of any constitutional or statutory limitation or restriction. Such distributions are not legal or equitable pledges, charges, liens or encumbrances, upon any of an Employer's property, or upon any of its income, receipts, or revenues, except amounts in the accounts which are, under the terms of each Plan and the Trust set aside for distributions. Neither the members of the governing body of any Employer nor its officers, employees, agents or volunteers are liable hereunder.

2.10 Loss of Tax-Exempt Status as to Any Employer

If any Employer participating in the Trust receives notice from the Internal Revenue Service that the Trust as to such Employer fails to satisfy the requirements of Section 115 of the Code, or if any Employer consents to the Internal Revenue Service's determination that the Trust fails to meet such requirements, Assets having a value equal to the funds then held in such Employer's Agency Account shall be segregated and placed in a separate trust by the Trustee for the exclusive benefit of such Employer's Eligible Employees

within a reasonable time after the Trust Administrator notifies the Trustee of the Internal Revenue Service's determination. Each Employer participating in the Trust agrees to immediately notify the Trust Administrator upon receiving such notice or giving such consent. The separate trust provided for in this Section 2.10 shall thereafter be considered as a separate trust containing all of the provisions of this Trust Agreement until terminated as provided in this Trust Agreement.

ARTICLE III

ADMINISTRATIVE MATTERS

3.1 Appointment of Trustee

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as the trustee of this Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trustee of the Trust. If the Trustee is removed or resigns pursuant to Section 3.2, the Employers shall appoint a successor Trustee in accordance with the voting requirements set forth in this Section 3.1.

3.2 Resignation or Removal of Trustee

The Employers may act to remove the Trustee, provided that such action must satisfy the voting requirements set forth in Section 3.1 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trustee may also resign at any time by giving at least ninety (90) days prior written notice to the Trust Administrator and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trustee may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trustee hereunder without the Trustee's consent. The Trustee shall, upon the appointment and acceptance of a successor trustee, transfer and deliver the Assets and all records relating to the Trust to the successor, after reserving such reasonable amount as it shall deem necessary to provide for its fees and expenses and any sums chargeable against the Trust for which it may be liable. The Trustee shall do all acts necessary to vest title of record in the successor trustee.

3.3 Withdrawal of Employer

An Employer may elect to withdraw from the Trust by giving at least ninety (90) days prior written notice to the Trustee and the Trust Administrator. If an Employer so elects to withdraw, Assets having a value equal to the funds held in

such Employer's Agency Account shall be segregated by the Trustee and, as soon as practicable, shall be transferred to a trust established by the Employer, provided that (i) such trust shall satisfy the requirements of Section 115 of the Code, and (ii) all assets held by such trust shall qualify as "plan assets" within the meaning of GASB Statement No. 45, in each case as reasonably determined by the Employer and certified in writing by the Employer to the Trust Administrator. The Employer shall appoint a trustee for the such Employer's separate trust, and such appointment shall vest the successor trustee with title to the transferred Assets upon the successor trustee's acceptance of such appointment.

3.4 The Plan Administrator

The governing body of each Employer shall have plenary authority for the administration and investment of such Employer's Agency Account pursuant to any applicable state laws and applicable federal laws and regulations. Each Employer shall by resolution designate a Plan Administrator. Unless otherwise specified in the instrument the Plan Administrator shall be deemed to have authority to act on behalf of the Employer in all matters pertaining to the Employer's participation in the Trust and in regard to the Agency Account of the Employer. Such appointment of a Plan Administrator shall be effective upon receipt and acknowledgment by the Trustee and the Trust Administrator and shall be effective until the Trustee and the Trust Administrator are furnished with a resolution of the Employer that the appointment has been modified or terminated.

3.5 Failure to Appoint Plan Administrator

If a Plan Administrator is not appointed, or such appointment lapses, the Employer shall be deemed to be the Plan Administrator. As used in this document the term "Plan Administrator" shall be deemed to mean "Employer" when a Plan Administrator has not been appointed for such Employer.

3.6 Delegatee

The Plan Administrator, acting on behalf of the Employer, may delegate certain authority, powers and duties to a Delegatee to act in those matters specified in the delegation. Any such delegation must be in a writing that names and identifies the Delegatee, states the effective date of the delegation, specifies the authority and duties delegated, is executed by the Plan Administrator, is acknowledged in writing by the Delegatee, and is certified as required in Section 3.7 to the Trust Administrator. Such delegation shall be effective until the Trustee and the Trust Administrator are directed in writing by the Plan Administrator that the delegation has been rescinded or modified.

3.7 Certification to Trustee

The governing body of each Employer, or other duly authorized official, shall certify in writing to the Trustee and the Trust Administrator the names and specimen signatures of the Plan Administrator and Delegatee, if any, and all

others authorized to act on behalf of the Employer whose names and specimen signatures shall be kept accurate by the Employer acting through a duly authorized officer or governing body of the Employer. The Trustee and the Trust Administrator shall have no liability if they act upon the direction of a Plan Administrator or Delegatee that has been duly authorized, as provided in Section 3.6, if that Plan Administrator or Delegatee is no longer authorized to act, unless the Employer has informed the Trustee and the Trust Administrator of such change.

3.8 Directions to Trustee

All directions to the Trustee from the Plan Administrator or Delegatee must be in writing and must be signed by the Plan Administrator or Delegatee, as the case may be. For all purposes of this Trust Agreement, direction shall include any certification, notice, authorization, application or instruction of the Plan Administrator, Delegatee or Trustee appropriately communicated. The above notwithstanding direction may be implied if the Plan Administrator or Delegatee has knowledge of the Trustee's intentions and fails to file written objection.

The Trustee shall have the power and duty to comply promptly with all proper directions of the Plan Administrator or Delegatee, appointed in accordance with the provisions of this Trust Agreement. In the case of any direction deemed by the Trustee to be unclear or ambiguous the Trustee may seek written instructions from the Plan Administrator, the Employer or the Delegatee on such matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the Delegatee should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust and/or the applicable Agency Account which may include not taking any action. The Trustee may request directions or clarification of directions received and may delay acting until clarification is received. In the absence of timely direction or clarification, or if the Trustee considers any direction to be a violation of the Trust Agreement or any applicable law, the Trustee shall in its sole discretion take appropriate action, or refuse to act upon a direction.

3.9 Appointment of Trust Administrator

The Employers may, with the approval of two-thirds (2/3) or more of the Employers then participating in the Trust, act to appoint a bank, trust company, retirement board, insurer, committee or such other entity as permitted by law, to serve as Trust Administrator of the Trust. Such action must be in writing. Upon the written acceptance of such entity it shall become the Trust Administrator of the Trust. If the Trust Administrator is removed or resigns pursuant to Section 3.13, the Employers shall appoint a successor Trust Administrator in accordance with the voting requirements set forth in this Section 3.9.

3.10 Trust Administrator

The Trust Administrator's duties involve the performance of the following services pursuant to the provisions of this Trust Agreement and the Agreement for Administrative Services:

(a) Performing periodic accounting of each Agency Account and reconciling such Agency Account balances with the Trust/Omnibus Account;

(b) Directing the Trustee to make distributions from the applicable Agency Account to health care providers (or to the Employer for reimbursement of payments made to health care providers) for post-employment health care and welfare benefits;

(c) Allocating contributions, earnings and expenses to each Agency Account;

(d) Directing the Trustee to pay the fees of the Trust Administrator and to do such other acts as shall be appropriate to carry out the intent of the Trust;

(e) Such other services as the Employer and the Trust Administrator may agree in the Agreement for Administrative Services pursuant to Section 2.3.

The Trust Administrator shall be entitled to rely on, and shall be under no duty to question, direction and/or data received from the Plan Administrator, or other duly authorized entity, in order to perform its authorized duties under this trust agreement. The Trust Administrator shall not have any duty to compute contributions made to the Trust, determine or inquire whether contributions made to the Trust by the Plan Administrator or other duly authorized entity are adequate to meet an Employer's OPEB Obligation as may be determined under GASB Statement Nos. 43 and 45 and any future GASB pronouncements; or determine or inquire whether contributions made to the Trust are in compliance with the Employer's policies and/or applicable collective bargaining agreements. The Trust Administrator shall not be liable for nonperformance of duties if such nonperformance is directly caused by erroneous, and/or late delivery of, directions or data from the Plan Administrator, or other duly authorized entity.

3.11 Additional Trust Administrator Services

The Plan Administrator may at any time retain the Trust Administrator as its agent to perform any act, keep any records or accounts and make any computations which are required of the Employer or the Plan Administrator by this Trust Agreement or by the Employer's policies and/or applicable collective bargaining agreements. The Trust Administrator shall be separately compensated for such service and such services shall not be deemed to be contrary to the Trust Agreement.

3.12 Trust Administrator's Compensation

As may be agreed upon from time to time by the Employer and Trust Administrator, the Trust Administrator will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to such Employer's Agency Account and to the Trust.

3.13 Resignation or Removal of Trust Administrator

The Employers may act to remove the Trust Administrator, provided that such action must satisfy the voting requirements set forth in Section 3.9 and notice of such action must be promptly delivered to the Trust Administrator, the Trustee and each Plan Administrator. The Trust Administrator may also resign at any time by giving at least one hundred and twenty (120) days prior written notice to the Trustee and to the Plan Administrator of each Employer that has adopted the Trust Agreement and not terminated its participation in the Trust; provided, however, that the Trust Administrator may resign immediately upon the earlier of the approval date or the effective date of any amendment of the Trust Agreement by the Employers that would change or modify the duties, powers or liabilities of the Trust Administrator hereunder without the Trust Administrator's consent. The Trust Administrator shall, upon the appointment and acceptance of a successor trust administrator, transfer all records relating to the Trust to the successor.

ARTICLE IV

THE TRUSTEE

4.1 Powers and Duties of the Trustee

Except as otherwise provided in Article V and subject to Article VI, the Trustee shall have full power and authority with respect to property held in the Trust to do all such acts, take all proceedings, and exercise all such rights and privileges, whether specifically referred to or not in this document, as could be done, taken or exercised by the absolute owner, including, without limitation, the following:

(a) To invest and reinvest the Assets or any part hereof in any one or more kind, type, class, item or parcel of property, real, personal or mixed, tangible or intangible; or in any one or more kind, type, class, item or issue of investment or security; or in any one or more kind, type, class or item of obligation, secured or unsecured; or in any combination of them (including those issued by the Trustee of any of its affiliates, to the extent permitted by applicable law), and to retain the property for the period of time that the Trustee deems appropriate;

(b) To acquire and sell options to buy securities ("call" options) and to acquire and sell options to sell securities ("put" options);

(c) To buy, sell, assign, transfer, acquire, loan, lease (for any purpose, including mineral leases), exchange and in any other manner to acquire, manage, deal with and dispose of all or any part of the Trust property, for cash or credit and upon any reasonable terms and conditions;

(d) To make deposits, with any bank or savings and loan institution, including any such facility of the Trustee or an affiliate thereof provided that the deposit bears a reasonable rate of interest;

(e) To invest and reinvest the Assets, or any part thereof in any one or more collective investment trust funds, including common and group trust funds that consist exclusively of assets of exempt pension and profit sharing trusts and individual retirement accounts qualified and tax exempt under the Code, that are maintained by the Trustee or an affiliate thereof. The declaration of trust or plan of operations for any such common or collective fund is hereby incorporated herein and adopted into this Trust Agreement by this reference. The combining of money and other assets of the Trust with money and other assets of other non-qualified trusts in such fund or funds is specifically authorized. Notwithstanding anything to the contrary in this Trust Agreement, the Trustee shall have full investment responsibility over assets of the trust invested in such commingled funds. If the plan and trust for any reason lose their tax exempt status, and the Assets have been commingled with assets of other tax exempt trusts in Trustee's collective investment funds, the Trustee shall within 30 days of notice of such loss of tax exempt status, liquidate the Trust's units of the collective investment fund(s) and invest the proceeds in a money market fund pending investment or other instructions from the Plan Administrator. The Trustee shall not be liable for any loss or gain or taxes, if any, resulting from said liquidation;

(f) To place uninvested cash and cash awaiting distribution in one or more mutual funds and/or commingled investment funds maintained by or made available by the Trustee or any of its affiliates, and to receive compensation from the sponsor of such fund(s) for services rendered, separate and apart from any Trustee's fees hereunder. The Trustee or its affiliate may also be compensated for providing investment advisory services to any mutual fund or commingled investment funds;

(g) To borrow money for the purposes of the Trust from any source with or without giving security; to pay interest; to issue promissory notes and to secure the repayment thereof by pledging all or any part of the Assets;

(h) To take all of the following actions: to vote proxies of any stocks, bonds or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights or other options, and to make any payments incidental thereto; to consent to or otherwise participate in corporate reorganizations or other changes affecting

corporate securities and to delegate discretionary powers and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other property held in the Trust;

(i) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(j) To raze or move existing buildings; to make ordinary or extraordinary repairs, alterations or additions in and to buildings; to construct buildings and other structures and to install fixtures and equipment therein;

(k) To pay or cause to be paid from the Trust any and all real or personal property taxes, income taxes or other taxes or assessments of any or all kinds levied or assessed upon or with respect to the Trust;

(l) To exercise all the further rights, powers, options and privileges granted, provided for, or vested in trustees generally under applicable federal or state laws, as amended from time to time, it being intended that, except as herein otherwise provided, the powers conferred upon the Trustee herein shall not be construed as being in limitation of any authority conferred by law, but shall be construed as consistent or in addition thereto.

4.2 Additional Trustee Powers

In addition to the other powers enumerated above, the Trustee in any and all events is authorized and empowered:

(a) To invest funds pending required directions in any type of interest-bearing account, including, without limitation, time certificates of deposit or interest-bearing accounts issued by the Trustee, or any mutual fund or short term investment fund ("**Fund**"), whether sponsored or advised by the Trustee or any affiliate thereof); the Trustee or its affiliates may be compensated for providing such investment advice and providing other service to such Fund, in addition to any Trustee's fees received pursuant to this Trust Agreement;

(b) To cause all or any part of the Trust to be held in the name of the Trustee (which in such instance need not disclose its fiduciary capacity) or, as permitted by law, in the name of any nominee, and to acquire for the Trust any investment in bearer form, but the books and records of the Trust shall at all times show that all such investments are a part of the Trust and the Trustee shall hold evidences of title to all such investments;

(c) To serve as custodian with respect to the Trust Assets;

(d) To employ such custodians, agents and counsel as may be reasonably necessary in managing and protecting the Assets and to pay them reasonable compensation from the Trust; to employ any broker-dealer or other agent, including any broker-dealer or other agent affiliated with the Trustee, and pay to such broker-dealer or other agent, at the expense of the Trust, its standard commissions or compensation; to settle, compromise or abandon all claims and demands in favor of or against the Trust; and to charge any premium on bonds purchased at par value to the principal of the Trust without amortization from the Trust, regardless of any law relating thereto;

(e) In addition to the powers listed herein, to do all other acts necessary or desirable for the proper administration of the Trust, as though the absolute owner thereof;

(f) To prosecute, compromise and defend lawsuits, but without obligation to do so, all at the risk and expense of the Trust; and to tender its defense to the Employer in any legal proceeding where the interests of the Trustee and the Employer are not adverse;

(g) To exercise and perform any and all of the other powers and duties specified in this Trust Agreement or the Plan;

(h) To permit such inspections of documents at the principal office of the Trustee as are required by law, subpoena or demand by a United States agency;

(i) To comply with all requirements imposed by applicable provisions of law;

(j) To seek written instructions from the Plan Administrator or other fiduciary on any matter and await their written instructions without incurring any liability. If at any time the Plan Administrator or the fiduciary should fail to give directions to the Trustee, the Trustee may act in the manner that in its discretion seems advisable under the circumstances for carrying out the purposes of the Trust;

(k) To compensate such executive, consultant, actuarial, accounting, investment, appraisal, administrative, clerical, secretarial, medical, custodial, depository and legal firms, personnel and other employees or assistants as are engaged by the Plan Administrator in connection with the administration of the Plan and to pay from the Trust the necessary expenses of such firms, personnel and assistants, to the extent not paid by the Plan Administrator;

(l) To act upon proper written directions of the Plan Administrator or Delegatee, including directions given by photostatic transmissions using facsimile signature, and such other forms of directions as the parties shall agree;

(m) To pay from the Trust the expenses reasonably incurred in the administration of the Trust as provided in the Plan;

(n) To maintain insurance for such purposes, in such amounts and with such companies as the Plan Administrator shall elect, including insurance to cover liability or losses occurring by reason of the acts or omissions of fiduciaries but only if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary.

ARTICLE V

INVESTMENTS

5.1 Discretionary Versus Directed Investment

The Employer shall elect either a discretionary or directed investment approach. If the Employer elects a discretionary investment approach, the Employer shall further elect between the various investment strategies offered and the Trustee, in accordance with Article IV, shall have absolute discretion over the investment of the Assets held in such Employer's Agency Account. If the Employer elects a directed investment approach, the Trustee shall direct the investment of the Assets of such Employer's Agency Account in accordance with the direction provided by such Employer.

5.2 Trustee Fees

As may be agreed upon, in writing, between the Plan Administrator and Trustee, the Trustee will be paid reasonable compensation for services rendered or reimbursed for expenses properly and actually incurred in the performance of duties with respect to the applicable Agency Account or the Trust.

5.3 Contributions

Eligible Employees are not permitted to make contributions to the Trust. The Plan Administrator shall, on behalf of the Employer, make all contributions to the Trustee. Such contributions shall be in cash unless the Trustee agrees to accept a contribution that is not in cash. All contributions shall be paid to the Trustee for investment and reinvestment pursuant to the terms of this Trust Agreement. The Trustee shall not have any duty to determine or inquire whether any contributions to the Trust made to the Trustee by any Plan Administrator are in compliance with the Employer's policies and/or collective bargaining agreements; nor shall the Trustee have any duty or authority to compute any amount to be paid to the Trustee by any Plan Administrator; nor shall the Trustee be responsible for the collection or adequacy of the contributions to meet an Employer's OPEB Obligation, as may be determined under GASB Statement No. 45. The contributions received by the Trustee from each Employer shall be held and administered pursuant to the terms hereof without distinction between income and principal.

5.4 Records

(a) The Trustee shall maintain accurate records and detailed accounts of all investments, receipts, disbursements and other transactions hereunder at the Trust level. Such records shall be available at all reasonable times for inspection by the Trust Administrator. The Trustee shall, at the direction of the Trust Administrator, submit such valuations, reports or other information as the Trust Administrator may reasonably require.

(b) The Assets of the Trust shall be valued at their fair market value on the date of valuation, as determined by the Trustee based upon such sources of information as it may deem reliable; provided, however, that the Plan Administrator shall instruct the Trustee as to valuation of assets which are not readily determinable on an established market. The Trustee may rely conclusively on such valuations provided by the Plan Administrator and shall be indemnified and held harmless by the Employer with respect to such reliance. If the Plan Administrator fails to provide such values, the Trustee may take whatever action it deems reasonable, including employment of attorneys, appraisers or other professionals, the expense of which will be an expense of administration of the Trust. Transactions in the account involving such hard to value assets may be postponed until appropriate valuations have been received and Trustee shall have no liability therefore.

5.5 Statements

(a) Periodically as specified, and within sixty days after December 31, or the end of the Trust's fiscal year if different, Trustee shall render to the Trust Administrator as directed, a written account showing in reasonable summary the investments, receipts, disbursements and other transactions engaged in by the Trustee during the preceding fiscal year or period with respect to the Trust. Such account shall set forth the assets and liabilities of the Trust valued as of the end of the accounting period.

(b) The Trust Administrator may approve such statements either by written notice or by failure to express objections to such statements by written notice delivered to the Trustee within 90 days from the date the statement is delivered to the Trust Administrator. Upon approval, the Trustee shall be released and discharged as to all matters and items set forth in such statement as if such account had been settled and allowed by a decree from a court of competent jurisdiction.

5.6 Wire Transfers

The Trustee shall follow the Plan Administrator's, Delegatee's, or Trust Administrator's wire transfer instructions in compliance with the written security procedures provided by the party providing the wire transfers. The Trustee shall perform a telephonic verification to the Plan Administrator, Trust Administrator,

or Delegatee, or such other security procedure as selected by the party providing wire transfer directions, prior to wiring funds or following facsimile directions as Trustee may require. The Plan Administrator assumes the risk of delay of transfer if Trustee is unable to reach the Plan Administrator, or in the event of delay as a result of attempts to comply with any other security procedure selected by the directing party.

5.7 Exclusive Benefit

The Assets of an Employer's Agency Account shall be held in trust for the exclusive purpose of providing post-employment health care and welfare benefits to the Eligible Employees of the Employer pursuant to the Employer's policies and/or applicable collective bargaining agreements, and defraying the reasonable expenses associated with the providing of such benefits, and shall not be used for or diverted to any other purpose. No party shall have authority to use or divert the Assets of an Agency Account of an Employer for the payment of post-employment health care and welfare benefits or expenses of any other Employer.

5.8 Delegation of Duties

The Plan Administrator, Delegatee, or Trust Administrator, may at any time retain the Trustee as its agent to perform any act, keep any records or accounts and make any computations that are required of the Plan Administrator, Delegatee or Trust Administrator by this Trust Agreement or by the Plan. The Trustee may be compensated for such retention and such retention shall not be deemed to be contrary to this Trust Agreement.

5.9 Distributions

The Trustee shall, from time to time, upon the written direction of the Plan Administrator or Delegatee, make distributions from the Assets of the Trust to the insurers, third party administrators, health care and welfare providers or other entities providing Plan benefits or services, or to the Employer for reimbursement of Plan benefits and expenses paid by the Employer in such manner in such form(s), in such amounts and for such purposes as may be specified in such directions.

In no event shall the Trustee have any responsibility respecting the application of such distributions, nor for determining or inquiring into whether such distributions are in accordance with the Employer's policies and/or applicable collective bargaining agreements.

ARTICLE VI

FIDUCIARY RESPONSIBILITIES

6.1 More Than One Fiduciary Capacity

Any one or more of the fiduciaries with respect to the Trust Agreement or the Trust may, to the extent required thereby or as directed by the Plan Administrator pursuant to this Trust Agreement, serve in more than one fiduciary capacity with respect to the Trust Agreement and the Trust.

6.2 Fiduciary Discharge of Duties

Except as otherwise provided by applicable law, each fiduciary shall discharge such fiduciary's duties with respect to the Trust Agreement and the Trust:

(a) solely in the interest of the Eligible Employees and for the exclusive purpose of providing post-employment health care and welfare benefits to Eligible Employees, and defraying reasonable administrative and actuarial expenses associated with providing such benefits; and

(b) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

6.3 Limitations on Fiduciary Responsibility

To the extent allowed by the laws of the state of each Employer:

No fiduciary shall be liable with respect to a breach of fiduciary duty by any other fiduciary if such breach was committed before such party became a fiduciary or after such party ceased to be a fiduciary.

No fiduciary shall be liable for a breach by another fiduciary except as provided by law.

No fiduciary shall be liable for carrying out a proper direction from another fiduciary, including refraining from taking an action in the absence of a proper direction from the other fiduciary possessing the authority and responsibility to make such a direction, which direction the fiduciary in good faith believes to be authorized and appropriate.

6.4 Indemnification of Trustee by Employer

The Trustee shall not be liable for, and Employer shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in 6.8 of this Trust Agreement), and hold the Trustee (including its officers, agents, employees

and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Employer's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.5 Indemnification of Employer by Trustee

The Employer shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify, defend (as set out in 6.8 of this Trust Agreement), and hold the Employer (including its officers, agents, employees and attorneys) and other Employers harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.6 Indemnification of Trustee by Trust Administrator

The Trustee shall not be liable for, and Trust Administrator shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trustee (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trust Administrator's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.7 Indemnification of Trust Administrator by Trustee

The Trust Administrator shall not be liable for, and Trustee shall (to the extent allowed by the laws of the state of each Employer) indemnify and hold the Trust Administrator (including its officers, agents, employees and attorneys) harmless from and against any claims, demands, loss, costs, expense or liability imposed on the indemnified party, including reasonable attorneys' fees and costs incurred by the indemnified party, arising as a result of Trustee's active or passive negligent act or omission or willful misconduct in the execution or performance of its duties under this Trust Agreement.

6.8 Indemnification Procedures

Promptly after receipt by an indemnified party of notice or receipt of a claim or the commencement of any action for which indemnification may be sought, the indemnified party will notify the indemnifying party in writing of the receipt or commencement thereof. When the indemnifying party has agreed to provide a defense as set out above that party shall assume the defense of such action

(including the employment of counsel, who shall be counsel reasonably satisfactory to such indemnitee) and the payment of expenses, insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the indemnifying party. Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the indemnifying party unless (i) the employment of such counsel has been specifically authorized by the indemnifying party or (ii) the named parties to any such action (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. The indemnifying party shall not be liable to indemnify any person for any settlement of any such action effected without the indemnifying party's consent. The indemnification procedures of this Trust Agreement shall survive the termination of the Trust, any Employer's participation in the Trust and/or this Trust Agreement.

6.9 No Joint and Several Liability

This document is not intended to and does not create any joint powers agreement or any joint and several liability. No Employer shall be responsible for any contributions, costs or distributions of any other Employer.

ARTICLE VII

AMENDMENT, TERMINATION AND MERGER

7.1 No Obligation to Continue Trust

Participation in the Trust and continuation of the Employer's policies and/or applicable collective bargaining agreements that provide post-employment health care and welfare benefits are not assumed as a contractual obligation of the Employer.

7.2 Amendment of Trust

(a) The Trust Agreement may be amended only by the approval of two-thirds (2/3) or more of the Employers then participating in the Trust. Any such amendment by the Employers shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators not less than one hundred and eighty (180) days before the effective date of such amendment; provided, however, that any party may waive in writing such 180-day requirement with respect to any amendment (and such waiver shall not constitute a waiver with respect to any other amendment); and provided, further, that a waiver in writing of such 180-day requirement by two-thirds (2/3) or more of the Plan Administrators of the Employers participating in the Trust as of the date the amendment is adopted shall constitute a waiver of such

180-day requirement by all of the Employers then participating in the Trust. In addition, the Trust Administrator or the Trustee shall have the right to amend this Trust Agreement from time to time (without the requirement of a vote of Employers) solely for the purpose of keeping the Trust Agreement in compliance with the Code and applicable state law. Any such amendment by the Trust Administrator or the Trustee shall be set forth in an instrument in writing and shall be delivered to the Trustee, the Trust Administrator and all Plan Administrators promptly as each is made.

(b) Any amendment of the Trust Agreement may be current, retroactive or prospective, provided, however, that no amendment shall:

(1) Cause the Assets of any Agency Account to be used for or diverted to purposes other than for the exclusive benefit of Eligible Employees of the applicable Employer or for the purpose of defraying the reasonable expenses of administering such Agency Account.

(2) Permit the Assets of any Agency Account to be used for the benefit of any other Employer.

7.3 Termination of Employer's Obligation to Provide OPEB

A termination of the Employer's obligation to provide OPEB pursuant to its policies and/or applicable collective bargaining agreements for which the Employer's Agency Account was established shall not, in itself, effect a termination of the Agency Account. Upon a termination of the Employer's obligation to provide OPEB pursuant to its policies and/or applicable collective bargaining agreements, the Assets of the Agency Account shall be distributed by the Trustee when directed by the Plan Administrator in accordance with this Section 7.3. From and after the date of such termination and until final distribution of the Assets, the Trustee shall continue to have all the powers provided herein as are necessary or expedient for the orderly liquidation and distribution of such Assets, and the Agency Account shall continue until the Assets have been completely distributed. Such Assets shall be used first to satisfy any remaining obligations of the Employer to provide OPEBs pursuant to its policies and/or applicable collective bargaining agreements (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in the Agency Account after giving effect to the foregoing sentence shall be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code.

7.4 Fund Recovery Based on Mistake of Fact

Except as hereinafter provided or in accordance with Section 7.3, the Assets of the Trust shall never inure to the benefit of the Employer. The Assets shall be

held for the exclusive purposes of providing post-employment health care and welfare benefits to Eligible Employees and defraying reasonable expenses of administering the Trust. However, in the case of a contribution which is made by an Employer because of a mistake of fact, that portion of the contribution relating to the mistake of fact (exclusive of any earnings or losses attributable thereto) may be returned to the Employer, provided such return occurs within two (2) years after discovery by the Employer of the mistake. If any repayment is payable to the Employer, then, as a condition to such repayment, and only if requested by Trustee, the Employer shall execute, acknowledge and deliver to the Trustee its written undertaking, in a form satisfactory to the Trustee, to indemnify, defend and hold the Trustee harmless from all claims, actions, demands or liabilities arising in connection with such repayment.

7.5 Termination of Trust

The Trust and this Trust Agreement may be terminated only by the unanimous agreement of all Employers. Such action must be in writing and delivered to the Trustee and Trust Administrator. Upon a termination of the Trust, the Assets of each Agency Account under the Trust shall be distributed by the Trustee when directed by the Plan Administrator for that Agency Account in accordance with this Section 7.5. From and after the date of such termination and until final distribution of the Assets, the Trustee shall continue to have all the powers provided herein with respect to each Agency Account as are necessary or expedient for the orderly liquidation and distribution of the Assets of such Agency Account, and the Agency Account shall continue until the Assets have been completely distributed. The Assets of each Agency Account shall be used first to satisfy any remaining obligations of the applicable Employer to provide OPEBs pursuant to its policies and/or applicable collective bargaining agreements (to the extent that such distribution constitutes the exercise of an "essential governmental function" within the meaning of Section 115 of the Code) and to satisfy any of such Employer's obligations under this Trust Agreement. Any Assets remaining in such Agency Account after giving effect to the foregoing sentence shall be paid to the Employer to the extent permitted by law and consistent with the requirements of Section 115 of the Code. In no case will the assets of the Trust be distributed on termination to an entity that is not a state, a political subdivision of a state or an entity the income of which is excluded from gross income under Section 115 of the Code.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Nonalienation

Eligible Employees do not have an interest in the Trust. Accordingly, the Trust shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of an Eligible Employee or any other party. Trust Assets shall not be subject to the claims of any Employer or the claims of its creditors.

8.2 Saving Clause

In the event any provision of this Trust Agreement is held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of the Trust Agreement, but this instrument shall be construed and enforced as if said provision had never been included.

8.3 Applicable Law

This Trust Agreement and the Trust shall be construed, administered and governed under the Code and the law of the State of California. To the extent any of the provisions of this Trust Agreement are inconsistent with the Code or applicable state law, the provisions of the Code or state law shall control. In the event, however, that any provision is susceptible to more than one interpretation, such interpretation shall be given thereto as is consistent with the Trust Agreement being a tax-exempt trust within the meaning of the Code.

8.4 Joinder of Parties

In any action or other judicial proceedings affecting this Trust Agreement, it shall be necessary to join as parties only the Trustee, the Plan Administrator or Delegatee. No participant or other persons having an interest in the Trust or any Agency Account shall be entitled to any notice or service of process unless otherwise required by law. Any judgment entered in such a proceeding or action shall be binding on all persons claiming under this Trust Agreement; provided, however, that nothing in this Trust Agreement shall be construed as to deprive a participant of such participant's right to seek adjudication of such participant's rights under applicable law.

8.5 Employment of Counsel

The Trustee may consult with legal counsel (who may be counsel for the Trustee, the Trust Administrator or any Employer) with respect to the interpretation of this Agreement or the Trustee's duties hereunder or with respect to any legal

proceedings or any questions of law and shall be entitled to take action or not to take action in good faith reliance on the advice of such counsel and charge the Trust and, as applicable, one or more Agency Accounts.

8.6 Gender and Number

Words used in the masculine, feminine or neuter gender shall each be deemed to refer to the other whenever the context so requires; and words used in the singular or plural number shall each be deemed to refer to the other whenever the context so requires.

8.7 Headings

Headings used in this Trust Agreement are inserted for convenience of reference only and any conflict between such headings and the text shall be resolved in favor of the text.

8.8 Counterparts

This Trust Agreement may be executed in an original and any number of counterparts by the Plan Administrator (executing an Adoption Agreement), the Trust Administrator and the Trustee, each of which shall be deemed to be an original of the one and the same instrument.

******** Signature Page Follows ********

IN WITNESS WHEREOF, the Plan Administrator (by executing the Adoption Agreement), the Trustee and the Trust Administrator have executed this restated Trust Agreement by their duly authorized agents on the dates set forth below their names, to be effective on May 16, 2007.

UNION BANK OF CALIFORNIA

"Trustee"

By: John Fulton
Signature

John Fulton
Typed or printed name

Its: Vice President

By: _____
Signature

_____
Typed or printed name

Its: _____

Date: 6/26/2007

PUBLIC AGENCY RETIREMENT SERVICES

"Trust Administrator"

By: _____
Signature

Daniel Johnson
Typed or printed name

Its: President

Date: 6/25/2007

UNION BANK OF CALIFORNIA
BUSINESS TRUST
COMPLIANCE APPROVAL

BY Brian [illegible]

DATE 6/26/2007

NB1:657192.8

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # MC-1

Santa Clara All-America City 2001

DATE: May 2, 2008

TO: City Manager for Council Information

FROM: Director of Planning & Inspection

SUBJECT: January 2008 City Population Data

The just-released data from the California Department of Finance (DOF) reports the City of Santa Clara's population as of January 1, 2008 as being 115,503 persons. This is a 1.3% increase over the State's currently-listed population for the City in January 2007 of 114,066.

According to DOF, Santa Clara County's total population in January 2008 was 1,837,075 persons, a 1.8% increase over the January 2007 County population of 1,805,314.

The State added 490,022 residents in 2007, a 1.3% increase, to total more than 38 million persons as of January 1, 2008.

Kevin L. Riley

Kevin L. Riley, AICP
Director of Planning & Inspection

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

S:\Planning\Facts&Data\Population\2008 Resident Population.doc

05-13-08

7D-1

Santa Clara All-America City 2001

CULTURAL ADVISORY COMMISSION

Minutes of the April 7, 2008 Meeting

Commissioners Present: Martin David, Chair; Debi Davis; Al Silva, Vice Chair; and P.J. Vaswani

Commissioners Absent: Michelle Castro, Marwan Fawal

Staff Liaison: Pam Morrison, Staff Liaison

Visitors: Lantz Warrick, Santa Clara Chorale; Sharon Kaye, Mission City Opera; Jim Narveson, Mission City Opera and Santa Clara Players; George Doeltz, Santa Clara Players; George Rivera, Chris Chang-Weeks, Jill Myers, Preston Metcalf, & Ester Fernandez, Triton Museum of Art

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MATTERS FOR COUNCIL ACTION – None.

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1. **Call to Order and Roll Call.** The meeting was called to order at 7:35 p.m. by Chair David. Commissioner Davis moved to excuse Commission Castro; Commissioner Silva seconded the motion and it passed unanimously. Commissioner Silva then moved to excuse Commissioner Fawal; Commissioner Vaswani seconded the motion and it passed unanimously.

2. **Approval of Minutes.** Approval of the minutes from the March 3, 2008 meeting was meeting was deferred until the May meeting, as the Commission did not have a quorum of members who were present at the March 3 meeting.

3. **Correspondence & Announcements**: Staff reviewed the correspondence received by the Commission, including an announcement from Americans for the Arts regarding its upcoming annual conference.

4. **New Business**

   a. **Santa Clara Players.** George Doeltz and Jim Narveson, representing the Santa Clara Players, presented a funding request for the Santa Clara Player's recent production "Faith County," which was budgeted in the 2007-08 fiscal year. Commissioner Silva moved to release payment of $1,500 to the Players; Commissioner Davis seconded the motion and it passed unanimously. The Commissioners congratulated the Players on making a modest profit on the production.

   b. **Presentations by Community-Based Organizations Requesting Funding for the 2008-09 Fiscal Year.** The Commission welcomed representatives from the Santa Clara Chorale, Triton Museum of Art, Santa Clara Players, Mission City Opera, and Santa Clara Ballet to apply for funding for fiscal year 2008-09. Each group made a brief presentation to the Commission. Final recommendations for Council's consideration will be made at the May meeting.

Community Group	Current Funding	2007-08 Request
Triton Museum[1]	295,000	304,800
Santa Clara Ballet	13,500	13,500
Santa Clara Chorale[2]	10,500	11,000
Santa Clara Players	6,000	6,000
Mission City Opera[3]	5,150	10,000
TOTALS	$330,150	$335,500

[1]The City Manager is recommending a 3.3% increase for the Triton Museum.

[2]Santa Clara Chorale is requesting a 4.6% increase.

[3]Mission City Opera is requesting a return to their funding level of fiscal year 2002-03, which would result in a 94% increase.

5. **Unfinished Business**
   a. **"Art in the Air" Banner Display 2008 – Update.** Staff noted that one artist had raised a concern over the language in the banner contract that required the artist to relinquish all copyrights associated with the banner artwork. Staff is working with the City Attorney's Office to revise the contract so that instead the City is granted an irrevocable license. Banners are scheduled for installation during the last week in April.
   b. **Street Dance 2008 Update.** No update.
   c. **Concerts in the Park 2008 Update.** One of the bands from 2007 contacted staff claiming that they had been promised a spot in the 2008 lineup. Commissioner Davis spoke with the band manager; the band will instead play during the 2009 concert season.
   d. **Triton Museum of Art – Report of Activities**. Commissioner Davis volunteered to serve as the Commission representative to the Triton monthly Board meetings. Staff will request to have her name added to the notification list.
6. **Commissioner Reports**. Commissioners reported on cultural activities of general interest.
7. **Public Presentations.** None.
8. **Adjournment.** As there was no further business, the meeting was adjourned at approximately 8:30 p.m. The next meeting is scheduled for Monday, May 5, 2008, at 7:30 p.m.

Respectfully submitted,

Pam Maurer

for Debi Davis for Michelle Castro
Recording Secretary

Meeting Date: 05-13-08

Santa Clara All-America City 2001

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7E-1

DATE: May 2, 2008

TO: City Manager for Council Action

FROM: Director of Planning and Inspection

SUBJECT: Special Permit Request to allow for a Bingo Event at St. Clare Parish School 725 Washington Street (PLN2008-07024)

EXECUTIVE SUMMARY:

The applicant, St. Clare Parish School, is requesting a Special Permit to conduct a two-day bingo event at 725 Washington Street on Saturday, May 31, 2008 from noon until 9:00pm and Sunday, June 1, 2008 from noon until 5:00pm during the school's community festival. The bingo event is a fundraiser for Parish programs including a scholarship fund. The Police Department has already reviewed this request and has no objections. Similar events have been held the last few years with no problem.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

None associated with this request.

ECONOMIC/FISCAL IMPACT:

There is no cost to the City other than administrative staff time and expense.

RECOMMENDATION:

That the Council approve this request for a Special Permit to allow for the use of the St. Clare Parish School located at 725 Washington Street (PLN2008-07024) for a Bingo event subject to the following conditions:

- This permit shall be for two days only, May 31, 2008 through June 1, 2008.
- The hours of bingo operation shall be from noon until 9pm on Saturday, May 31st and from noon until 5pm on Sunday, June 1st.
- This is a one-time approval for this year.

APPROVED:

Kevin L. Riley

Kevin L. Riley, AICP
Director of Planning and Inspection

Jennifer Sparacino

Jennifer Sparacino
City Manager

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Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7E-2

Santa Clara All-America City 2001

DATE: May 1, 2008

TO: City Manager for Council Action

FROM: Director of Planning and Inspection

SUBJECT: Special Permit for a One-day Outdoor Party at Club Savoy, 3546 Flora Vista Avenue (PLN2008 -07036)

EXECUTIVE SUMMARY:

The applicant, Ms. Barbara Hecker, owner of Club Savoy, 3546 Flora Vista Avenue, is requesting a Special Permit to hold an outdoor barbecue party in the Club Savoy parking lot on Sunday, June 15, 2008. The event is scheduled to have outdoor activity from 4:00 p.m. until 10:00 p.m. A similar event has been held the last few years. A courtesy notice of this Council review has been provided to property owners in the immediate vicinity due to noise complaints in 2003 and 2004; there were none filed with this office the last three years.

As per Alcohol Beverage Control requirements, the barbecue party area will be screened with a non-see through fence. Also, another fence will be placed to block access from the street and from the gas station to the south on El Camino Real. Parking is to be provided by agreement on the nearby shopping center.

Although there will be no live entertainment, the applicant does plan to have amplified music generated from the indoor stereo system. The speakers will be placed along the building wall and face away from the residential area and southward toward El Camino Real. An amplified music permit will be required.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

While no significant disadvantages of this short-term activity are identified, there is a possibility of disturbances on nearby residential properties in the evening hours. The parking issue could be mitigated with the usual agreement with the adjacent shopping center to provide parking.

ECONOMIC/FISCAL IMPACT:

There is no additional cost to the City other than staff time and expense.

RECOMMENDATION:

That the Council approve this request for a Special Permit to allow for a one-day outdoor party in the parking lot of the Club Savoy located at 3546 Flora Vista Avenue (PLN2008-07036), subject to the following conditions:

1. This permit shall be for one day only, June 15, 2008, from 4:00 p.m. until 10:00 p.m.
2. There shall be no outdoor activity after 10:00 p.m.
3. The applicant shall be required to obtain an Amplified Music permit from the Tax & License Department.

4. The applicant shall abide by all ABC regulations for one-day event.

5. The applicant shall supply screening of the event and security personnel.

6. The applicant shall enter into an agreement with the adjacent shopping center to provide off-street parking and shall provide staff with verification of the agreement prior to the event. Patrons shall be directed to the designated off-site parking to the maximum extent practicable.

7. At the conclusion of this event, and prior to opening on the next regular business day, the parking lot will be returned to its prior condition and made available for parking.

Kevin L. Riley

Kevin L. Riley, AICP
Director of Planning and Inspection

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

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I:\PLANNING\2008\SPERMIT\Club Savoy 3546 FloraVista agd rpt.doc

Meeting Date: 05-13-08

AGENDA REPORT

Agenda Item # 8A

Santa Clara

All-America City

2001

City of Santa Clara, California

DATE: May 7, 2008

TO: City Manager for Council Action

FROM: Director of Planning and Inspection

SUBJECT: Planning Commission Recommendation to Adopt Resolutions to Certify Environmental Impact Report (EIR) for the Marina Playa Residential Project, Approve the Rezone of 1331-1333 Lawrence Expressway from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development /Transit-Oriented Mixed Use), Approve the Tentative Map in connection with the development of the northerly 4.16-acre portion of the 7.36 acre property, Approve and Pass-to-print an Ordinance for a Development Agreement between the City of Santa Clara and BRE Properties and Taylor Morrison of California, LLC [CEQ2007-01049 (EIR/ SCH# 2007102131); PLN2005-05466 (Rezone-BRE); PLN2005-05506 (Rezone-TM); PLN2006-05737 (Tentative Map-TM); PLN2006-05736 (Lot Line Adjustment); PLN2006-05676 (Development Agreement)]

EXECUTIVE SUMMARY:

The Marina Playa Residential Project proposed by BRE Properties, Inc. (BRE) and Taylor Morrison of California, LLC (TM) will provide new single-family and multi-family housing within the City of Santa Clara. The applicant is requesting to rezone from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/ Transit-Oriented Mixed Use) to allow for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units, on the 7.36-acre site at the northeast corner of Lawrence Expressway and Granada Avenue. The project includes the demolition of 141,943 square feet of vacant office space located on the site. The boundary between the 2 parcels comprising this site will be altered through the Lot Line Adjustment process, to accommodate the development proposal by BRE known as "Santa Clara Crossings" (3.20 acres) and TM known as "Laurel Place II" (4.16 acres). The project as a whole is known as Marina Playa Residential Project. The entire site is currently designated Transit-Oriented Mixed Use in the City of Santa Clara General Plan.

The Planning Commission, after holding a public hearing on April 23, 2008, recommend that the Council Adopt Statement of Overriding Considerations, Certify the Environmental Impact Report; and approval of PD Rezoning to allow construction of 277 rental apartment units; PD Rezoning and Tentative Subdivision Map to allow construction of 63 residential units (57 single family, 6 multi-family residential lots), and Development Agreement to vest development rights, and Lot Line Adjustment to alter the parcel boundary.

Staff has received additional comments from the State Department of Transportation (DOT), and County Roads and Airports Department in response to comments provided in the FEIR. Copies of letters are attached to this agenda report. The letters do not identify new issues that were previously responded to in the FEIR. Also, the City does not normally charge traffic impact fees for residential development, unless there are items negotiated and added to the Development Agreement.

A newspaper notice of the Marina Playa Residential Project was provided for the Council hearing.

ADVANTAGES AND DISADVANTAGES OF ISSUE:
Approval of the project provides single-family and multi-family housing at an infill location near major transportation routes in the City. The project is also intended to achieve the City's land use and housing objectives, including: increasing the supply of rental housing and affordable housing, improving the jobs/ housing balance, converting the current underutilized commercial use of the site and encouraging transit-oriented development. This project will help the City meet its regional housing requirements.

ECONOMIC/FISCAL IMPACT:
The developer will make ten percent (10%) of the units in each project affordable to lower income households, and, as a condition of the Development Agreement, developer shall contribute a total of $200,000 to the City for off-site park improvements.

RECOMMENDATION:
That the Council, pursuant to Planning Commission recommendations, adopt Resolutions to: 1) Certify the EIR for the Marina Playa Residential Project; 2) Approve the Rezone of 1331-1333 Lawrence Expressway from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development /Transit-Oriented Mixed Use); 3) Approve and Pass-to-print an Ordinance for a Development Agreement between the City of Santa Clara and BRE Properties and Taylor Morrison of California, LLC for the Marina Playa Project; and 4) Approve the Tentative Map in connection with the development of the northerly 4.16-acre portion of the 7.36 acre property, subject to conditions.

APPROVED:

Kevin L. Riley, AICP
Director of Planning and Inspection

Jennifer Sparacino
City Manager

Documents related to this report:

1) ***Planning Commission staff report of April 23,2008***
2) ***Planning Commission Excerpt Minutes of April 23, 2008***
3) ***Final Environmental Impact Report***
4) ***EIR Resolution***
   - ***Exhibit A; Development Plan***
   - ***Exhibit B: The City of Santa Clara Findings Required under the California Environmental Quality Act and Statement of Overriding Considerations for the Approval of the Marina Playa Project Located at 1331 – 1333 Lawrence Expressway, Santa Clara***
   - ***Exhibit C: Mitigation Monitoring and Reporting Program***
5) ***Tentative Map Resolution***
   - ***Exhibit A: Development Plan***
   - ***Exhibit B: Tentative Map***
   - ***Exhibit C: Conditions of Approval for Tentative Map***
6) ***Rezoning Resolution***
   - ***Exhibit A: Development Plan***
7) ***Development Agreement Ordinance***
   - ***Exhibit A: Development Agreement***
8) ***Correspondence on FEIR Comments***
   - ***Department of Transportation Letter dated April 28, 2008***
   - ***County Roads and Airports Department E-mail dated May 5, 2008***
9) ***Correspondence from the public***
   - ***Tappan G. Merrick letter dated April 22, 2008 (distributed at the April 23, 2008 Planning Commission Hearing)***
   - ***Tappan G. Merrick letter dated May 7, 2008***

City of Santa Clara
PLANNING COMMISSION
Wednesday, April 23, 2008
7:00 P.M.
CITY COUNCIL CHAMBERS
MINUTES

10.	Files:	**PLN2005-05466 (Rezone-BRE); PLN2005-05506 (Rezone-TM); PLN2006-05737 (Tentative Map-TM); PLN2006-05736 (Lot Line Adjustment); PLN2006-05676 (Development Agreement); CEQ2007-01049 (EIR/ SCH#2007102131)**
	Location:	1331-1333 Lawrence Expressway, a 5.83-acre parcel at the northeast corner of Lawrence Expressway and Granada Avenue (APN 290-01-144 and 145). Property is zoned PD (Planned Development)
	Applicant/Owner:	BRE Properties / Taylor Morrison of California, LLC
	Request:	**Certify Final Environmental Impact Report (EIR);** **PD Rezoning** to allow construction of 277 rental apartment units; **PD Rezoning and Tentative Subdivision Map** to allow construction of 63 residential units (57 single family, 6 multi-family residential lots and one common lot); **Development Agreement** to vest development rights; **Lot Line Adjustment** to alter the parcel boundary
	Project Planner:	Yen Han Chen
	Staff Recommendation:	**Certify Final Environmental Impact Report (SCH#2007102131)** **Recommend Approval, subject to conditions**

Summary of Discussion

Yen Han Chen, Associate Planner, gave an overview of the request while showing visuals of the proposal and surrounding property. He described the Housing Element and General Plan housing density requirements. He noted the 2001 General Plan Housing Study identified this site, as #53, in the "Under-Utilized Sites Designated for Residential Development, January 1999-December 2010". The Site #53 comprised of 9.3 acres of which 2 acres was developed as Laurel Place 1. The 7.36 acres proposed development is the remainder of Site #53. Mr. Chen indicated that the proposed rental apartments units are not built to condominium standards. There is no proposal for future conversion to condominium apartments by the developer. Mr. Chen explained that the sewer study indicated the need for public works improvements. Mr. Chen requested an adjustment to the Development Agreement and Conditions of Approval to reflect updated cost and controls points and for orderly development.

Commissioner Champheny inquired whether comments from responding agencies on the EIR, specifically traffic were addressed. Mr. Chen described the City's process for comment and responses. He noted that traffic fees on residential projects are not collected unless there is an impact. Commissioner Chapheny inquired as to how the traffic numbers were calculated. Mr. Gary Black, City's traffic consultant, explained that there was no need to prepare a traffic impact analysis report because traffic from the project is less than that generated from the existing office development. Mr. Riley noted that the Congesting Management Agency proposes thresholds and that incidental growth is assumed the General Plan. Mr. Chen commented that the environmental report does include approved as well as proposed projects, including Santa Clara Square. Commissioner Stattenfield asked when does a vacant site loose credit of the prior use. Commissioner Sarodi commented that the prior use was Kaiser medical office and the residential project should be improvement in traffic. Ms. Painter described the

traffic methodology. Mr. Black noted that that the Lawrence Expressway and El Camino Real intersection is counted frequently. Commissioner O'Neill asked whether all proposed projects are included in the analysis. Mr. Riley noted analysis is not considered on projects when the traffic numbers do not exceed the threshold of 100 peak hour trips. Ms. Painter described cumulative analysis, and that the CMA does annual surveys of regional intersections. Commissioner Barcells noted his concerns over the cumulative effect of other projects proposed and anticipated to develop along the El Camino Real.

Mr. Don Reber from BRE Properties introduced their project team and presented a power point presentation. He gave an overview and history of BRE Properties. He then reviewed key project benefits, such as complying with the City's General Plan; helps fulfill city's housing goals, and providing a variety of housing types. He explained that the BRE portion of the project is to be LEED certified. Ms. Kyrynn Gianotti, from Taylor Morrison Homes, gave an overview and history of the company. She explained that the company was the developer for the Laurel Place I, and the proposed Laurel Place II is the same product type as in phase 1. Ms. Gianotti described the project and noted the project was less dense than Laurel Place 1.

Mr. Reber, explained that BRE / TM held a community meeting on April 1, 2008. In response to community concerns and comments, Mr. Reber noted parking for BRE was at 1.8 spaces per unit where the City requires 1.7 spaces per unit. He explained that Hexagon Consultants parking study confirmed there was sufficient parking for the development. Mr. Reber presented a comparison table for Traffic impacts between Santa Clara Square and Marina Playa Residential Projects. He noted that existing Laurel Place I is approximately 200 feet from the proposed rental complex, and that on site management would coordinate the garbage pickup and move-in activity. Commissioner Stattenfield noted that he attended the community meeting. Mr. Reber confirmed that BRE is not proposing to construct the project using pile driving which was a concern from the neighboring property owners. Mr. Reber explained the product mix for the affordable units is reflective the development. Ms. Gianotti noted that townhouse will be the below market rate housing, which is the approach approved for Laurel Place I.

Mr. Doug Hosking commended the developer in that the proposal is compatible with the neighborhood by using underground parking, lesser visual impact. He noted concerns on traffic and accident rates as noted by the CHP response to the Draft EIR. He commented on the safety of children at the site due to traffic. He also noted concerns on the suitability of applying Transit-Oriented Mixed Use standards. Mr. Hosking requested that wider notification and posting of environmental documents on the City's website.

Mr. John Reagan stated that the City of Sunnyvale's concerns on cumulative impacts were not adequately addressed. He also inquired as to why the CHP was not notified on Santa Clara Square development. Mr. Reagan noted he was notified for the Planning Commission, but not for the environmental report. He commented that Mr. Reber was cooperative in providing information on the project.

Commissioner Stattenfield asked for an explination as to why Transit-Oriented Mixed Use did not include a commercial/office component. Mr. Chen reviewed the TMU development standards. Mr. Riley described the concepts for TMU and the need to balance land uses, respecting existing neighborhoods and addressing traffic concerns. Commissioner O'Neill asked for better understanding between jurisdictions on regional issues.

Mr. Riley, responding to Commissioner Stattenfield, noted that the town homes as below market rate homes provide an entry-level affordable product. Commissioner's Fitch and O'Niell noted concerns that the townhouse affordable units were not dispersed throughout the site. Mr. Chen noted the original concept was to have an access road between Laurel Place I and II. There was no intention to set the affordable units back away from the rest of the development.

Commissioner Sarodi asked about quality of construction and materials used on the 6 plex town homes. Mr. Chen explained that there is no difference between the products except that the town homes will have tandem parking.

Commissioner Champeny commented on how they can look at this project separately from other proposed projects; and that the City should respond to other agencies to their satisfaction, and that an overall plan should be developed for proposed developments with options. Commissioner Barcells commented that he could not support the project. He stated that the 277 rental units were too much density. He recommended that the development be lowered in height, and the density lowered. Commissioner Sarodi noted concerns that State Agency were requesting traffic impact analysis, but is not opposed to the project.

Commission Action and Recommendations
It was moved by Commissioner Stattenfield, seconded by Commissioner Sarodi to recommend that City Council **Adopt Statement of Overriding Considerations, Certify the Environmental Impact Report; and approval of PD Rezoning** to allow construction of 277 rental apartment units; **PD Rezoning and Tentative Subdivision Map** to allow construction of 63 residential units (57 single family, 6 multi-family residential lots), **and Development Agreement** to vest development rights, **and Lot Line Adjustment** to alter the parcel boundary.

The motion was carried with Champeny, Fitch, O'neill, Saradi, and Stattenfield in favor with Barcells dissenting.

Mr. Riley advised those present that this project will be forwarded to the May 13, 2008 City Council for consideration.

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File:	**PLN2005-05466 (Rezone-BRE); PLN2005-05506 (Rezone-TM); PLN2006-05737 (Tentative Map-TM); PLN2006-05736 (Lot Line Adjustment); PLN2006-05676 (Development Agreement); CEQ2007-01049 (EIR/ SCH#2007102131)**
Location:	1331-1333 Lawrence Expressway, a 7.36-acre parcel at the northeast corner of Lawrence Expressway and Granada Avenue (APN 290-01-144 and 145). Property is zoned PD (Planned Development)
Applicants/Owners:	BRE Properties / Taylor Morrison of California, LLC
Request:	**Certify Final Environmental Impact Report (EIR);** **PD Rezoning** to allow construction of up to 277 rental apartment units; **PD Rezoning and Tentative Subdivision Map** to allow construction of up to 63 residential units (57 single family, 6 multi-family residential lots and one common lot); **Development Agreement** to vest development rights; **Lot Line Adjustment** to alter the parcel boundary to accommodate BRE development and Taylor Morrison development.
Project Planner:	Yen Han Chen, Associate Planner

Staff Recommendation: **Recommend Certification of the Final Environmental Impact Report and Approval of the Planned Development Rezoning, Tentative Map, and Development Agreement, subject to conditions**

PROJECT DESCRIPTION

The Marina Playa Residential Project proposed by BRE Properties, Inc. (BRE) and Taylor Morrison of California, LLC (TM) will provide new single-family and multi-family housing within the City of Santa Clara. The applicant is requesting to rezone from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/ Transit-Oriented Mixed Use) to allow for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units, on the 7.36-acre site at the northeast corner of Lawrence Expressway and Granada Avenue. The project includes the demolition of 141,943 square feet of vacant office space located on the site. The boundary between the 2 parcels comprising this site will be altered through the Lot Line Adjustment process, to accommodate the development proposal by BRE known as "Santa Clara Crossings" (3.20 acres) and TM known as "Laurel Place II" (4.16 acres). The project as a whole is known as Marina Playa Residential Project. The entire site is currently designated Transit-Oriented Mixed Use in the City of Santa Clara General Plan.

TM is proposing a Tentative Subdivision Map to allow construction of up to 63 residential units on the 4.16 acres (57 single family, 6 multi-family residential lots and one common lot). This application was accepted as complete by the Subdivision Committee on December 3, 2007, and will proceed to City Council concurrent with the Commission's recommendations on the rezoning.

BRE Development

BRE proposes to develop on the southerly portion of the site, which is currently developed with a three-story (approximately 40 feet in height), 47,000 square foot commercial office building, a

two-story 31,200 square foot commercial office building, and a surface parking lot. The project proposes to remove the existing buildings and parking lot and construct 277 multi-family residential units on the site. The apartment building will be four stories tall on a podium, with a maximum height of approximately 50-55 feet (including decorative architectural features) above the finished grade. The project proposes three studio units, 162 one-bedroom units and 112 two-bedroom units on 3.20 acres. The building will include two internal courtyards, one with a swimming pool and spa.

Two levels of parking will be provided under the building. The parking levels will be accessed from two driveways on Granada Avenue. The main entry will go straight into the parking structure. The secondary access will be provided on the eastern edge of the property along a 24-foot wide private roadway that will also serve for deliveries (and moving vans) and provide emergency vehicle access. There will be a total of 502 parking spaces for this site (at a parking ratio of 1.8 parking spaces per unit). Of the 502 parking spaces, 478 will be for residents and 70 will be for guests. The upper parking level will provide 260 parking spaces and the lower level will provide 242 parking spaces. Resident parking will have gated access inside the parking structure. Guest parking will be provided on the upper parking level. Guests will enter the parking structure through the main entry and 70 parking spaces will be provided in front of the gated resident parking area. The drive aisles in the parking structure will be 24-26 feet in width. The upper level of parking will be slightly below grade and the lower level will be below grade.

In addition to the proposed housing, the project includes antennas affixed to a 100-foot tall pole along the west property line, approximately 125 feet north of Granada Avenue. The antenna pole will be approximately 45 feet taller than the proposed buildings. The 100-foot tall pole is a replacement of an antenna affixed to the roof of one of the existing buildings on the project site.

TM Development

The proposed TM Development will be located immediately north of the BRE Development, on a 4.16-acre site that is currently developed with two two-story commercial office buildings. Each building is approximately 30,650 square feet in area and surrounded by surface parking. The project proposes to remove the existing vacant office buildings and parking lots and construct up to 57 single-family detached residential units and six attached townhouse units on the site. The 57 individual lots will range in size from approximately 1,802 square feet (53-ft by 34-ft) to approximately 1,961 square feet (53-ft by 37-ft). The common area for the townhouse lots is approximately 4,536 square feet (54-ft by 84-ft). The single-family units will be three stories tall with a two-car garage on the first floor and living space on the first, second and third floors. The townhouses will also be three stories tall with a two-car tandem garage on the first floor and living spaces of the first, second, and third floors. None of the residential unit driveways will be long enough to be used for parking. In addition to the two garage spaces for each unit, the site will include 18 parallel parking stalls along the main north-south interior drive. This north-south interior drive will have a total width of 43 feet, with nine foot wide parking lanes on both sides and a 25 foot wide two-way driveway. The remaining interior driveways will be 24 feet to 28 feet wide and will not include parking.

Access to the TM Development will be via a single driveway on the Lawrence Expressway off-ramp. The existing driveway off of Lawrence Expressway will be relocated approximately 50 feet south and will be reduced in width from 65 feet to 30 feet.

PRIOR ACTIONS

08/15/05: Pre-Application (PLN2005-05282)
11/18/05: Application received (PLN2005-05466 / PLN2005-05506)
06/05/07: General Plan Amendment#66 – Which Amends the Public Facilities and Services Element of the General Plan to recognize deficiencies in the Sanitary Sewer System and recommends improvements to address them.

12/03/07: Application deemed complete by Project Clearance/ Subdivision Committee
01/31/08: Draft Environmental Impact Report (DEIR) and Notice of Availability were circulated for 45-day review period.
04/11/08: Final Environmental Impact Report (FEIR) was circulated for 10-day review period.

CURRENT USE / ZONING / GENERAL PLAN
Current Use: Office Building Complex
Current Zoning: PD (OG) – Planned Development/General Office
General Plan Designation: The General Plan designates this site as Transit-Oriented Mixed Use (Twenty-six to 45 dwelling units per acre)

The General Plan Land Use Element states: "This designation is intended to encourage higher density residential development both in close proximity to multiple transit lines and in conjunction with commercial development."; "For sites with approximately an one-acre or larger lot, this designation is intended to encourage high quality mixed use development which includes residential uses, accessible separately from adjacent commercial or office uses."; and "Properties on which various uses, such as office, commercial, institutional and residential, are combined in a single building or on a single site in an integrated development project with significant functional interrelationship and a coherent physical design. A "single site" may include contiguous properties."

The 2001 General Plan Housing Study identified this site, #53, in the "Under-Utilized Sites Designated for Residential Development, January 1999-December 2010" as having a capacity of 335 reserved net units beyond 2010 time frame. The density envisioned for the entire site (9.29 acre) is around 36 dwelling units per acre. The density range for Transit Oriented Mixed Use is 26-45 dwelling units per acre.

NEARBY PROPERTIES Land Use and Zoning
North: Hotel and Restaurant, Zoned CT (Commercial Thoroughfare)
East: State Department of Motor Vehicles, Zoned B (Public); Residential Development, Zoned PD (Planned Development/ Residential)
South: Residential Uses, Zoned PD (Planned Development/ Residential)
West: Lawrence Expressway, Commercial Uses and Residential Development, Zoned CC (Community Commercial) and PD (Planned Development/Residential)

ENVIRONMENTAL DETERMINATION
Environmental consultants David J. Powers and Associates, Inc prepared a Draft Environmental Impact Report (DEIR). The DEIR and Notice of Availability were circulated and noticed on January 31,2008, for a 45-Day review period for public comment and closed on March 17, 2008, in accordance with California Environmental Quality Act (CEQA) requirements. The Planning Department received agency comments, in response to the DEIR, from the Department of California Highway Patrol, California Department of Transportation, Santa Clara County Roads and Airports Department, Santa Clara Valley Transportation Authority, and City of Sunnyvale.

A Final Environmental Impact Report (FEIR) was subsequently prepared that response to agency comments and was circulated for a 10-day review period, in accordance with CEQA, that closed on April 21, 2008. Copies of the DEIR, FEIR are available in the Planning Division office at City Call. The DEIR was provided in the Planning Commissions' February 13, 2008 packet. Copies of the FEIR are provided in April 23, 2008 Planning Commission packets.

The DEIR found that the proposed project would have a significant unavoidable long-term noise exposure impact that cannot be mitigated to a less than significant level if the project is implemented, because no feasible mitigation has been identified. The DEIR also identifies potential impacts to air quality, biological resources, geology and soils, hazardous materials,

hydrology and noise that with the incorporation of mitigation measures will be reduced to less than significant. A detailed discussion of the potential impacts and mitigation measures to be applied to the project are specified in the environmental document and are referenced in the project conditions of approval.

The proposed six-foot sound wall will not be sufficient to reduce the exterior noise level to an acceptable level for the seven houses that will be located along Lawrence Expressway. In addition, no mitigation is proposed to reduce the exterior noise level to an acceptable level for the balconies of the multi-family units with direct line of site or side view of Lawrence Expressway. The project will have a significant unavoidable long-term noise exposure impact.

In considering a project, CEQA requires the decision makers to balance economic, legal, social and technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. To approve a project that has a significant unavoidable environmental impact, the decision makers must make findings, supported by substantial evidence, that the specific economic, legal, social, technological or other benefits of a proposed project outweigh the unavoidable environmental affects.

With respect to this project the objective is to provide single-family and multi-family housing at an infill location near major transportation routes in the City. The project is also intended to achieve the City's land use and housing objectives, including: increasing the supply of rental housing and affordable housing, improving the jobs/housing balance, converting the current underutilized commercial use of the site, and encouraging transit-oriented development. This project would help the city meet its regional housing requirements. As balconies are generally used only for brief intervals and residents will have access to other outdoor common use areas, the benefit of providing more single-family and multi-family housing at an infill location near major transportation routes that will increase the supply of housing and improve the jobs/housing balance outweighs the environmental impact.

CONSISTENCY WITH DESIGN GUIDELINES

The typical single-family residence in Santa Clara is a one or two story structure. A single or double car driveway occupies a minor portion of a well-landscaped front yard area. A substantial private rear yard recreational area is typical. The orientation of the units is directed toward the street by means of a prominent porch or front entry. Front yard and all street front landscaping areas, including landscape areas within the public right-of-way, should be planted to partially screen parking areas and enhance the attractiveness of the streetscape.

The proposed TM project will be three stories tall including parking. This is acceptable in Mixed-Use area where there are no adjacent single-family properties. The immediate adjacent residential development to the east is of similar design and scale (Laurel Place I). An existing 8-foot tall masonry wall separates the two properties (Laurel Place I & II). The proposed development features usable open space area per unit, private balconies, concrete tile roofs, stucco siding, and other architectural detailing help to articulate the individual units. The units will provide private rear yard depth of ranging from 10 feet to12.5 feet. The TM project proposes to construct a six-foot sound wall along Lawrence Expressway off-ramp. The Design Guidelines call for typical private recreational areas to be approximately 10 by 15 feet (150 square feet).

The construction of the proposed BRE project will incrementally alter the visual character of this site by building a four-story apartment complex. The apartment complex will replace the existing two-to three-story office buildings. The proposed apartment complex will be taller than the nearby buildings, but is still within the scale of the existing neighborhood.

In order for the project to be consistent with the City of Santa Clara's Design Guidelines, the following enhancements should be included in to the project design: Landscape designs should

complement building, pedestrian and driveway entrances. Front yard and all street front landscaping areas, including landscape areas within the public right-of-way, should be planted to partially screen parking areas and enhance the attractiveness of the streetscape.

The proposed rental apartment is designed to obtain LEED certification - a sustainable building practice that promotes energy conservation in design, materials and use. The single-family and multi-family unit development is proposing to have energy and environmental design elements integrated into their product (GreenPoints Checklist).

Exterior signage, which includes the name of the developments, leasing and marketing information, shall complement the design of the building and landscaping. The conceptual signage package includes signs at the entranceways to the developments and at the corner of Lawrence Expressway and Granada. The proposed zone change would allow imaginative planning and design concepts to be utilized, including signage that would otherwise be restricted in other zoning districts by design, size, height or setback. The City's Architectural Committee in approving a comprehensive signage program looks for consistency and elements complementary to the building architecture and landscape.

The project proposes to remove all but four of the existing trees on the project site. Three of the trees to be retained are very large, healthy redwoods located along Granada Avenue. The other tree to be saved is an Oak tree fronting Lawrence Expressway. The City's Design Guidelines call for minimum twenty-four (24) or thirty-six (36) inch box to replace mature trees which has been or is proposed to be removed. The concept landscape drawings are included in the development package.

Should the project be approved by City Council, the project will be scheduled for Architectural Committee review of site design, building architecture, landscaping design and sign program.

STAFF REPORT – April 23, 2008

Public Input: *The notice of public hearing for this item was posted within 300 feet of the site and was mailed to property owners within 300 feet. The following comments have been received as of the preparation of this report:*

- Public agency comments have been submitted in response to the DEIR and have been responded to in the FEIR.
- BRE provided a comment letter dated March 12, 2008, on the Draft Environmental Impact Report requesting that acoustically effective balcony railings not be required as a mitigation measure. The letter and supporting documents are attached to this report for review.
- BRE and TM on April 1, 2008, held an informational meeting at Santa Clara City Library to introduce the project proposal to surrounding neighborhood. Approximately 25 persons were in attendance for the presentation.
- City of Sunnyvale submitted a letter dated April 17, 2008, on the Marina Playa Project Final Environmental Impact Report. That letter is attached to this report for your review.

Considerations: *The following general factors may be considered in evaluating this request. Some of these factors may represent evidence or facts that may directly support or refute the findings necessary to support this request:*

- The General plan Transit-Oriented Mixed Use designation is intended to encourage higher density residential development both in close proximity to multiple transit lines and in conjunction with commercial development or redevelopment, and major transportation corridors.
- The City is encouraging new housing opportunities where appropriate.
- The vacant 4 office buildings, with a total of 141,943 square feet and 473 parking spaces have fallen under disrepair. The developer is proposing to demolish the buildings and all site improvements once entitlements are secured.

- The TM development proposes two covered spaces per unit with 18 guest parking spaces. The City's requirements for this type of residential development is to provide at least ten percent (10%) of the required spaces to be conveniently arranged and assigned to visitors and the general use of the residents. The TM project proposes 18 parking spaces where 13 are required by ordinance.
- The detached TM units provide for 20 feet by 20 feet garage parking spaces, except for Plan Two – where the garage dimension is 20.5 feet by 19.75 feet.
- The detached TM units are approximately 35 feet in height.
- The attached TM units will satisfy the two covered parking requirement via tandem parking arrangement – approximately 37 feet 9 inches by 11 feet 5-1/2 inches.
- The attached TM units are approximately 36 feet in height.
- The proposed BRE development meets the City's parking requirement based on Section 18.22.140(j) of the City's zoning ordinance: a Transit Oriented Mixed Use development requires one parking space per studio unit, 1.5 parking spaces per one-bedroom unit, and 2.0 parking spaces per two-bedroom or larger units.
- The BRE development proposes 502 parking spaces, which equates to a parking ratio of 1.8 residential parking spaces per unit. The 502 spaces include 70 guest parking spaces that will be separated from the resident parking by a security gate.
- The Institute of Transportation Engineers (ITE) Parking Generation publication estimates parking demand for this type of development at 1.52 parking spaces per unit. Additional analysis by *Hexagon Transportation Consultants* of comparable existing developments in the Bay Area showed the highest parking demand at 1.65 spaces per dwelling unit.

Alternatives to the Proposal: *The following alternative measures or possible changes to the project may achieve the project goals to some degree and/or result in a lesser impact than the project proposal, and may be but are not necessarily recommended by staff.*

- CEQA requires that an EIR identify alternatives to the project as proposed. Per CEQA Guidelines, the EIR must identify alternatives that "would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project". The significant impact identified in the EIR as resulting from the proposed project is exposure to high ambient noise levels. These alternatives include: No Project Alternative, Reduced Density Alternative, Alternative Sound Wall Design, and Combined Reduced density/sound wall Design Alternative. A detailed discussion of the project alternatives is provided in the EIR for review.

FINDINGS REQUIRED TO SUPPORT THE REQUEST

Findings provide a means to link the available evidence with the decision to approve or deny the application. If this request is favorably considered, the preponderance of evidence should support the following or similar findings to approve the rezoning request. The following evidence and facts provide a basis for the recommendation/action on this request:

a) The existing zoning is inappropriate or inequitable.
b) The proposed zone change will conserve property values; protect or improve the existing character and stability of the area in question; and will promote the orderly and beneficial development of such area.
c) The proposed zone change is required by public necessity, public convenience, or the general welfare of the City.
d) The proposed zone change would allow imaginative planning and design concepts to be utilized for that would otherwise be restricted in other zoning districts.

Evidence/Facts Related to the Required Findings: *The following evidence and facts provide a basis for the recommendation/action on this request:*

- The 2001 General Plan Housing Study identified this site, #53 (9.29-acres of land), in the "Under-Utilized Sites Designated for Residential Development, January 1999-December 2010" as having a potential capacity of 335 reserved net units beyond 2010 time frame. The

proposed zone change from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/ Transit-Oriented Mixed Use) is necessary to allow for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units on the 7.3-acres of land. The adjacent 2-acres (remainder of the 9.29-arcres) was developed in 2004 with 36 units. The combined total of 376 units on the 9.29-acres is approximately 40 dwelling units per acre. The density range for Transit Oriented Mixed Use is 26-45 dwelling units per acre.

- The project is consistent with the General Plan Transit-Oriented Mixed Use designation. This project locates higher density residential development in close proximity to multiple transit lines, commercial uses and major transportation corridors. The proposed zone change and associated Development Agreement would allow for the phased development of the residential project with associated parking, site circulation, access, landscape and site improvements. Therefore, the proposed zone change is required by public necessity, public convenience, and general welfare of the City.
- The purpose of the PD Zoning District is to provide opportunities for multiple residential uses such as townhouses, condominiums, and other multi-dwelling structures, in a mix of individual and common ownership arrangements that differ from traditional and familiar patterns of housing in the City of Santa Clara.
- The BRE project is a proposed development of up to 277 apartment units with at least 10% being classified as "affordable" for lower income households.
- The TM project is a proposed development of up to 57 single-family detached houses and, 6 attached townhouses, which will be available for "moderate" income households, plus the applicant proposes to pay in-lieu fraction fee to meet the City's 10-percent affordability requirement.
- The proposed zone change will conserve property values; protect or improve the existing character and stability of the project area; and will promote the orderly and beneficial development of such area. The project site is located in an urbanized area served by municipal services and is presently vacant. The proposed development is compatible in use with residential and commercial uses surrounding the site. The physical development of the project site would improve the parcels and create additional housing units in the City.
- The proposed zone change would allow imaginative planning and design concepts to be utilized that would otherwise be restricted in other zoning districts. The zone change would allow flexibility in the development standards associated with building heights, yard areas, setbacks, parking and signage.
- The proposed rental apartment is designed to obtain LEED certification, a sustainable building practice that promotes energy conservation in design, materials and use. The single-family and multi-family units development is proposing to have energy and environmental design elements integrated into their product (GreenPoints Checklist).
- A DEIR and FEIR were prepared and circulated in accordance with CEQA requirements.
- The project will be bound by a Development Agreement, which includes project conditions of rezoning approval, and project Conditions, Covenants and Restrictions (CC&Rs).

STAFF RECOMMENDATION – April 23, 2008

Recommend that the Planning Commission make the necessary findings, based upon the evidence articulated above and as may be provided through the public hearing **recommend certification** of the Final Environmental Impact report for the Marina Playa Residential Project, and **recommend approval** of the rezoning designation of the project site from the PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/ Transit-Oriented Mixed Use), and **recommend** approval of the Tentative Map for the TM project, and **recommend approval** of the Development Agreement to vest development rights and construct a phased development project, subject to conditions.

In order to approve the Tentative Subdivision Map, the City Council must find that:

1. The proposed map is consistent with the general plan, any applicable specific plans, and any applicable provisions of the Santa Clara Municipal Code .
2. The design and improvements of the proposed subdivision are consistent with general plan and any applicable specific plans.
3. The site is physically suitable for the proposed type of development.
4. The site is physically suitable for the proposed density of development.
5. The design of the subdivision and type of improvements are not likely to cause serious health problems.
6. The design of the subdivision and proposed improvements are not likely to cause substantial environmental damage and will not substantially or unavoidably injure fish or wildlife or their habitat or that an environmental impact report was prepared with respect to the project and there are specific economic, social or other considerations that make infeasible the mitigation measures and project alternatives identified in the environmental impact report.
7. The design of the subdivision and type of improvements will not conflict with easements acquired by the public at large, for access through or use of, property within the proposed subdivision.

It is recommended that the City Council accept on behalf of the City all dedications required as conditions of approval given to the Tentative Subdivision Map and that the City Clerk be authorized to so state on the Final Map prior to recordation.

RECOMMENDED CONDITIONS OF APPROVAL

In the event that this request is favorably considered, it is recommended that the Planning Commission apply the following recommended conditions of approval. In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval are recommended:

GENERAL

1. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
2. In accordance with Code Section 17.15.250, the first of Developer or other planned construction project to be served by the Westside Sewer Improvements shall design and construct, prior to occupancy, the Westside Sewer Improvements and be reimbursed by the City the amount noted herein towards the total cost of the Westside Sewer Improvements as the Sanitary Sewer Outlet Charge – Conveyance Fee ("Conveyance Fee") is collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements.

   If and only if Developer designs and constructs the Westside Sewer Improvements, the following shall apply:

   a. In accordance with Code Section 17.15.250, the total reimbursement to the Developer from the City for the total cost of the West Side Sewer Improvements shall not exceed ~~$1,276,000.00~~ $1,429,120.00. The reimbursement to the Developer for the Westside Sewer Improvements shall commence after the City has accepted the Westside Sewer Improvements and the Developer has submitted to the City complete detailed documentation evidencing the total cost of the Westside Sewer Improvements.
   b. The Conveyance Fee to be paid by the Developer shall be $2,700.00 per dwelling unit.

c. If the parallel sanitary sewer line along with the rehabilitation of the existing sanitary sewer line is the option chosen, the parallel line must be completed and accepted by the City prior to occupancy of the Development (T-M or BRE). Once the City accepts the parallel sanitary sewer line, T-M may start occupancy.

ENGINEERING

3. Obtain site clearance through Engineering Department prior to issuance of building permit. Site clearance will require payment of applicable development fees. Other requirements may be identified for compliance during the site clearance process.

4. All work within the public right-of-way, which is to be performed by the Developer/Owner, the general contractor, and all subcontractors shall be included within a **Single Street Opening Permit** issued by the City Engineering Department. Issuance of the Street Opening Permit and payment of all appropriate fees shall be completed prior to commencement of work, and all work under the permit shall be completed prior to issuance of occupancy permit.

5. Obtain approval and permit from the County for work within Lawrence Expressway. Any change in access on the Lawrence Expressway off-ramp will require County approvals and permits.

6. Unused driveways in the public right-of-way shall be replaced with City standard curb, gutter, and sidewalk.

7. Damaged curb, gutter, and sidewalk within the public right-of-way along property's frontage shall be repaired or replaced (to the nearest score mark) in a manner acceptable to the City Engineer or his designee. The extents of said repair or replacement within the property frontage shall be at the discretion of the City Engineer or his designee.

8. Visual obstructions over three feet in height will not be allowed within the driver's sight triangle near driveways and corners in order to allow an unobstructed view of oncoming traffic. Contact Traffic Engineering at (408) 615-3000 for further information.

9. Construct driveways in the public right-of-way to City commercial type standards. Any proposed non-standard driveway will require approval of the City Engineer and the Developer's execution of an agreement to maintain the driveway.

10. Parking will be prohibited on Granada Avenue within 25 feet of each of the two driveways on Granada Avenue.

11. Developer shall complete the Westside Sewer Improvements in accordance with either a or b below, as determined by the Director of Public Works:

    a. (1) Replace the existing 10" VCP with a new 12" VCP on the south side of El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) replace the existing 10" VCP with a new 15" VCP on the south side of El Camino Real from Pomeroy Avenue to Calabazas Creek, and (3) reconnect the existing sanitary sewer laterals to the new 12" VCP and 15" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.
    b. (1) Construct a new 12" VCP in El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) construct a new 15" VCP in El Camino Real from Pomeroy Avenue to Calabazas Creek, (3) rehabilitate (i.e. use "slipline", "cured-in-place pipe", etc.) the existing 10" VCP on the south side of El Camino Real from Flora Vista to Calabazas

Creek, and (4) reconnect the existing sanitary sewer laterals to the rehabilitated 10" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

12. Obtain approval and permit from the Caltrans for work within El Camino Real.

13. Developer to provide a complete storm drain study for the 10-year and 100-year storm events. The grading plans shall include the overland release for the 100-year storm event and any localized flooding areas. System improvements, if needed, will be at Developer's expense.

14. Drainage water shall be pumped to an on-site (private) storm drain structure (e.g., manhole or catch basin) and then gravity flow to the City's storm drain system. Storm drain backflow prevention devices are required; these devices shall be placed outside the public right-of-way and shall be maintained by the property owners.

15. All private street signs shall be installed on private property (not in the public right-of-way), be similar in size and shape as shown in the City's Standard Detail TR-1, have a brown background with white lettering, and shall have the wording "Private Street" on the face.

16. Prior to start of construction obtain Council approval of a resolution ordering vacation of easements proposed to be abandoned, through the Engineering Department.

17. Taylor Morrison is to cause a Final Map to be recorded for the Taylor Morrison Homes development.

18. After City Council approval of Tentative Subdivision Map, submit 12 copies of Final Map, prepared by a Licensed Land Surveyor or a Registered Civil Engineer with Land Surveyor privileges to the Engineering Department. The submittal shall include a title report, closure calculations, and all appropriate fees. Final Map must be approved by City Council and recorded by Developer prior to building permit issuance.

ELECTRIC

19. Prior to submitting any project for Electric Department review, applicant shall provide a site plan showing all existing utilities, structures, easements and trees. Applicant shall also include a "Load Survey" form showing all current and proposed electric loads. A new customer with a load of 500KVA or greater or 100 residential units will have to fill out a "Service Investigation Form" and submit this form to the Electric Planning Department for review by the Electric Planning Engineer. Silicon Valley Power will do exact design of required substructures after plans are submitted for building permits.

20. Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.

21. Electric service shall be underground. See Electric Department Rules and Regulations for available services.

22. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter 17.15.050.

23. Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G6 and MS-G7.

24. Developer shall grant to the City, without cost, all easements and/or right of way necessary for serving the property of the Developer and for the installation of utilities (Santa Clara City Code chapter 17.15.110).

25. All electric meters and services disconnects shall be grouped at one location, outside of the building or in a utility room accessible directly from the outside. A double hasp locking arrangement shall be provided on the main switchboard door(s). Utility room door(s) shall have a double hasp locking arrangement or a lock box shall be provided. Utility room door(s) shall not be alarmed.

26. City Electric Department transformer pads require an area of 17' x 16'-2", which is clear of all utilities, trees, walls, etc. This area includes a 5'-0" area away from the actual transformer pad. This area in front of the transformer may be reduced from a 8'-0" apron to a 3'-0", providing the apron is back of a 5'-0" min. wide sidewalk. Transformer pad must be a minimum of 10'-0 from all doors and windows, and shall be located next to a level, drivable area that will support a large crane or truck.

27. All trees, existing and proposed, shall be a minimum of five (5) feet from any existing or proposed Electric Department facilities. Existing trees in conflict will have to be removed. Trees shall not be planted in PUE's or electric easements.

28. Any relocation of existing electric facilities shall be at Developer's expense.

29. Electric Load Increase fees may be applicable.

30. Developer shall provide the City, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the City shall accept the work. Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect a customer to the electrical supply system of and by the City. After completion of the facilities installed by Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system (Santa Clara City Code chapter 17.15.210 (2)).

31. Electrical improvements (including underground electrical conduits on properties frontage) may be required if any private single improvement valued at $50,000 or more or any series of private improvements made within a three-year period valued at $50,000 or more in conjunction with a use, variance, or moving permit. Also may be required if any single private improvement valued at $80,000 or more or any series of private improvements made within a three-year period valued at $80,000 or more in conjunction with a building permit (Santa Clara City Code Title 17 Appendix A (Table III)).

32. Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering

Division. A Generating Facility Interconnection Application must be submitted with building permit plans. Review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written authorization from SVP Electric Engineering Division.

33. Developer is advised to contact SVP (CSC Electric Department) to obtain specific design and utility requirements that are required for building permit review/approval submittal. Please contact Leonard Buttitta at 408-261-5469 after development of site plan, to facilitate plan review.

WATER

34. All on-site water distribution facilities for the BRE-Properties Development shall be private and shall be maintained by owner or property owner's association. Water needs shall be served by a master meter(s) at the public street right-of-way. A public water distribution main, to be provided, for the Taylor Morrison Homes Development will cross the BRE-Properties Development within either a water easement or a public utility easement.

35. All sanitary sewer lateral(s), either proposed or existing, shall be equipped with a clean-out at the property line.

36. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

37. Landscaping irrigation water needs shall be provided by a separate water services if the total landscaped area exceeds 2,500 square feet.

38. While the City is taking due diligence in maintaining its facilities, the City shall not be held liable for water damages to the property with depressed grade features in the event of public water main breaks. If the Developer elects to proceed with the depressed grade parking feature for the development, adequate hold harmless clause must be provided to the City in the HOA's CC and Rs (or other means deemed necessary) as directed by the City.

39. If multiple fire services are required, backflow prevention is required on any required fire service connection at the Developer's expense.

40. If additional water service(s) is required, backflow prevention will be required on all existing and new water services at the Developer's expense.

FIRE

Occupancy Classifications:

41. State the occupancy classification in accordance with the Uniform Building Code for each building or areas.

Fire Department Emergency Access:

42. Approved fire apparatus access roads (public/private) shall be established and maintained to within 150 feet of all exterior walls of any building. Since access to the North and West side of Santa Clara Crossings apartment building will have trees planted along the sides, plans for landscape shall be reviewed and approved by the Fire Dept. prior to permit issuance.

43. Approved fire apparatus access roads shall have a minimum 20-foot width, have a minimum 13 ½-foot vertical clearances and have a minimum 36-foot inside turning radius.

44. Dead-end fire apparatus access roads that exceed 150-feet in length shall be provided with a 75-foot diameter vehicle turnaround or an approved hammerhead turnaround (incorporating the minimum 36-foot inside turning radius).

45. Adjacent private emergency access roads from lands adjoining a property required to have access shall not be considered unless such access is designated as a "shared Emergency Access Easement" (E.A.E.).

46. A Knox box shall be installed for gate at controlled ingress and egress between Laurel Place II and Santa Clara Crossing.

Water Supply:

47. Private fire hydrants and mains capable of supplying the required fire flow shall be installed when any portion of the building protected is in excess of 150 feet from a water supply on a public street. Fire hydrant distribution shall be in accordance with Table IIIA of the California Fire Code. Determine the number and spacing based on floor area and type of building construction.

48. Underground fire service mains are required. Submit separate plans, fees and fire flow calculations to the Fire Department for separate review and permit. Each parcel or building may require separate fire service. NOTE: Stamped and wet signed Civil drawings shall be submitted in conjunction with shop quality drawings by the installing "A" or "C-16" licensed contractor.

49. **Santa Clara Crossings**: **Interior courtyards that limit our accessibility will require horizontal standpipes (wharf hydrants - each shall have two 2-1/2 inch outlets) that are augmented by each building's fire sprinkler/standpipe system FDC to boost the city water pressure via fire apparatus.** Incorporate these criteria with the Underground fire service permit submittal for each building.

50. **Santa Clara Crossings**: Vertical standpipes shall be provided for building four or more stories in height.

51. **Santa Clara Crossings**: FDC and PIV shall be located on the street fronting each building. The FDC shall not supplement/charge/pressurize the private fire service main, but only the building's sprinkler/standpipe/wharf hydrant system it serves. The FDC shall be located within 50 feet of a fire hydrant, plus on the same side of the road as the fire hydrant(s). FDC's shall not be for the private fire service and its private fire hydrants. **NOTE: The FDC and PIV shall be located a minimum of 40 feet from a building.**

52. **Santa Clara Crossings**: In private underground piping systems, any dead end pipe, which supplies both sprinklers and hydrants, shall be not less than eight (8) inches in diameter.

53. **Provide sprinklers for the 6 attached multi family dwelling units at Laurel Place II.**

54. **Laurel Place II: Relocate fire hydrant at lot 56 to lot 49 (Public hydrant).**

Required Fire Protections/ Detection Systems and Equipment:

55. An automatic fire sprinkler system is required for all new buildings where the total floor area exceeds 10,000 square feet (a separate Fire Department permit is required for the

sprinkler system). Sprinkler main drain test valves shall discharge to the sanitary sewer system (via an indirect connection) or shall discharge onto a landscape area of sufficient size.

56. A fire alarm system shall be provided in accordance with the Fire Code.

Dumpster Storage:

57. Rubbish containers: Containers that are 1.5 cubic yards (40.5 cubic feet) or more shall not be stored in buildings or placed within 5 feet of combustible walls, openings, property lines or combustible roof eave lines unless protected by approved fire sprinklers (UFC 1103.2.2). If a roof over the trash enclosure is to be provided, then it shall be of non-combustible construction.

Fire Safety During Construction:

58. At the time of permit application, submit a construction "Fire Safety Plan" to the Fire Department for review and approval. The "Fire Safety Plan" shall address fire protection (i.e., access roads, water mains, on-site fire hydrants, fire extinguishers and standpipes) be installed and made serviceable prior to the time of construction. Include in the safety plan the location of fire extinguishers, fire hydrants (public and private), storage of combustible construction materials, propane tanks, and "NO SMOKING" signs. Plus the Safety plan shall address the how the following items will be used: temporary heating devices, temporary electrical wiring, cutting/welding and other open-flame devices (CFC 8703; 901.3; 903.2 & 8700). See "Standards for Construction Site Fire Safety" handout or website at www.unidocs.org/fire

Fire Department Notes (Required on plans/ drawings at the time of application):

59. At the time of Building Permit application, submit Civil Drawings that denote existing and proposed locations of fire hydrants, underground sectional valves, Fire Department connections and post indicator valves for fire department review and approval.

60. Prior to combustible materials being brought onto the site, approved fire apparatus access roads shall be constructed. These shall be capable of supporting the imposed fire apparatus load (70,000 lbs.) and have a FD approved all-weather driving surface.

61. Construction materials shall not obstruct access roads, access to buildings, hydrants or fire appliances.

62. Combustible construction in excess of 100 feet from the street shall not commence until emergency access roads; underground fire service lines and permanent on-site hydrants are in service and have been tested, flushed and approved by the Fire Department.

63. During construction of a building and until permanent fire-extinguishers have been installed, portable fire extinguishers are required within 50 feet travel distance to any part of the building in accordance with section 8704.4.2 of the 2001 California Fire Code and the Santa Clara Municipal Fire and Environmental Code.

64. General Permit through the State shall be adhered to regarding non-point source issues on construction sites (i.e., prevention of paints, debris, etc. from going down storm drains).

65. Internal-combustion-powered construction equipment shall be used as follows:
    a. Equipment shall not be refueled while in operation.
    b. Exhausts shall be piped to the outside of the building.

POLICE

66. Provide a minimum illumination of one-foot candle in carport, parking areas and in all common pedestrian or landscaped areas of the development. The illumination should be deployed in fixtures that are both weather and vandal resistant.

67. Address numbers of the individual units shall be clearly visible from the street and shall be a minimum of six (6) inches in height and of a color contrasting with the background material. Numbers shall be illuminated during the hours of darkness. Individual apartment numbers shall be a minimum of six (6) inches in height and a color contrasting to the background material and either visible from the street or from the center area of the project. Where multiple units/buildings occupy the same property, unit/building address shall be clearly visible. A monument sign, preferably at all dedicated entrances to the property, shall be prominently displayed, showing all unit/building numbers, addresses, etc. A map is recommended for large complexes with multiple streets or walkways.

68. All construction of dwelling units shall conform to the requirements of the Uniform Building Security Code as adopted by the City of Santa Clara City Council.

69. A Knox Box or Coded Entry System is required for Police access to enclosed parking lots and gated communities.

70. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

71. Any required enclosure fencing (trash area, utility equipment, etc.) if not see through, should have a six (6) inches opening along the bottom for clear visibility. Any gates or access doors to these enclosures should be locked.

72. There shall be positioned near the entrance an illustrative diagram of the complex, which shows the location of the viewer and unit designations within the complex including separate building designations. This diagram shall be illuminated and should be protected by vandal resistant covers.

73. The parking structure, including ramps, corners and entrances, should be illuminated at a minimum of 5-foot candles at all hours.

74. The parking structure/site should be equipped with emergency telephones.

75. All entrances to parking areas (surface, structure, sub-terranean, etc.) should be posted with appropriate signage to discourage trespassing, unauthorized parking, etc. (See California Vehicle Code Section 22658(a) for guidance).

76. The 'Parking Structure & Parking Lot Security' recommendations provided to applicant should be considered, with applicable provisions implemented.

77. The 'Multiresidential Security Guidelines' provided to applicant should be considered, with applicable provisions implemented.

STREET

78. Submit copy of complete landscape and automatic irrigation plans for review and comment by City staff. Plans are to include all existing trees with 4" or larger diameter (measured 30" above ground) on development property and adjacent property if they may be

impacted. Trees are to be correctly labeled with specie name and correctly plotted as to exact location on the plans. Trees are to be noted as to whether they are proposed to be saved or removed. City tree preservation specifications are to be included on all plans where existing trees are to be saved during construction. A copy of these specifications can be obtained from the City Arborist at 408-615-3080.

79. Developer is to supply and install City street trees per City specifications; spacing, specie, and size (15 gallon minimum) to be determined by City Arborist.

80. No cutting of any part of City trees, including roots, shall be done without following city tree preservation specifications and securing approval and direct supervision from the City Arborist at 408-615-3080.

81. No cutting of any part of private trees, including roots, shall be done without direct supervision of a certified arborist (Certification of International Society of Arboriculture).

82. Applicant is advised to contact Street Department to obtain required tree removal permits in the event trees are removed. Please contact John Mendoza at 408-615-3080 to facilitate plan review.

83. Identified existing mature trees to be maintained. Prepare a tree protection plan for review and approval by the City prior to any demolition, grading or other earthwork in the vicinity of existing trees on the site. Provide 48-inch box trees for screening adjacent to the existing residential properties, type to be determined by City Arborist.

84. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

85. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

86. Prior to submitting any project for Street Department review, applicant shall provide a site plan showing all existing trees (including size and species), proposed trees (including size and species), existing stormwater drainage facilities, proposed storm water drainage facilities, proposed locations of solid waste containers and, if applicable, a statement on the site plan confirming compliance with Fire Department approved fire apparatus access roads (1998 CFC 902.2.2.1 & 902.2.2.3).

87. All landscaping and irrigation systems shall meet City standard specifications.

88. Application does not provide Street Department with sufficient information regarding existing tree information and/or how trees are to be preserved. Applicant to coordinate with John Mendoza of the Street Department at 408-615-3080 prior to re-submittal.

89. Obtain required permits and inspections from the Building Official and comply with the conditions thereof. If this project involves land area of 15,000 sq. ft. or more, Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any building permit for grading, or construction; a copy of the NOI shall be sent to the City Building Inspection Division. A storm water pollution prevention plan is also required with the NOI.

90. Incorporate Best Management Practices (BMPs) into construction plans and incorporate post construction water runoff measures into project plans in accordance with the City's Urban Runoff Pollution Prevention Program standards prior to the issuance of permits. Proposed BMPs shall be submitted to and thereafter reviewed and approved by the Planning Division and the Building Inspection Division for incorporation into construction drawings and specifications.

91. An erosion control plan shall be prepared and copies provided to the Planning Division and to the Building Inspection Division for review and approval prior to the issuance of grading permits or building permits that involve substantial disturbance of substantial ground area.

92. All proposed storm water treatment vaults shall have a hydrodynamic separator upstream of their installation.

93. All proposed stormwater treatment vaults shall have internal treated distribution plumbing. No external folding racks are permitted.

94. All post construction structural controls shall require property owner to execute with City a Stormwater Treatment Measures Inspection and Maintenance Agreement.

95. Decorative water features such as fountains and ponds shall be designed and constructed to drain to sanitary sewer only. No discharges allowed to storm drain.

96. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Set up meeting with the Street Department to discuss requirements. Contact Roger Lee at 408-615-3080.

97. Application does not provide Street Department with sufficient information to evaluate proposed stormwater pollution prevention improvements. Applicant to coordinate with Roger Lee of the Street Department at 408-615-3080 prior to re-submittal.

98. Applicant to comply with City Development Guidelines for Solid Waste Services as specified by development type.

99. Provide trash enclosure, the location and design of which shall be approved by the Director of Planning and Inspection prior to issuance of any building permits.

100. Commercial, industrial, and multi-family residential buildings must have enclosures for solid waste and recycling containers. The size and shape of the enclosure(s) must be adequate to serve the estimated solid waste and recycling needs and size of the structure, and should be designed and located on the property so as to allow ease of access by collection vehicles. As a general rule, the size of the enclosure(s) for the recycling containers should be similar to the size of the trash enclosure(s) provided onsite. Roofed enclosures with masonry walls and solid gates are the preferred design.

101. To complete the review of the project, Street Department requires applicant to provide site plan showing all proposed locations of solid waste containers, enclosure locations and street/alley widths.

102. Application does not provide Street Department with sufficient information to evaluate Solid Waste requirements. Set up meeting with the Street Department to discuss requirements. Contact Dave Staub at 408-615-3080.

103. Applicant to comply with City Code Section 8.25.285 and recycle or divert at least fifty percent (50%) of materials generated for discards by the project during demolition and construction activities. No building, demolition or site development permit shall be issued unless and until applicant has submitted a construction and demolition debris materials check-off list. After completion of project, applicant shall submit a construction and demolition debris recycling report as stipulated by ordinance, or be subject to monetary, civil, and/or criminal penalties.

PLANNING AND INSPECTION

104. Obtain required permits and inspections from the Building Official and comply with the conditions thereof.

105. Submit plans to the Planning Division for Architectural Committee review and approval prior to issuance of building permits.

106. Prior to issuance of permits, the Developer shall enter into an agreement with the City for the provision of at least ten percent (10%) of the units in the development as affordable units, at levels commensurate with the City's regional fair share requirements and the City's inclusionary policies (i.e. Very-low or Low income affordability for rental projects and Moderate Income affordability for for-sale projects). The agreement shall provide for prescribed affordability restriction periods and unit distributions consistent with the City's inclusionary policies to the satisfaction of the Director of Planning and Inspection and consistent with the terms of the Development Agreement.

107. The project shall comply with the mitigation measures identified in the Environmental Impact Report for the Marina Playa Residential Project.

108. The project shall comply with the conditions set forth in the Development Agreement for the Marina Playa Residential Project.

109. The multi-family units in the project shall comply with the SCCC 18.22.150 "Additional development standards" section within Regulations for TMU – Transit –Oriented Mixed Use.

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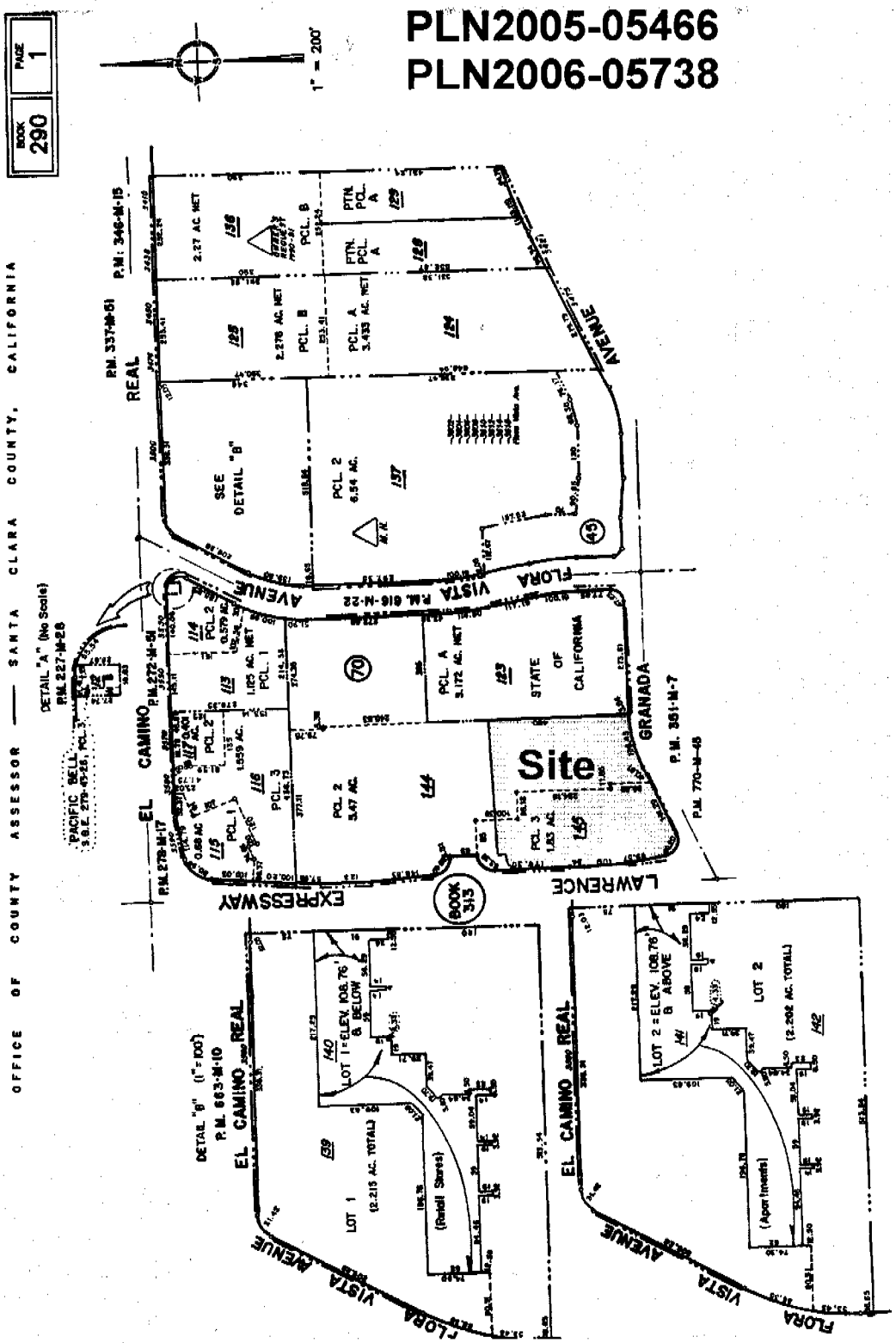

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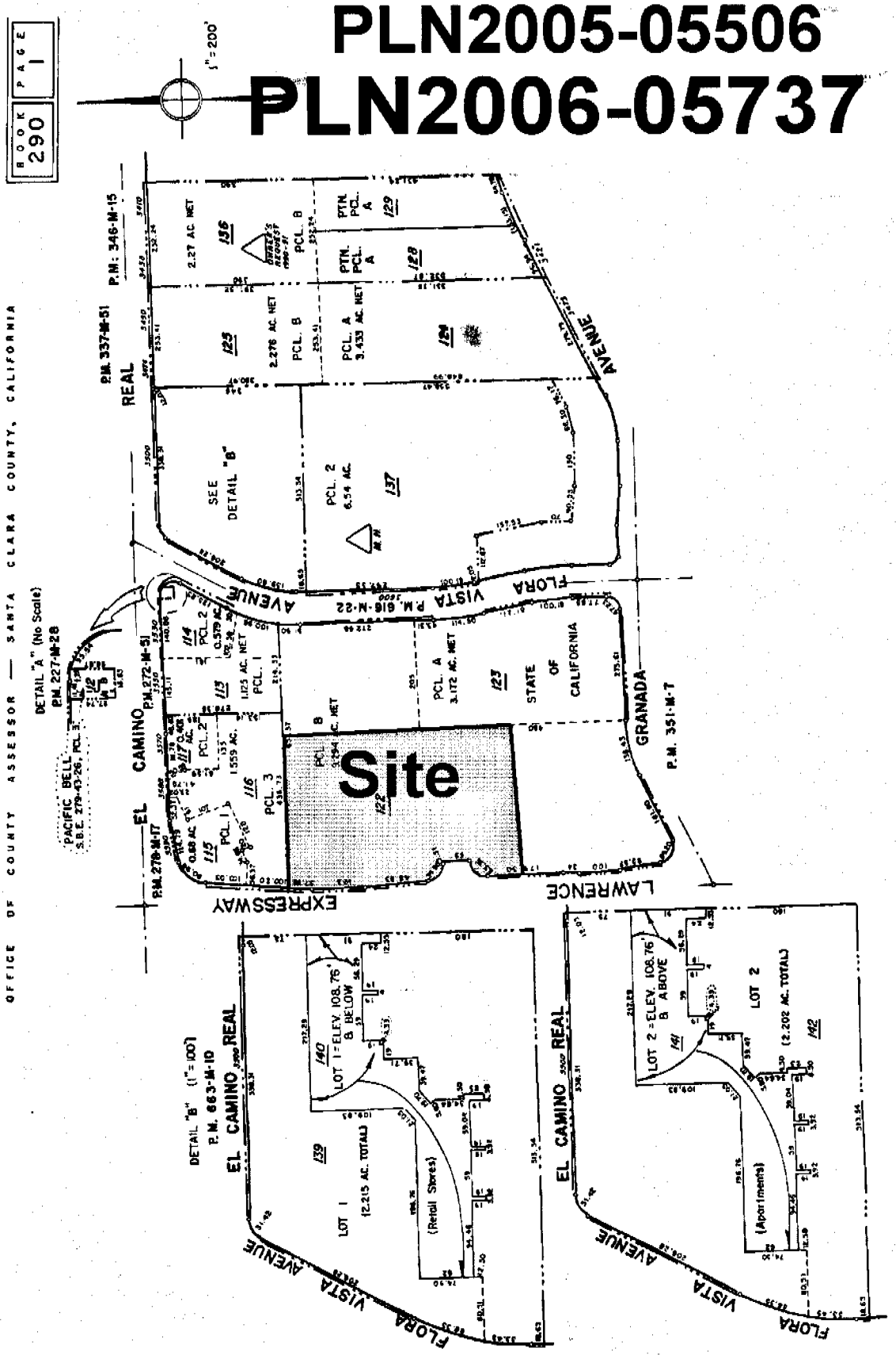

Notice of Availability of the
Final Environmental Impact Report
Responses to Comments and Additional Information for
Marina Playa Residential Project

1331-1333 Lawrence Expressway, Santa Clara, CA 95050
APN 290-01-144 and 290-01-145

Background Information: The City of Santa Clara, as the Lead Agency, has completed work on a Final Environmental Impact Report that assesses potential impacts related to the implementation of a development proposal that includes the demolition of existing office buildings in order to construct 277 multi-family residential units on 3.2 acres, and 57 single family detached residential units and 6 attached townhouse units on 4.1 acres. Actions to be considered include approval of Planned Development Rezoning, Tentative Subdivision Maps, Lot Line Adjustment and Development Agreement.

The project is bordered by Granada Avenue to the South and Lawrence Expressway to the West. The Department of Motor Vehicle and single family residential are along the East property line, and commercial development is located immediately north of the project site.

Notice Is Hereby Given That the Final Environmental Impact Report (FEIR) for the Marina Playa Residential Project located at 1331-1333 Lawrence Expressway in the City of Santa Clara is available as of April 11, 2008. (Re: SCH#2007102131 / PLN2005-05466, -05506 /CEQ2007-01049). In accordance with Public Resources Code § 21092.5, public agencies that commented on the Draft Environmental Impact Report have been provided with a copy of the FEIR along with this notice.

Summary of Significant Environmental Effects: Significant and Unavoidable Adverse impacts identified in the Draft EIR include two significant and unavoidable impacts. One is noise-generating activities associated with demolition, grading, and construction activities; and the other impact would expose future residents to exterior noise levels in excess of acceptable City Standards for residential development.

Availability of the Documents: The Final EIR for this project may be reviewed at the following locations:

City of Santa Clara, Planning Division (West Wing)
1500 Warburton Avenue, Santa Clara, CA 95050
Hours: Monday–Friday, 8:00 AM-5:00PM

Santa Clara Central Park Library
2635 Homestead Road, Santa Clara, CA 95051
Hours: Mon-Tue 9-9; Wed 12-9; Fri-Sat 9-6; Sun 1-5

Public Meeting Schedule: The public meetings on Certification of the FEIR and consideration of the entitlement applications are now scheduled. The public is invited to attend these meetings and is afforded opportunity to enter formal comments into the public record. Meetings will be held in the City Hall Council Chambers of City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050.

- **Planning Commission - Wednesday, April 23, 2008, 7:00pm**
  The Commission will receive a staff presentation and applicants' presentations, and will take public comments. The Commission may continue the public hearing to another date and time, as necessary, to conclude their review and make recommendations to the City Council.

- **City Council - Tuesday, May 13, 2008, 7:00pm**
  The Council will receive a staff presentation and applicants' presentations, and will take public comments. The Council may continue the public hearing to another date and time, as necessary, to consider the Planning Commission recommendations and make decisions.

Questions on the Final Environmental Impact Report can be directed to:

Lead Agency:	City of Santa Clara, Planning Division		
Contact:	Yen Han Chen, Associate Planner	Phone No:	(408) 615-2450
	1500 Warburton Avenue	Fax No:	(408) 247-9857
	Santa Clara, CA 95050	E-mail:	ychen@santaclaraca.gov

FINAL

ENVIRONMENTAL IMPACT REPORT

Marina Playa Residential Project

SCH #2007102131
CEQ2007-01049
PLN2005-05466
PLN2005-05506

City of Santa Clara

April 2008

RECEIVED
APR
City of Santa Clara
Planning Division

PREFACE

This document, together with the DEIR, constitutes the Final Environmental Impact Report (FEIR) for the Marina Playa Residential Project. The DEIR was circulated to affected public agencies and interested parties for a 45-day review period from February 1 to March 17, 2008. This volume consists of comments received by the Lead Agency on the DEIR during the public review period, responses to those comments, and revisions to the text of the DEIR.

In conformance with the CEQA Guidelines, the FEIR provides objective information regarding the environmental consequences of the proposed project. The FEIR also examines mitigation measures and alternatives to the project intended to reduce or eliminate significant environmental impacts. The FEIR is used by the City and other Responsible Agencies in making decisions regarding the project. The CEQA Guidelines require that, while the information in the FEIR does not control the agency's ultimate discretion on the project, the agency must respond to each significant effect identified in the DEIR by making written findings for each of those significant effects. According to the State Public Resources Code (Section 21081), no public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out unless both of the following occur:

(a) The public agency makes one or more of the following findings with respect to each significant effect:

(1) Changes or alterations have been required in, or incorporated into, the project which will mitigate or avoid the significant effect on the environment.

(2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.

(3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities of highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.

(b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment.

In accordance with City policy, the FEIR will be made available to the public for ten days prior to certification of the Environmental Impact Report.

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I. LIST OF AGENCIES AND ORGANIZATIONS TO WHOM THE DRAFT EIR WAS SENT

State Agencies

California Department of Fish and Game
California Department of Transportation
California State Clearinghouse
Department of California Highway Patrol

Regional Agencies

Regional Water Quality Control Board
Santa Clara County Clerk
Santa Clara County Planning Department
Santa Clara County Roads and Airports Department
Santa Clara Valley Transportation Authority

Cities

City of Cupertino
City of San Jose
City of Sunnyvale

School Districts

Cupertino Unified School District
Fremont Union High School District
Santa Clara Unified School District

II. LIST OF COMMENTS LETTERS RECEIVED ON THE DRAFT EIR

State Agencies

A.	Department of California Highway Patrol	February 22, 2008
B.	California Department of Transportation	March 17, 2008

Regional Agencies

C.	Santa Clara County Roads and Airports Department	February 29, 2008
D.	Santa Clara Valley Transportation Authority	March 12, 2008

Cities

E.	City of Sunnyvale	March 17, 2008

III. REVISIONS TO THE TEXT OF THE DRAFT EIR

The following section contains revisions to the text of the *Draft Environmental Impact Report, Marina Playa Residential Project*, dated January 2008. Revised or new language is underlined. All deletions are shown ~~with a line through the text.~~

Text Revisions – Draft EIR

Page 21 The following language will be **deleted** from Section 4.1.3.2:

MM NOI 2-2: ~~Balconies with a direct line of sight or side view of Lawrence Expressway and within 300 feet of the centerline of Lawrence Expressway will have 42-inch tall acoustically-effective balcony railings (i.e., solid railings).~~

Page 22 Section 4.1.4, last paragraph on the page will be **revised** as follows:

The proposed six-foot sound wall will not be sufficient to reduce the exterior noise level to an acceptable level for the seven houses that will be located along Lawrence Expressway. In addition, no mitigation is proposed to reduce the exterior noise level to an acceptable level for the balconies of the multi-family units with direct line of site or side view of Lawrence Expressway. The project will have a significant unavoidable long-term noise exposure impact.

Text Revisions – Appendix A of the DEIR

Page 36 Paragraph 1 of Section 4.8.1.2 will be **revised** as follows:

The City of Santa Clara owns and maintains the municipal storm drainage system which serves the project site. The lines that serve the project site drain into Calabazas Creek. Calabazas Creek flows into the Guadalupe ~~River~~ Slough which flows north carrying the effluent from the storm drains into San Francisco Bay. There is no overland release of stormwater directly into any water body from the project site.

Page 39 The second paragraph will be **revised** as follows:

As stated above, implementation of the proposed project will reduce the amount of impervious surfaces on the site, resulting in ~~less~~ no additional water entering the storm drainage system. As a result, runoff from the project site will not exceed the capacity of the storm drainage system~~, will not cause flooding,~~ and will have a les than significant impact on the storm drainage system.

Page 57 Paragraph 2 of Section 4.15.2.2 will be **revised** as follows:

Based on Section 18.22.140(j) of the City's zoning ordinance, a Transit Oriented Mixed Use development requires one parking space per studio unit, 1.5 parking spaces per one-bedroom unit, and 2.0 parking spaces per two-bedroom or larger

units. With the proposed unit breakdown of the project, this equates to 1.7 parking spaces per unit. The BRE Development proposes 502 parking spaces which equates to a parking ratio of 1.8 residential parking spaces per unit. The 502 spaces include 70 guest parking spaces that will be separated from the resident parking by a security gate. As a result, the proposed development will ~~not~~ meet the ~~SCMC~~ City's parking requirement for this type of development ~~and be under-parked by 52 parking spaces.~~ The Institute of Transportation Engineers (ITE) Parking Generation publication, however, estimates parking demand for this type of development at 1.52 parking spaces per unit. Additional analysis by *Hexagon Transportation Consultants* of comparable existing developments in the Bay Area showed the highest parking demand at 1.65 spaces per dwelling unit, as shown in Table 6 below.

Page 58 Paragraph 4 of Section 4.15.2.2 will be **revised** as follows:

~~Insufficient parking for the BRE Development, based on the SCMC, could result in guests parking on nearby streets and possibly even at the adjacent DMV offices. However, lack of guest parking is not an environmental impact, but is an operational impact of the project.~~ The project, based on the City's parking requirement for Transit Oriented Mixed Use development, the ITE, and comparable projects in the area, would have sufficient parking to accommodate residents and guests.

Page 59 Footnote No. 24 will **be revised as** follows:

Sanitary Sewer Capacity Assessment ~~Draft~~ Final Report, RMC Water and Environment, May 2007.

Page 60 The second paragraph will be **revised** as follows:

New development projects that result in a net increase in wastewater flow to the capacity deficient areas of the sanitary sewer system ~~may~~ will be required to contribute to improvements to the system. The hydraulic modeling study completed by the City in 2007 includes recommended solutions for the identified capacity issues. These solutions have been used to estimate capital improvement costs, which can be factored into the City's Capital Improvement Program and associated fee structure.

Page 60 Paragraph 1 of Section 4.16.1.3 will be **revised** as follows:

The City of Santa Clara owns and maintains the municipal storm drainage system which serves the project site. The lines that serve the project site drain into Calabazas Creek. Calabazas Creek flows into the Guadalupe ~~River~~ Slough which flows north carrying the effluent from the storm drains into San Francisco Bay. There is no overland release of stormwater directly into any water body from the project site.

Page 60 Paragraph 2 of Section 4.16.1.3 will be **revised** as follows:

There is a 24-inch drainage line located in Granada Avenue that serves the project site and is maintained by the City of Santa Clara. The existing system in Granada Avenue is currently at capacity during a 10-year storm event. If a 10-year storm event were to occur, runoff would ~~likely pond at the low point on the site before entering the stormdrain~~ cause localized inlet flooding.

Page 62 The first two bulleted sentences under Section 4.16.2.2 will be **revised** as follows:

- Construction of 1,800 feet of replacement 12-inch line (to replace an existing ~~10~~ 12-inch line) or addition of a new 10-inch parallel line ~~on the south side of~~ in El Camino Real from Flora Vista Avenue and Pomeroy Avenue.
- Construction of 800 feet of replacement 15-inch line (to replace an existing ~~10~~ 15-inch line) or addition of a new 12-inch parallel line ~~from on the south side of~~ in El Camino Real from Pomeroy Avenue to Calabazas Boulevard.

Page 63 The second paragraph will be **revised** as follows:

As stated above, implementation of the proposed project will reduce the amount of impervious surfaces on the site, resulting in ~~less~~ no additional water entering the storm drainage system. As a result, runoff from the project site will not exceed the capacity of the storm drainage system~~, will not cause flooding,~~ and will have a less than significant impact on the storm drainage system.

IV. RESPONSES TO COMMENTS RECEIVED ON THE DRAFT EIR

The following section includes all the comments on the DEIR that were received by the City in letters, emails, and phone calls during the advertised 45-day review period. The comments are organized under headings containing the source of the comment and the date submitted. The specific comments have been excerpted from the letters and are presented as "Comment" with the response directly following. Each of the letters submitted to the City of Santa Clara is also contained in its entirety in Section V of this document.

CEQA Guidelines Section 15086 requires that a lead agency consult with and request comments on the Draft EIR prepared for a project of this type from responsible agencies (government agencies that must approve or permit some aspect of the project), trustee agencies for resources affected by the project, adjacent cities and counties, and transportation planning agencies. Section I of this document lists all of the recipients of the DEIR.

The five comment letters below are from public agencies. The CEQA Guidelines require that:

> A responsible agency or other public agency shall only make substantive comments regarding those activities involved in the project that are within an area of expertise of the agency or which are required to be carried out or approved by the responsible agency. Those comments shall be supported by specific documentation. [§15086(c)]

Regarding mitigation measures identified by commenting public agencies, the CEQA Guidelines state that:

> Prior to the close of the public review period, a responsible agency or trustee agency which has identified what the agency considers to be significant environmental effects shall advise the lead agency of those effects. As to those effects relevant to its decisions, if any, on the project, the responsible or trustee agency shall either submit to the lead agency complete and detailed performance objectives for mitigation measures addressing those effects or refer the lead agency to appropriate, readily available guidelines or reference documents concerning mitigation measures. If the responsible or trustee agency is not aware of mitigation measures that address identified effects, the responsible or trustee agency shall so state. [§15086(d)]

None of the comment letters received from public agencies includes any performance objectives for mitigation measures.

A. RESPONSE TO COMMENTS FROM DEPARTMENT OF CALIFORNIA HIGHWAY PATROL, FEBRUARY 22, 2008

Comment A1: Our concern relates to the impacts this proposed project will no doubt have on traffic patterns and public safety in the region. As noted in Table 5 of the document, it is anticipated there will be a **42%** increase in the total number of trips in and out of this proposed complex and will increase traffic volume on Lawrence Expressway, which is the jurisdiction of the CHP. As the two access points to this complex (Granada Avenue and a driveway north of Granada Avenue) feed onto Lawrence Expressway at or near the off-ramp to El Camino Real, it is anticipated that the likelihood of traffic collisions will be greatly increased. Further, the accident rate at the intersection of El Camino Real and Lawrence Expressway is **double** the statewide norm. This is based upon Caltrans TSAS report from August 1, 2006 to July 31, 2006 which indicates an accident rate of .86 with an expected rate of .43. The increased traffic may also ultimately cause delays in emergency response times. Additionally, the proposed project would necessitate additional resources and officers to provide adequate traffic enforcement, emergency incident management, public services, assistance and accident investigation on the surrounding contract expressway.

Response A1: As shown in Table 5 of Appendix A, it is estimated that the proposed land use would generate approximately 2,470 daily trips. The existing land use is estimated to generate approximately 1,739 daily trips. This would result in a net increase of 731 daily trips or an increase of approximately 30 percent, not 42 percent as stated in Comment A1.

Table 5 shows that the total trips in the AM Peak Hour will decrease by 56 cars with implementation of the proposed project. It also shows that the total trips in the PM Peak Hour would not change relative to existing conditions. Most new traffic trips will be during non-peak hours, when there will be fewer cars on Lawrence Expressway and the El Camino Real off-ramp. Therefore, while the proposed project will increase the total daily trips generated by the project site, these trips will be dispersed throughout the day, not during the AM and PM Peak Hours, and are unlikely to substantially increase the probability of accidents at the El Camino Real/Lawrence Expressway intersection.

B. RESPONSE TO COMMENTS FROM CALIFORNIA DEPARTMENT OF TRANSPORTATION, MARCH 17, 2008

Comment B1: Highway Operations

1. Table 5, page 57: An intersection operational analysis should be performed for this proposed project as the trips generated for this project would reverse from inbound in the morning to outbound in the morning and outbound in the evening to inbound in the evening. This could cause traffic impacts to State Route 82 (El Camino Real). In this intersection operational analysis include El Camino Real/NB Lawrence Expressway, El Camino Real/SB Lawrence Expressway and El Camino Real./Flora Vista Avenue intersections for existing conditions, background conditions, background plus project conditions and cumulative conditions.

Response B2: The Santa Clara County Congestion Management Agency (SCCCMA) has adopted Transportation Impact Analysis guidelines to direct preparation of traffic impact analyses (TIAs) on all regional roadways in Santa Clara County. Both Lawrence Expressway and El Camino Real are identified as part of the Congestion Management Plan (CMP) roadway network. The guidelines specify that a TIA should be completed when a project is "expected to generate 100 or more new weekday peak hour (AM and/or PM peak hour) trips, including both inbound and outbound trips". As discussed in Section 4.15 of the Initial Study that is Appendix A of the DEIR, the proposed project will reduce AM peak hour traffic and will generate no more PM peak hour traffic, compared to existing development on the site.

Based on the CMP criteria, the proposed project was not required to prepare an intersection operational analysis and was determined to have a less than significant impact on local intersections.

C. RESPONSE TO COMMENTS FROM COUNTY OF SANTA CLARA ROADS AND AIRPORTS DEPARTMENT, FEBRUARY 29, 2008

Comment C1: Provide traffic impact analysis for Lawrence Expressway at Monroe and Lawrence Expressway at Kifer to County Roads and Airports for review.

Response C1: The Santa Clara County Congestion Management Agency (SCCCMA) adopted guidelines for the preparation of traffic impact analyses (TIAs) on all regional roadways in the county specify that a TIA should be completed when a project is "expected to generate 100 or more new weekday peak hour (AM and/or PM peak hour) trips, including both inbound and outbound trips". Both Lawrence Expressway and El Camino Real are identified as part of the CMP roadway network. As discussed in Section 4.15 of the Initial Study that is Appendix A of the DEIR, the proposed project will reduce AM peak hour traffic and will generate no more PM peak hour traffic, compared to existing development on the site.

Based on the CMP criteria, the proposed project was not required to prepare an intersection operational analysis and was determined to have a less than significant impact on local intersections.

The intersections of Lawrence Expressway/Monroe and Lawrence Expressway/Kifer are much farther north (more than one mile) than the study intersection of Lawrence Expressway/El Camino Real. As cars travel farther away from a project site, the number of cars entering any given intersection decreases. Since the project will have a less than significant impact on the Lawrence Expressway/El Camino Real intersection, the project would not have a significant impact on intersections farther north. Therefore, the Lawrence Expressway/Monroe and Lawrence Expressway/Kifer intersections were not studied.

D. RESPONSE TO COMMENTS FROM SANTA CLARA VALLEY TRANSPORTATION AUTHORITY, MARCH 12, 2008

Comment D1: Santa Clara Valley Transportation Authority (VTA) staff have reviewed the Draft EIR for 339 residential units on 7.3 acres at the northeast corner of Lawrence Expressway and Granada Avenue. We have no comments at this time.

Response D1: This comment is acknowledged. No additional response is required.

E. RESPONSE TO COMMENTS FROM CITY OF SUNNYVALE, MARCH 17, 2008.

Comment E1: It seems that the EIR relies on traffic impact analysis that was carried out for a different project application in 2001. The supplemental traffic and parking analysis conducted for the Marina Playa project in 2007 is very limited. Not having access to the 2001 TIA and the limited new information makes it difficult to adequately evaluate the submitted Draft EIR. The following comments are provided in the meantime with the hope that the Final EIR will be more comprehensive and complete.

> **Response E1:** As discussed on page 2 of the traffic assessment (Appendix F of the Initial Study), the only data used from the 2001 *Marina Playa Executive Park Transportation Impact Analysis* was a determination of the baseline level of service for the three study intersections based on year 2000 traffic counts. The traffic assessment explains that this data is relevant since traffic volumes in the area remained constant or even decreased slightly between 2000 and 2006. The key intersection, Lawrence Expressway and El Camino Real, also had traffic counts listed for years 2001, 2002, 2004, and 2006 as shown in Table 1 of the traffic assessment. The 2001 TIA was not used to evaluate traffic impacts[1].
>
> The proposed project was not required to complete a TIA because, as discussed in Section 4.15.2.1 of Appendix A, the Santa Clara County Congestion Management Agency (SCCCMA) adopted guidelines for the preparation of traffic impact analyses (TIAs) on all regional roadways in the county specify that a TIA should be completed when a project is "expected to generate 100 or more new weekday peak hour (AM and/or PM peak hour) trips, including both inbound and outbound trips". Both Lawrence Expressway and El Camino Real are identified as part of the Congestion Management Plan (CMP) roadway network. As discussed in Section 4.15 of the Initial Study that is Appendix A of the DEIR, the proposed project will reduce AM peak hour traffic and will generate no more PM peak hour traffic, compared to existing development on the site.
>
> Based on the CMP criteria, the proposed project was not required to prepare an intersection operational analysis and was determined to have a less than significant impact on local intersections.

Comment E2: As noted above, the supplemental traffic analysis contained in the Draft EIR is very limited in terms of scope. No intersection, roadway segment, or freeway segment was analyzed. Instead, the Draft EIR noted that four local intersections were evaluated in 2001 (based on 2000 traffic counts) and that traffic in the City of Santa Clara has been decreasing since. Appendix F of the Draft EIR used total PM peak hour volumes at the interchange of Lawrence Expressway/El Camino Real to make the point that volumes have not changed over the past eight years. It is not clear how this interchange count was performed since some of the through movement volumes are very low. The count comparison also fails to clarify the significant changes in some of the peak turning movements. In addition, it should be noted that the supplemental traffic analysis used a few localized projects to conclude insignificant future growth in traffic volumes.

[1] The 2001 TIA is on file with the City of Santa Clara Planning Department and available for review upon request.

Response E2: There is no TIA in the DEIR or the attached Initial Study because, as stated earlier, the adopted CMP methodology does not require a full TIA for a project that generates fewer than 100 new peak hour trips. A previously prepared TIA was used to estimate existing traffic levels.

Comment E3: In general, a project TIA typically contains (a) Existing Conditions analysis based on accurate and recent multi-modal traffic counts; (b) Background Conditions analysis for year of full project completion which takes into account both local and regional traffic growth; (c) Background + Project Conditions analysis to determine the individual project impacts; (d) Cumulative Conditions analysis for the longer term horizon year; and (e) Cumulative + Project Conditions analysis to determine the project's cumulative impacts. The Draft EIR needs to justify the rationale behinds the minimal analysis performed.

Response E3: The TIA methodology was adopted by the Congestion Management Agency (CMA) and the member cities for evaluating impacts to CMP facilities, including Lawrence Expressway and El Camino Real.

Comment E4:
Trip Generation:
The proposed residential project has different trip generation characteristics relative to the existing office use. For example, the proposed project changes the site from an evening travel origin to a destination. This is clear from the net increase in "Out" trips during the AM peak hour and the "In" trips during the PM peak hour. The changes in project trip characteristics needs to be better described in view of the peak traffic movements at nearby interchange/intersections. It should also be noted that the proposed project will have a net increase of 731 trips per day.

Response E4: The proposed project was not required to complete a TIA because, as discussed in Section 4.15.2.1 of Appendix A, the SCCCMA adopted guidelines for the preparation of traffic impact analyses (TIAs) on all regional roadways in the county specify that a TIA should be completed when a project is "expected to generate 100 or more new weekday peak hour (AM and/or PM peak hour) trips, including both inbound and outbound trips". Both Lawrence Expressway and El Camino Real are identified as part of the CMP roadway network. As discussed in Section 4.15 of the Initial Study that is Appendix A of the DEIR, the proposed project will reduce AM peak hour traffic and will generate no more PM peak hour traffic, compared to existing development on the site.

Based on the CMP criteria, the proposed project was not required to prepare an intersection operational analysis and was determined to have a less than significant impact on local intersections.

The number of trips per day (approximately 731 is identified in Table 5 on page 57 of the Initial Study.

Comment E5:
Trip Distribution and Assignment:
The Draft EIR contains no reference to the amount of project generated traffic expected to travel through the surrounding communities including the City of Sunnyvale.

> **Response E5:** The border of the City of Sunnyvale is located approximately 1,180 feet west (traveling on El Camino Real) and approximately 1.25 miles north (traveling on Lawrence Expressway) of the Lawrence Expressway/El Camino Real intersection. As cars travel farther away from a project site, the total number of cars entering any given intersection decreases. Since the project traffic falls below the minimum threshold at the nearest intersection and will have a less than significant impact on that intersection, the project would have less impact on intersections farther north or west.

Comment E6:
Vehicular Traffic Analysis:
The 2008 Draft EIR offers no traffic analysis other than the trip generation estimates of the proposed project and minimal reference to the 2001 TIA.

> **Response E6:** Please refer to Responses E1 – E4.

Comment E7:
Transit, Pedestrian, and Bicycle Traffic:

- The El Camino Real Grand Boulevard concept is based on balancing the uses and encouraging alternative modes of transportation (i.e., cycling, walking, and use of public transit). The project site has a Transit Oriented Development (TOD) land use designation and is located in close proximity to El Camino Real. However, the Draft EIR has no reference to the adequacy of existing transit service (such as available capacity and frequency of service), location and adequacy of bus stops, and what the project is planning to provide to ensure enhances transit amenities and access.
- The Draft EIR does not offer any description of the existing network of bicycle and pedestrian facilities. The Draft EIR also has no reference to the project's actions regarding: Ensuring the provision of a safe and convenient access to pedestrians and cyclists; needed improvements to the existing facilities; needed on-site bicycle parking and other amenities, etc.

> **Response E7:** The project site is designated *Transit-Oriented Mixed Use* based on its location along Lawrence Expressway and close proximity to El Camino Real and existing transit facilities. The traffic assessment did not discuss alternative modes of transportation because a full TIA was not required, as discussed above. The project site is within walking distance of retail on El Camino Real and has adequate sidewalks and designated crosswalks to allow pedestrian movement either along the El Camino Real off-ramp or through the adjacent residential neighborhood along Granada Avenue and Flora Vista Avenue. In addition, based on the VTA Bus and Rail Map, there are three bus stops within walking distance (2,000 feet) of the project site (on El Camino Real and Flora Vista Avenue) and the Lawrence Expressway Park & Ride Caltrain Station is just north of the site. The existing facilities in the project area are sufficient to provide alternative modes of transportation to future residents and no necessary improvements have been identified.

For residents who wish to utilize bicycles, each unit will have storage available in either private garages or storage lockers. No additional bicycle parking is proposed.

Comment E8:

Parking Analysis:

- The BRE multi-family residential units (277 units) propose the provision of two levels of underground parking. A proposed total of 502 parking supply consists of gated 478 stalls designated for residents, and 70 stalls designated for guests. The Draft EIR notes that the proposed project would not meet requirement of the Santa Clara Municipal Code (SCMC), and would be under parked by 52 parking spaces. The Draft EIR then concludes that "Insufficient parking for the BRE Development, based on the SCMC, could result in guests parking on nearby streets and possibly even at the adjacent DMV offices. However, lack of guest parking is not an environmental impact, but is an operational impact of the project". It is advisable that the project provides sufficient parking, at least to meet the City's requirements. This is to minimize potential parking impacts on the adjacent community including the regional services. A significant impact takes place when a project results in an inadequate parking capacity. There is a need for referring to the CEQA and County's CMP guidelines. The EIR concluded that there would not be a significant parking impact since there are no environmental effects. Limited on-site parking would increase the demand for on-street parking along with the associated increase in vehicular traffic circulation in the area. This in turn would increase vehicle emissions, which needs to be accounted for in the traffic analysis. It should be noted that the project only has access driveways off of Granada Avenue and the Lawrence Expressway northbound off-ramp. Therefore, circulating traffic could affect Lawrence Expressway, El Camino Real, Granada Avenue and Flora Vista Avenue.

Response E8: Page 57 of Appendix A states that the BRE Development will be under parked based on the City's Municipal Code requirements (2.0 parking spaces per unit). The Institute of Transportation Engineers (ITE) Parking Generation publication, however, estimated parking demand for this type of development at 1.52 parking spaces per unit. Additional analysis of three comparable developments in the Cities of San José, Sunnyvale, and Santa Clara determined that the parking demand for these projects is between 1.24 – 1.65 parking spaces per dwelling units. The project, based on the ITE and comparable projects in the area, would have sufficient parking to accommodate residents and guests.

Subsequent review of the project by the City determined that it is eligible for a different parking ratio under the City's Transit Oriented Mixed Use zoning. Based on the zoning requirements, the project will have sufficient parking. Please see page 3 of this document for the proposed text amendment.

With sufficient parking, guests would not need to circulate though the neighborhood to find parking. If, however, such an instance did occur the air pollutants that would be generated by a few cars occasionally circulating to find parking is negligible and would not have any impact on the project area.

Comment E9:

- The project also proposes 57 single family homes and 6 townhouses. The townhouses is planned to have tandem parking which would limit the usage of the unit garages. A condition of approval should be considered that required the project CC&R's to include maintaining unit garages for vehicular storage only. Also, the tandem parking proposed needs to be taken into consideration when designing the internal private roadways. Currently, 18 guest parking stalls are planned along the north-south interior drive.

  Response E9: While the six townhouses would have tandem parking, which may discourage some homeowners from utilizing both garage parking spaces, the T-M Development has an excess of five guest parking spaces along the main north/south interior access road. Should residents have two automobiles and choose not to park both vehicles within the tandem garages, there is sufficient interior street parking to accommodate those residents and still meet the guest parking requirement.

Comment E10:

- Construction related parking impacts also needs to be addresses in the EIR. Measures needs to be taken to secure the placement of construction materials, equipment, and workers parking on site.

  Response E10: The location of staging and parking for construction materials, equipment, and workers will be established by the City of Santa Clara at the time that demolition permits are issued.

Comment E11:

Construction Impacts:

Implementation of the proposed project will involve demolition of four office buildings, then construction of 277 apartments, 6 townhouses and 57 single family homes. Preparation of the site and full project construction will probably extend over a number of years. The Draft EIR references the noise impacts associated with project construction. However, the Draft EIR has no reference to any transportation related impacts, and does not offer even the general mitigations that could address the construction phase. For example, periods when trucks would be permitted to travel to/from the project site to minimize impacts on the nearby regional corridors, route restrictions to prevent impacting neighboring residential communities, parking restrictions associated with the construction activities, etc.

Response E11: In addition to the discussion of construction noise impacts, Section 4.3.2.2 of Appendix A discusses temporary air quality impacts that are anticipated to result during construction of the proposed project. Mitigation measures have been identified to reduce these impacts to a less than significant level.

Construction activities within Santa Clara are restricted to the hours between 7am and 6pm during weekdays. As a condition of approval the City could, if deemed necessary, further restrict construction activities by limiting truck trips to off-peak traffic hours. In addition, worker parking and staging areas will be designated prior to issuance of demolition permits to ensure that no conflicts arise with the surrounding neighborhood. Since the project will be phased, it is reasonable to assume that staging and parking will occur on the project site.

Comment E12:

Traffic Fees

The Draft EIR concluded that the proposed project would have no significant traffic impacts. Impact Fees are established to address existing and future deficiencies in the transportation system. Such Impact Fees would be applicable to any project with a net increase in trip generation, regardless of whether or not the project would have significant environmental impacts. For example, there are improvements planed along Lawrence Expressway including grade separation at the intersections of Lawrence Expwy/Monroe St/Reed Ave, Lawrence Expwy/Arques Ave, and Lawrence Expwy/Kifer Rd. The proposed Marina Playa project is expected to generate about 731 new daily trips that would be services by Lawrence Expressway and other regional roads in the area. Thus the project needs to pay a fair share financial contribution towards the Lawrence Expressway improvements. Neglecting the financial responsibilities of projects within the City of Santa Clara would adversely affect the City of Sunnyvale and the region.

Response E12: Because the project will not result in any significant traffic impacts there is no nexus to require traffic impact mitigation which would include the payment of traffic fees.

V. COPIES OF COMMENT LETTERS

State of California—Business, Transportation and Housing Agency ARNOLD SCHWARZENEGGER, Governor

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL
San Jose Area
2020 Junction Avenue
San Jose, CA 95131-2187
(408) 467-5400
(800) 735-2929 (TT/TDD)
(800) 735-2922 (Voice)

February 22, 2008

File No.: 340.11167.12719

Yen Han Chen
City of Santa Clara
1500 Warburton Ave
Santa Cara, CA 95050

Dear Mr. Chen:

The San Jose Area office of the California Highway Patrol (CHP) received the "Notice of Completion" of the Environmental document prepared for the proposed Marina Playa Residential Project; State Clearinghouse number 2007102131. After reviewing this document, we have a concern with this project.

Our concern relates to the impact this proposed project will no doubt have on traffic patterns and public safety in the region. As noted in Table 5 of the document, it is anticipated there will be a **42%** increase in the total number of trips in and out of this proposed complex and will increase traffic volume on Lawrence Expressway, which is the jurisdiction of the CHP. As the two access points to this complex (Granada Avenue and a driveway north of Granada Avenue) feed onto Lawrence Expressway at or near the off-ramp to El Camino Real, it is anticipated that the likelihood of traffic collisions will be greatly increased. Further, the accident rate at the intersection of El Camino Real and Lawrence Expressway is **double** the statewide norm. This is based upon the Caltrans TSAS report from August 1, 2003 to July 31, 2006 which indicates an accident rate of .86 with an expected rate of .43. The increased traffic may also ultimately cause delays in emergency response times. Additionally, the proposed project would necessitate additional resources and officers to provide adequate traffic enforcement, emergency incident management, public service, assistance and accident investigation on the surrounding contract expressway.

Lieutenant Spencer Boyce will be our Department's contact person for the project. If you have any questions or concerns, he may be reached at the above address or telephone number. Thank you for allowing us the opportunity to comment on this project.

RECEIVED
FEB 2008
PLANNING DIVISION

Safety, Service, and Security

Thank you for allowing us the opportunity to comment on this project.

Sincerely,

C. J. WAYNE, Captain
Commander
San Jose Area

CC: California Highway Patrol – Special Projects Section and Golden Gate Division
State Clearinghouse

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY ARNOLD SCHWARZENEGGER, GOVERNOR

DEPARTMENT OF TRANSPORTATION
P. O. BOX 23660
OAKLAND, CA 94623-0660
PHONE (510) 622-5491
FAX (510) 286-5559
TTY 711

Flex your power!
Be energy efficient!

March 17, 2008

SCL-082-14.31
SCL0/82394
SCH2007102131

Mr. Yen Han Chen
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Dear Mr. Han Chen:

Marina Playa Residential – Draft Environmental Impact Report (DEIR)
Thank you for including the California Department of Transportation (Department) in the environmental review process for the proposed project. We have reviewed the DEIR and have the following comments to offer.

Highway Operations

1. Table 5, page 57: An intersection operational analysis should be performed for this proposed project as the trips generated for this project would reverse from inbound in the morning to outbound in the morning and outbound in the evening to inbound in the evening. This could cause traffic impacts to State Route 82 (El Camino Real). In this intersection operational analysis include El Camino Real/NB Lawrence Expressway, El Camino Real/SB Lawrence Expressway and El Camino Real/Flora Vista Avenue intersections for existing conditions, background conditions, background plus project conditions and cumulative conditions.

Should you require further information or have any questions regarding this letter, please call José L. Olveda of my staff at (510) 286-5535.

Sincerely,

Lisa Carboni

LISA CARBONI
District Branch Chief
IGR/CEQA

c: Scott Morgan (State Clearinghouse)

From: Bill Yeung
To: Yen Chen
Date: 2/29/2008 10:20 AM
Subject: DEIR - Marina Playa Residential Project

Yen Han:

This is to respond to your 1-31-2008 submittal regarding the review of the subject project. Our review is complete and we have the following comments:

1) Provide traffic impact analysis for Lawrence Expressway at Monroe and Lawrence Expressway at Kifer to County Roads and Airports Department for review.

If you have any questions, please contact me. Thanks

William K. Yeung, PE
Associate Civil Engineer
Land Development, Survey and Property
County of Santa Clara
Roads and Airports Department
101 Skyport Drive
San Jose, CA 95110
Phone (408)573-2463
Fax (408)441-0276
Email: bill.yeung@rda.sccgov.org

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SANTA CLARA
Valley Transportation Authority

March 12, 2008

City of Santa Clara
Department of Planning
1500 Warburton Avenue
Santa Clara, CA 95050

Attention: Yen Han Chen

Subject: City File No. PLN2005-05466 / Marina Playa Residential

Dear Ms. Chen:

Santa Clara Valley Transportation Authority (VTA) staff have reviewed the Draft EIR for 339 residential units on 7.3 acres at the northeast corner of Lawrence Expressway and Granada Avenue. We have no comments at this time.

Thank you for the opportunity to review this project. If you have any questions, please call me at (408) 321-5784.

Sincerely,

Roy Molseed
Senior Environmental Planner

RM:kh

March 17, 2008

Yen Han Chen, Associate Planner
City of Santa Clara, Planning Division
1500 Warburton Ave.
Santa Clara, CA 95050

SUBJECT: Marina Playa Project Draft Environmental Impact Report
City of Sunnyvale Transportation and Traffic Comments

Dear Mr. Chen:

City of Sunnyvale Public Works Transportation and Traffic Division staff has reviewed the Draft Environmental Impact Report for the Marina Playa project proposal in the City of Santa Clara. Thank you very much for the opportunity to participate in this analysis. City staff has the following comments.

It seems that the EIR relies on traffic impact analysis that was carried out for a different project application in 2001. The supplemental traffic and parking analysis conducted for the Marina Playa project in 2007 is very limited. Not having access to the 2001 TIA and the limited new information makes it difficult to adequately evaluate the submitted Draft EIR. The following comments are provided in the meantime with the hope that the Final EIR will be more comprehensive and complete.

Analysis Scenarios:
As noted above, the supplemental traffic analysis contained in the Draft EIR is very limited in terms of scope. No intersection, roadway segment, or freeway segment was analyzed. Instead, the Draft EIR noted that four local intersections were evaluated in 2001 (based on 2000 traffic counts) and that traffic in the City of Santa Clara has been decreasing since. Appendix F of the Draft EIR used total PM peak hour volumes at the interchange of Lawrence Expressway/El Camino Real to make the point that volumes have not changed over the past eight years. It is not clear

how this interchange count was performed since some of the through movement volumes are very low. The count comparison also fails to clarify the significant changes in some of the peak turning movements. In addition, it should be noted that the supplemental traffic analysis used a few localized projects to conclude insignificant future growth in traffic volumes.

In general, a project TIA typically contains (a) Existing Conditions analysis based on accurate and recent multi-modal traffic counts; (b) Background Conditions analysis for year of full project completion which takes into account both local and regional traffic growth; (c) Background + Project Conditions analysis to determine the individual project impacts; (d) Cumulative Conditions analysis for the longer term horizon year; and, (e) Cumulative + Project Conditions analysis to determine the project's cumulative impacts. The Draft EIR needs to justify the rationale behind the minimal analysis performed.

Trip Generation:
The proposed residential project has different trip generation characteristics relative to the existing office use. For example, the proposed project changes the site from an evening travel origin to a destination. This is clear from the net increase in "Out" trips during the AM peak hour and the "In" trips during the PM peak hour. The changes in project trip characteristics needs to be better described in view of the peak traffic movements at nearby interchange/intersections. It should also be noted that the proposed project will have a net increase of 731 trips per day.

Trip Distribution and Assignment:
The Draft EIR contains no reference to the amount of project generated traffic expected to travel through the surrounding communities including the City of Sunnyvale.

Vehicular Traffic Analysis:
The 2008 Draft EIR offers no traffic analysis other than the trip generation estimates of the proposed project and minimal reference to the 2001 TIA.

Transit, Pedestrian, and Bicycle Traffic:
- The El Camino Real Grand Boulevard concept is based on balancing the uses and encouraging alternative modes of transportation (i.e., cycling, walking, and use of public transit). The project site has a Transit Oriented Development (TOD) land use designation and is

located in close proximity to El Camino Real. However, the Draft EIR has no reference to the adequacy of the existing transit service (such as available capacity and frequency of service), location and adequacy of bus stops, and what the project is planning to provide to ensure enhanced transit amenities and access.

- The Draft EIR does not offer any description of the existing network of bicycle and pedestrian facilities. The Draft EIR also has no reference to the project's actions regarding: Ensuring the provision of a safe and convenient access to pedestrians and cyclists; needed improvements to the existing facilities; needed on-site bicycle parking and other amenities, etc.

Parking Analysis:

- The BRE multi-family residential units (277 units) propose the provision of two levels of underground parking. A proposed total of 502 parking supply consists of gated 478 stalls designated for residents, and 70 stalls designated for guests. The Draft EIR notes that the proposed project would not meet requirement of the Santa Clara Municipal Code (SCMC), and would be under parked by 52 parking spaces. The Draft EIR then concludes that "Insufficient parking for the BRE Development, based on the SCMC, could result in guests parking on nearby streets and possibly even at the adjacent DMV offices. However, lack of guest parking is not an environmental impact, but is an operational impact of the project". It is advisable that the project provides sufficient parking, at least to meet the City's requirement. This is to minimize potential parking impacts on the adjacent community including the regional services. A significant impact takes place when a project results in an inadequate parking capacity. There is a need for referring to the CEQA and County's CMP guidelines. The EIR concluded that there would not be a significant parking impact since there are no environmental effects. Limited on-site parking would increase the demand for on-street parking along with the associated increase in vehicular traffic circulation in the area. This in turn would increase vehicle emissions, which needs to be accounted for in the traffic analysis. It should be noted that the project only has access driveways off of Granada Avenue and the Lawrence Expressway northbound off-ramp. Therefore, circulating traffic could affect Lawrence Expressway, El Camino Real, Granada Avenue and Flora Vista Avenue.
- The project also proposes 57 single family homes and 6 townhouses. The townhouses is planned to have tandem parking which would limit the usage of the unit garages. A condition of approval should be considered that requires the project CC & R's to include maintaining

unit garages for vehicular storage only. Also, the tandem parking proposal needs to be taken into consideration when designing the internal private roadways. Currently, 18 guest parking stalls are planned along the north-south interior drive.

- Construction related parking impacts also needs to be addressed in the EIR. Measures needs to be taken to secure the placement of construction materials, equipment, and workers parking on site.

Construction Impacts:

Implementation of the proposed project will involve demolition of four office buildings, then construction of 277 apartments, 6 townhomes and 57 single family homes. Preparation of the site and full project construction will probably extend over a number of years. The Draft EIR references the noise impacts associated with project construction. However, the Draft EIR has no reference to any transportation related impacts, and does not offer even the general mitigations that could address the construction phase. For example, periods when trucks would be permitted to travel to/from the project site to minimize impacts on the nearby regional corridors, route restrictions to prevent impacting neighboring residential communities, parking restrictions associated with the construction activities, etc.

Traffic Fees:

The Draft EIR concluded that the proposed project would have no significant traffic impacts. Impact Fees are established to address existing and future deficiencies in the transportation system. Such Impact Fees would be applicable to any project with a net increase in trip generation, regardless of whether or not the project would have significant environmental impacts. For example, there are improvements planed along Lawrence Expressway including grade separation at the intersections of Lawrence Expwy/Monroe St/Reed Ave, Lawrence Expwy/Arques Ave, and Lawrence Expwy/Kifer Rd. The proposed Marina Playa project is expected to generate about 731 new daily trips that would be serviced by Lawrence Expressway and other regional roads in the area. Thus the project needs to pay a fair share financial contribution towards the Lawrence Expressway improvements. Neglecting the financial responsibilities of projects within the City of Santa Clara would adversely affect the City of Sunnyvale and the region.

Once again, thank you very much for the opportunity to participate in the environmental review process for this project. We look forward to your response to these comments. Please contact myself or Heba El-

Guendy, Senior Transportation Planner, with any questions or comments at (408) 730-7415.

Sincerely,

Jack Witthaus
Transportation and Traffic Manager

cc: Samantha Swan, VTA
Masoud Akbarzadeh, County of Santa Clara Roads and Airports Department
Lee Taubeneck, California Department of Transportation District 4

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, MAKING FINDINGS WITH RESPECT THERETO AND ADOPTING THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE MARINA PLAYA PROJECT LOCATED AT 1331–1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, on November 18, 2005, BRE Properties, Inc. ("BRE") and Taylor Morrison of California, LLC ("TM") made an application for the development of new single-family and multifamily housing on a site consisting of a 7.36-acre parcel at the northeast corner of Lawrence Expressway and Granada Avenue, Santa Clara, California ("Project"); and

WHEREAS, the Project site has previously been used for general office; and

WHEREAS, an application has been made to rezone the Project site from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use) to allow for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units as shown on the Development Plan, attached as Exhibit A, and incorporated herein by reference ("Development Plan"); and

WHEREAS, the lot lines of the property between the 2 parcels comprising the Project site will be altered through the lot line adjustment process, to accommodate the Project which includes

the development proposal by BRE known as "Santa Clara Crossings" (3.20 acres) and the development proposal by TM known as "Laurel Place II" (4.16 acres); and

WHEREAS, TM is proposing a Tentative Map to allow construction of up to 63 residential units (57 single family, 6 multi-family residential lots and one common lot) on the northerly 4.16 acres of the Project site; and,

WHEREAS, the Project entitlements will include Resolution No. _____ ("Rezoning Resolution"); Resolution No. _____ ("Tentative Map Resolution") Ordinance No. _____ ("Development Agreement Ordinance"); and this Resolution (collectively, "Entitlements"); and

WHEREAS, on October 25, 2007, the City of Santa Clara ("City") circulated a Notice of Preparation of a draft Environmental Impact Report ("DEIR") to review and analyze the environmental impacts of the Project; and

WHEREAS, the City distributed copies of the DEIR to the public agencies that have jurisdiction by law with respect to the Project and to other interested persons and agencies and sought the comments of such persons and agencies for forty-five (45) days, beginning on January 31, 2008 ("Comment Period"); and

WHEREAS, the City prepared written responses to the comments received during the Comment Period and included these responses in a separate volume entitled Final Environmental Impact Report for the Project (SCH#2007102131) ("FEIR"). The FEIR consists of: a list of agencies and organizations to whom the DEIR was sent, a list of the comment letters received on the DEIR, revisions to the text of the DEIR, responses to comments received on the DEIR, and copies of comment letters. The FEIR was subsequently circulated for a 10-day review period, in accordance with CEQA, that closed on April 21, 2008; and

WHEREAS, pursuant to Public Resources Code Section 21092.5, the City provided written responses to comments on the DEIR received by all public agencies to such public agencies on April 11, 2008, which responses conformed to the requirements of CEQA; and

WHEREAS, the City Council has reviewed the FEIR prepared for the Project, City Staff reports pertaining to the FEIR and all evidence received at a duly noticed public hearing on May 13, 2008. All of these documents and evidence are herein incorporated by reference into this Resolution; and

WHEREAS, the FEIR identified certain significant and potentially significant adverse effects on the environment caused by the Project. It is the intent of the City Council that the mitigation measures contained in the FEIR are implementation measures for the development of the Project; and

WHEREAS, the City is required whenever possible, pursuant to CEQA, to adopt all feasible mitigation measures or feasible project alternatives that can substantially lessen or avoid any significant environmental effects of the Project; and

WHEREAS, the City Council desires, in accordance with CEQA, to declare that, despite the occurrence of significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social or other considerations for approving the Project the City believes justify the occurrence of those impacts.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.

2. That the City Council hereby finds that the FEIR has been completed in compliance with CEQA.

3. That the City Council hereby finds the FEIR has been presented to the City Council, which reviewed and considered the information and analysis contained therein before making the findings attached hereto. The findings are contained in "The City of Santa Clara Findings Required under the California Environmental Quality Act and Statement of Overriding Considerations for the Approval of the Marina Playa Project Located at 1331 – 1333 Lawrence Expressway, Santa Clara" attached hereto as Exhibit B, and incorporated herein by reference.

4. That the City Council finds, pursuant to Public Resources Code Section 21081 and CEQA Guidelines Section 15091, that the mitigation measures described in the FEIR are feasible, and therefore will become binding upon the City and affected landowners and their assigns or successors in interest when the Project is approved.

5. That, to the extent that these findings conclude that various proposed mitigation measures outlined in the FEIR are feasible and have not been modified, superseded or withdrawn, the City Council hereby binds itself, all landowners within the Project area, and their assigns and successors in interest to implement those measures. These findings are not merely informational but constitute a binding set of obligations that will come into effect when the City Council issues the Project entitlements set forth above. The actual implementation of the mitigation measures hereby adopted shall occur by having them included as conditions of approval on subsequent discretionary entitlements granted within the Project area.

6. That, as set forth in its findings of fact, the City Council hereby finds that none of the proposed project alternatives set forth in the FEIR can feasibly substantially lessen or avoid those

significant adverse environmental effects not otherwise lessened or avoided by the adoption of all feasible mitigation measures.

7. That, in order to comply with Public Resources Code Section 21080.6, the City Council hereby adopts the mitigation monitoring and reporting program as set forth in the attached Exhibit C, and incorporated herein by reference. The program is designed to ensure that, during project implementation, the City, affected landowners, their assigns and successors in interest, and any other responsible parties comply with the feasible mitigation measures identified below. The mitigation and monitoring program identifies, for each mitigation measure, the party responsible for implementation.

8. That the FEIR set forth environmental impacts that would be significant or potentially significant in the absence of mitigation measures. As to each such impact, the City Council hereby finds that changes or alterations incorporated into the project mitigate or avoid the significant or potentially significant environmental impacts. Also set forth are impacts that are significant and unavoidable that cannot be mitigated or avoided through the adoption of feasible mitigation measures or feasible alternatives. As to these impacts, the City Council hereby finds that there exist certain overriding economic, social and other considerations for approving the Marina Playa Project that the City Council believes justify the occurrence of those impacts.

9. That the City Council finds that the Project is consistent with the City of Santa Clara General Plan and is the best way to implement the goals and policies of the General Plan.

10. Based on the findings set forth in this Resolution and the evidence in the City Staff Report, the City Council hereby certifies the FEIR, makes findings concerning mitigation measures, adopts a mitigation monitoring program, makes findings concerning alternatives in accordance with CEQA for the Project.

11. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE __ DAY OF May, 2008, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:

1. Exhibit A: Development Plan
2. Exhibit B: The City of Santa Clara Findings Required under the California Environmental Quality Act and Statement of Overriding Considerations for the Approval of the Marina Playa Project Located at 1331 – 1333 Lawrence Expressway, Santa Clara
3. Exhibit C: Mitigation Monitoring and Reporting Program

I:\DATA\WP\RESOLUTIONS\MARINA PLAYA\Reso Cert Final EIR 05-07-08.doc

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: DON REBER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-6555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

THE GUZZARDO PARTNERSHIP, INC.
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY

SHEET INDEX:

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ARCHITECTURAL DRAWINGS	
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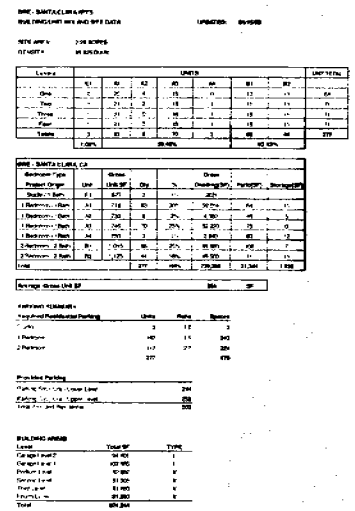
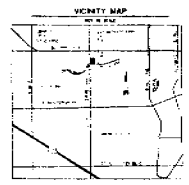
PROJECT SUMMARY:





A-0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

DESIGN SUBMITTAL

BRE PROPERTIES
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ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860

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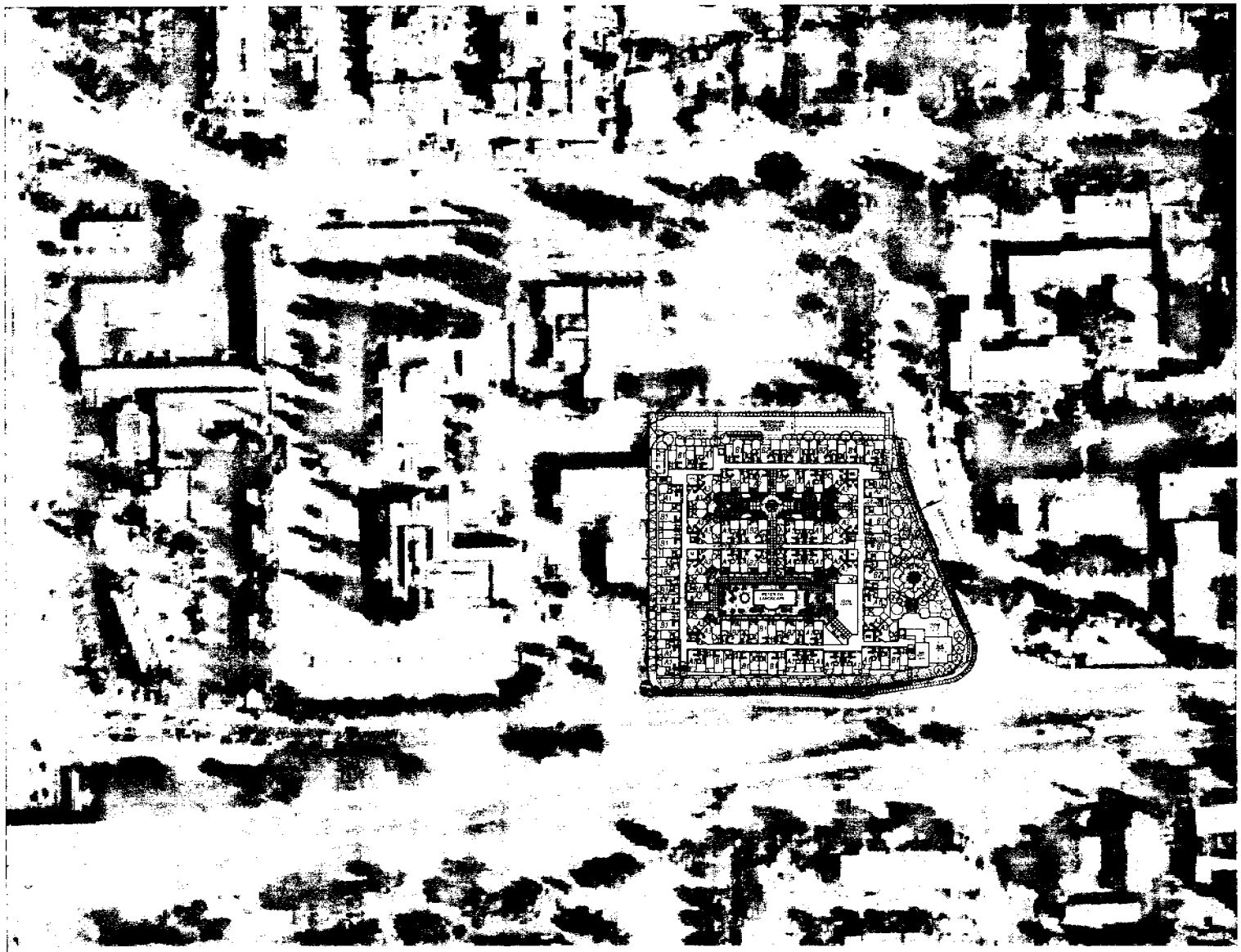

NORTH

COMPOSITE
SITE PLAN

0' 50' 100' 150'

SCALE: 1/50" = 1'-0"

A-1

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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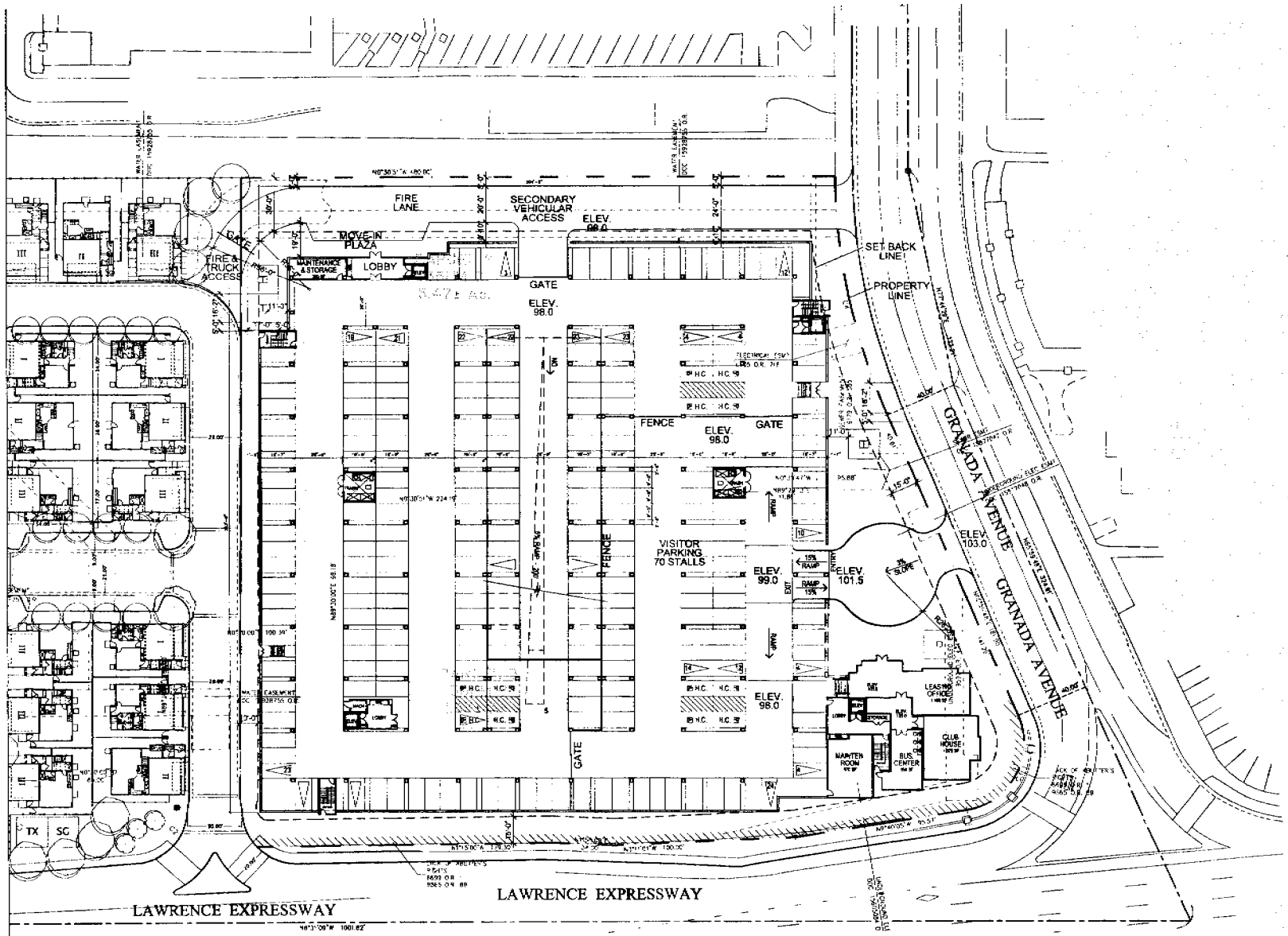
ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9660



NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-1.1

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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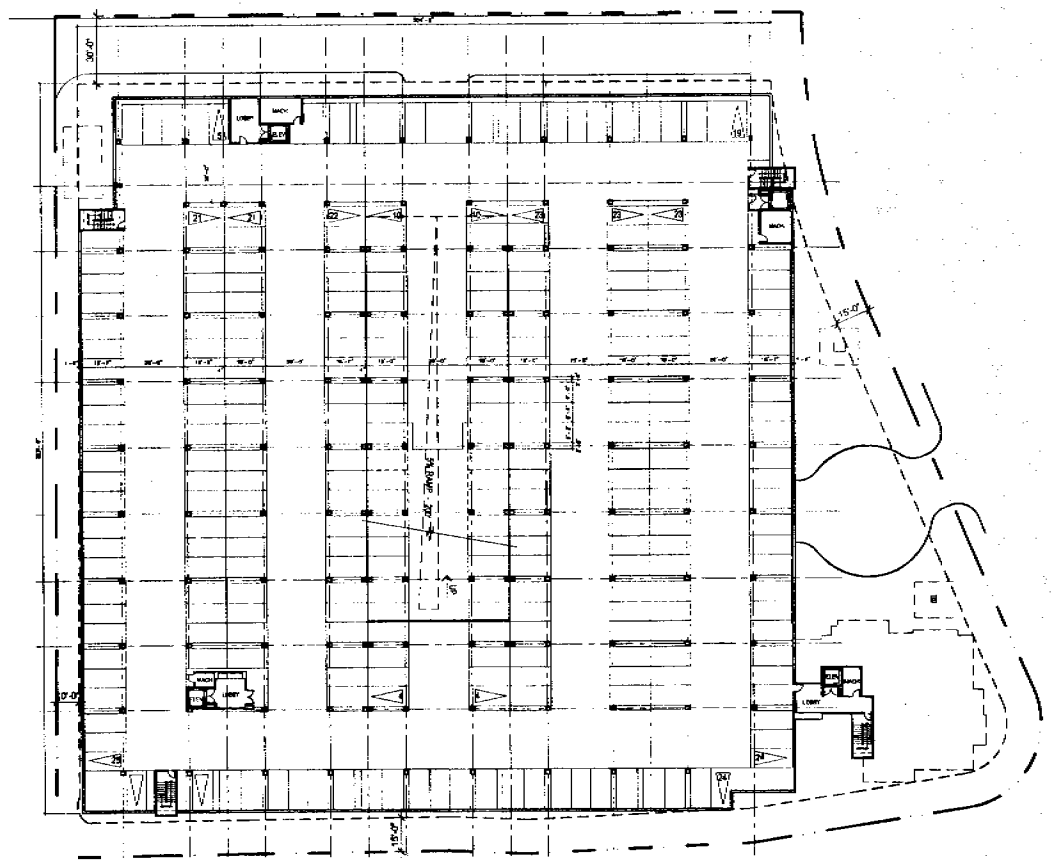

NORTH

GARAGE
LEVEL 02

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-2

2004-119 APRIL 15, 2006

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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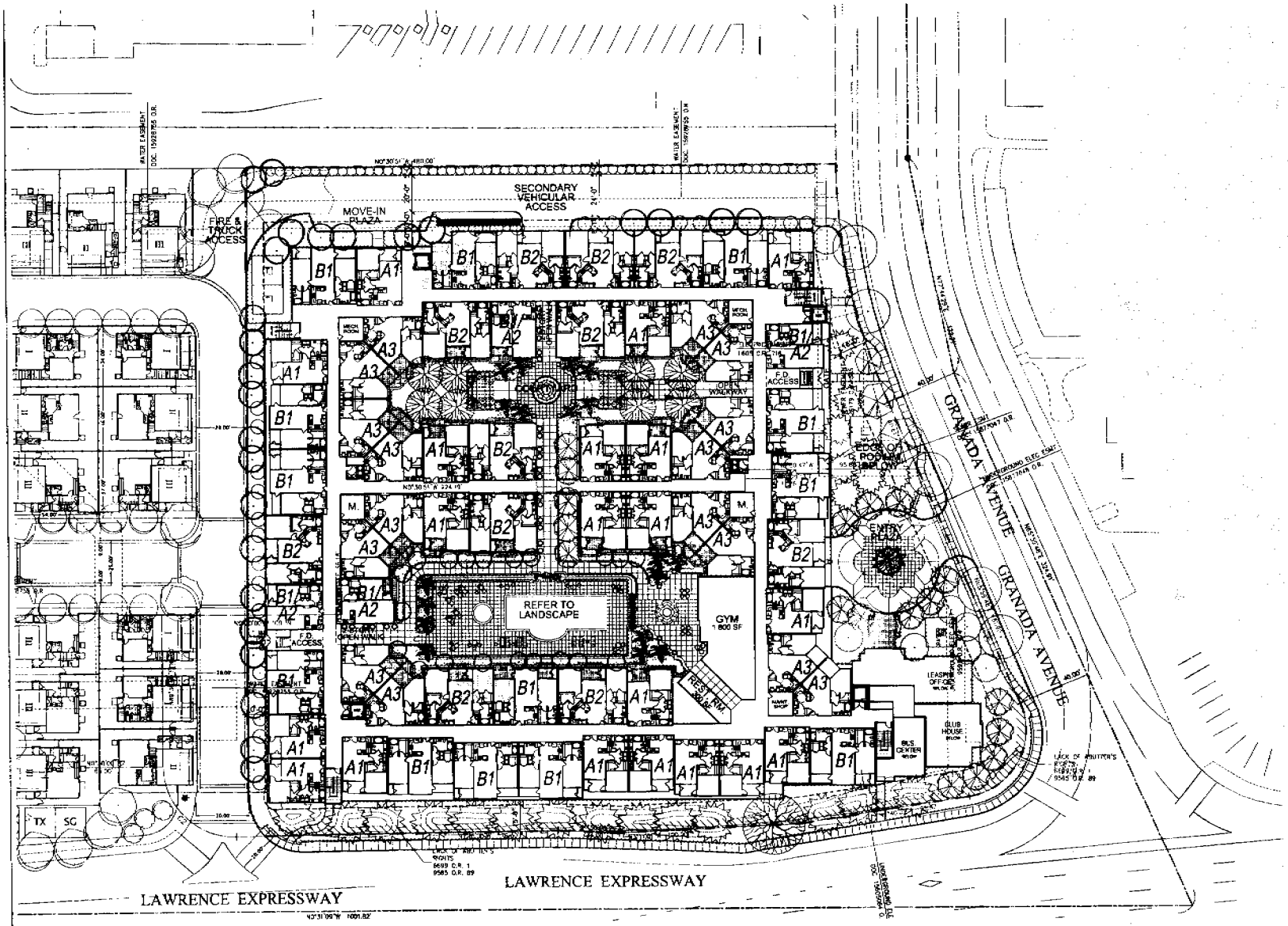

NORTH

PODIUM LEVEL

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-3

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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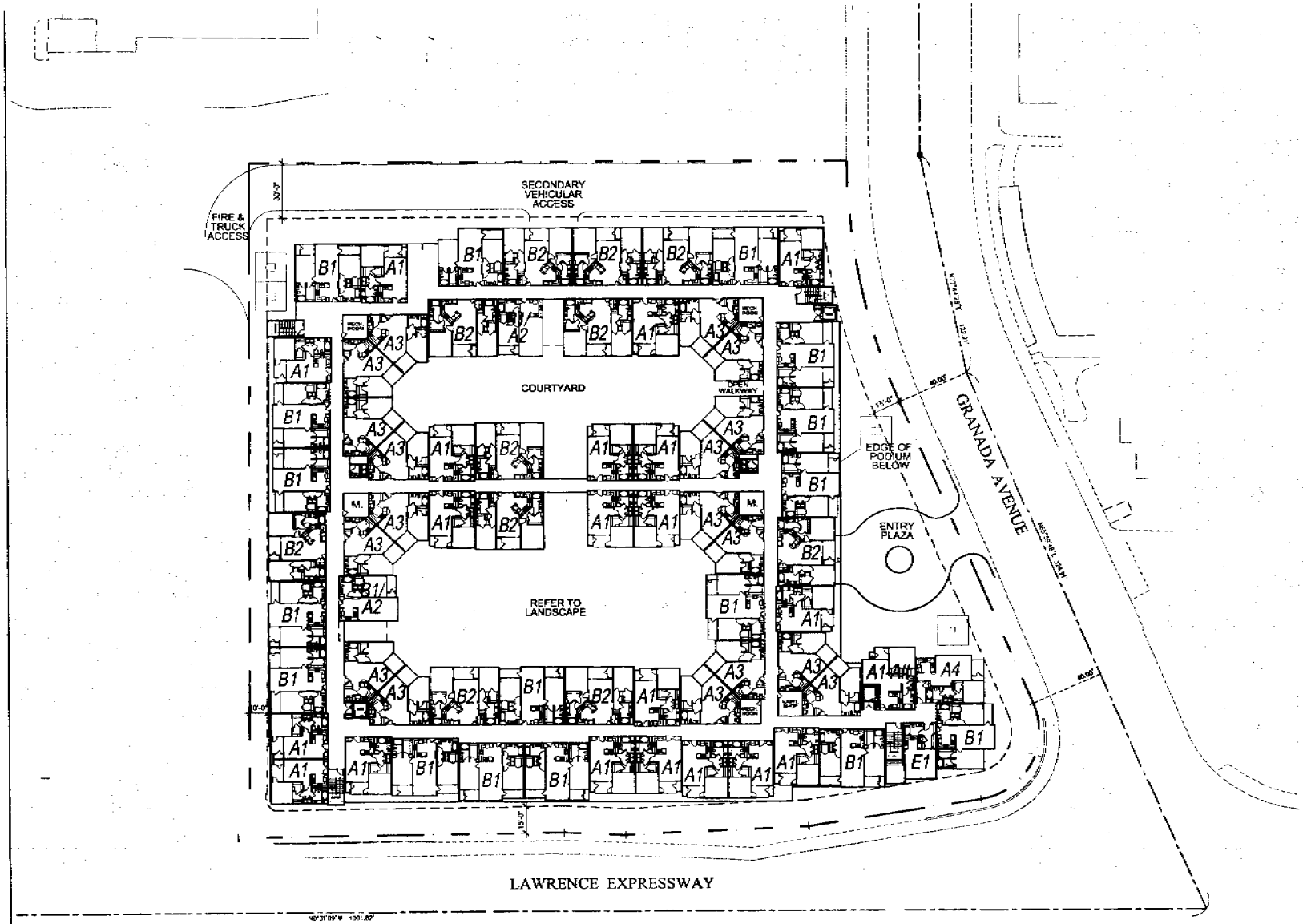

NORTH

SECOND LEVEL

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-4

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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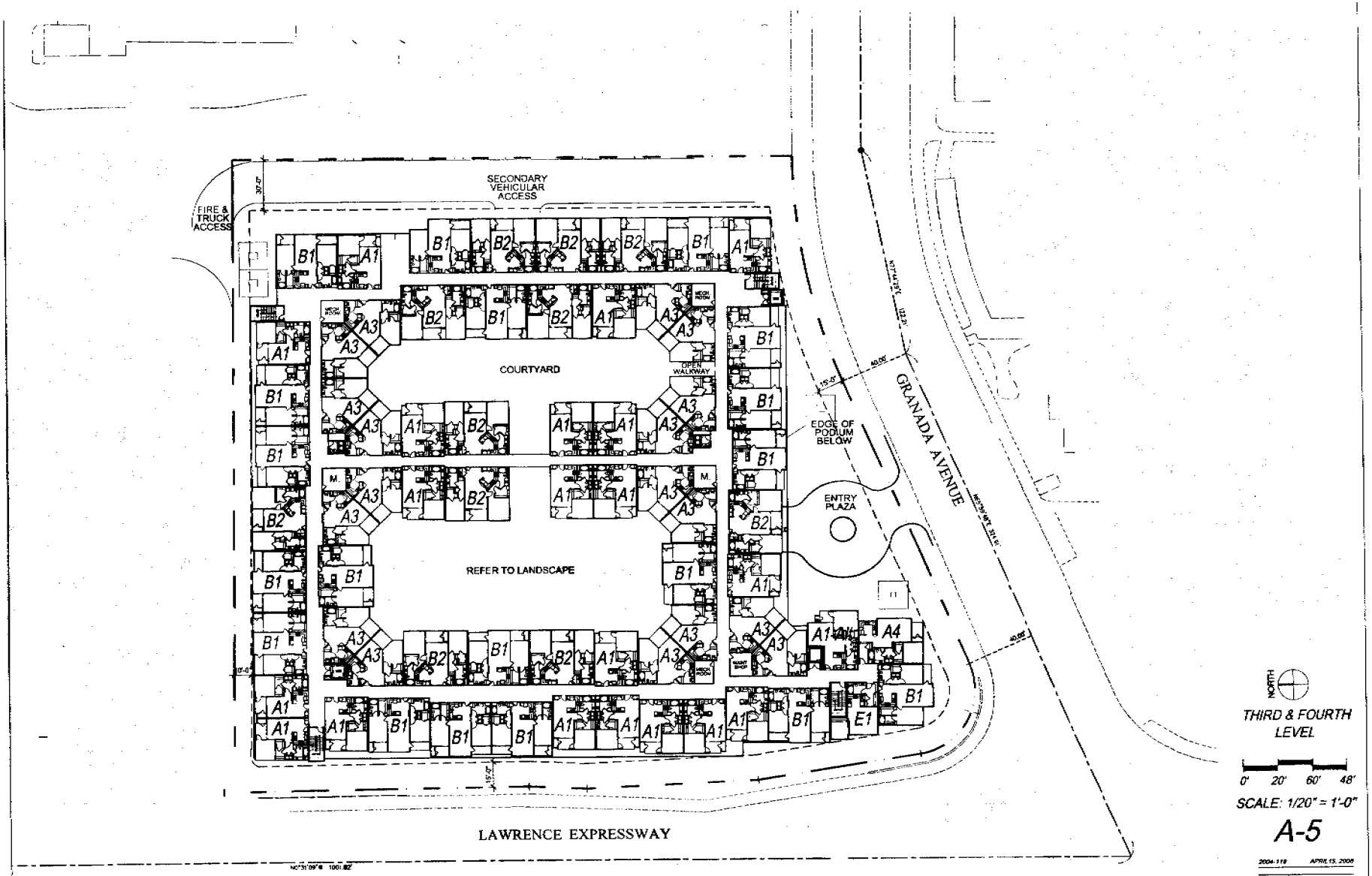

A-5

2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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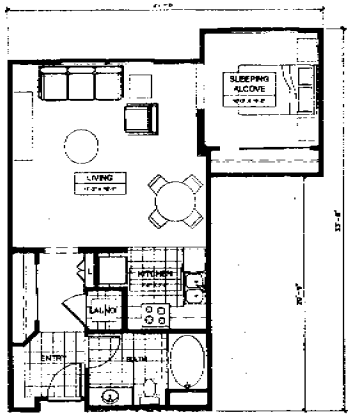
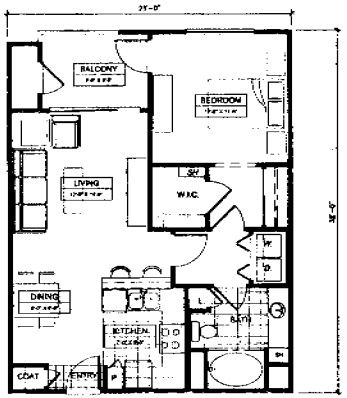


UNIT E1

STUDIO - 1 BATH

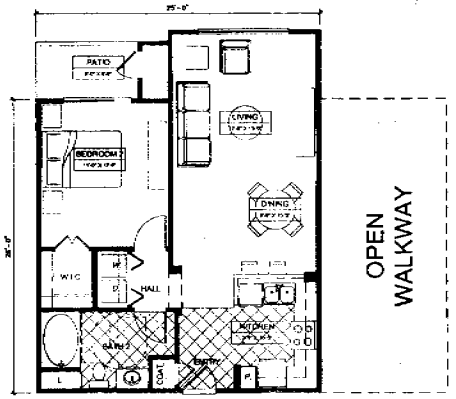
LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: – SQ. FT.



UNIT A1

1 BEDROOM - 1 BATH

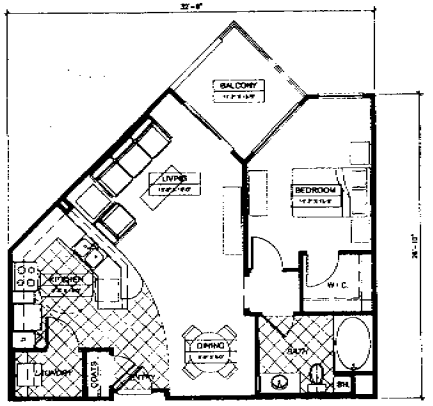
LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



UNIT A2

1 BEDROOM - 1 BATH

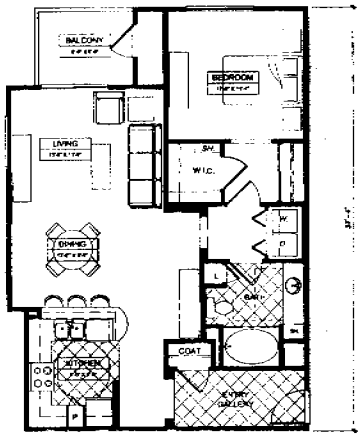
LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



UNIT A3

1 BEDROOM - 1 BATH

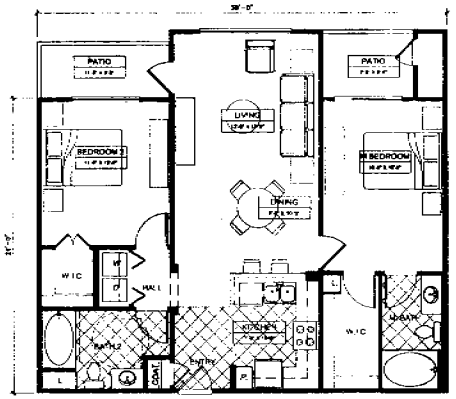
LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



UNIT A4

1 BEDROOM - 1 BATH

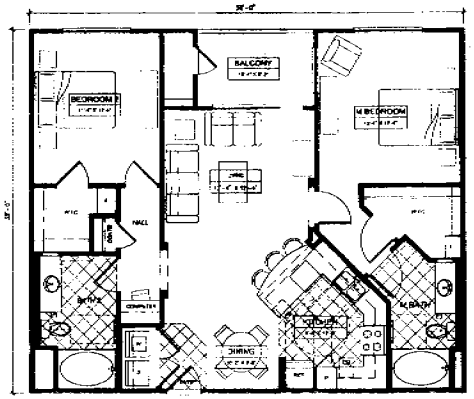
LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1

2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2

2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

A-6

2004-110 APRIL 15, 2006

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860

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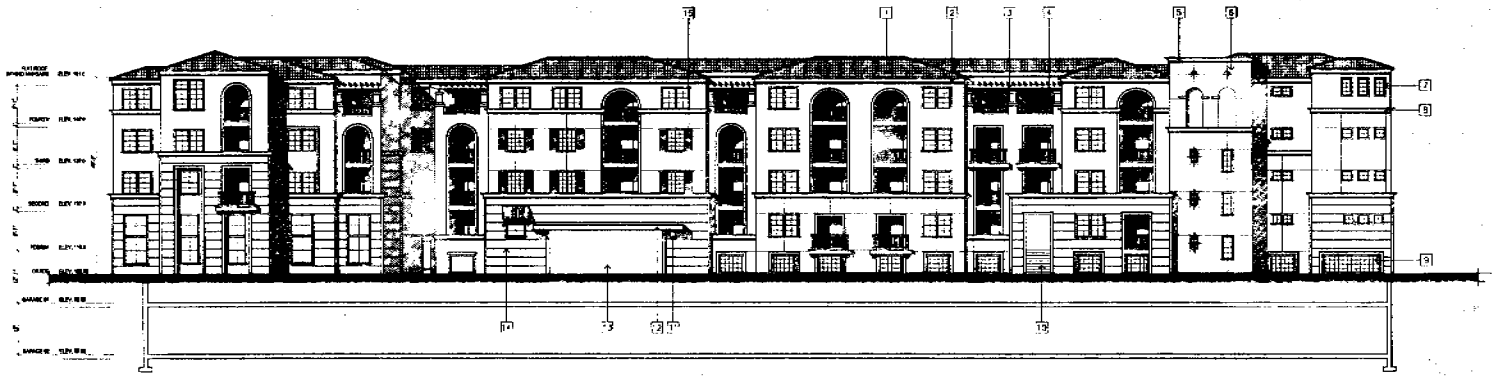

GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TIGHT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE DOOR
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	MAIN VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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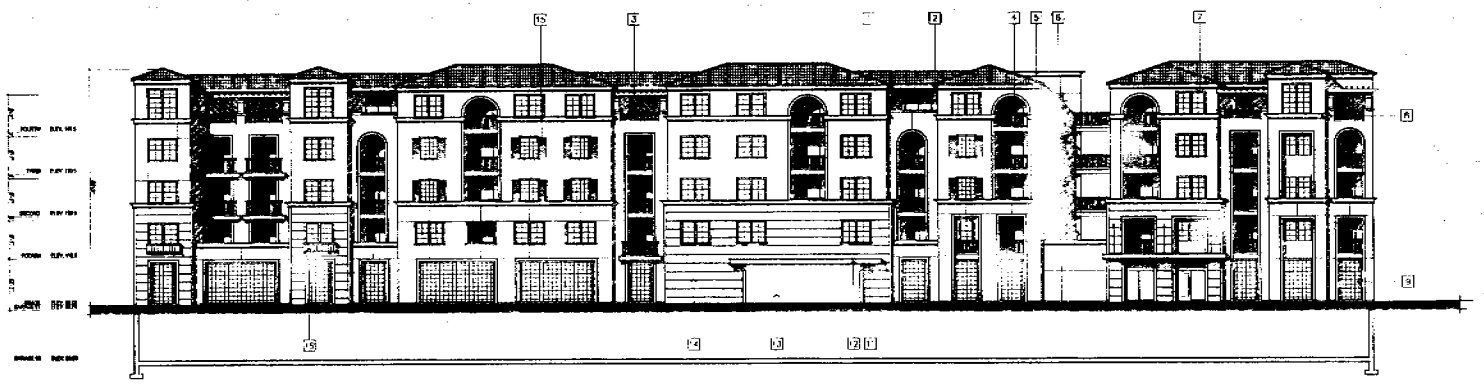

CONCEPTUAL EAST ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	FRONT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE GRILL
7	VENT WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	SECONDARY VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS
16	DECORATIVE PLANTER BOX

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.1

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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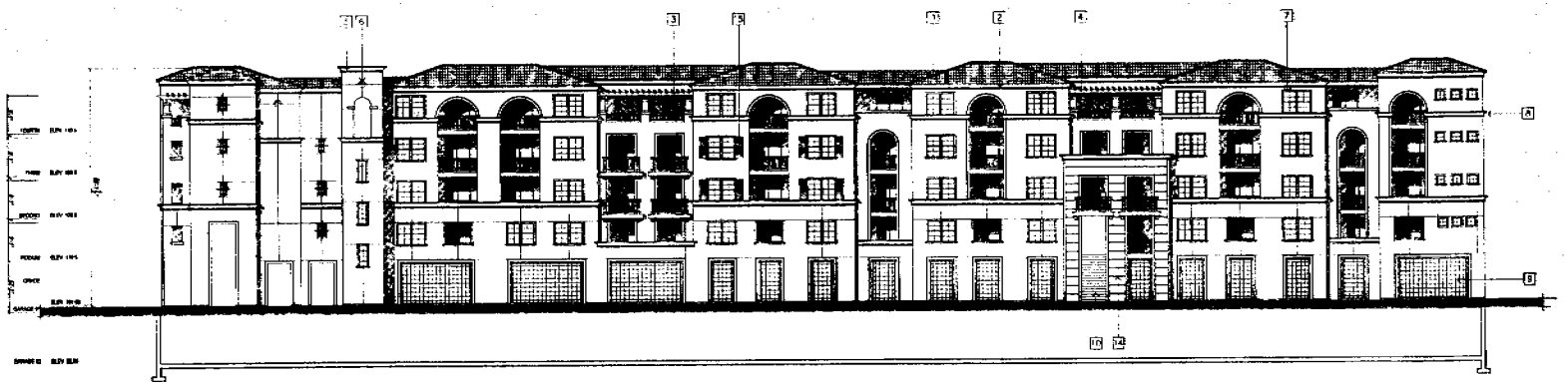

CONCEPTUAL NORTH ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1.	CLAY BARREL TILE ROOF
2.	TOINT MASON
3.	TREES
4.	WROUGHT IRON RAILING
5.	PARAPET DETAIL
6.	DECORATIVE MEDALLION
7.	VENT WINDOWS
8.	DECORATIVE FOAM TRIM
9.	DECORATIVE GARAGE GRILL
10.	FIRE DEPARTMENT ACCESS
11.	DECORATIVE CORBELS
12.	METAL AWNING
13.	MAIN VEHICLE ACCESS
14.	SCORE LINES
15.	DECORATIVE SHUTTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.2

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE

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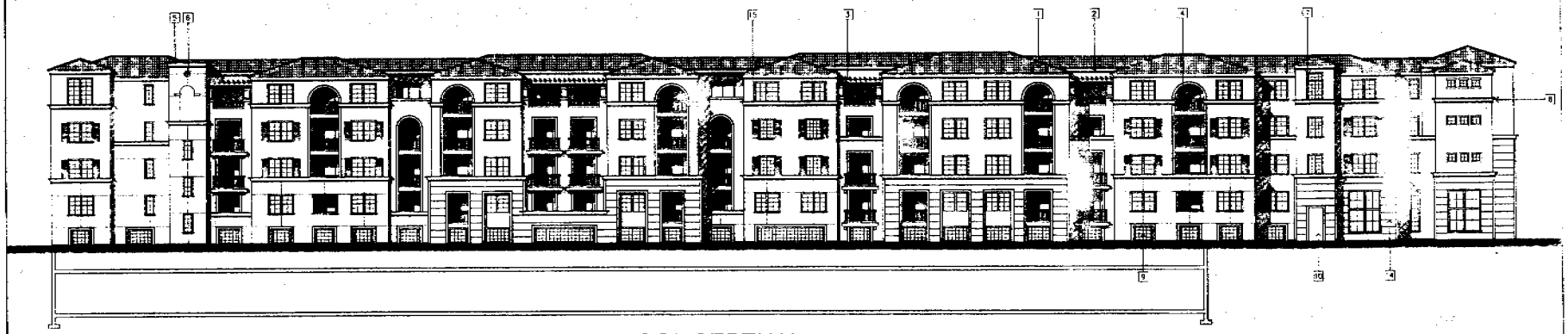

CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TIGHT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	STAIR EXIT
11	DECORATIVE CORBELS
12	METAL AWNINGS
13	MAIN VEHICLE ACCESS
14	TCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.3

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-8530

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144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860

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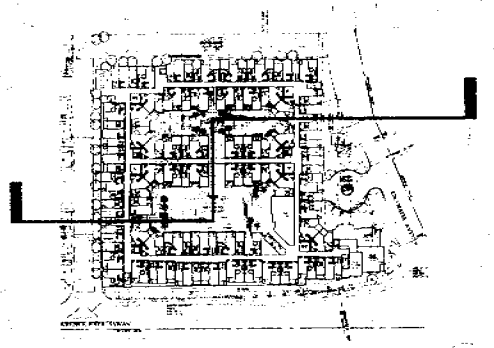

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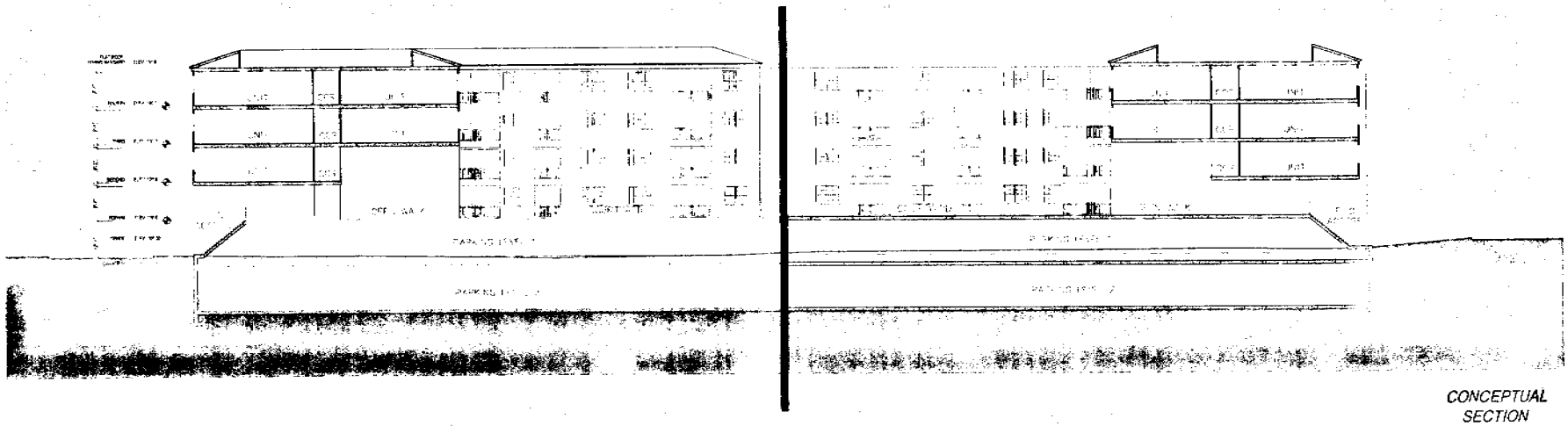

CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-8.0

2004-113 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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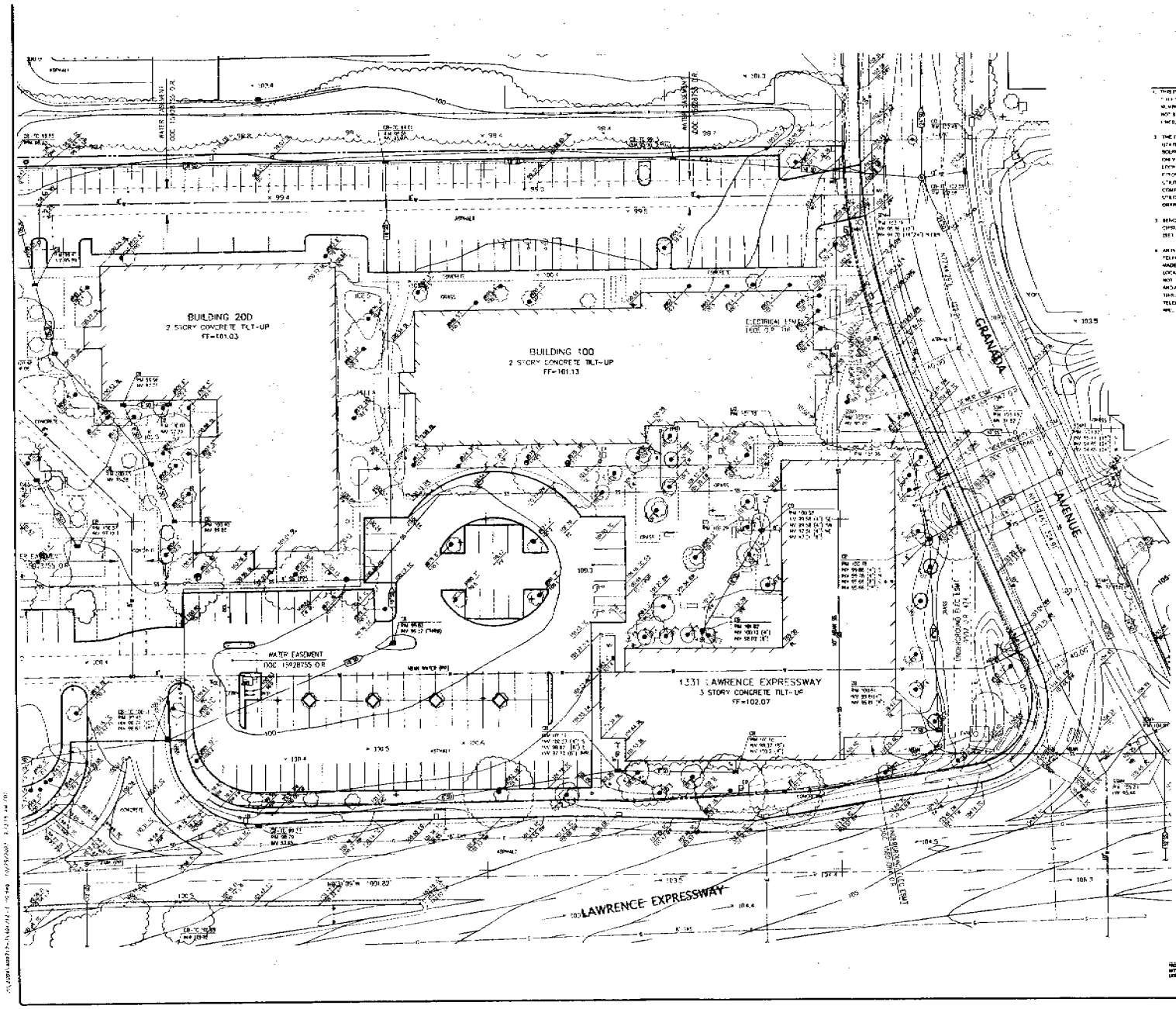


Scale 1" = 20 ft

NOTES

1. THIS PLOT WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY FIRST AMERICAN TITLE, DATED DECEMBER 30, 2014 AS ORDER NO. 1836-3.C. NO COMPLETE ABSTRACT FOR MATTERS OF RECORD NOT STATED IN SAID PRELIMINARY TITLE REPORT THAT MAY AFFECT THE TITLE TO, OR EXCEPTIONS, OR EASEMENTS OF THE PROPERTY.

2. THE PIPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES, AS SHOWN ON THIS TOPOGRAPHIC SURVEY WERE OBTAINED FROM SOURCES OF VARYING REVIABILITY. THE CONTRACTOR IS CAUTIONED THAT ON ACTUAL EXCAVATION WILL REVEAL THE TYPES, SIZES, AND LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND DELINEATE ALL KNOWN UNDERGROUND UTILITIES. HOWEVER, THE ENGINEER CAN ASSUME NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF THE DELINEATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS.

3. BENCHMARK, LAWRENCE EXPRESSWAY AND GRANADA, SOUTHEAST CORNER, CHISELED SQUARE ON TOP CATCH BASIN AT RETURN ON LAWRENCE EXPRESSWAY (SET 12-30-98) ELEVATION = 108.22

4. AN INSPECTION OF THE SUBJECT PROPERTY HAS REVEALED THAT THERE ARE TELEPHONE FACILITIES ON OR NEAR THE SUBJECT PROPERTY. A REQUEST WAS MADE OF THE TELEPHONE COMPANY FOR INFORMATION REGARDING THE LOCATION OF OUTSIDE FACILITIES ON THIS SITE. AS OF JANUARY 4, 2006, THEY HAVE NOT RESPONDED WITH THIS INFORMATION. UNTIL WE RECEIVE THIS INFORMATION WE ARE UNABLE TO DELINEATE THESE FACILITIES. ALL PARTIES SHOULD CONSIDER THIS SURVEY AS FINAL ONLY WITH REGARDS TO THE LOCATION OF THE TELEPHONE FACILITIES. UPON RECEIPT OF THE INFORMATION FOR R.S. WRIGHT WILL UPDATE THIS SURVEY AND REISSUE IT.

LEGEND

	PROPERTY LINE
	ADJACENT PROPERTY LINE
	CENTERLINE
	EASEMENT
	FIRE STANDARD CITY MONUMENT
	ELEVATOR
	FIRE HYDRANT
	STORM DRAIN MANHOLE
	MANHOLE
	UTILITY POLE
	VALVE
	CATCH BASIN
	FIRE DEPARTMENT CONNECTION
	BACK FLOW PREVENTER
	POST INDICATOR VALVE
	WELL
100.00	SPOT ELEVATION
	CONTOUR
	INDEX CONTOUR
	CURB & GUTTER
	CONCRETE
	FENCE
	SINGLE TREE
	SAND BRUSH
	SANITARY SEWER
	STORM DRAIN
	WATER
	GAS
	FIRE SERVICE
	UNDERGROUND ELECTRIC
	BUILDING
	EDGE OF PAVEMENT
	WALL

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	BB	GRADE BREAK
BW	BACK OF WALK	BM	BENCH ELEVATION
BC	BACK OF CURB	BS	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BLDG	BUILDING	NO	NORTHEAST
BOL	BOLLARD	OR	OFFICIAL RECORDS
BW	BASE OF WALL	PL	PLATE
CB	CATCH BASIN	RIM	RIM ELEVATION
CO	CLEAN OUT TO SEWER	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DW	DRIVEWAY	SE	SOUTHEAST
EW	EXISTING	SL	STREET LIGHT
EX	EXIST	SSMH	SANITARY SEWER MANHOLE
EP	ELECTRIC BPX	SV	SOLDIER
EB	ELECTRICAL BOX	T	TELEPHONE BOX
EM	ELECTRIC METER	TB	TELEPHONE BOX
EP	ELECTRIC PX MANHOLE	TW	TRANSFORMER
FL	FLOWLINE	TBM	TEMPORARY BENCH MARK
FG	EDGE OF GRADE	TW	TOP OF WALL
FH	FIRE HYDRANT	W	WEST
FL	FLOW LINE	WB	WATER BOX
FW	FENCE	WM	WATER METER
FW	FACE OF WALL	WV	WATER VALVE

PREPARED BY OR UNDER THE SUPERVISION OF
NATHAN C. MCCARTY, L.S. 8844
LICENSE EXPIRES 12-31-08

DATE

NO.	DATE	REVISION
1	8/27/2008	ALIGNMENT TO CITY COMMENTS
2	11/17/2008	ALIGNMENT TO CITY COMMENTS
3	09/22/2009	CITY SUBMITTAL
4	06/09/2010	AHERN FILTER UPDATE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3470 Mount Diablo Blvd.
Phone (925) 946-9515
Fax (925) 946-0593
Pleasanton, California 94566

TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE: APRIL, 2006
SCALE: 1" = 20'
SURVEYOR: ACM
JOB NO.: J04312.1
SHEET: C1
OF: SHEETS

BUILDING REMOVAL NOTES:

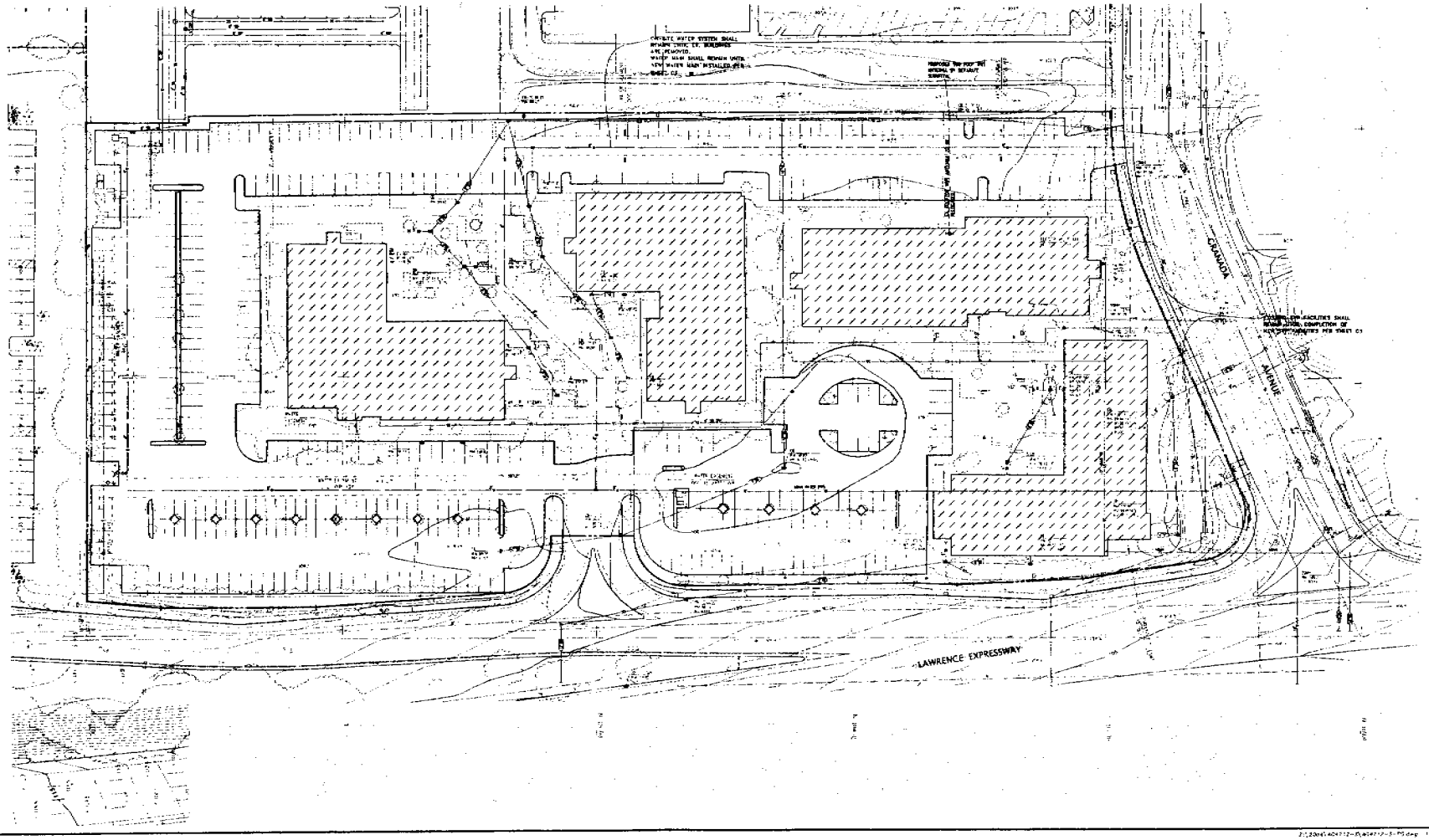
1. ON-SITE FIRE SYSTEM SHALL REMAIN ACTIVE UNTIL DEMOLITION OF BUILDINGS.
2. MAIN SVP FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY TAYLOR-MORRISON HOMES.
3. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

0 30 60 90

Scale 1" = 30 ft

LEGEND

EXISTING BUILDING TO BE DEMOLISHED



REVISION	BY	CK
06/22/2007 - CITY SUBMITTAL		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collier Canyon Road
Livermore, California 94566 Tel (925) 245-7600 Fax (925) 245-7601

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 30'
DESIGNER	BA
JOB NO	A04275-9
SHEET	C2
OF	SHEETS

Z:\2004\A04275\Plot\C2-B-PD.dwg 10/25/2007 11:19:46 AM PDT

ELEC. & WATER MAIN NOTES:

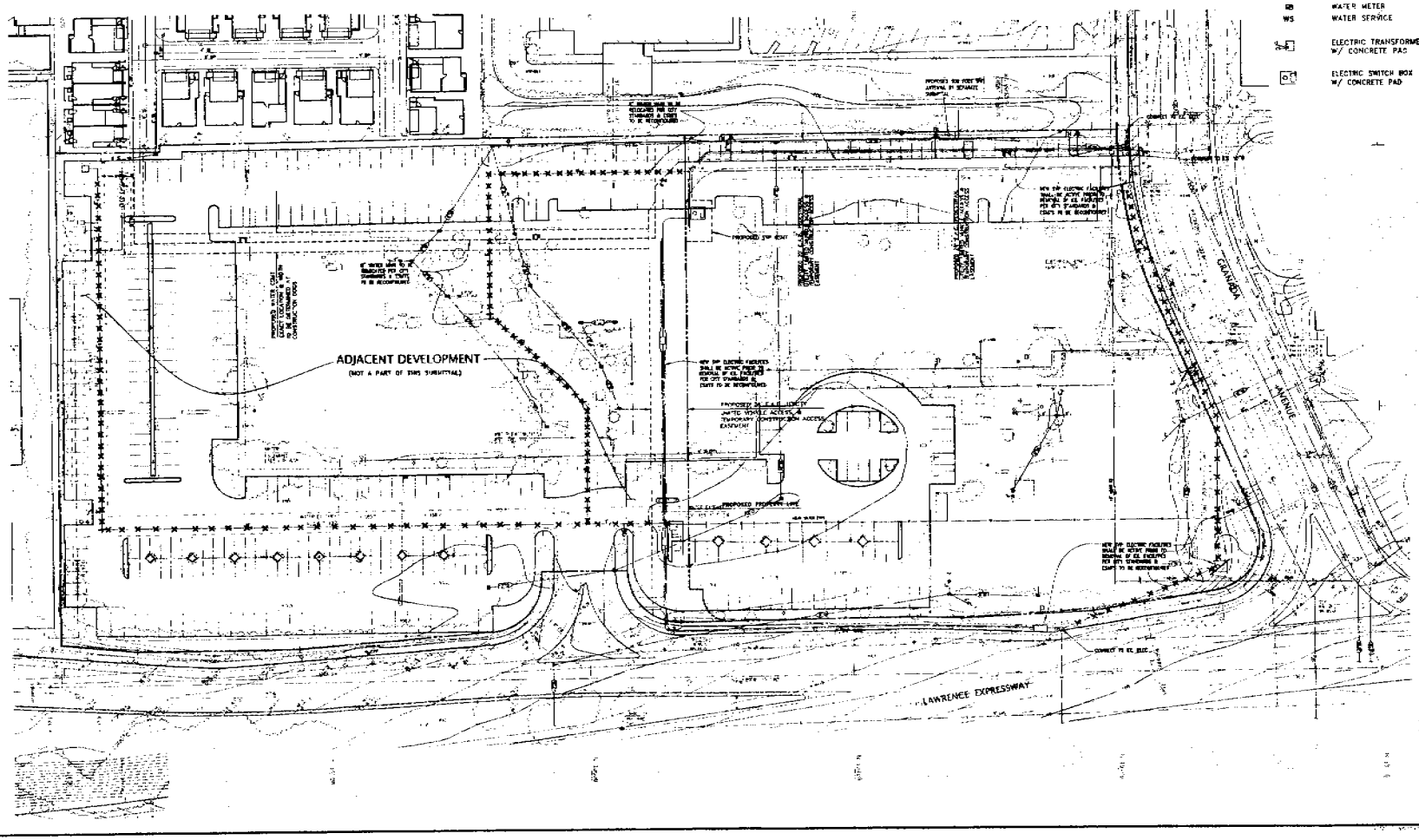
1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE REQ'D FOR THE SANTA CLARA CROSSPINCE PROJECT BY BRE PROPERTIES ONLY. IMPROVEMENTS RELATED TO ADJACENT DEVELOPMENT ARE SHOWN ON PLANS FROM TAYLOR WOODROW HOMES. SEE SHEET C6 FOR DETAILED PRELIMINARY LAYOUT
2. EXISTING ON-SITE FIRE SYSTEM SHALL REMAIN UNTIL ACTIVE DEMOLITION OF BUILDINGS.
3. MAIN SVP FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY OTHERS
4. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY
5. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

0 20 40 80

Scale 1" = 30'-0"

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
	BACK FLOW PREVENTION DEVICE
	EXISTING UTILITY TO BE ABANDONED BY REMOVAL
	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD



NO.	DATE	REVISION
1	04/22/2007	CITY SUBMITTAL

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collier Canyon Road
Pleasanton, California 94566
(925) 245-8300
Fax (925) 245-8369

PRELIMINARY ELECTRICAL AND WATER PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

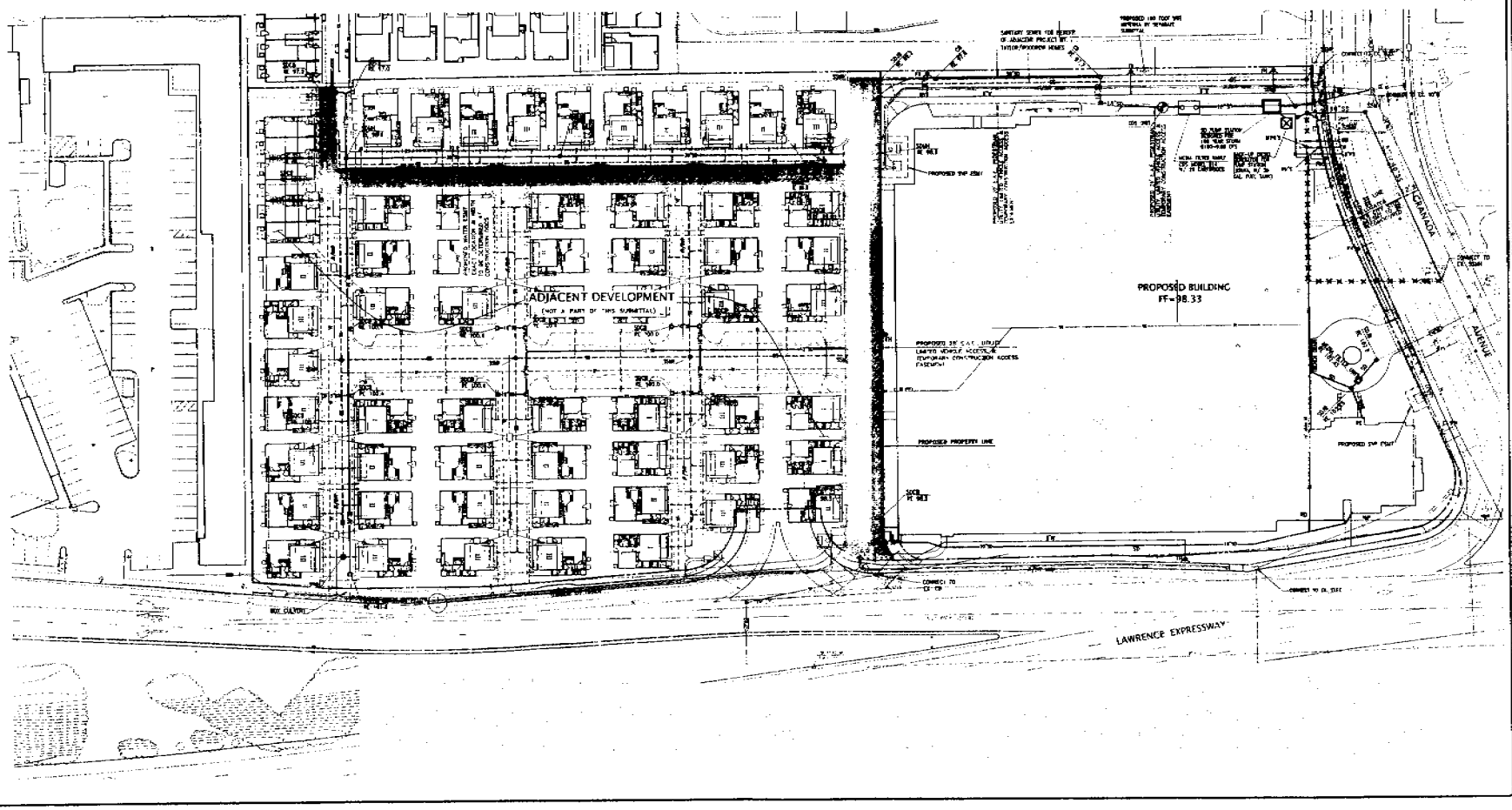
DATE	APRIL 2006
SCALE	1" = 30'
DRAWN BY	BJ
JOB NO.	2C4722-5
SHEET	C3
OF	SHEETS

OVERALL IMPROVEMENT PLAN NOTES:

1. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE SHEET C6 FOR DETAILED PRELIMINARY UTILITY LAYOUT. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

LEGEND

	JOINT TRENCH/ SVP TRENCH BY OTHERS		AREA DRAIN
SD	STORM DRAIN LINE BY OTHERS		CATCH BASIN
SS	SEWER LINE BY OTHERS		STORM DRAIN JUNCTION BOX
W	WATER LINE BY OTHERS	FL	FLOW LINE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD	PV	PAVEMENT
	ELECTRIC SWITCH BOX W/ CONCRETE PAD	BE	BW ELEVATION
	EASEMENT ON ADJACENT PROPERTY REQ'D FOR PROJECT	SD	STORM DRAIN LINE
		SS	SANITARY SEWER
		W	WATER LINE
			JOINT TRENCH/SVP TRENCH
		TC	TOP OF CURB

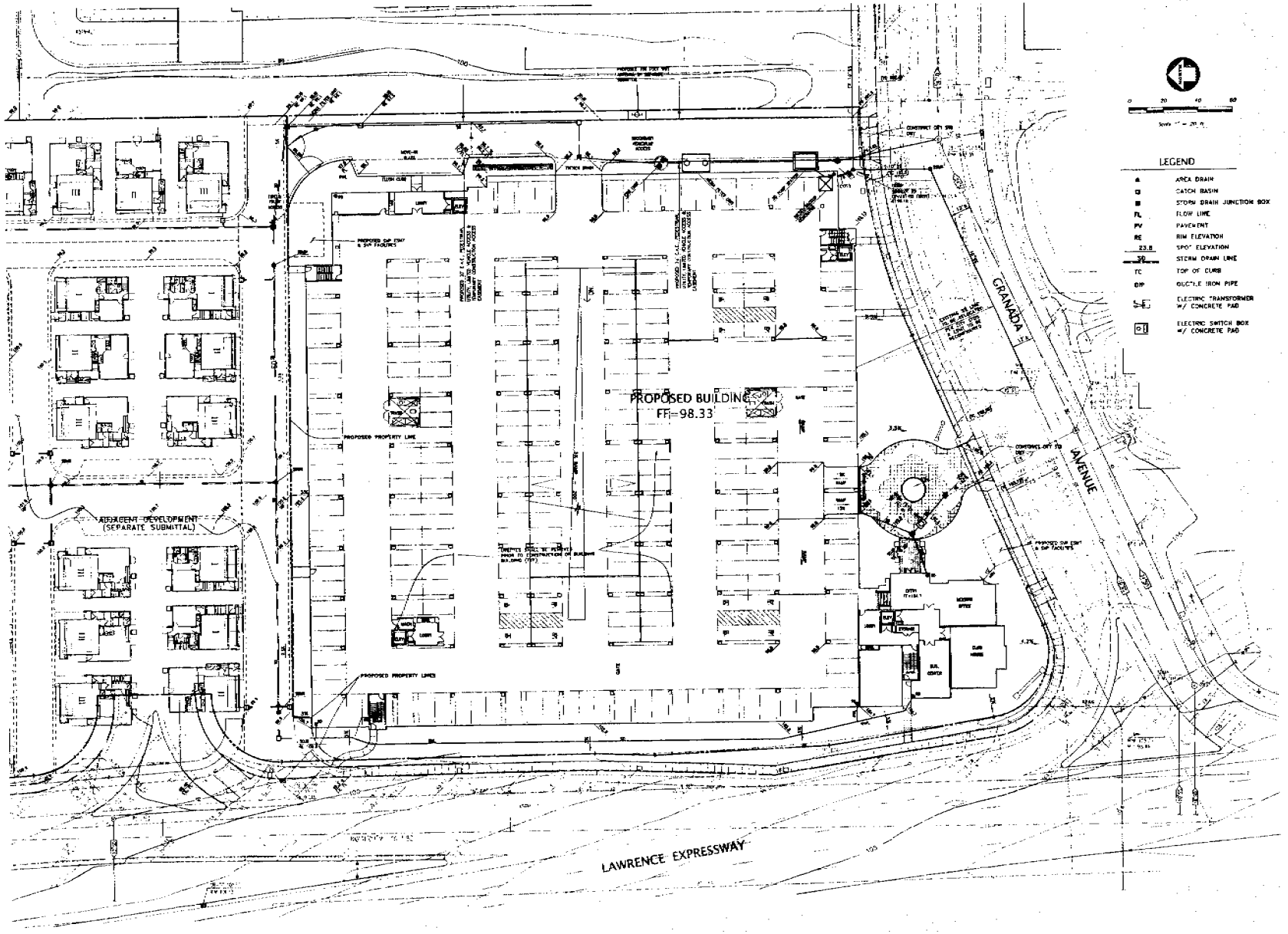


NO	DATE	REVISION	BY	NO	DATE	REVISION
1	4/11/2006	1ST REVIEW - TO CITY COMMENTS		4		
2	5/11/2006	2ND REVIEW TO CITY COMMENTS		5		
3	06/22/2007	CITY SUBMITTAL		6		
	08/06/2007	MASTER PLAN UPDATE		7		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3333 Quality Drive, Suite 110
Rancho Cordova, California 95670
(916) 366-3333
Fax (916) 366-3335

PRELIMINARY OVERALL IMPROVEMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE	APRIL, 2006
SCALE	1"=30'
DRAWN BY	BAC
JOB NO	A24112-1
SHEET	C4
OF	SHEETS



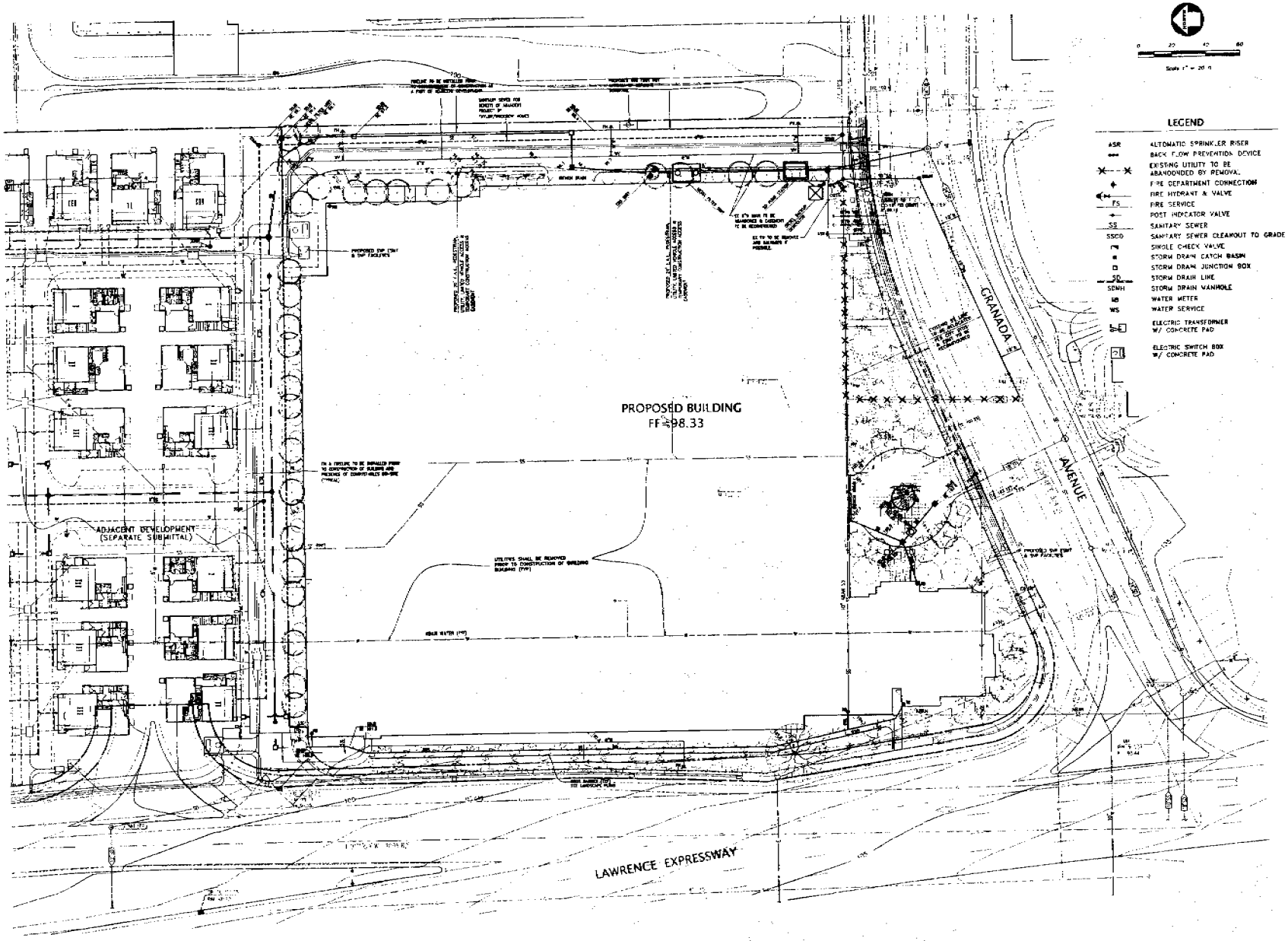
NO.	DATE	REVISION	BY	CK	APP
1	6/17/2004	RESPONSE TO CITY COMMENTS	SM	SM	
2	11/17/2004	RESPONSE TO CITY COMMENTS			
3	08/03/2007	CITY SUBMITTAL			
4	08/08/2007	MEDIA FILTER UPDATE			

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collen Street, Suite 1 San Jose, California 95128
Phone (408) 244-7500 Fax (408) 249-9593

PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL, 2004
SCALE	1" = 20'
DESIGNER	SMC
JOB NO.	KW712-5
SHEET	C5
OF	SHEETS



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1237 Quarry Lane Suite 15 Tel (925) 945-8896
Pleasanton, California 94566 Fax (925) 426-9593

NO	DATE	REVISION
1	9/7/2006	REVISIONS TO CITY COMMENTS
2	11/17/2006	REVISIONS TO CITY COMMENTS
3	06/22/2007	CITY SUBMITTAL
4	08/30/2007	UPDATE

PRELIMINARY UTILITY PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL, 2006
SCALE	1" = 20'
DRAWN	SMC
JOB NO	404273-3
SHEET	C6
OF	SHEETS

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (AC.)	AREA (S.F.)	% SITE
TOTAL TREATED AREA	3.18 AC.	138,700 S.F.	100%
1. SELF-TREATED	0.55 AC.	24,100 S.F.	17.4%
2. PAVEMENT/HARDSCAPE	0.23 AC.	10,008 S.F.	7.2%
3. ROOF AREA TO MEDIA FILTER	2.30 AC.	100,000 S.F.	74.8%
UNTREATED AREA	0.00 AC.	0 S.F.	0%
TOTAL SITE AREA	3.18 AC.	138,700 S.F.	100%

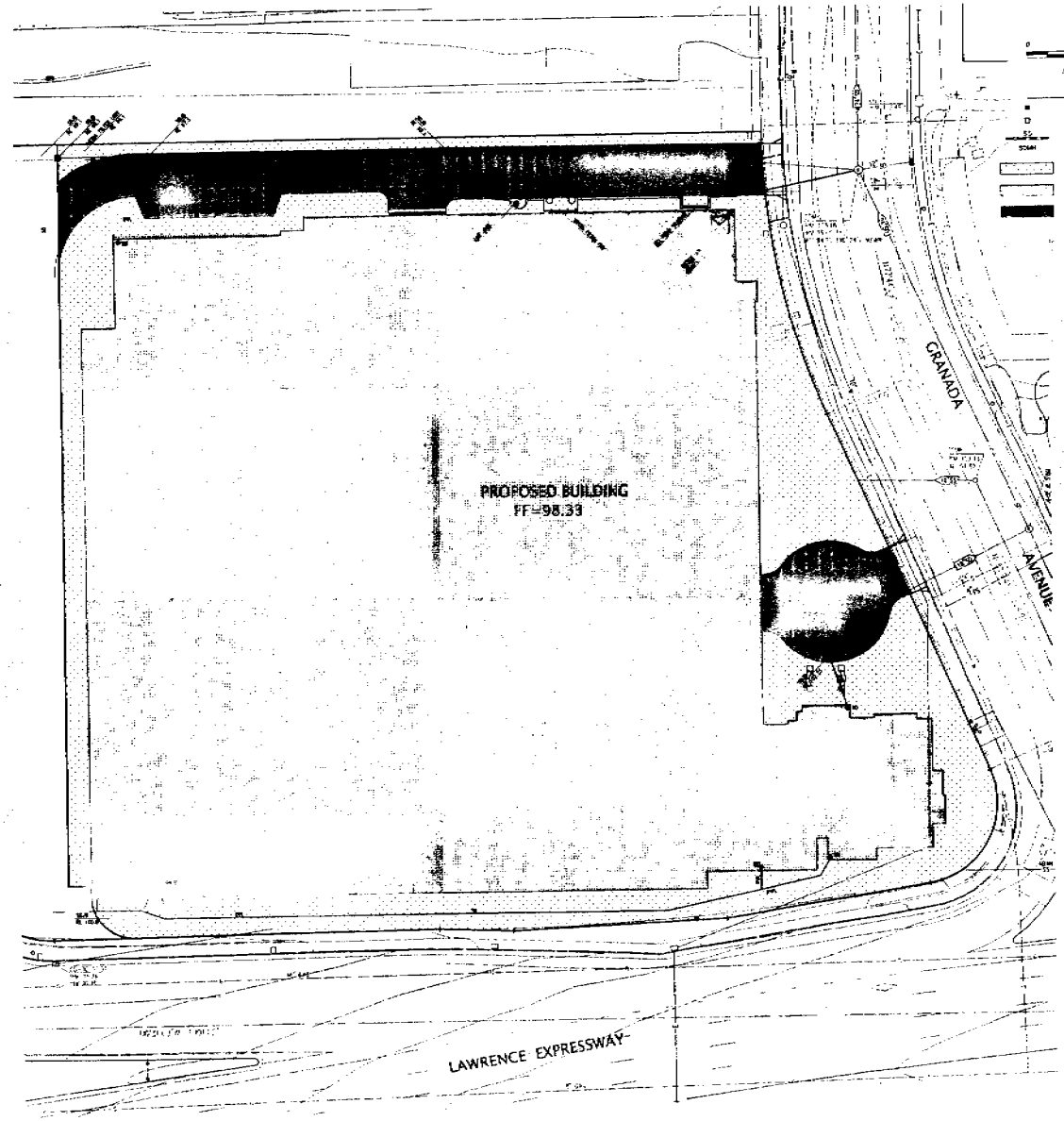
STORMWATER TREATMENT NOTES

1. SELF TREATING AREA INCLUDES ALL ON-SITE LANDSCAPING. LANDSCAPE RUNOFF WILL DISCHARGE TO MEDIA FILTER UNIT.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING FLOWS TO BAY."

3. PROJECT IS EXEMPT FROM HYDROMODIFICATION PLAN (HMP) REQUIREMENTS PER ATTACHMENT 3 OF ORDER NO. R2-2005-0050 OF NPDES PERMIT NO. CAS029831. THE ATTACHMENT STIPULATES THAT ANY PROJECT DRAINING TO A CONTINUOUSLY MAINTAINED CHANNEL IS NOT APPLICABLE TO THE HMP REQUIREMENTS IN THE NPDES PERMIT. ATTACHMENT SHOWS PROJECT IS LOCATED WITHIN AN AREA DRAINING TO A HARDENED CHANNEL.

4. MEDIA FILTER UNITS SHALL BE A CONTITECH TYPE MEDIA FILTER SPECIFIED TO BE CONTECH STORMWATER SOLUTIONS STORMFILTER OR EQUIVALENT. FINAL ORDER & SPECIFICATIONS OF MODEL TO BE REVIEWED & APPROVED BY CITY OF SANTA CLARA PRIOR TO ISSUANCE OF PERMIT.

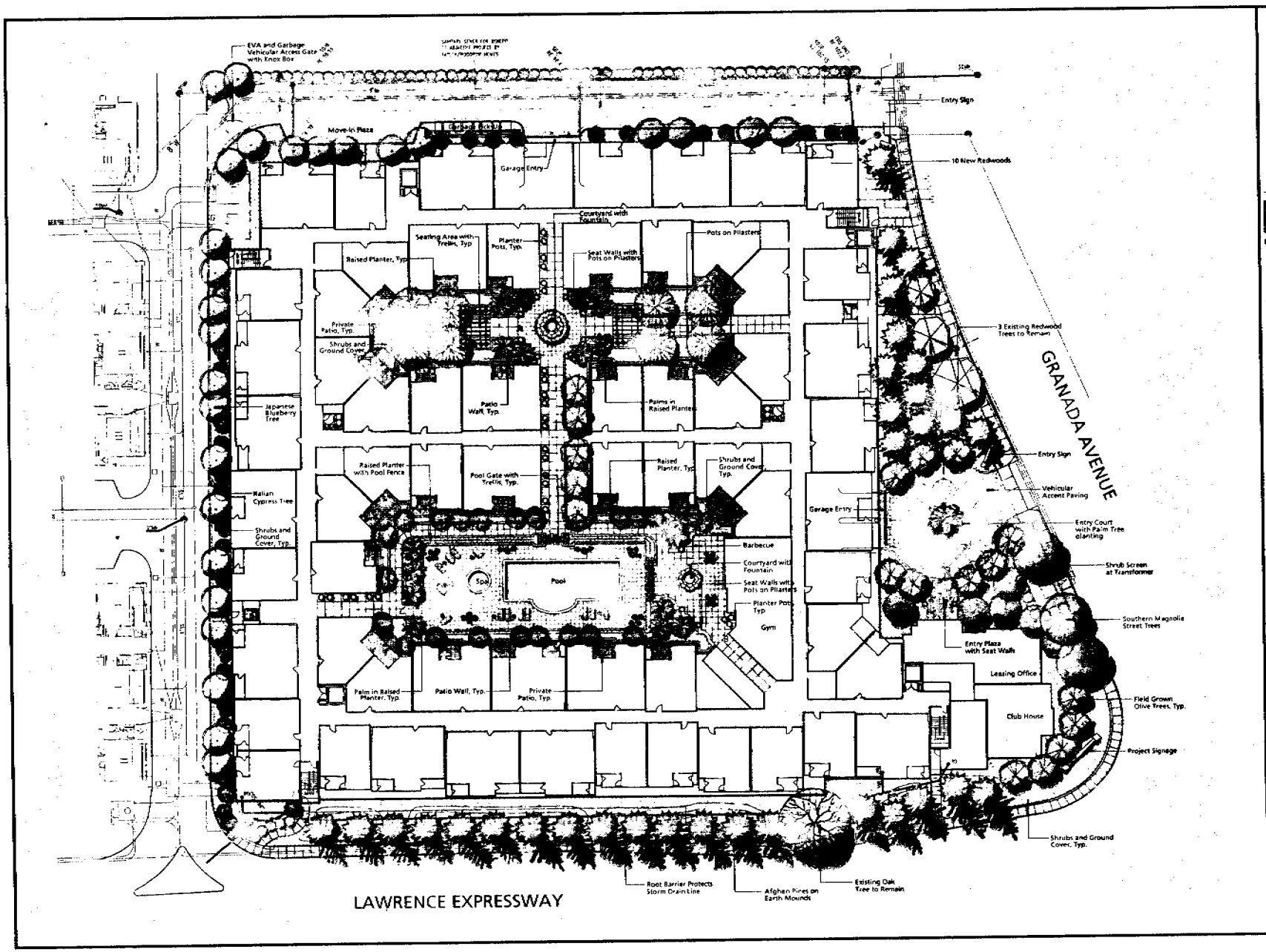


NO.	DATE	REVISION
1	9/13/2006	RESPONSE TO CITY COMMENTS
2	11/17/2006	RESPONSE TO CITY COMMENTS
3	06/22/2007	CITY SUBMITTAL
4	08/29/2007	MEDIA FILTER UPDATE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2855 Stevenson Blvd., Suite 115
Fremont, California 94555
(925) 579-9333
Fax (925) 579-9335

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 20'
DESIGNER	SMC
JOB NO.	A14712-3
SHEET	C7
OF	SHEETS



BRE Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC.
Landscape Architects · Land Planners
836 Montgomery Street
San Francisco, CA 94133
T 415 433 4672
F 415 433 5003

No	Date	Description
	06.22.07	Submittal Set

Conceptual Landscape Plan

North

Scale: 1" = 20'
0 10 20 40

Date: 05/31/2007

L-1

Project Number 05508

LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

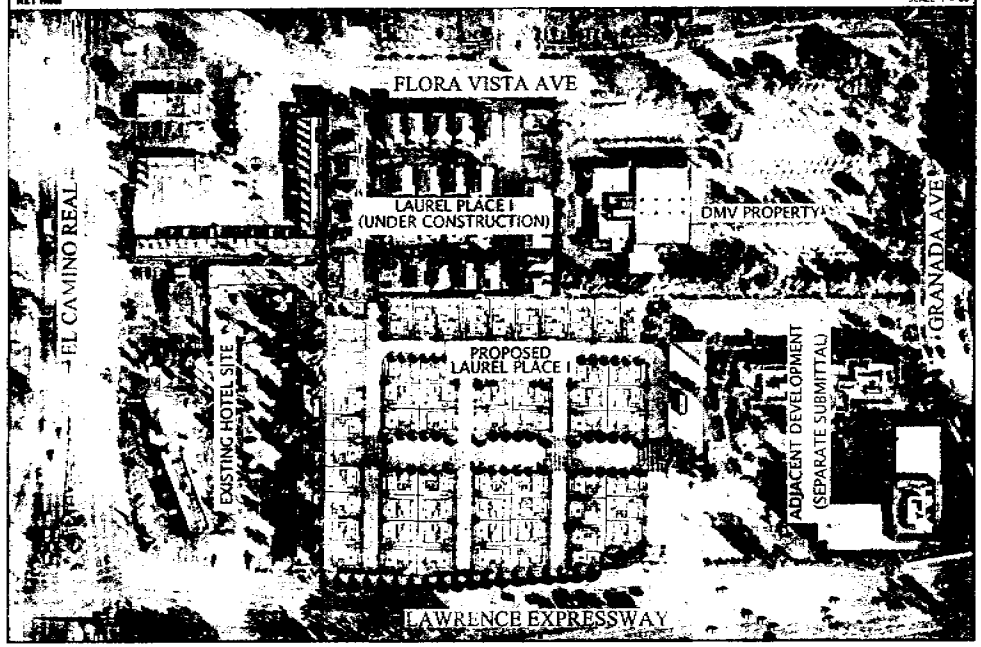
FOR

TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY

SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP SCALE: 1"= 60'



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

OWNER

TAYLOR MORRISON HOMES
3000 EXECUTIVE PARKWAY, SUITE 100
SAN RAMON, CA 94583
CONTACT: KERWIN GUANDERYE
(925) 659-6120

ENGINEER

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.
3350 SCOTT BOULEVARD, BLDG. 22
SANTA CLARA, CA 95054
CONTACT: JOHN MOORI
(408) 727-6565

BUILDING ARCHITECT

THE DAHLIN GROUP
5865 OWENS DRIVE
PLEASANTON, CA 94588
CONTACT: MEDIA BEAVER
(925) 251-7200

LANDSCAPE ARCHITECT

VAN DORN ABED LANDSCAPE ARCHITECTS
589 HOWARD STREET, SUITE 3
SAN FRANCISCO, CA 94105
CONTACT: SHARI VAN DORN
(415) 979-9918

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
C1.0	PROJECT COVER SHEET	KIER & WRIGHT
C2.0	LAUREL PLACE II - SITE PLAN	VAN DORN ABED
C3.0	ARTISTS CONCEPT	DAHLIN GROUP
C3.1	TOPOGRAPHIC SURVEY (EXISTING SITE)	KIER & WRIGHT
C3.2	TENTATIVE MAP	KIER & WRIGHT
C3.3	TYPICAL STREET PLANS & SECTIONS	KIER & WRIGHT
C5.4	PRELIMINARY STORM WATER MANAGEMENT PLAN	KIER & WRIGHT
C4.0	FIRE SAFETY PLAN	KIER & WRIGHT
C4.1	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. EXIT	KIER & WRIGHT
C4.2	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. ENTRANCE	KIER & WRIGHT
C5.0	PRELIMINARY GRADING PLAN	KIER & WRIGHT
C6.0	PRELIMINARY UTILITY PLAN	KIER & WRIGHT
C6.1	UTILITY RELOCATION & IMPROVEMENT PLAN	KIER & WRIGHT
C6.2	TENTATIVE MAP	KIER & WRIGHT
A1.0	PLAN 1 - FLOOR PLANS	DAHLIN GROUP
A1.1	PLAN 1 - ELEVATIONS	DAHLIN GROUP
A2.0	PLAN 2 - FLOOR PLANS	DAHLIN GROUP
A2.1	PLAN 2 - ELEVATIONS	DAHLIN GROUP
A3.0	PLAN 3 - FLOOR PLANS	DAHLIN GROUP
A3.1	PLAN 3 - ELEVATIONS	DAHLIN GROUP
A4.0	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.1	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.2	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.3	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
A4.4	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
L1.1	CONCEPTUAL LANDSCAPE PLAN	VAN DORN ABED
L1.2	CONCEPTUAL DETAILS	VAN DORN ABED
L1.3	PLANTING LEGEND AND DETAILS	VAN DORN ABED

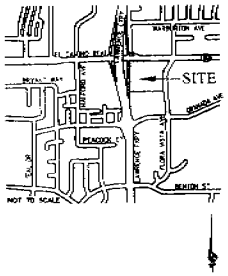
SQUARE FOOTAGE SUMMARY

PLAN 1	
FIRST FLOOR LIVING AREA	516 S.F.
SECOND FLOOR LIVING AREA	448 S.F.
THIRD FLOOR LIVING AREA	480 S.F.
TOTAL LIVING AREA	1,838 S.F.
TWO CAR GARAGE	504 S.F.
DECK	125 S.F.
GROSS SQUARE FOOTAGE	2,467 S.F.
PLAN 2	
FIRST FLOOR LIVING AREA	864 S.F.
SECOND FLOOR LIVING AREA	951 S.F.
THIRD FLOOR LIVING AREA	198 S.F.
TOTAL LIVING AREA	2,013 S.F.
TWO CAR GARAGE	400 S.F.
GROSS SQUARE FOOTAGE	2,413 S.F.
PLAN 3	
FIRST FLOOR LIVING AREA	575 S.F.
SECOND FLOOR LIVING AREA	936 S.F.
THIRD FLOOR LIVING AREA	425 S.F.
TOTAL LIVING AREA	1,936 S.F.
TWO CAR GARAGE	420 S.F.
DECK	128 S.F.
GROSS SQUARE FOOTAGE	2,484 S.F.
TOWNHOME	
FIRST FLOOR LIVING AREA	93 S.F.
SECOND FLOOR LIVING AREA	567 S.F.
THIRD FLOOR LIVING AREA	498 S.F.
TOTAL LIVING AREA	1,160 S.F.
TWO CAR GARAGE	486 S.F.
DECK	80 S.F.
GROSS SQUARE FOOTAGE	1,918 S.F.

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.18.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.28.06
4	FOURTH SUBMITTAL	10.20.06
5	FIFTH SUBMITTAL	05.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

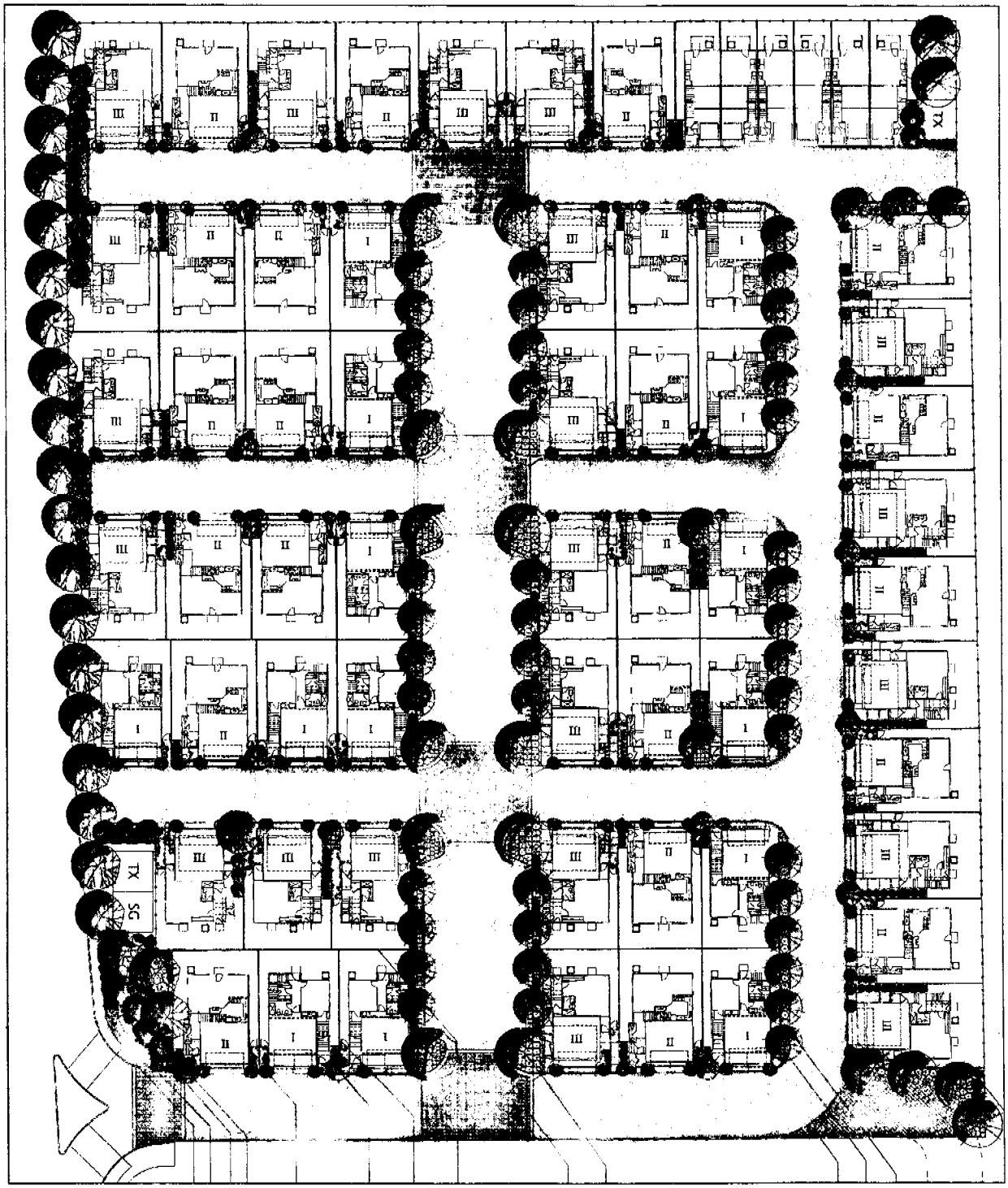


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22 • (408) 727-6565
Santa Clara, California 95054 • (408) 727-1401

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

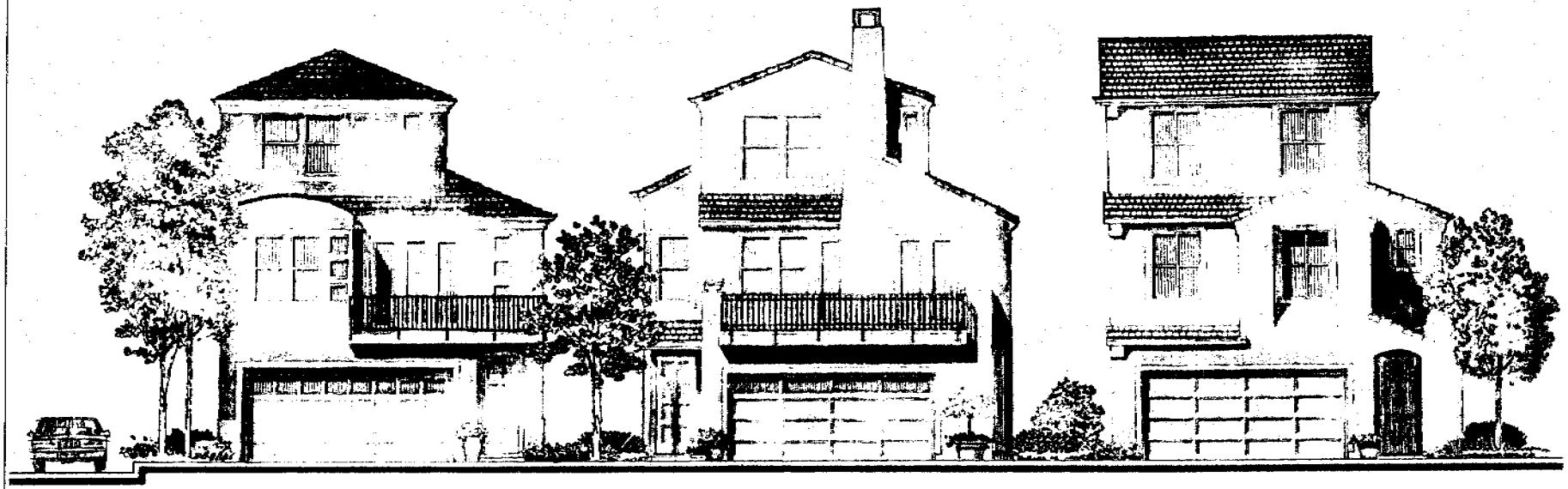
PROJECT COVER SHEET

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JF
DRAFTER	JF
JOB	405168
SHEET	C1.0



C2.0	LAUREL PLACE II - SITE PLAN	LAUREL PLACE II PLANNED DEVELOPMENT APPLICATION SANTA CLARA, CALIFORNIA 1331-1333 LAWRENCE EXPRESSWAY TAYLOR WOODROW HOMES	DAHLIN GROUP ARCHITECTURE PLANNING 2671 Crow Canyon Rd. San Ramon, CA 94583 925.837.8286 925.837.2543 Fax

DWG	---
DRAWN	---
DESIGNED	---
SCALE	AS SHOWN
DATE	NOV 2005



PLAN 1

END LOT
(STREET CONDITION)

PLAN 3

TYPICAL INTERIOR
LOT CONDITION

PLAN 2

END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9700
925.837.3543 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	C3.0

TOPOGRAPHIC SURVEY NOTES

1. THIS SURVEY WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY FIRST AMERICAN TITLE COMPANY, DATED NOVEMBER 22, 2005, NUMBER 0151-4182594A. NO LIABILITY IS ASSUMED FOR MATTERS OF RECORD NOT STATED IN SAID PRELIMINARY TITLE REPORT THAT MAY AFFECT THE BOUNDARY LINES, EXCEPTIONS, OR EASEMENTS AFFECTING THE PROPERTY.

THIS IS NOT A BOUNDARY SURVEY. NO LIABILITY IS ASSUMED BY KIER & WRIGHT FOR THE EXISTENCE OF ANY EASEMENT, ENCUMBRANCE, DISCREPANCY OR BOUNDARY OF TITLE DEFECTS NOT MENTIONED IN SAID DOCUMENTS AND THEREFORE NOT SHOWN ON THIS DRAWING.

2. THE TYPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC AND BOUNDARY SURVEY WERE OBTAINED FROM SOURCES OF VARYING RELIABILITY. THE CONTRACTOR IS CAUTIONED THAT ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, DEPTHS, SIZES, LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. (A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND DESIGNATE AS SHOWN UNDERGROUND UTILITIES.) HOWEVER, THE ENGINEER CAN ASSUME NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF ITS DESIGNATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED, BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS.

3. BENCHMARK: BM E-16
LAWRENCE EXPRESSWAY & GRANADA, SOUTHEAST CORNER, CHISELED SQUARE ON TOP CATCH BASIN AT BEND ON LAWRENCE EXPRESSWAY (SET 12-10-03).
ELEVATION: 106.22

4. THIS SITE IS IN FLOOD ZONE "X" AREAS BETWEEN LIMITS OF THE 100-YEAR FLOOD AND 500-YEAR FLOOD, OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE (1) FOOT OR WHERE THE CONTRIBUTING DRAINAGE AREA IS LESS THAN ONE SQUARE MILE, OR AREAS PROTECTED BY LEVEES FROM THE BASE FLOOD. PER FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 06085C0065 D DATED JANUARY 20, 1999

5. BASIS OF BEARING:

THE BEARING OF NORTH 89°29'00" EAST (NAD83) ON THE CENTERLINE OF GRANADA AVENUE AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON JUNE 3, 2004 IN BOOK 770 OF MAPS AT PAGES 44 & 45, SANTA CLARA COUNTY RECORDS WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

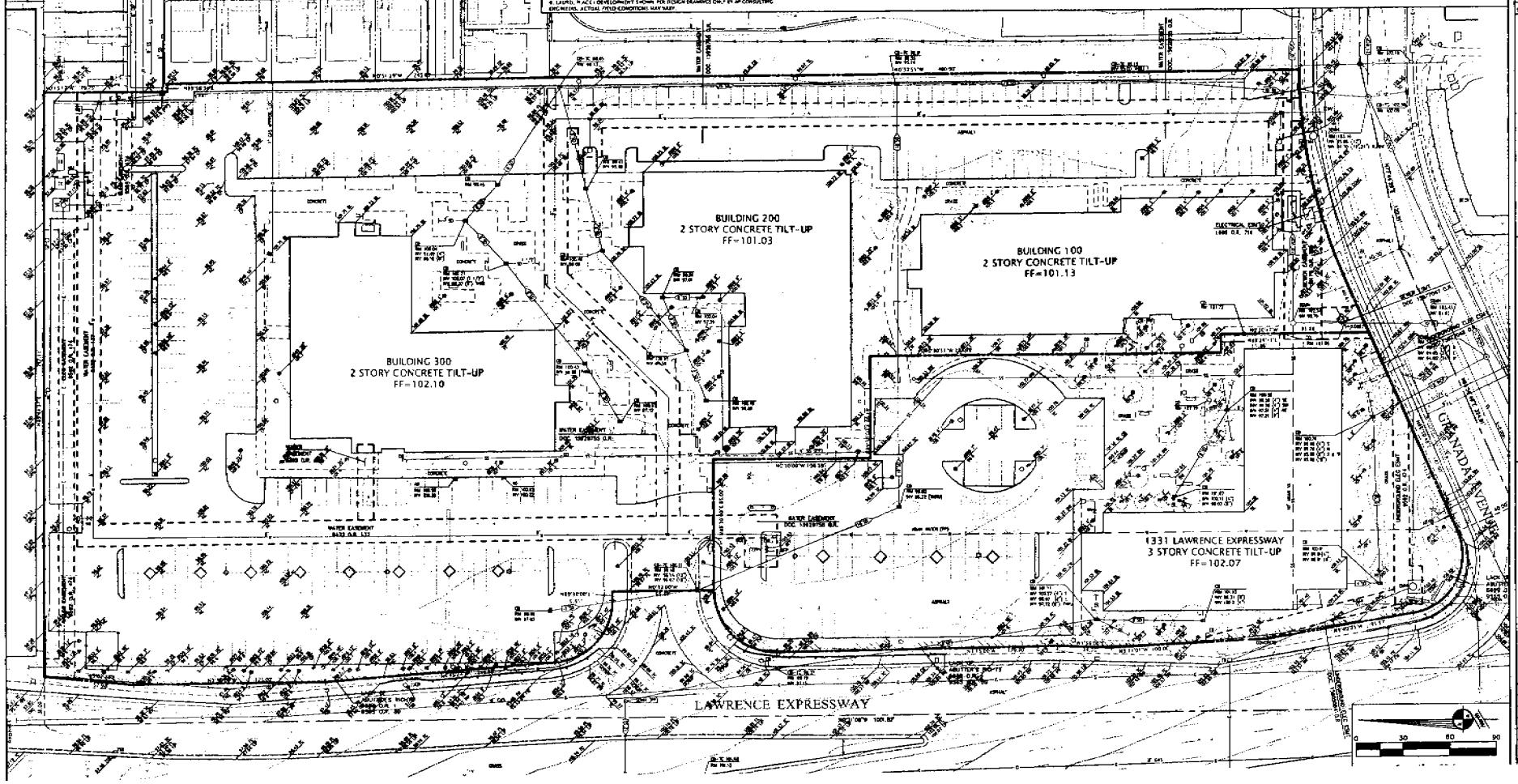
6. LAUREL PLACE I DEVELOPMENT SHOWN PER DESIGN DRAWINGS ONLY BY AP CONSULTING ENGINEERS. ACTUAL FIELD CONDITIONS MAY VARY.

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	GB	GRADE BREAK
AD	AREA DRAIN	INV	INVERT ELEVATION
BC	BACK OF CURB	M.M	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BL	BUILDING	NE	NORTHEAST
BOL	BOLLARD	O.R	OFFICIAL RECORDS
BW	BACK OF WALK	RD	RADIAL
CB	CATCH BASIN	RIM	RIM ELEVATION
CO	CLEAN OUT TO GRADE	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DOC	DOCUMENT	SE	SOUTHEAST
DWY	DRIVEWAY	SL	STREET LIGHT
E	EAST	SSMH	SANITARY SEWER MANHOLE
EB	ELECTRIC BOX	SW	SOUTHWEST
ELEC	ELECTRICAL	TB	TELEPHONE BOX
EMH	ELECTRICAL MANHOLE	TC	TOP OF CURB
EP	EDGE OF PAVEMENT	TRN	TRANSFORMER
ESMT	EASEMENT	TSB	TRAFFIC SIGNAL BOX
EW	EDGE OF WALK	TW	TOP OF WALL
FF	FINISH FLOOR	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FL	FLOW LINE	WM	WATER METER
FNC	FENCE	WV	WATER VALVE
FW	FACE OF WALL		

LEGEND

PROPERTY LINE	
ADJACENT PROPERTY LINE	
CENTERLINE	
EASEMENT	
FND. STD. CITY MONUMENT	
ELECTROLIER	
FIRE HYDRANT	
STORM DRAIN MANHOLE	
MANHOLE	
UTILITY POLE	
VALVE	
CATCH BASIN	
FIRE DEPT. CONNECTION	
BACK FLOW PREVENTER	
POST INDICATOR VALVE	
SIGN	
TREE W/ SIDE AND ELEVATION	10.0
SPOT ELEVATION	100.00
CONTOUR	
INDEX CONTOUR	15
CURB & GUTTER	
CONCRETE	
FENCE	
TREES	
SANITARY SEWER	SS
STORM DRAIN	SD
WATER	W
GAS	G
JOINT TRENCH	JT
UNDERGROUND ELECTRIC	E
BUILDING	
EDGE OF PAVEMENT	
WALL	



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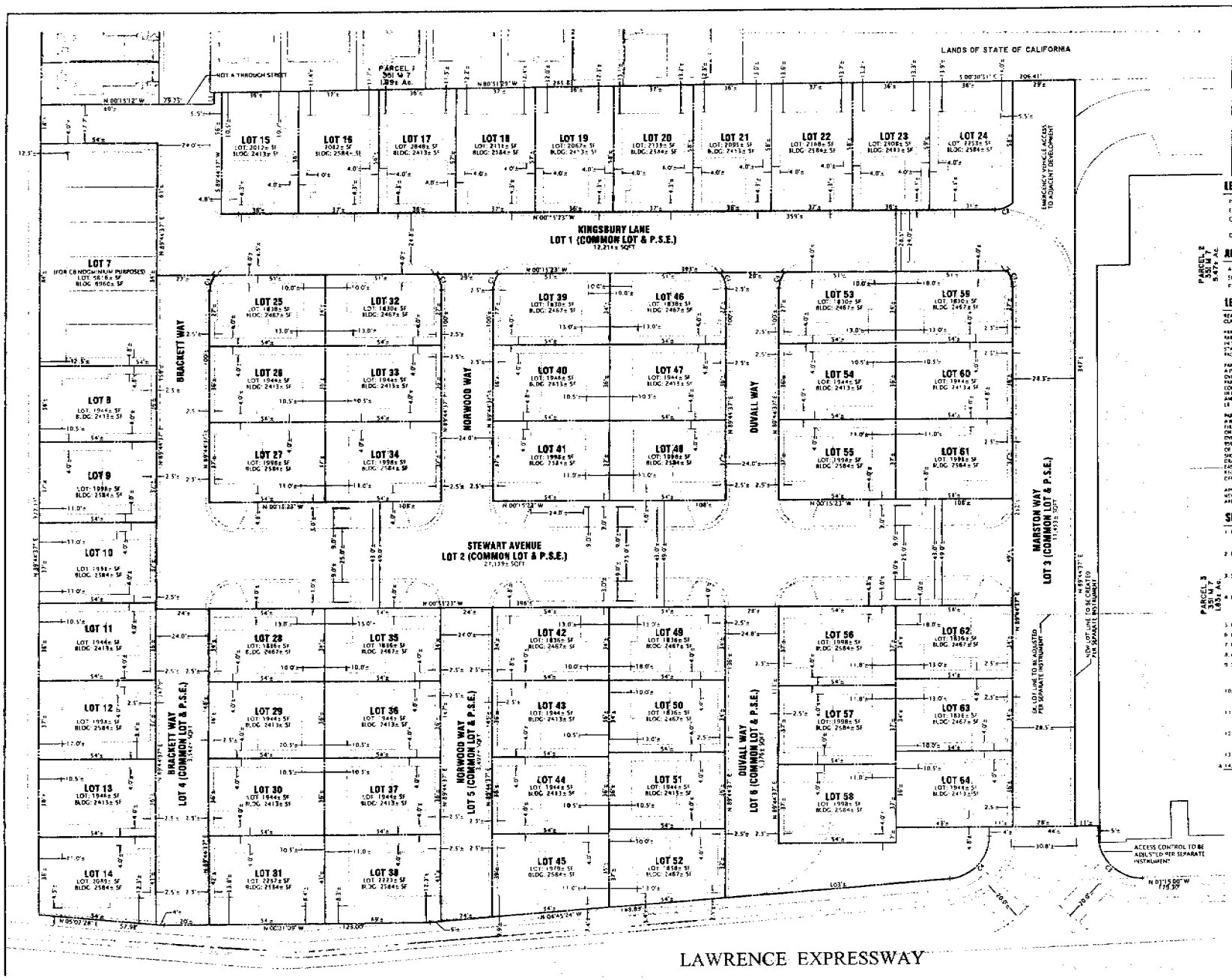
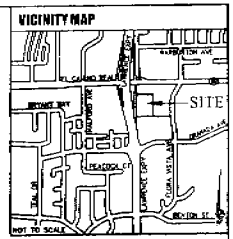
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-135 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JV
JOB	A05155
SHEET	C3.1





LEGEND

- PROPOSED PROPERTY LINE
- EXISTING PROPERTY LINE
- CENTERLINE
- COMMON LOT & P.S.E.

ABBREVIATIONS

AC.	ACRES
SF	SQUARE FOOTAGE
P.S.E.	PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF SANTA CLARA, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS

PARCEL ONE:
PARCELS 2 AND 3 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS PAGES 44 AND 45.

PARCEL TWO
A PRIVATE RECIPROCAL EASEMENT FOR EXISTING PRIVATE UTILITIES OVER THAT PORTION OF PARCEL 3 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS PAGES 44 AND 45, AND AS RESERVED IN THAT CERTAIN GRANT DEED RECORDED JULY 18, 2004 AS DOCUMENT NO. 17907277 OF OFFICIAL RECORDS.

PARCEL THREE:
A NON-EXCLUSIVE STORM DRAIN EASEMENT, APPURTENANT TO THE FIRST ABOVE SHOWN PARCEL 3 OF THAT CERTAIN PARCEL MAP FILED ON JUNE 7, 2004, IN BOOK 770 OF MAPS, 41 PAGES 44 AND 45, OVER AND ACROSS THE FOLLOWING PORTION OF COMMON LOT 6 OF TRACT NO. 9592, WHICH MAP WAS FILED ON SEPTEMBER 8, 2004 IN BOOK 774 OF MAPS AT PAGES 43, 44 AND 45 SANTA CLARA COUNTY RECORDS, SHOWN AS "P.S.D.E." (PRIVATE STORM DRAIN EASEMENT) AS CREATED IN THAT CERTAIN DOCUMENT ENTITLED "STORM DRAIN EASEMENT AND JOINT USE AND MAINTENANCE AGREEMENT" RECORDED NOVEMBER 3, 2004 AS DOCUMENT NO. 18079693 OF OFFICIAL RECORDS.

APN OLD APN: 290-01-122
NEW APN: 290-01-144, 290-01-145
APN 290-01-XXXX, 290-01-00

SUBDIVISION STATEMENT

1. OWNER:	MARINA PLAZA ASSOCIATES, LLC 30 E. 4TH AVENUE SAN MATEO, CA 94401
2. BUYER:	BRE PROPERTIES, INC. 525 MARKET STREET 4TH FLOOR SAN FRANCISCO, CA 94105
3. SUBDIVIDER:	TAYLOR MORRISON HOMES, INC. 7200 CAMINO RAMON SAN RAMON, CA 94583
4. PREPARER:	KIER & WRIGHT CIVIL ENGINEERS 3535 SOUTH BLVD. #22 SANTA CLARA, CA 95054 EUGENE F. COLOMBO - RCE 35044
5. EXISTING USE:	COMMERCIAL OFFICE
6. PROPOSED USE:	SINGLE-FAMILY RESIDENTIAL
7. EXISTING ZONING:	PD - PLANNED DEVELOPMENT
8. PROPOSED ZONING:	NO CHANGE
9. PROPOSED LOTS:	57 SINGLE-FAMILY RESIDENTIAL 01 MULTI-FAMILY RESIDENTIAL 6 COMMON LOTS 64 LOT SUBDIVISION
10. SITE SUMMARY: - TOTAL LOT SF - TOTAL BUILDING SF	88,146± SF (14.16± AC) 448,846± SF
11. SITE COVERAGE: - PERVIOUS: - IMPERVIOUS:	73% 27%
12. PARKING SUMMARY: - PRIVATE (GARAGES): - PUBLIC (GUEST):	REQUIRED: 170 PROVIDED: 170 REQUIRED: 7 PROVIDED: 13

13. ALL PROPOSED DISTANCES SHOWN ARE APPROXIMATE ONLY.

14. LOT 7 IS SOLELY FOR CONDOMINIUM PURPOSES.

CURVE TABLE

CURVE	RADIUS	DELTA	LENGTH
C1	12.00	38°41'15"	8'±
C2	12.00	41°48'37"	9'±
C3	20.00	98°19'37"	32'±
C4	20.00	85°29'39"	30'±

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 89°58'34" E	5.38'

0 20 40 60

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3535 SOUTH BLVD. #22
Santa Clara, California 95054
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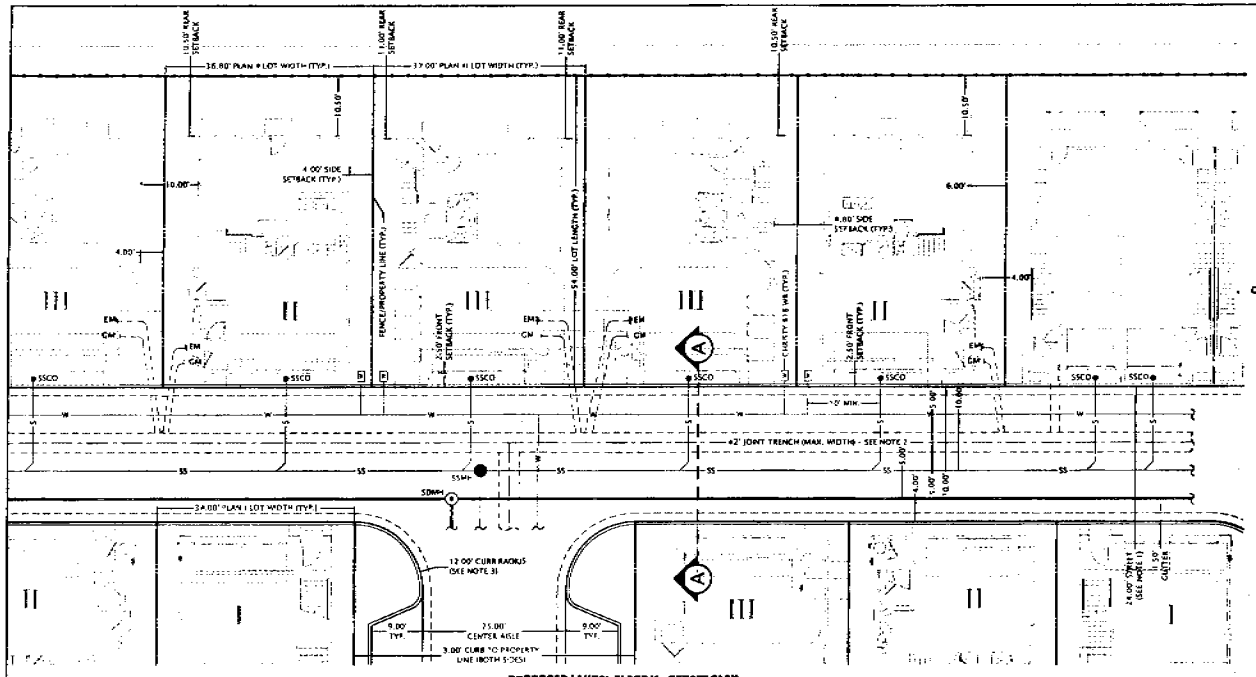
LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

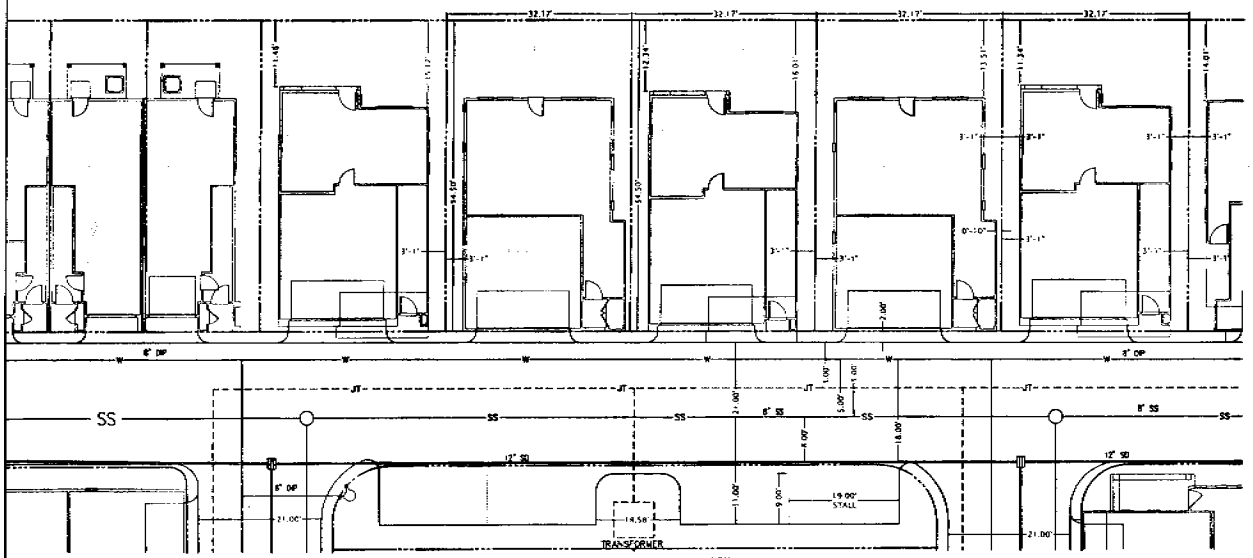
TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

DATE	MAR. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	105188
SHEET	C3.2

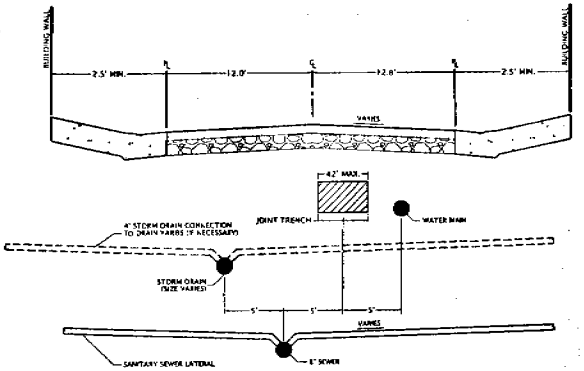


PROPOSED LAUREL PLACE II - STREET PLAN

1" = 10'



EXISTING LAUREL PLACE I - STREET PLAN



NOTES

1. SECTION IS NOT TO SCALE AND MAY NOT BE REPRESENTATIVE OF ACTUAL DEPTHS/LOCATIONS OF UTILITIES. SECTION SHOWN FOR SIGNAGE ONLY.
2. SEE SHEET C3.0 FOR PRELIMINARY UTILITY PLAN SHOWING PROPOSED UTILITY LOCATIONS AND EXISTING FACILITIES.
3. ALL STORM AND SEWER PIPES HAVE 4'-0" VERTICAL CLEARANCE BETWEEN PIPES.

PROPOSED STANDARD STREET SECTION (A-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES ON-SITE:
   - CENTER DRIVE AISLE TO BE 25' WIDE PLUS 9' WIDE X 24' DEEP PARALLEL PARKING STALLS
   - AISLE OF LAWRENCE EXPRESSWAY TO BE 28' WIDE TO COUNTY STD. 38' WIDE ENTRANCE
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE
2. JOINT TRENCH SHOWN INCLUDES SILICON VALLEY POWER TRENCH WIDTH. MAXIMUM TRENCH WIDTH TO BE 42" WIDE. EXACT TRENCH DIMENSIONS WILL VARY BASED ON TRENCH OCCUPANCY, AND WILL BE DETERMINED DURING CONSTRUCTION LEVEL DESIGN. ALL PROPOSED TREES TO BE A MINIMUM OF 5' FROM PROPOSED ELECTRIC FACILITIES.
3. CURB RADIUS TO BE 12' TO ACCOMODATE FIRE TRUCK INSIDE TURNING RADIUS OF 36'. SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING EXHIBITS.
4. ALL UTILITY STRUCTURES (MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
5. THIS UTILITY LAYOUT IS AN EXAMPLE ONLY. FOR ACTUAL UTILITY DESIGN INTENT SEE SHEET C6.0 FOR PRELIMINARY UTILITY PLAN.

LEGEND

- WATER MAIN — METER — W
- JOINT TRENCH
- SANITARY SEWER MAIN — SSMH — SS
- SANITARY SEWER LATERAL — SSCO — S
- STORM DRAIN — SDMH

ABBREVIATIONS

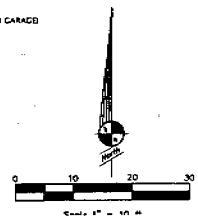
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEAN OUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXISTING LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.99 ACRES (86,684 S.F.)	4.35± ACRES (189,148± SQFT)
TOTAL UNITS	34 UNITS	63 UNITS (57 SINGLE-FAMILY, 6 MULTI-FAMILY)
AVERAGE LOT SIZE	1,845 S.F.	1,872 S.F.
TOTAL LOT COVERAGE	62,238 S.F. (72%)	117,934 S.F. (65%)
COMMON LOT SIZE	23,954 S.F. (28%)	86,214 S.F. (35%)
PRIVATE PARKING PROVIDED	68 STALLS (2-CAR GARAGE)	120 STALLS (2-CAR GARAGE)
GUEST PARKING PROVIDED	8 STALLS	48 STALLS
GUEST PARKING RATIO	1:4	1:3.5
AVERAGE FLOOR AREA RATIO	1.35	2.28
FRONT SETBACK	0'-0" (SEE NOTE "A")	2'-6"
SIDE SETBACK	3'-1"	4'-0"
REAR SETBACK	11' - 14'	10'-13'
STREET WIDTH	21'-23'	24'-28'

NOTE

A. LAUREL PLACE I - SOME UNITS WERE DESIGNED WITH FRONT BUILDING WALLS ON THE PROPERTY LINE WITH 2' OVERHANG INTO COMMON LOT



KIER & WRIGHT
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SANTA CLARA, CALIFORNIA 95054
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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE	NOV. 2015
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A05168
SHEET	C3.3

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

MEDIA FILTRATION UNIT & HYDRODYNAMIC SEPARATOR TO BE INSTALLED ON ADJACENT PODIUM PROJECT AND MAINTAINED THROUGH A COMMON MAINTENANCE AGREEMENT AS DELINEATED IN THE FUTURE CC&R'S FOR BOTH DEVELOPMENTS.

STORM WATER TREATMENT DEVICE (CDS UNIT)

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

TREATMENT CHART

TREATMENT METHOD	AREA TREATED	% OF SITE
SELF-TREATING (SEE NOTE 1)	127,543 S.F.	70%
PAVEMENT AREA (TO CDS UNIT)	48,093 S.F.	26%
PERMEABLE AREA (PAVERS)	6,508 S.F.	04%
TOTAL AREA	181,144 S.F.	100%

PLAN NOTES

1. SELF-TREATING AREA INCLUDES BACKYARD & SIDEYARD LANDSCAPING, AND ALL ROOF AREAS WHICH ARE TO DISCHARGE DIRECTLY ONTO LANDSCAPING.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING, FLOWS TO BAY".

PAVING LEGEND

SELF-TREATING AREA

PAVEMENT AREA

PERMEABLE PAVERS

DIRECTION OF PIPE FLOW

LAWRENCE EXPRESSWAY

0 20 40 60

Scale 1" = 20 ft

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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
1331-1335 LAWRENCE EXPRESSWAY
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

PRELIMINARY STORM WATER MANAGEMENT PLAN

DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	2005188
SHEET	C3.4

EXISTING LAUREL PLACE I DEVELOPMENT (UNDER CONSTRUCTION)

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE HYDRANT

DMV PROPERTY

PROPOSED ON-SITE HYDRANT

PROPOSED ON-SITE HYDRANT

GUEST PARKING (TYPICAL)

PROPOSED ON-SITE HYDRANT

PROPOSED ON-SITE HYDRANT

24.00'

28.00'

ADJACENT DEVELOPMENT (SEPARATE SUBMITTAL)

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE FIRE DEPARTMENT CONNECTION

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE FIRE DEPARTMENT CONNECTION

GRANADA AVENUE

EXISTING OFF-SITE HYDRANT

LAWRENCE EXPRESSWAY

PLAN NOTES

1. ALL ON-SITE ROADS SHALL BE PAVED & FIRE ACCESSIBLE.
2. ALL PROPOSED HYDRANTS ARE LESS THAN 300' APART (STARTING FROM OFF-SITE HYDRANT ON LAUREL PLACE I)
3. ALL ON-SITE ROADWAYS SHALL HAVE CALTRANS TYPE R26F "NO STOPPING-FIRE LANE" SIGNS INSTALLED EXCEPT ALONG GUEST PARKING STALLS.
4. ALL HYDRANTS ON-SITE & OFF-SITE SHALL BE PUBLIC
5. SEE SHEETS C6.1 & C6.2 FOR FIRE TRUCK ROUTING.

PLAN LEGEND

EXISTING HYDRANT	
PROPOSED HYDRANT	
EXISTING FIRE DEPARTMENT CONNECTION	
150' RADIUS (300' DIAMETER) COVERAGE AREA	

0 30 60 90

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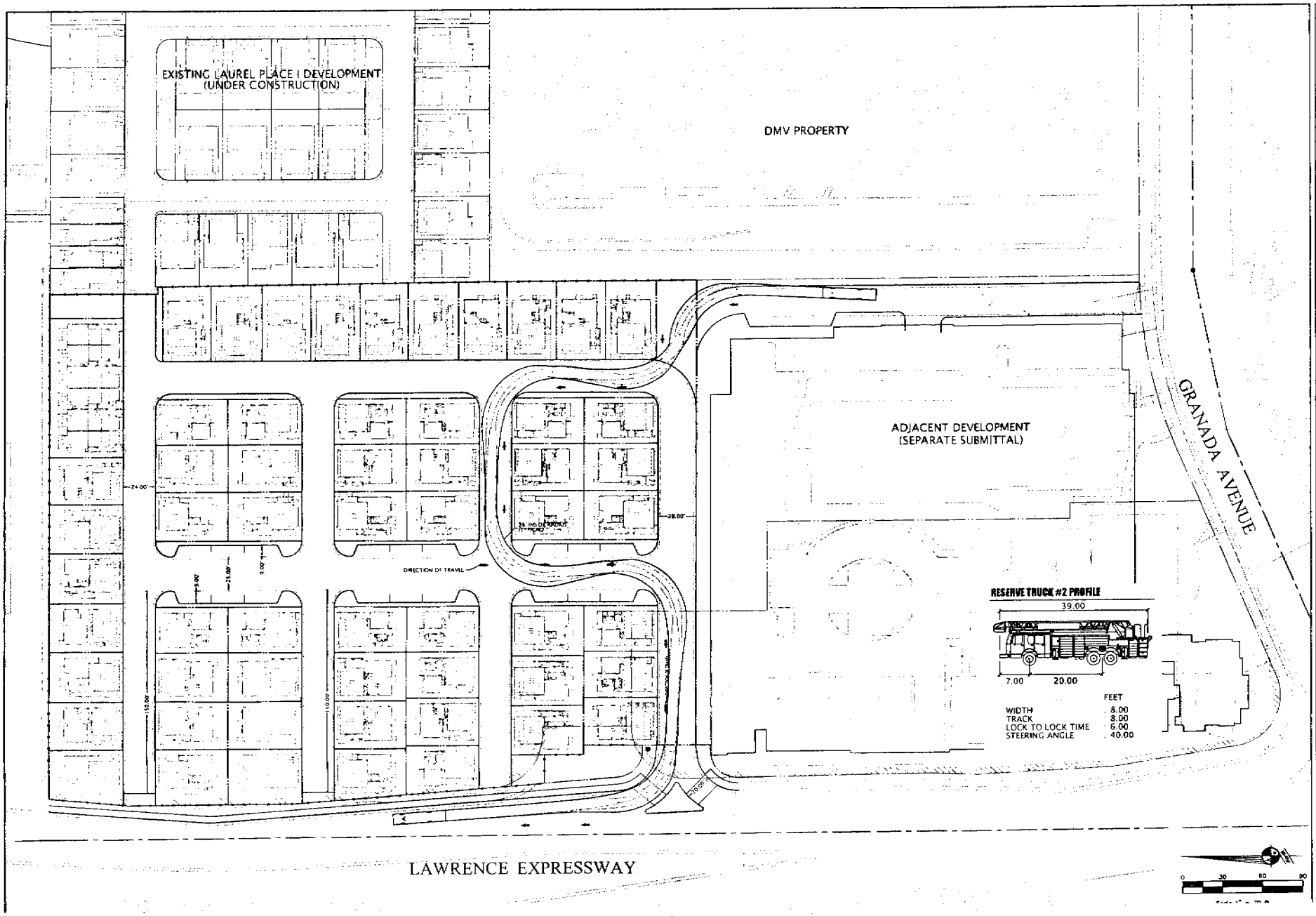
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1111-1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE SAFETY PLAN

DATE	NOV 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	405146
SHEET	C4.0



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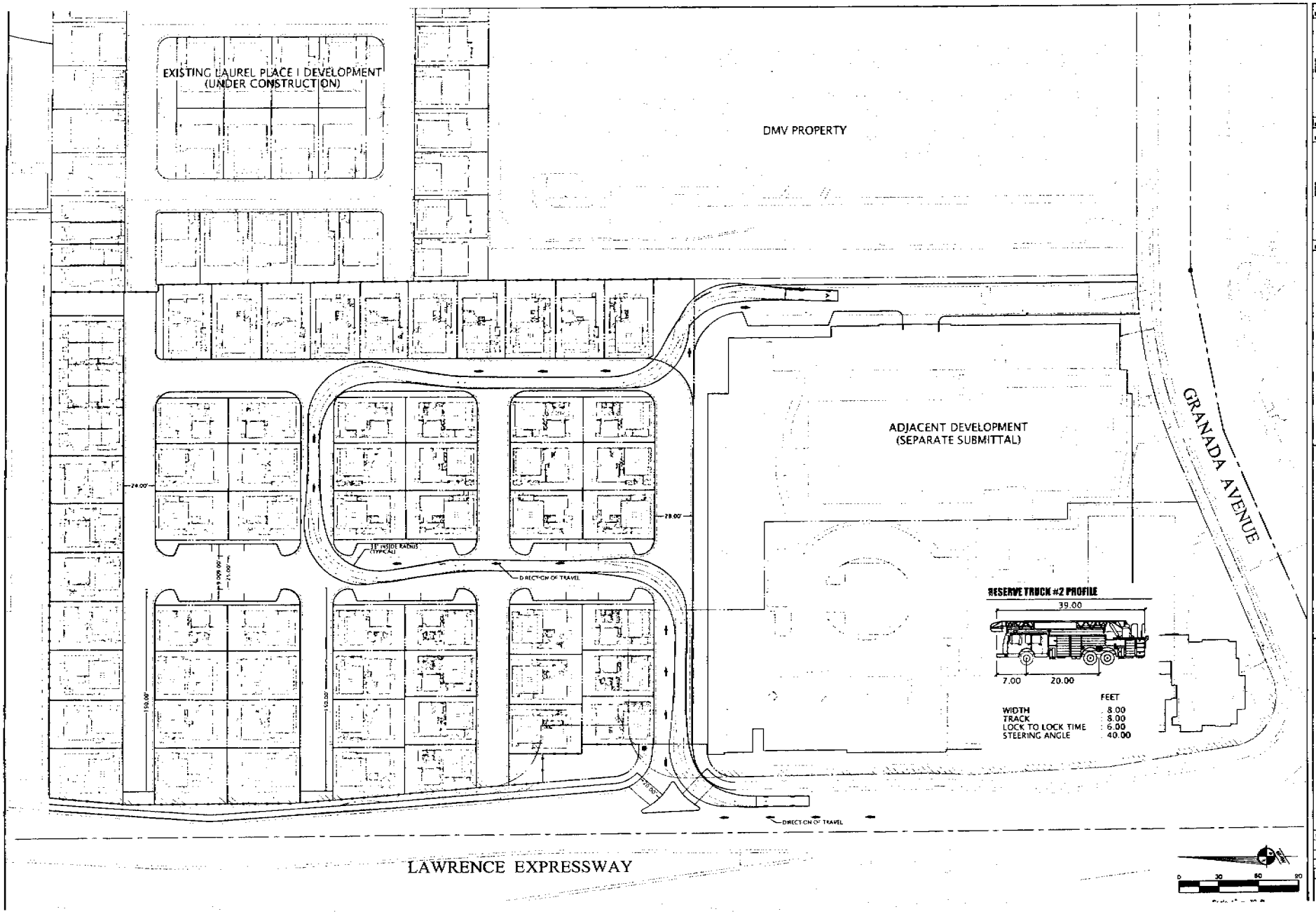
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	X05168
SHEET	C4.1



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Santa Clara, California 95054 (408) 727 5661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

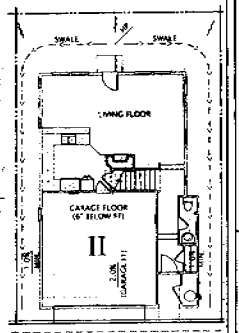
FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A20168
SHEET	C4.2

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

LAWRENCE EXPRESSWAY



TYPICAL LOT DRAINAGE

1" = 10'

LEGEND

RIDGE LINE	
OVERLAND RELEASE	
STREET SLOPE	1.0%
SPOT ELEVATION	99.2

ABBREVIATIONS

EX	EXISTING
FL	FLOW LINE
FF	FINISH FLOOR
GB	GRADE BREAK
HP	HIGH POINT
TYP	TYPICAL
TR	TRANSFORMER
SC	SWITCHGEAR

0 20 40 60

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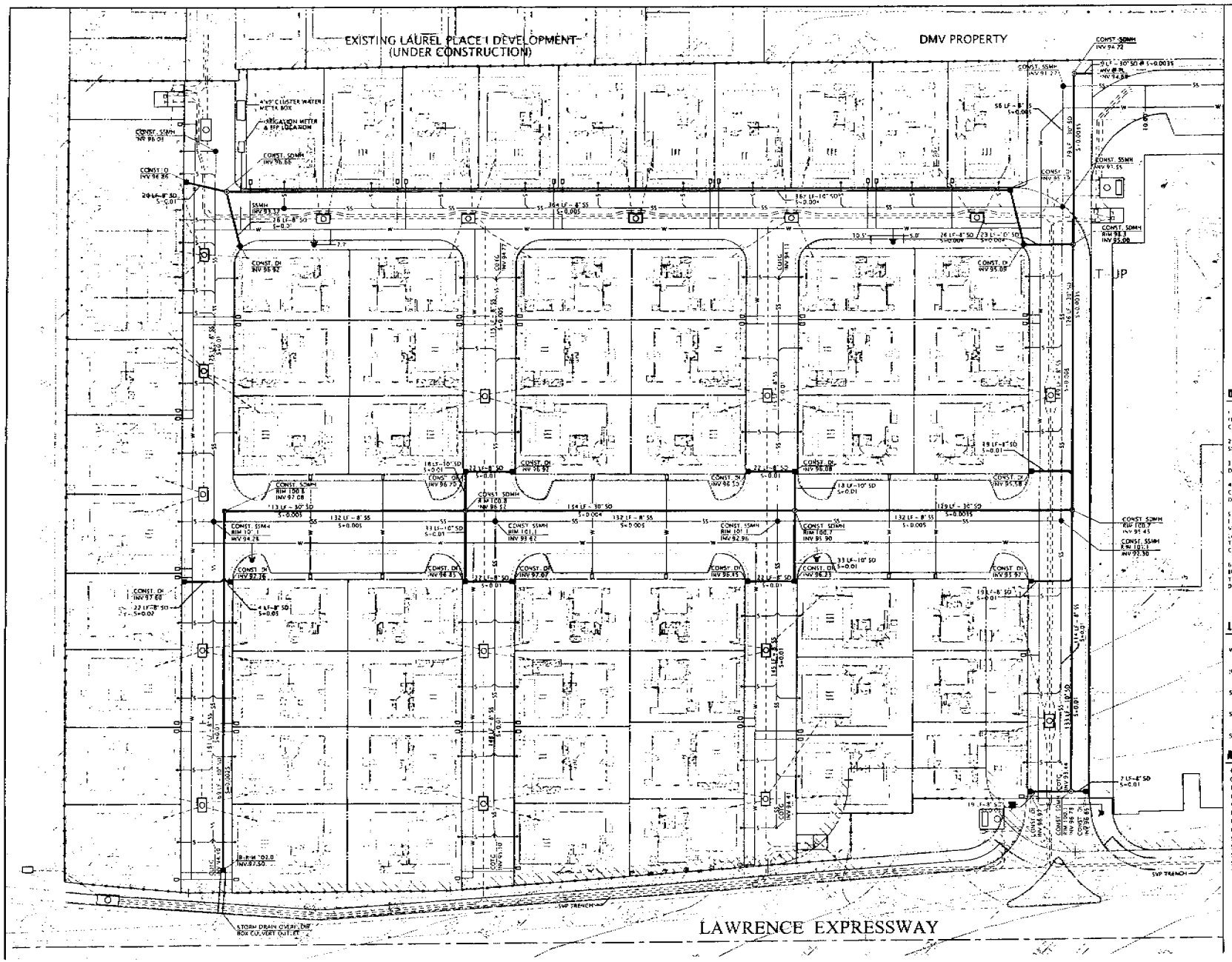
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY GRADING PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JP
DRAFTER	JP
JOB	2051-01
SHEET	C5.0



UTILITY PLAN NOTES

1. ALL WATER & SEWER LATERALS MAINTAIN 10' FEET HORIZONTAL SEPARATION EXCEPT WHERE CONFLICTS REQUIRE A SHORTER DISTANCE
2. SANITARY SEWER CONNECTION TO EL CAMINO SHOWN PENDING OUTCOME OF FULL SEWER STUDY
3. SEE SHEET C3.3 FOR UTILITY SEPARATION DETAILS & TYP CAL STREET SECTION.
4. WATER METERS, SVP STRUCTURES, MANHOLES, CLEAN OUTS, ETC SHOWN TO ACTUAL DIMENSIONS
5. SWITCHGEAR & TRANSFORMER AREAS SHOWN AS 17' X 15' CLEAR AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARD SPECIFICATIONS. FINAL LANDSCAPE DESIGN SURROUNDING THESE AREAS TO BE DETERMINED PRIOR TO SUBMITTAL OF CONSTRUCTION DOCUMENTS.
6. STORM LATERALS MAY BE NEEDED IN SOME LOTS BUT ARE NOT SHOWN ON THIS PLAN. FINE GRADING TO BE DONE AS PART OF CONSTRUCTION DOCUMENTS.

LEGEND

WATER MAIN — METER, W
JOINT TRENCH
SANITARY SEWER MAIN — SSMH, SS
SANITARY SEWER LATERAL — SSCO, S
STORM DRAIN — SDMH

ABBREVIATIONS

CONST	CONSTRUCT
C.O.T.C.	CLEAN OUT TO GRADE
DI	DROP INLET
EX	EXISTING
INV	INVERT ELEVATION
LF	LINEAR FEET
M.H.	MANHOLE
RIM	RIM ELEVATION
SDMH	STORM DRAIN MANHOLE
SG	SWITCHGEAR
SSMH	SANITARY SEWER MANHOLE
SVP	SILICON VALLEY POWER
TX	TRANSFORMER

0 20 40 60

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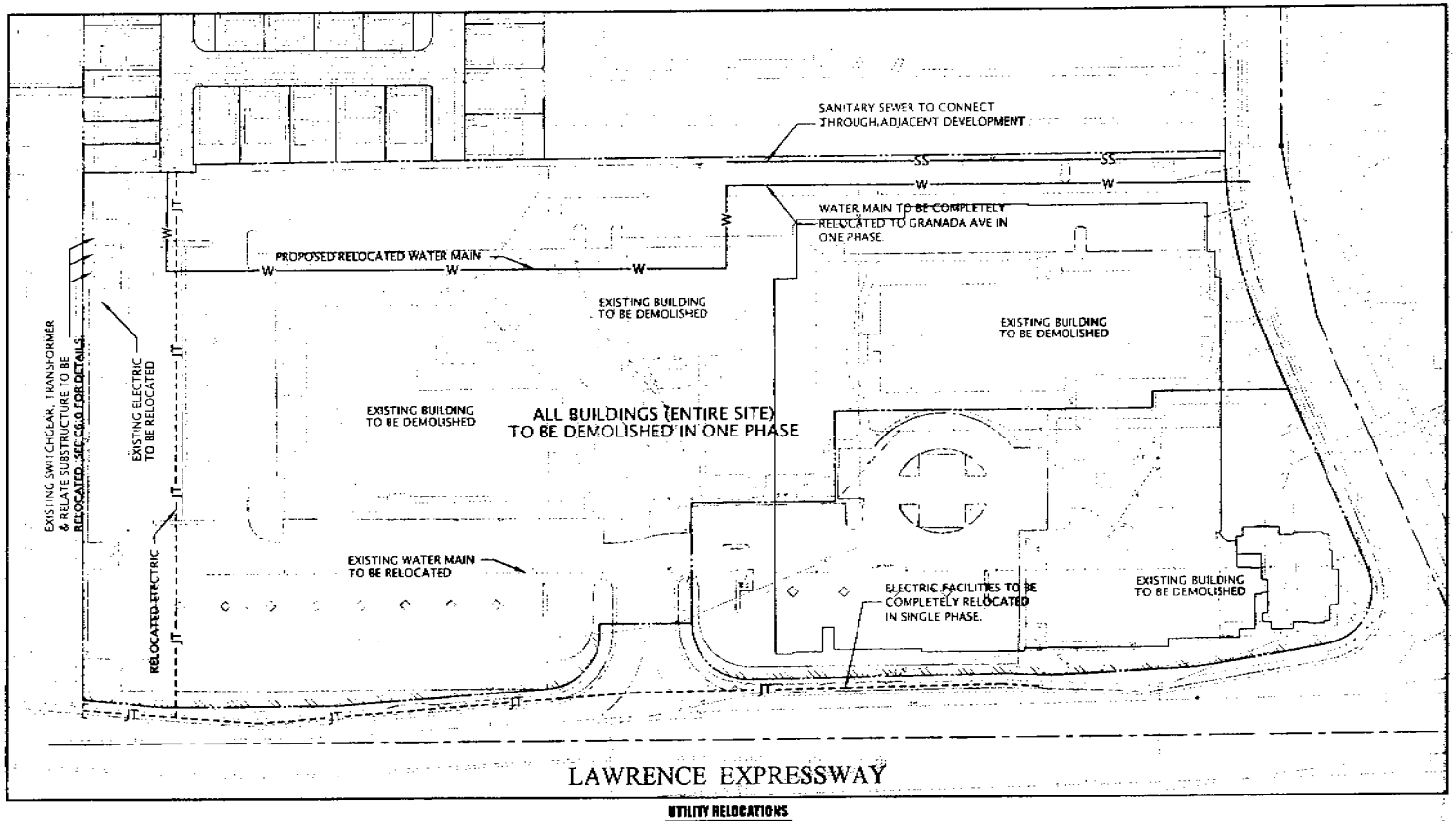
(408) 727-5841

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133 - 137 EL CAMINO REAL / LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	4054-13
SHEET	C6.0



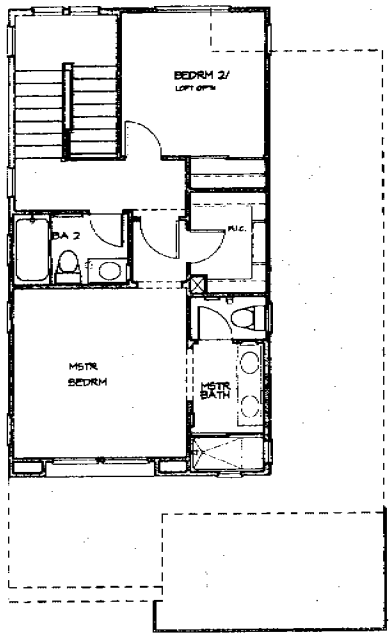
UTILITY RELOCATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22
Santa Clara, California 95054
(408) 727-6665
(408) 727-5691

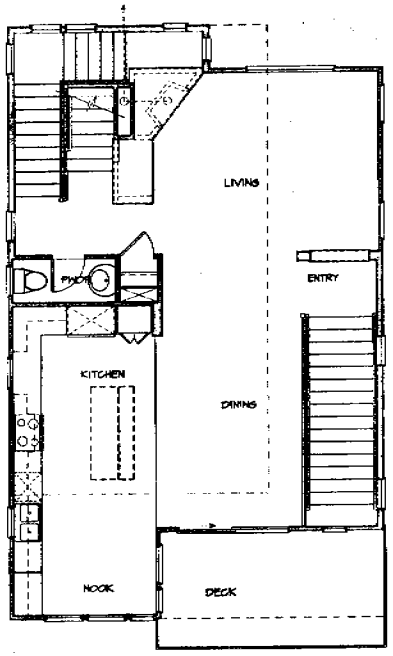
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
1331 - 1333 LAWRENCE EXPRESSWAY
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

UTILITY RELOCATION
& IMPROVEMENT PLAN

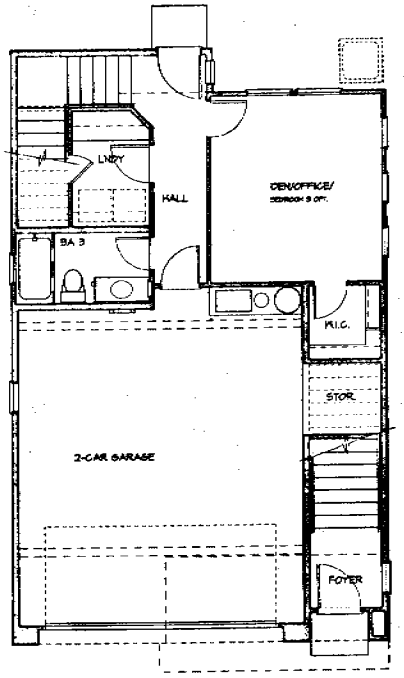
DATE	NOV. 2006
SCALE	AS SHOWN
DESIGNER	JN
DRAWN BY	JN
JOB	400188
SHEET	C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

8 4 8 16

AUGUST 3, 2005

Project No.: 529.024

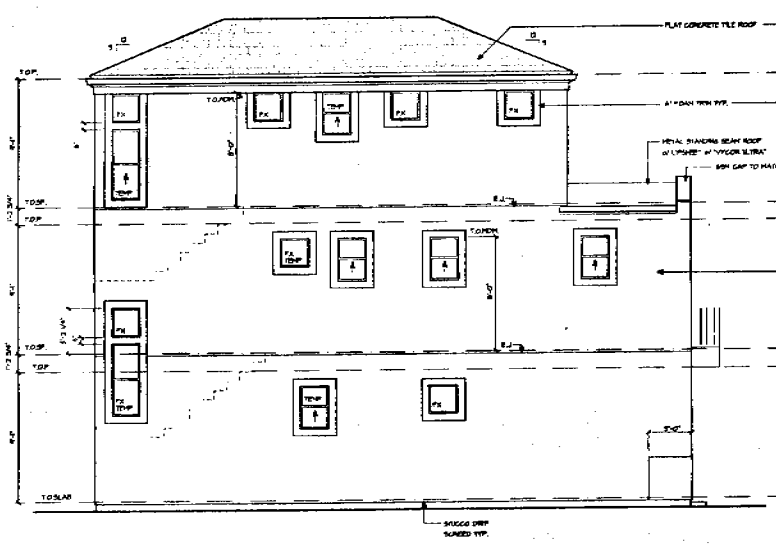
DAHLIN GROUP

2871 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9786
925.837.2543 fax

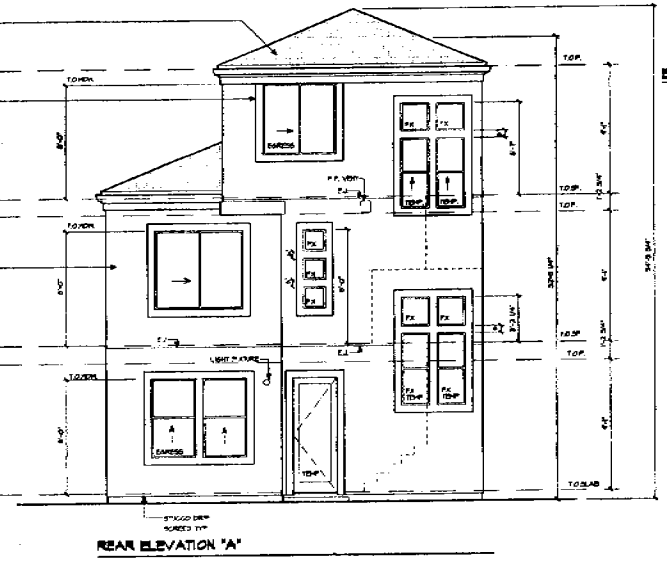
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1335 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 – FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A1.0



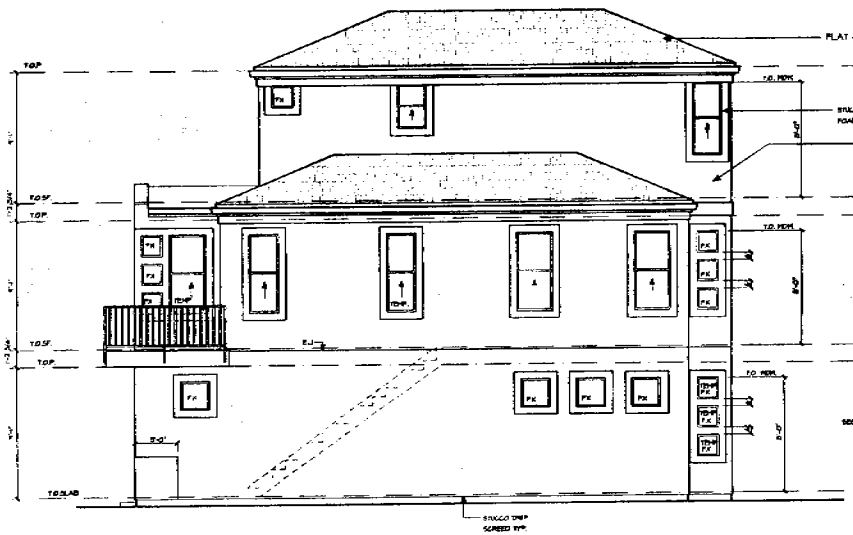
LEFT ELEVATION "A"



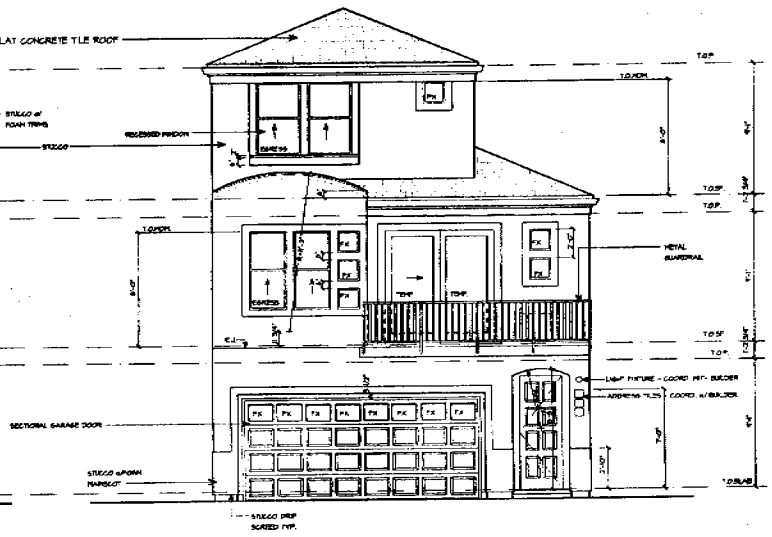
REAR ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. GLASS & ROOF PITCH, 3/12 FOR TILE, 1/12 SOLID SHEETS, SHALL BE ALL ELEVATIONS - HONEYBUILT TILE FLAT "SHADOW SHAKE" TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 8'-0" (7'-0" R.O.)
   SECOND FLOOR: 8'-0" (7'-0" R.O.)
   THIRD FLOOR: 7'-0" (6'-1" R.O.)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. 1/A0.3 FOR TYPICAL FLASHING AT WALL OPENINGS
5. SEE DET. 4 & 5/A0.3 FOR TYPICAL WALL PENETRATIONS.
6. EXTERIOR FINISH SHALL BE THE 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER ON SOLID WOOD SHEATHING.



RIGHT ELEVATION "A"



FRONT ELEVATION "A"

SCALE: 1/4" = 1'-0" PLOTTED: 11-02-2005
PATHNAME: J:\01-DESIGN\05\MAC VENTRA.DWG

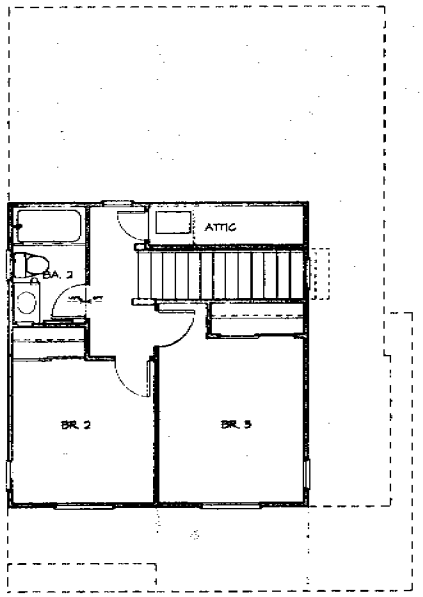
REVISION	
1	
2	
3	
4	
5	

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
7621 Gray Canyon Rd.
San Ramon, CA 94583
925.837.9786
925.837.2543 fax

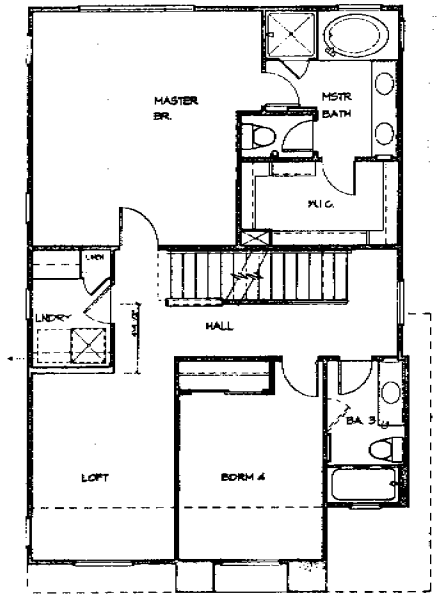
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

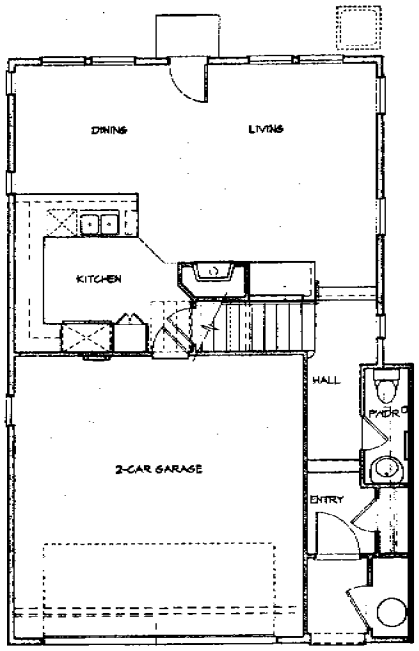
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 16

AUGUST 3, 2005

Project No.: 520.024

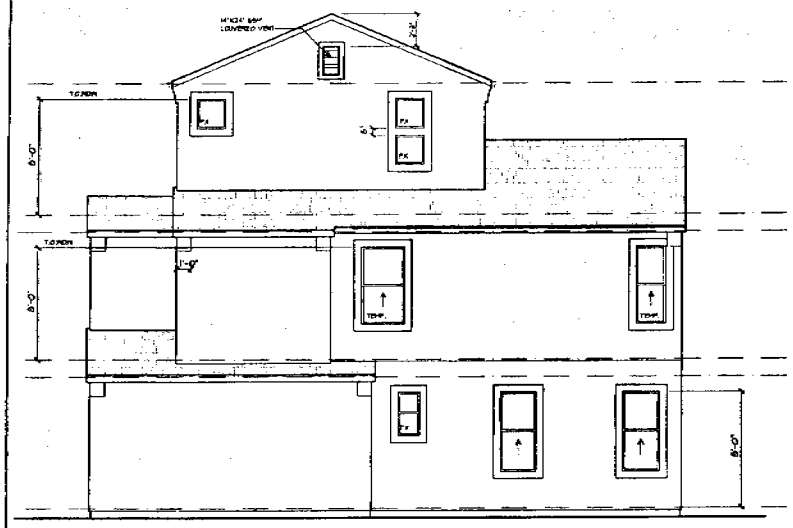
DAHLIN GROUP ARCHITECTURE PLANNING

7671 Gravin Canyon Rd.
San Ramon, CA 94583
(925) 837-0585
925.837.2540 Fax

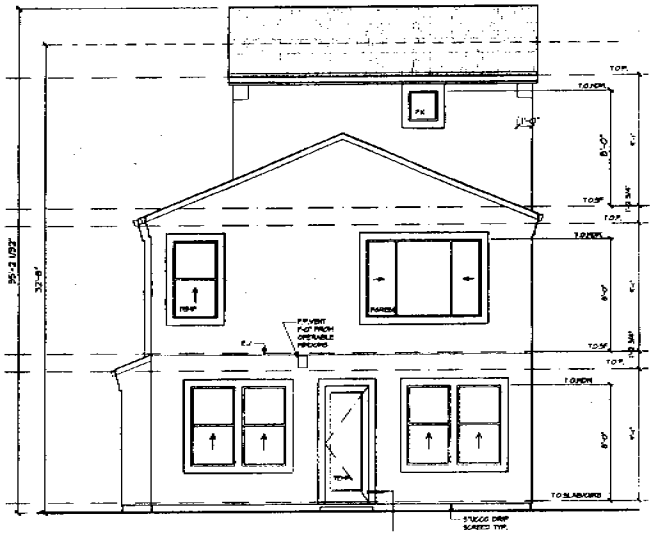
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

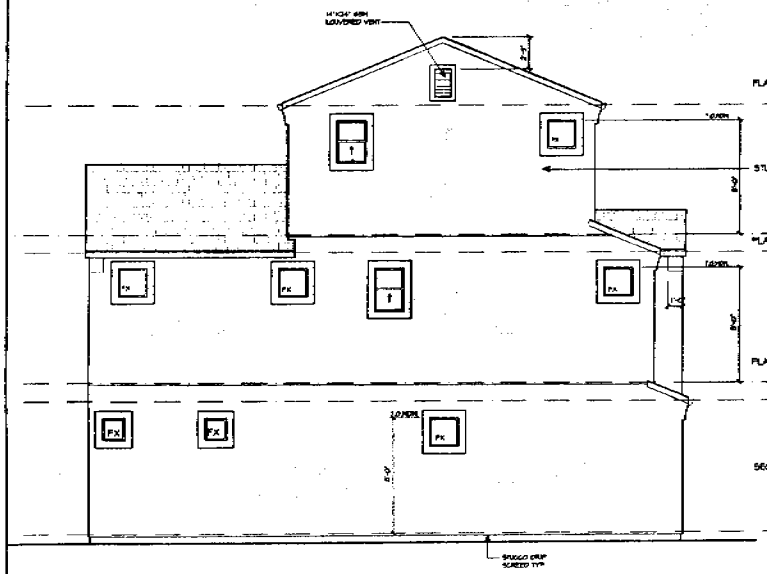
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A2.0



RIGHT ELEVATION "A"



REAR ELEVATION "A"



LEFT ELEVATION "A"

FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

CLASS A ROOF MTRL. (1) 30# FELT (2) SOLID 3/4"S. SHALL BE ALL ELEVATIONS - MONIER METILE FLAT "MANOR" SHAKE TILE

1. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR 8'-0" (8.0'A)
   SECOND FLOOR 8'-0" (8.0'A)
   THIRD FLOOR 7'-0" (7'-8" (8.0'A))
2. SEE FLOOR PLANS FOR SLATWS INFORMATION
3. SEE DET. 1/A3.0 FOR TYPICAL FLASHING AT WALL OPENINGS.
4. SEE DET. 4 & 8/A3.0 FOR TYPICAL WALL PENETRATIONS.
5. EXTERIOR FINISH SHALL BE "R" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER ON SOLID WOOD SHEATHING.

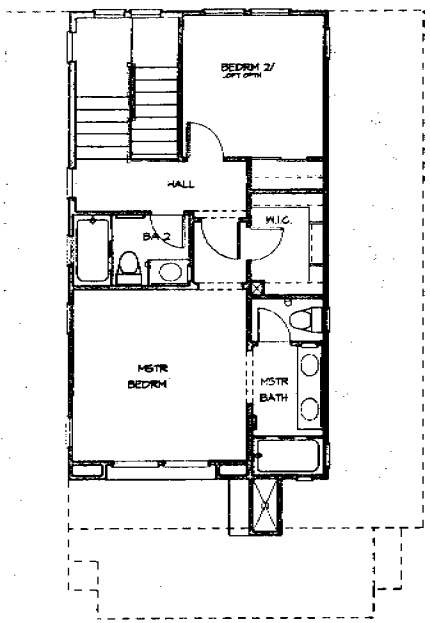
SCALE: 1/4" = 1'-0"
FILE-NAME: L:\SPACES\DRAWINGS\SAR40.DWG
PLOT-ED: 11/07/2005

DAHLIN GROUP
ARCHITECTURE PLANNING
7671 Clover Canyon Rd
San Ramon, CA 94583
925.837.5286
925.837.2343 fax

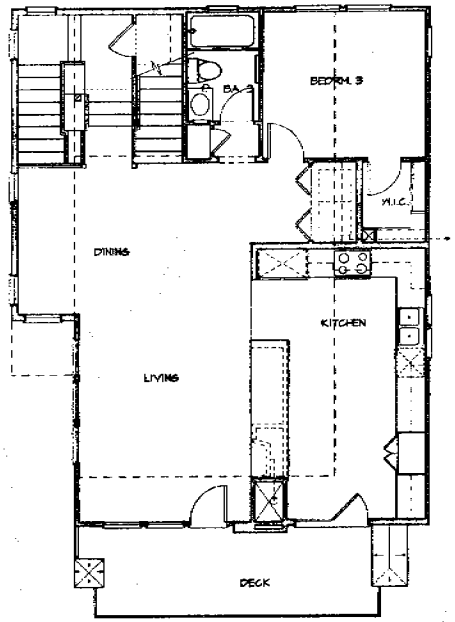
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

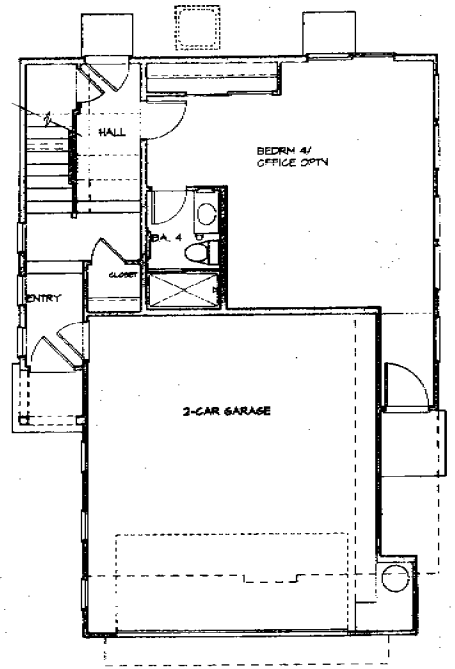
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

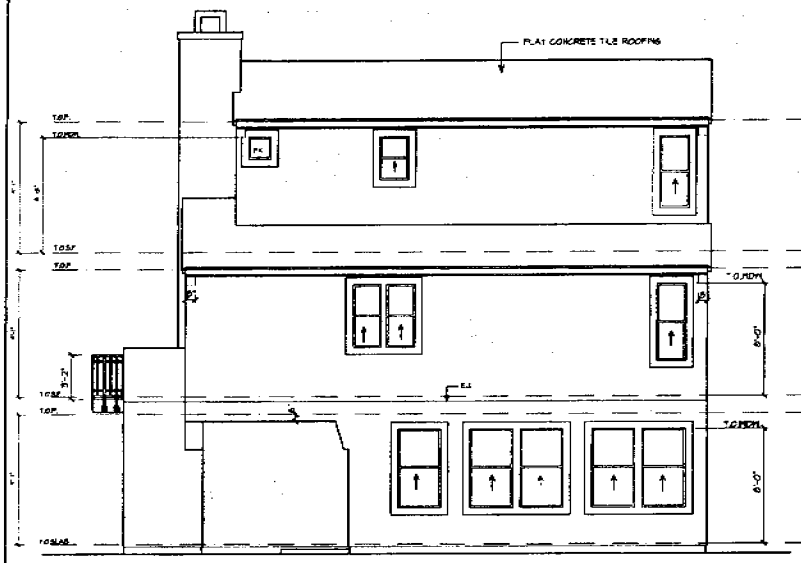
Project No.: 529.02

DAHLIN GROUP
ARCHITECTURE PLANNING
2671 Crow Canyon Rd.
San Ramon, CA 94583
925 837 0706
925 837 2543 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - FLOOR PLANS

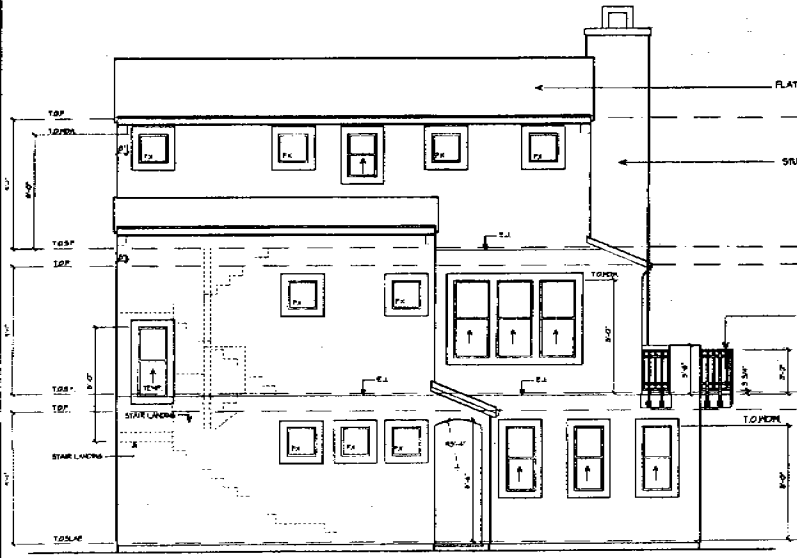
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A3.0



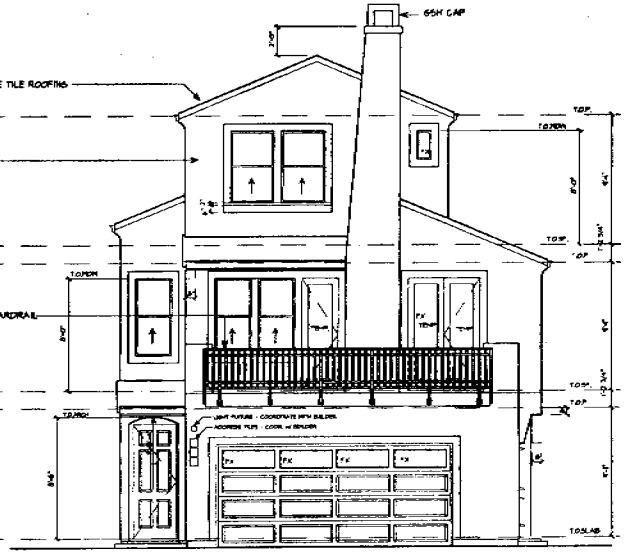
RIGHT ELEVATION "A"

REAR ELEVATION "A"

PLAN 3A



LEFT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF MTRL. OV 30# FELT OV SOLID SHTG. SHALL BE: ALL ELEVATIONS - MONERUPTILE FLAT "SASONY" SHAKE TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 8'-0" (8.0N.)
   SECOND FLOOR: 8'-0" (8.0N.)
   THIRD FLOOR: 7'-0" & 5'-6" (7.0/5.5)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. 1/A2.5 FOR TYPICAL FLASHING AT WALL OPENINGS
5. SEE DET. 4 / 5 / 8/A2.5 FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE 7/8" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER OV SOLID WOOD SHEATHING

SCALE: 1/4" = 1'-0"

PLOTTED 10/3/2005

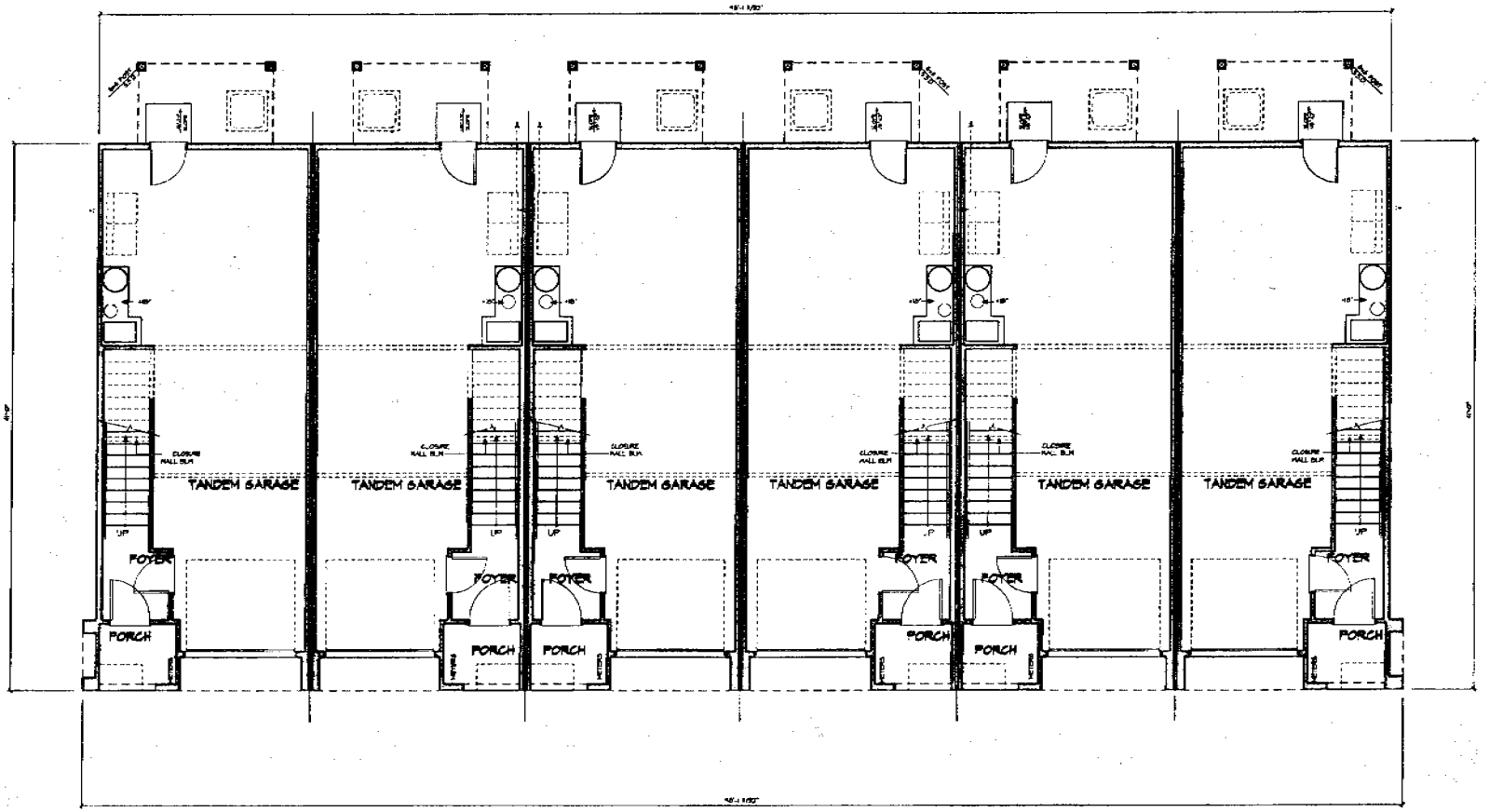
PATHNAME: J:\TPO 5\DRAWINGS\5A\5A\5B\5C

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
7671 Crow Canyon Rd.
San Ramon, CA 94583
925 837 5286
925 837 2347 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133 - 135 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.
TOTAL: 1,160 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

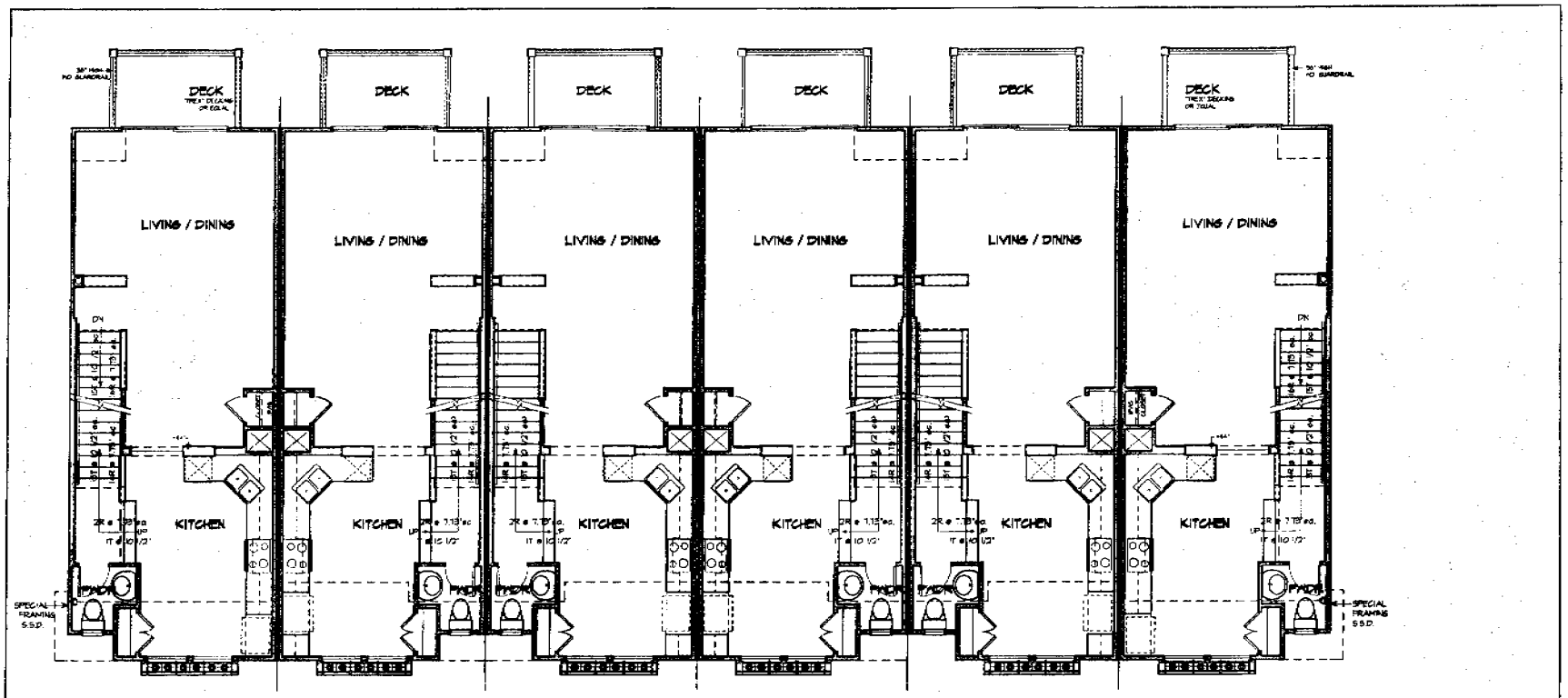
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9785
925.837.2343 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2006
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A4.0



SECOND FLOOR PLAN

567 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

Project No.: 529.024

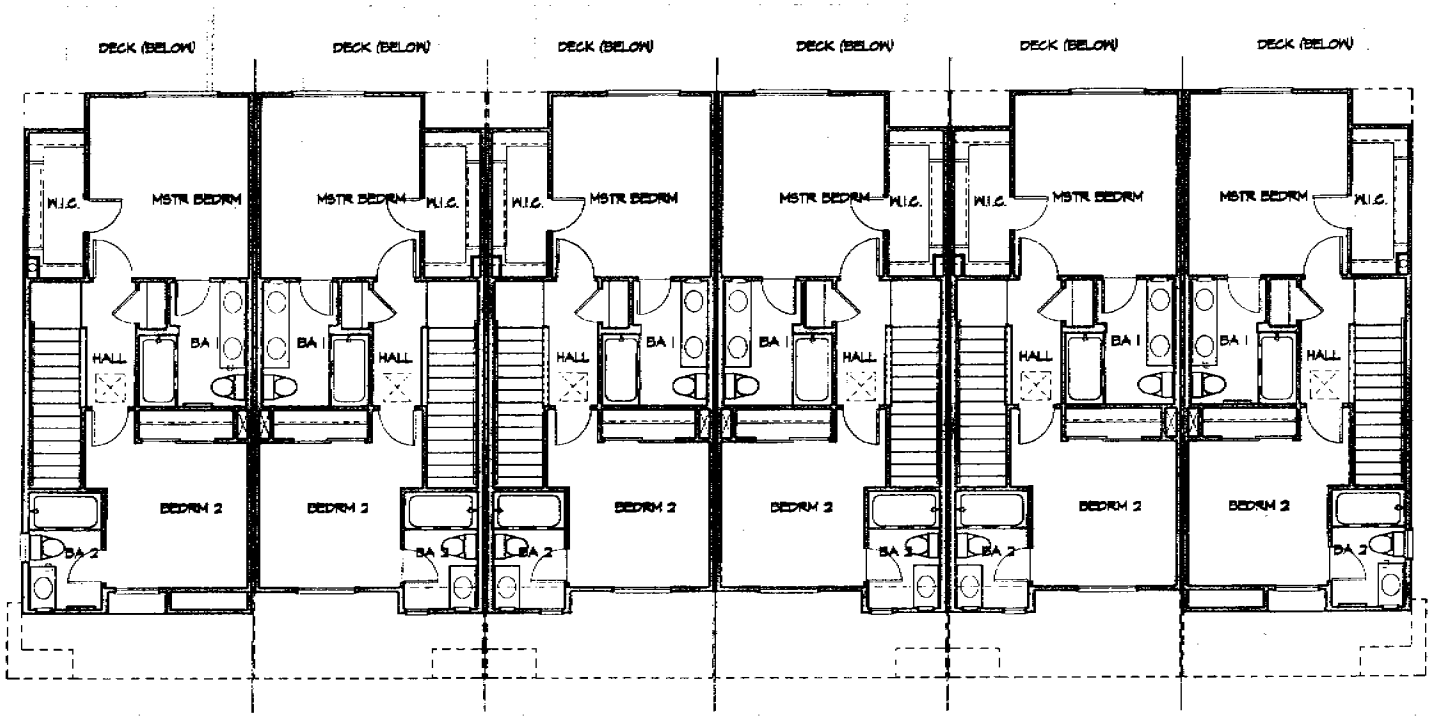
DAHLIN GROUP

7671 Gray Canyon Rd.
San Ramon, CA 94583
925.837.8396
925.837.2543 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

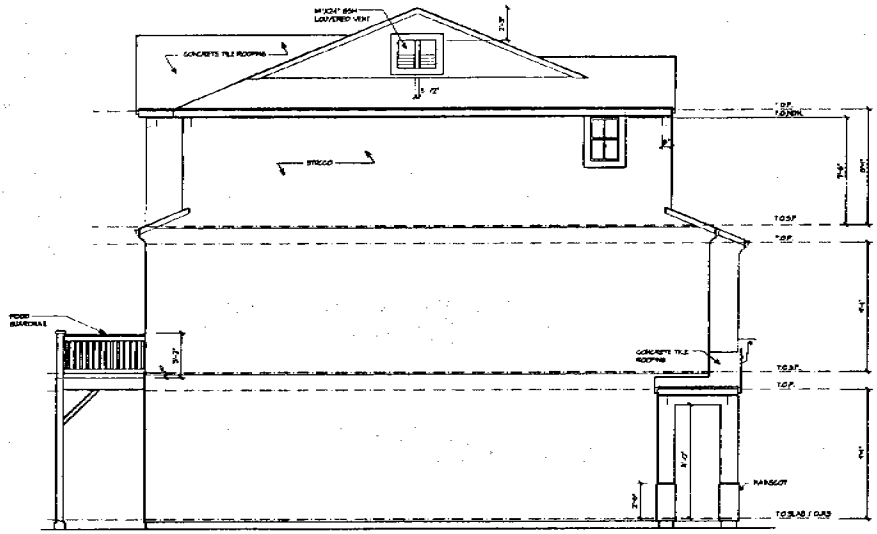
Project No.: 579.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd
San Ramon, CA 94583
925 837 8086
925.837.1343 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 & 1335 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

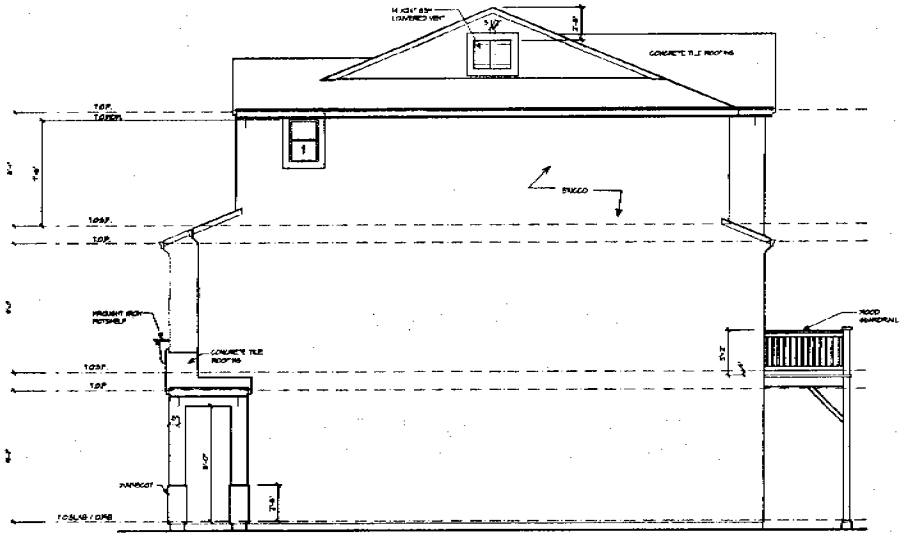
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE
2871 Crow Canyon Rd.
San Ramon, CA 94583
925.837.7700
925.837.2343 FAX

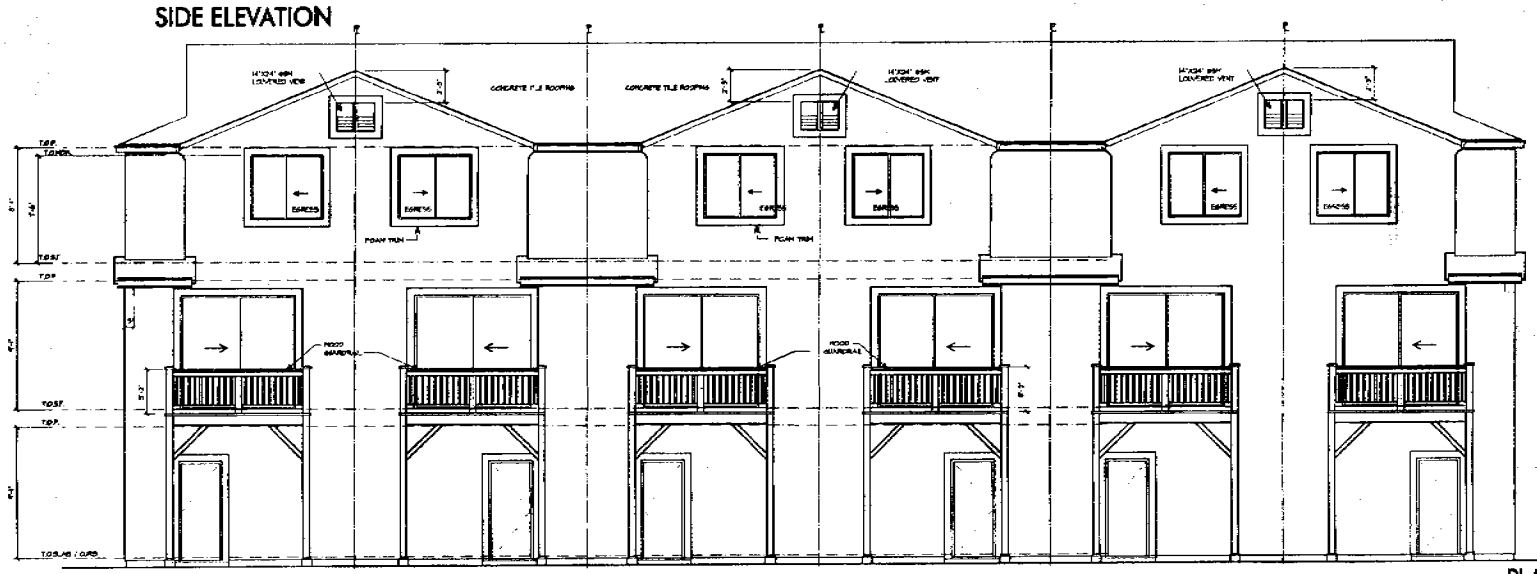
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.3



SIDE ELEVATION



REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

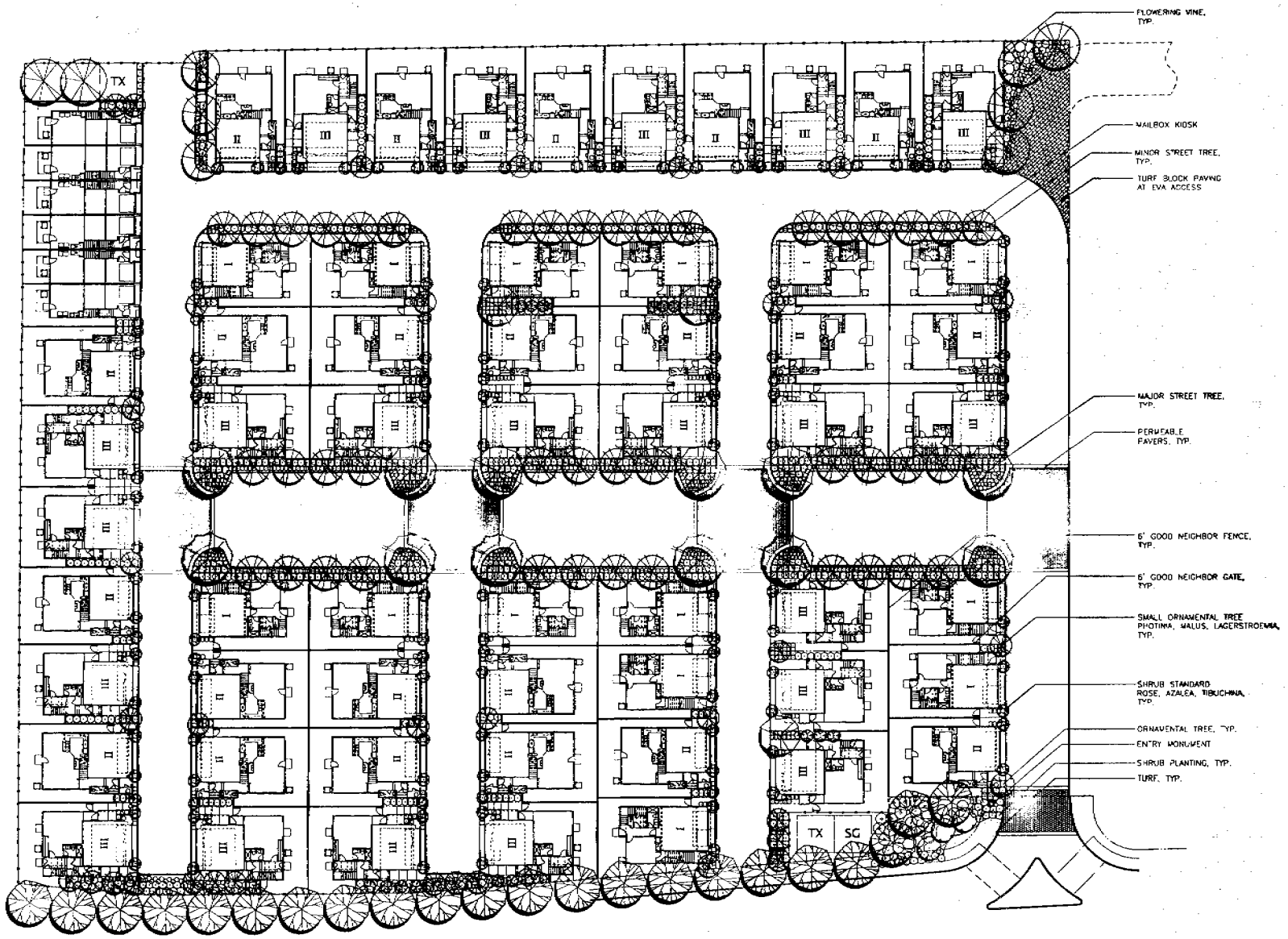
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd
San Ramon, CA 94583
925.837.9966
925.837.2345 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPWY/SOUTH WAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.4

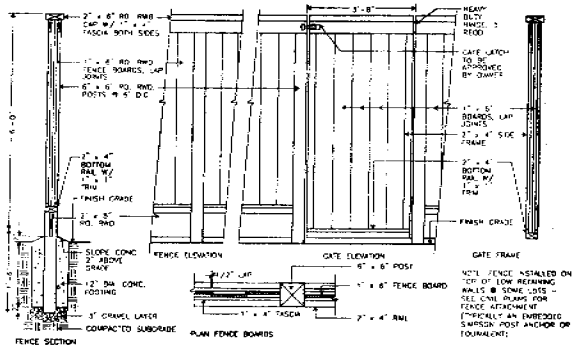


VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
399 HOWARD ST., SUITE 3, SAN FRANCISCO, CA
OF 1-415-512-1111 FAX 1-415-512-1112

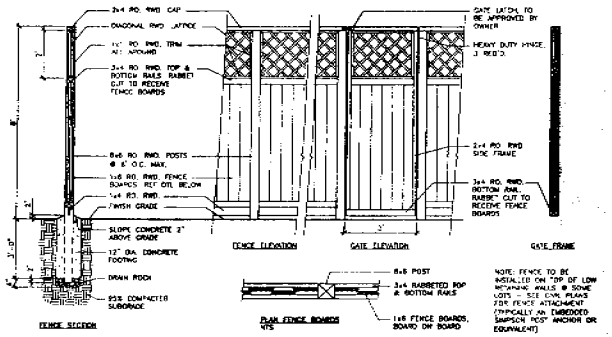
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1313 LAUREL STREET
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

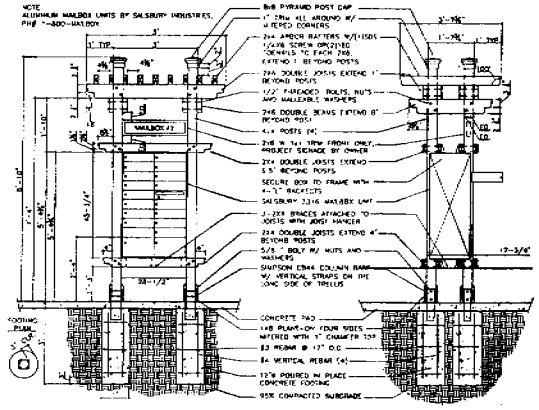
DATE	APR. 2004
SCALE	1" = 20'-0"
DESIGNED	VVA
DRAFTED	VVA
JOB	#03.136
SHEET	L1.1
OF	SHEETS



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS



MAILBOX KIOSK
NTS

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
549 HOWARD ST. SUITE 3, SAN FRANCISCO, CA
PH (415)-543-7111 FAX (415) 979-0904

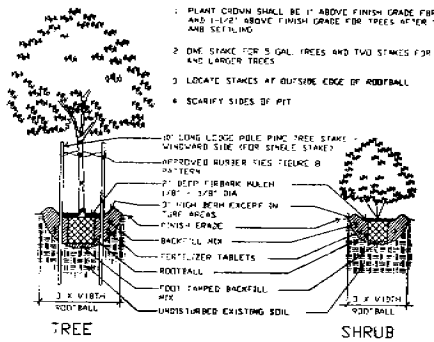
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

DATE	NOV. 2005
SCALE	1" = 20'-0"
DESIGNED	MP
DRAFTED	MP
JOB	405.06
SHEET	L1.2
OF	SHEETS

NOTES

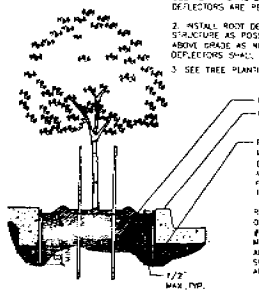
1. PLANT CROWN SHALL BE 1" ABOVE FINISH GRADE FOR SHRUBS AND 1-1/2" ABOVE FINISH GRADE FOR TREES AFTER WATERING AND SETTLING
2. ONE STAKE FOR 5 GAL. TREES AND TWO STAKES FOR 15 GAL AND LARGER TREES
3. LOCATE STAKES AT OUTSIDE EDGE OF ROOTBALL
4. SCARIFY SIDES OF PIT



TREE AND SHRUB PLANTING
NTS

NOTES

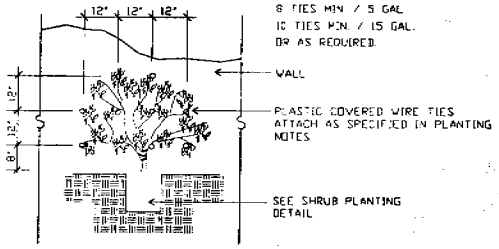
1. ROOT DEFLECTORS MAY BE REQUIRED UNDER CERTAIN CONDITIONS. SEE PLANTING NOTES FOR SPECIFIC CONDITIONS WHERE ROOT DEFLECTORS ARE REQUIRED.
2. INSTALL ROOT DEFLECTOR AGAINST STRUCTURE OR AS CLOSE TO STRUCTURE AS POSSIBLE. THE TOP OF ROOT DEFLECTOR SHALL BE SET ABOVE GRADE AS NOTED (NEVER BELOW GRADE.) THE RAISED ROOT DEFLECTORS SHALL FACE TOWARDS TREE
3. SEE TREE PLANTING DETAIL FOR TREE INSTALLATION



ROOT DELECTOR
NTS

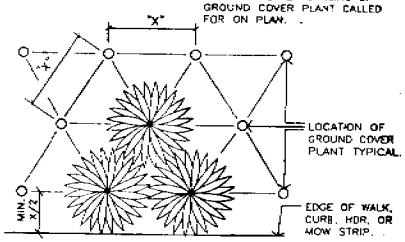
NOTES

4 TIES MIN. / 1 GAL
8 TIES MIN. / 5 GAL
10 TIES MIN. / 15 GAL.
OR AS REQUIRED.



VINE TYING PLANTING
NTS

NOTE:
"X"= ON CENTER SPACING OF GROUND COVER PLANT CALLED FOR ON PLAN.



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Chitalpa Tashkentensis	Chitalpa
Chionanthus Retusus	Chinese Fringe Tree
Cupaniopsis Anacardiodes	Carrot Wood
Hymenosporum Flavum	Sweetshade
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia Yarwood	Yarwood Sycamore
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Faueri 'Cherokee	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Blireana	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis 'Majestic Beauty'	India Hawthorn Standard
SHRUBS	
Abelia 'Edward Goucher'	Glossy Abelia
Abelia Floribunda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hybiscus
Anisodontea Capensis	Cape Mallow
Artemisia 'Powis Castle'	Non
Clivia Miniata	Kaffir Lily
Coleonema Puchrum	Breath Of Heaven
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Dodonea Viscosa	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum 'Bowles Mauve'	Wallflower
Escallonia Terri	Escallonia
Escallonia Fredesii	Escallonia
Euryops Pectinatus 'Veridis'	Shrub Daisy
Fatsia Japonica 'Variegata'	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosemarinifolia	Rosemary Grevillea
Grevillea 'Noelii'	Non
Hebe 'Coed'	Non
Hemerocallis Hybrid Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lantana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavendar
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalum Chinensis'rubrum'	Razzleberry
Loropetalum Chinense	Non
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Nephrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly-Leaf Osmanthus
Phormium Tenax Spp.	New Zealand Flax
Photinia 'Jack Sprat'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Rhaphiolepis Indica Spo India Hawthorn	
Rosmarinus O. 'Tuscan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Non
Tulbaghia Violaceae	Society Garlic
Viburnum Davidii	Non
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Aptenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Clytostoma Callistegiodes	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfadenya Unguis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Faassenii	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Solfya Heterophyllus	Australian Bluebell Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion dwarf tall fescue

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
581 HOWARD ST. SUITE 3, SAN FRANCISCO, CA
ZIP 94105-3011 PH (415)974-7900 FAX (415) 975-7900

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE	NOV 2005
SCALE	1" = 20'-0"
DESIGNER	MW
DRAWN BY	MW
JOB	405'05
SHEET	L1.3
OF	SHEETS

EXHIBIT B

THE CITY OF SANTA CLARA FINDINGS REQUIRED UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE APPROVAL OF THE MARINA PLAYA PROJECT LOCATED AT 1331–1333 LAWRENCE EXPRESSWAY, SANTA CLARA

(Public Resources Code, Section 21000 et seq.)

I. Introduction

The City of Santa Clara ("City") prepared a Final Environmental Impact Report ("FEIR") for the creation of new single-family and multi-family housing at 1331–1333 Lawrence Expressway consisting of up to 277 rental apartments, 57 single-family detached units and 6 multi-family residential for sale units on a 7.36-acre site located at the northeast corner of Lawrence Expressway and Granada Avenue ("Project"). The proposed Project consists of a development proposal by BRE Properties, Inc. ("BRE") known as "Santa Clara Crossings" (3.20 acres) and the development proposal by Taylor Morrison of California, LLC ("TM") known as "Laurel Place II" (4.16 acres). The Project entitlements from the City include a rezoning from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use), Tentative Map and a Development Agreement.

The findings, recommendations and statement of overriding considerations ("Findings") set forth below are made and adopted by the City Council as the City's findings under the California Environmental Quality Act ("CEQA", Public Resources Code Section 2100 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq.) relating to the Project. The Findings provide the written analysis and conclusions of this City Council regarding the Project's environmental impacts, mitigation measures, alternatives to the

Project, and overriding considerations that, in this City Council's view, justify approval of the Project, despite its environmental effects.

II. General Findings and Overview

A. Procedural Background

A Notice of Preparation ("NOP") of an environmental impact report was circulated to public agencies and the public on October 25, 2007. Thereafter, on January 31, 2008, the Draft Environmental Impact Report ("DEIR") was published for public review and comment and was filed with the State Office of Planning & Research under State Clearinghouse No. 2007102131. The DEIR was made available for review and comment by interested persons and public agencies through March 17, 2008 ("Circulation Period").

The City prepared written responses to the comments received during the Circulation Period for the DEIR. These comments and their related responses are contained in the FEIR. The FEIR consists of: a list of agencies and organizations to whom the DEIR was sent, a list of the comment letters received on the DEIR, revisions to the text of the DEIR, responses to comments received on the DEIR, and copies of comment letters. The FEIR was made available for public review on April 11, 2008.

On April 23, 2008, the City's Planning Commission conducted a public hearing on the Project. At the conclusion of the public hearing, and following consideration of the FEIR, the Planning Commission adopted its Resolution No. 08-004, approving certification of the FEIR and recommending approval of the rezoning, Tentative Map, and Development Agreement for the Project.

B. Record of Proceedings and Custodian of Record

For purposes of CEQA and the Findings set forth herein, the record of proceedings for the City's findings and determinations consists, at a minimum, of the following documents and testimony:

- The FEIR for the Project (SCH#2007102131) and all reports, documents, studies, memoranda, and maps related thereto;
- The NOP and other public notices issued by the City in conjunction with the Project development plan and the DEIR;
- All written and oral comments submitted by agencies or members of the public during the public review period for the DEIR and any public hearings or meeting held on Project approvals;
- All other public reports, documents, studies, memoranda, maps or other planning documents related to the Project or the FEIR and the DEIR, prepared by the City, consultants to the City, or responsible or trustee agencies with respect to the City's compliance with the requirements of CEQA and the Project entitlements;
- The City of Santa Clara General Plan, as amended, and all environmental review documents, findings and statements of overriding considerations made pursuant to Section 21081 of the Public Resources Code related thereto;
- All matters of common knowledge to this City Council, including, but not limited to (1) the Santa Clara General Plan and other applicable policies, (2) the Santa Clara Zoning Ordinance and other applicable ordinances, (3) information regarding the City's fiscal status, (4) applicable City policies and regulations, (5) reports, projections, and documentation regarding development within and

surrounding the City, and (6) federal, state, and county laws, regulations, guidelines, and publications.

The documents described above comprising the record of proceedings are located in the offices of the Planning and Inspection Department, City of Santa Clara, 1500 Warburton Ave., Santa Clara, CA 95050. The custodian of these documents is the Director of Planning and Inspection or his designee.

C. Consideration of the Environmental Impact Report

In making these Findings, this City Council finds that the FEIR was presented to this City Council, which reviewed and considered the information in the FEIR prior to approving the Project. By these findings, this City Council ratifies, adopts and incorporates the analysis, explanation, findings, responses to comments and conclusions of the FEIR. The FEIR represents the independent judgment of the City.

D. Severability

If any term, provision, or portion of these Findings or the application of these Findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these Findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

III. Findings and Recommendations Regarding Significant and Unavoidable Noise Impacts

Implementation of the Project would expose future residents to exterior noise levels in excess of acceptable City standards for residential development. The following mitigation measures are hereby adopted and will be implemented: all noise sensitive, outdoor use areas will be located away from roadways and shielded by buildings wherever possible; and a six-foot sound wall will be constructed along the western boundary of TM's 4.16-acre portion of the

Project site. However, the six-foot sound wall will not be sufficient to reduce the exterior noise level to an acceptable level for the seven (7) houses that will be located along Lawrence Expressway. In addition, no mitigation is proposed to reduce the exterior noise level to an acceptable level for the balconies of the multi-family units with direct line of site or side view of Lawrence Expressway. The economic, social and other benefits of the Project override the remaining significant adverse impact of the Project, as more fully stated in the Statement of Overriding Considerations in Section V, below.

IV. Project Alternatives

A. Background - Legal Requirements

CEQA requires that EIRs assess feasible alternatives or mitigation measures that may substantially lessen the significant effects of projects prior to approval. Public Resources Code Section 21002. With the exception of the "no project" alternative, the specific alternatives or types of alternatives that must be assessed are not specified. CEQA "establishes no categorical legal imperative as to the scope of alternatives to be analyzed in an EIR. Each case must be evaluated on its own facts, which in turn must be reviewed in light of the statutory purpose." *Citizens of Goleta Valley v. Board of Supervisors*, 52 Cal.3d. 553, 556 (1990). The purpose of CEQA is to provide information to decision makers about the potential impacts that projects may have on the environment and to protect public health, welfare and the environment from significant impacts associated with all types of development by ensuring that agencies regulate activities so that major consideration is given to preventing environmental damage while providing a decent home and satisfying living environment for every Californian. Public Resources Code Section 21000. In short, the objective of CEQA is to avoid or mitigate environmental damage associated with development.

This objective has been largely accomplished in the Project through the inclusion of project modifications and mitigation measures that reduce almost all of the Project's potentially significant impacts to an acceptable level. The courts have held that a public agency "may approve a developer's choice of a project once its significant adverse environment effects have been reduced to an acceptable level - that is, all avoidable significant damage to the environment has been eliminated and that which remains is otherwise acceptable." *Laurel Hills Homeowners Assoc. v. City*, 83 Cal.App.3d 515, 521 (1978). To the extent that significant impacts exist even after the imposition of project modifications and mitigation measures, in Part V of these Findings, the City Council specifically finds, pursuant to Public Resources Code Section 21081(b), that specific overriding economic, legal, social, technological, or other benefits of the Project outweigh the significant effects on the environment.

B. Identification of Project Objectives

The CEQA Guidelines state that the "range of potential alternatives to the proposed project shall include those that could feasibly accomplish most of the basic purposes of the project and could avoid or substantially lessen one of more of the significant effects" of the Project. CEQA Guidelines Section 15126.6(c). Thus, an evaluation of the project objectives is key to determining which alternatives should be assessed in the EIR.

The EIR identifies the two (2) primary objectives of the City for this Project as follows:

1. Provide single-family and multi-family housing at an infill location near major transportation routes in the City in accordance with the City's General Plan;

2. Achieve the City's land use and housing objectives, including: increasing the supply of rental housing and affordable housing, improving the jobs/housing balance, converting the

current underutilized commercial use of the site, and encouraging transit-oriented development that reduces dependence of private vehicles.

C. Alternatives Analyzed in the EIR

This section of these Findings discusses the alternatives that were fully analyzed in the EIR and also explains why certain potential alternatives were removed from further consideration after initial evaluation. The EIR fully evaluated the alternatives listed in paragraphs 1 through 4 below.

1. No Project Alternative

The No Project Alternative is rejected as an alternative because it would not attain any of the City's primary Project objectives identified in the EIR and these Findings. The No Project Alternative would result in the continued use of the site as general office which is inconsistent with the City's General Plan, which designates the Project site as transit-oriented mixed use, and is inconsistent with the objective of converting the existing underutilized commercial space into residential transit-oriented development. This alternative would also not meet the City's objectives related to the provision of single-family and multi-family housing at an in-fill location near major transportation routes. Because the No Project Alternative does not accomplish the basic purposes of the Project, the City Council specifically finds this alternative to be infeasible.

2. Reduced Density Alternative

The Reduced Density Alternative is rejected as an alternative because it would not attain one or more the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. The Reduced Density Alternative would remove the seven (7) single-family homes proposed along the Lawrence Expressway frontage. The Reduced Density Alternative would not fully meet the

City's primary objectives for the Project because it would result in fewer single-family units and a reduction in the mix of single-family and high-density residential development on the Project site. Furthermore, even with reduced density, the noise impacts would remain significant. As a result, the City Council specifically finds this alternative to be infeasible.

3. Alternate Sound Wall Design

The Alternate Sound Wall Design is rejected as an alternative because it would not attain one or more of the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. Even if the sound wall height were increased from six (6) feet to 10 feet, residents along the Lawrence Expressway frontage would still experience noise levels in excess of the City threshold. Although a taller sound wall may reduce noise levels to within the City threshold, such a high sound wall is undesirable as its close proximity to the proposed houses could diminish the quality of life on the Project site. Therefore, the City Council specifically finds this alternative to be infeasible.

4. Combined Reduced Density/Sound Wall Design Alternative

The Combined Reduced Density/Sound Wall Design Alternative is rejected as an alternative because it would not attain the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. Even if the sound wall height were increased, residents along the Lawrence Expressway frontage would still experience noise levels in excess of the City threshold. The Combined Reduced Density/Sound Wall Design Alternative would not fully meet the City's primary objectives for the Project because it would result in fewer single-family units and a reduction in the mix of single-family and high-density residential development on the Project site. As a result, the City Council specifically finds this alternative to be infeasible.

D. Environmentally Superior Alternative

The EIR identifies the Combined Reduced Density/Sound Wall Design Alternative as the environmentally superior alternative. Although that alternative is environmentally superior to the proposed Project, it is rejected as infeasible for the reasons given above in the discussion of that alternative.

V. Statement of Overriding Considerations

The City Council adopts this Statement of Overriding Considerations, finding that this Project includes all feasible measures that would eliminate or substantially lessen the significant impacts of the Project on the environment, and that the remaining significant, unavoidable impacts of the Project are acceptable in light of the environmental, economic, social and other considerations set forth herein because the benefits of the Project outweigh the significant unavoidable adverse impacts of the Project.

The Project will replace underutilized commercial buildings with new single-family and multi-family rental and for-sale housing, including some affordable housing, at an infill location near major transportation routes in the City. The Project site has been identified in the City General Plan for transit-oriented mixed use. The Project would further the City's General plan policies, goals and objectives to encourage new ownership or rental housing in mixed use designations near major transit services, help the City meet its fair share housing obligation, and improve the jobs/housing balance. Specifically, the Project would provide up to 277 rental apartment units, 57 single-family detached units and 6-multi-family residential for sale units on Lawrence Expressway.

This City Council finds that each of the overriding considerations set forth herein constitutes a separate and independent ground for finding that the benefits of the Project

outweigh its significant unavoidable adverse environmental impacts and sets forth an overriding consideration warranting approval of the Project.

This City Council has considered the FEIR, the public record of proceedings on the proposed Project and other written materials presented to the City as well as oral and written testimony at all public hearings and meetings related to the Project, and does hereby determine that implementation of the Project as specifically provided in the Project documents would result in substantial public benefits as set forth herein.

The City Council has weighed the benefits of the proposed Project against its unavoidable environmental impacts identified in the FEIR, and hereby determined that those benefits outweigh the risks and adverse environmental effects, and therefore, further determines that these risks and adverse environmental effects are acceptable.

EXHIBIT C

THE CITY OF SANTA CLARA MITIGATION MONITORING AND REPORTING PROGRAM FOR THE APPROVAL OF THE MARINA PLAYA PROJECT LOCATED AT 1331 – 1333 LAWRENCE EXPRESSWAY, SANTA CLARA

MITIGATION MONITORING AND REPORTING PROGRAM

MARINA PLAYA RESIDENTIAL PROJECT

CITY OF SANTA CLARA

APRIL 2008

PREFACE

Section 21081 of the California Environmental Quality Act (CEQA) requires a Lead Agency to adopt a Mitigation Monitoring and Reporting Program whenever it approves a project for which measures have been required to mitigate or avoid significant effects on the environment. The purpose of the monitoring and reporting program is to ensure compliance with the mitigation measures during project implementation.

The Final EIR concluded that the implementation of the project could result in a number of significant effects on the environment and mitigation measures were incorporated into the proposed project or are required as a condition of project approval. This Mitigation Monitoring and Reporting Program addresses those measures in terms of how and when they will be implemented.

This document does *not* discuss those subjects for which the Final EIR concluded that the impacts from implementation of the project would be less-than-significant.

MITIGATION MONITORING AND REPORTING PROGRAM 2585 EL CAMINO REAL MIXED USE PROJECT				
Impact	**Mitigation**	**Timeframe for Implementation**	**Responsibility for Implementation**	**Oversight of Implementation**
AIR QUALITY				
Construction of the proposed project would result in exposing sensitive receptors to temporary air quality impacts associated with dust and particulate matter generation. **(Significant Impact)**	1) Water all active construction areas at least twice daily or as often as needed to control dust emissions; 2) Cover all trucks hauling soil, sand, and other loose materials and/or ensure that all trucks hauling such materials maintain at least two feet of freeboard; 3) Pave, apply water twice daily, or as often as necessary, to control dust, or apply non-toxic soil stabilizers on all unpaved access roads, parking areas and staging areas at construction areas; 4) Sweep daily, or as often as needed, with water sweepers all paved access roads, parking areas and staging areas at construction sites to control dust; 5) Sweep public streets daily, or as often as needed, to keep streets free of visible soil material; 6) Hydroseed or apply non-toxic soil stabilizers to inactive construction areas; 7) Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc; 8) Limit vehicle traffic speeds on unpaved roads to 15 mph; 9) Replant vegetation in disturbed areas as quickly as possible.	During construction phase.	Project applicant	Director of Planning and Inspection Director of Public Works
BIOLOGICAL RESOURCES				
If breeding raptors are present, demolition and construction activities during the nesting season may result in the disturbance or destruction of nearby breeding raptors or their nests. **(Significant Impact)**	Preconstruction surveys for nesting raptors will be conducted between September and January by a qualified ornithologist or wildlife biologist to ensure that no raptor nests will be disturbed during demolition and construction activities. The survey shall be conducted no more than 14 days prior to initiation of demolition/construction activities during the early part of the breeding season (January to April) and no more than 30 days prior to initiation of these activities during the late part of the breeding season (May to August). During the survey, the ornithologist/biologist will inspect all trees for raptor nests. If an active raptor nest is found close enough to the demolition/construction area to be disturbed, the ornithologist/biologist (in conjunction with the California Department of Fish and Game) will determine the extent of a construction-free buffer zone to be established around the nest. The project will maintain the buffer zone, allowing no intrusion or impacts to the tree(s), until after the breeding season has ended and young birds are functioning free of the nest(s).	Prior to issuance of demolition or grading permits.	Project applicant.	Director of Planning and Inspection California Department of Fish and Game

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
GEOLOGY AND SOILS				
Implementation of the proposed project would increase the potential for erosion and sedimentation until construction is complete and new vegetation is established. **(Significant Impact)**	1) All excavation and grading work will be scheduled in dry weather months, or construction sites will be weatherized to withstand or avoid erosion. 2) Stockpiles and excavated soils will be covered with secured tarps or plastic sheeting. 3) Existing vegetation will be removed only when it is absolutely necessary. 4) Vegetation in disturbed areas will be replanted as quickly as possible. 5) Ditches will be installed, if necessary, to divert runoff around excavations and graded areas.	During construction phase	Project Applicant	Director of Planning and Inspection
HAZARDOUS MATERIALS				
Implementation of the proposed project will result in the demolition of buildings containing ACMs and possibly lead-based paint. Buildings demolished in conformance with federal and state laws and regulations will not expose construction workers and/or the public to airborne contaminants, including lead-based paint and asbestos. **(Significant Impact)**	1) All demolition activities would be undertaken according to OSHA and EPA standards to protect workers, and off-site occupants from exposure to asbestos and lead based paint. Specific measures include air monitoring during demolition of existing buildings and construction activities. 2) Building materials classified as hazardous materials would be disposed of in conformance with federal, state, and local laws.	During demolition phase	Project Applicant	Director of Planning and Inspection OSHA

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
HYDROLOGY				
Implementation of the proposed project would result in increased stormwater pollution during construction. **(Significant Impact)**	*Construction Mitigation* 1) Burlap bags filled with drain rock will be installed around storm drains to route sediment and other debris away from the drains. 2) Earthmoving or other dust-producing activities would be suspended during periods of high winds. 3) All exposed or disturbed soil surfaces would be watered at least twice daily to control dust as necessary. 4) Stockpiles of soil or other materials that can be blown by the wind would be watered or covered. 5) All trucks hauling soil, sand, and other loose materials would be covered and all trucks would be required to maintain at least two feet of freeboard. 6) All paved access roads, parking areas, staging areas and residential streets adjacent to the construction sites would be swept daily (with water sweepers). 7) Vegetation in disturbed areas would be replanted as quickly as possible. 8) Storm Water Permit will be administered by the RWQCB. Prior to construction grading for the proposed land uses, the applicant will file an NOI to comply with the General Permit and prepare a SWPPP which addresses measures that would be included in the project to minimize and control construction and post-construction runoff. The following measures would be included in the SWPPP: – Preclude non-stormwater discharges to the storm water system. – Effective, site-specific Best Management Practices for erosion and sediment control during the construction and post-construction periods. – Cover soil, equipment, and supplies that could contribute non-visible pollution prior to rainfall events or perform monitoring of runoff. – Perform monitoring of discharges to the storm water system. 9) The project will submit a copy of the draft SWPPP to the City of Santa Clara for review and approval prior to construction of the project site. The certified SWPPP will be posted at the project site and will be updated to reflect current site conditions. *Post-Construction Measures* 1) When the construction phase is complete, a Notice of Termination (NOT) for the General Permit for Construction will be filed with the RWQCB and the City of Santa Clara. The NOT will document that all elements of the SWPPP have been executed, construction materials and waste have been properly disposed of, and a post-construction storm water management plan	During construction phase and post-construction	Project applicant	Director of Planning and Inspection Regional Water Quality Control Board

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
HYDROLOGY *Continued*				
See Previous Page	is in place as described in the SWPPP for the site. 2) As part of the mitigation for post-construction runoff impacts addressed in the SWPPP, the project will implement regular maintenance activities (i.e., sweeping, maintaining vegetative swales, cleaning storm water inlet filters, fossil filters, litter control, and other activities as specified by the City) at the site to prevent soil, grease, and litter from accumulating on the project site and contaminating surface runoff. Storm water catch basins will be stenciled to discourage illegal dumping. 3) Landscape designs for stormwater treatment (including bio-swales and landscape islands in the parking lots) that meets the requirements of Provision C.3. of the City's NPDES permit will be submitted with the development plans and must be approved by the Planning Department prior to issuance of building permits.	*See Previous Page*	*See Previous Page*	*See Previous Page*
NOISE				
Noise generating activities associated with demolition, grading and construction activities on the project site would temporarily elevate noise levels in the area surrounding the project site. **(Significant Temporary Impact)**	1) Construction and demolition activities shall be limited to the period between 7:00 AM and 6:00 PM Monday through Friday and 9:00 AM to 6:00 PM on Saturday. No construction or demolition activities are permitted on Sundays or holidays; 2) The contractor shall be required to use available noise suppression devices and properly maintain and muffle internal combustion engine-driven construction equipment; 3) The contractor shall designate a disturbance coordinator and post the name and phone number of this person at easy reference points for the surrounding land uses. The disturbance coordinator shall respond to and address all complaints about noise.	During Construction	Project Applicant	Director of Planning and Inspection Director of Public Works
Implementation of the proposed project would expose future residents to exterior noise levels in excess of acceptable City standards for residential development. **(Significant Impact)**	1) All noise sensitive, outdoor use areas will be located away from roadways and shielded by buildings whenever possible. 2) A six-foot sound wall will be constructed along the western boundary of the T-M project site. The wall will be constructed of wood or concrete and will not have any gaps or openings except for the driveway entrance.	During design and construction phases	Project Applicant	Planning Department

SOURCE

City of Santa Clara, **Final EIR for the Marina Playa Residential Project,** January 2008.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, APPROVING THE TENTATIVE MAP FOR THE TAYLOR MORRISON OF CALIFORNIA, LLC PORTION OF THE MARINA PLAYA PROJECT LOCATED AT 1331-1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, on November 18, 2005, Taylor Morrison of California, LLC ("TM") made an application for a tentative map in connection with the development of the northerly 4.16-acre portion of the 7.36 acre property located at 1331-1333 Lawrence Expressway, Santa Clara, California ("Marina Playa Project"); and

WHEREAS, Section 17.05.210 of "The Code of the City of Santa Clara, California" ("SCCC") requires the approval of a tentative map for the division of land into five or more parcels; and

WHEREAS, SCCC Section 17.05.300(h) requires that the City Council hold a public hearing to consider the approval of a tentative map for the division of land into five or more parcels; and

WHEREAS, in order to create the appropriate parcels for TM's development of up to 57 single-family detached units and 6 multi-family residential units on the northerly 4.16-acre portion of the Marina Playa Project site, all as shown on the Development Plan, attached hereto and incorporated herein by reference, as Exhibit A ("Development Plan"), the lot lines of the property need to be reconfigured and specific easements need to be created, all as shown on the tentative map attached hereto as Exhibit B ("Tentative Map"); and

WHEREAS, notice of the public hearing on the Tentative Map was published in the *Santa Clara Weekly*, a newspaper of general circulation, on April 30, 2008; and

WHEREAS, before considering the Tentative Map, the City Council reviewed and considered the information contained in the Final Environmental Impact Report for the Marina Playa Project (SCH #20071021631) ("FEIR"), and finds that mitigation measures identified in the FEIR have been imposed on and incorporated into the FEIR and this Tentative Map, which mitigate or avoid the significant environmental effects, and that specific economic, social and other considerations make infeasible the project alternatives which would avoid or mitigate the environmental impacts; and

WHEREAS, the Marina Playa Project entitlements will include Resolution No. _____ ("FEIR Resolution"); Resolution No. _____ ("Rezoning Resolution"); Ordinance No. _____ ("Development Agreement Ordinance"); and this Tentative Map Resolution (collectively, "Entitlements"); and

WHEREAS, the City Council has reviewed the Tentative Map and conducted a public hearing.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, THAT IT APPROVES THE TENTATIVE MAP AS FOLLOWS:

1. That this Resolution incorporates, and by this reference makes a part hereof, that certain Tentative Map, attached hereto as Exhibit B.

2. Pursuant to California Government Code Sections 66426 and 66428 and Section 17.05.300(h) of the Code of the City of Santa Clara, the City Council finds and determines that the Tentative Map is consistent with the objectives, policies, general land uses and programs

specified in the City's General Plan because the Tentative Map creates tracts of land suitable to support a transit-oriented housing development.

3. That the Tentative Map is subject to the conditions set forth in Exhibit C, attached hereto and incorporated by this reference

4. That, based on the findings set forth in this Tentative Map Resolution, the FEIR Resolution, and the evidence in the Staff Report and such other evidence as received at the public hearings on this matter before the City Council and the Planning Commission, the City Council hereby approves the Tentative Map, substantially in the form on file as shown in Exhibit B, with the Director of Planning and Inspection, subject to the conditions of approval, attached as Exhibit C.

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5. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF MAY, 2008, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:

_____

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Plan
2. Exhibit B: Tentative Map
3. Exhibit C: Conditions of Approval for Tentative Map

I:\DATA\WP\RESOLUTIONS\MARINA PLAYA\Reso App Tent Map 05-07-08.doc

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: DON REBER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-6555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

THE GUZZARDO PARTNERSHIP, INC.
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY

SHEET INDEX:

SHEET TITLES	SHEET #
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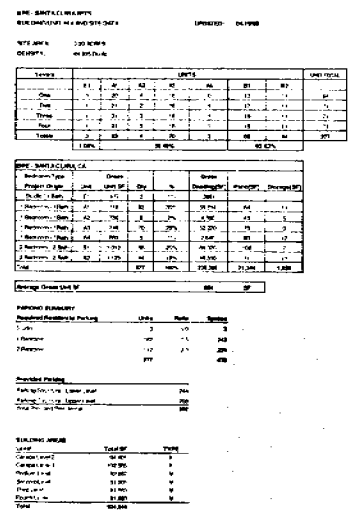
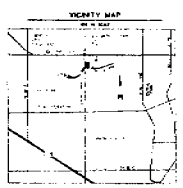
PROJECT SUMMARY:





A-0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

DESIGN SUBMITTAL

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860

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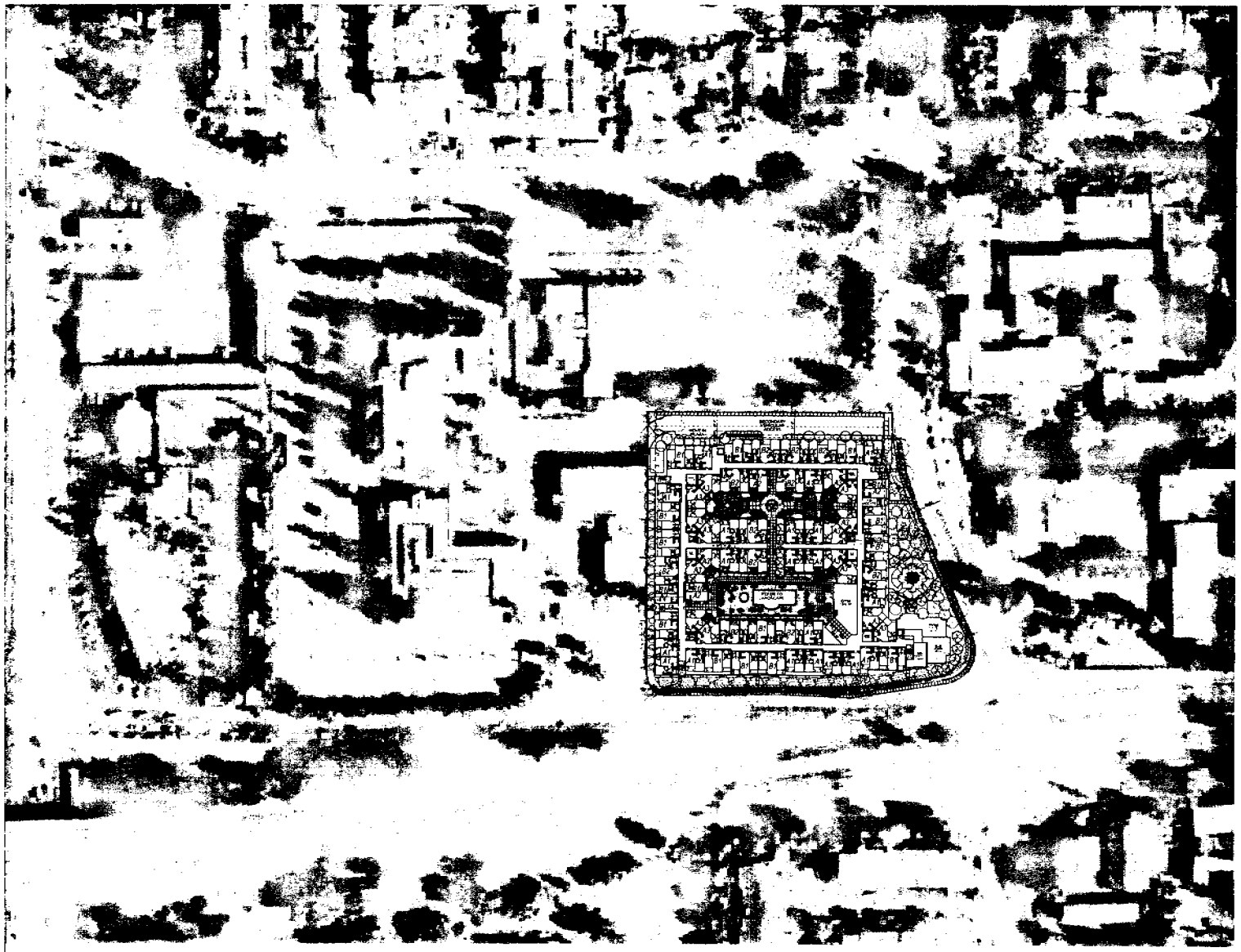

NORTH

COMPOSITE SITE PLAN

0' 50' 100' 150'

SCALE: 1/50" = 1'-0"

A-1

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 47TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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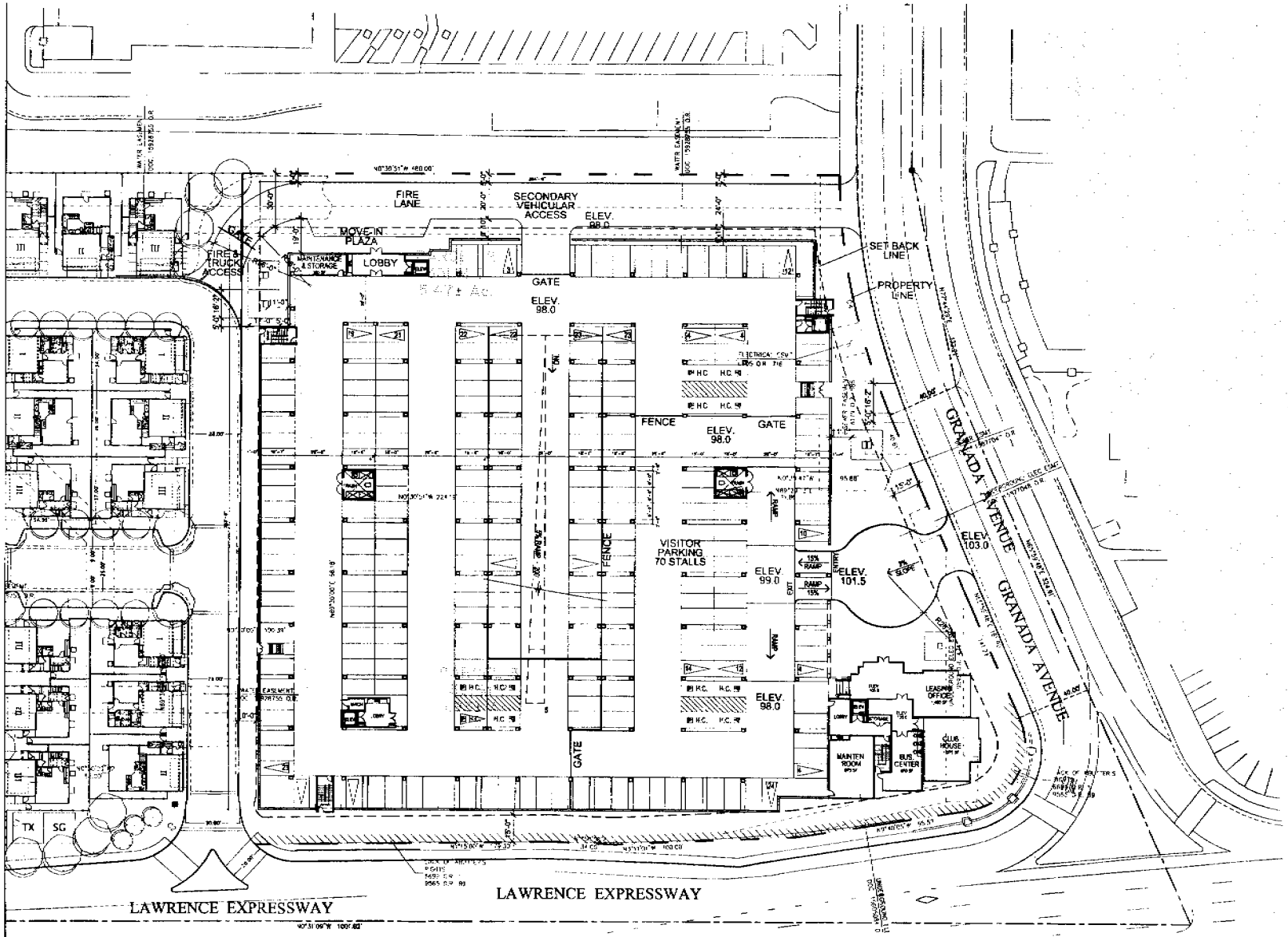

NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-1.1

2004-110 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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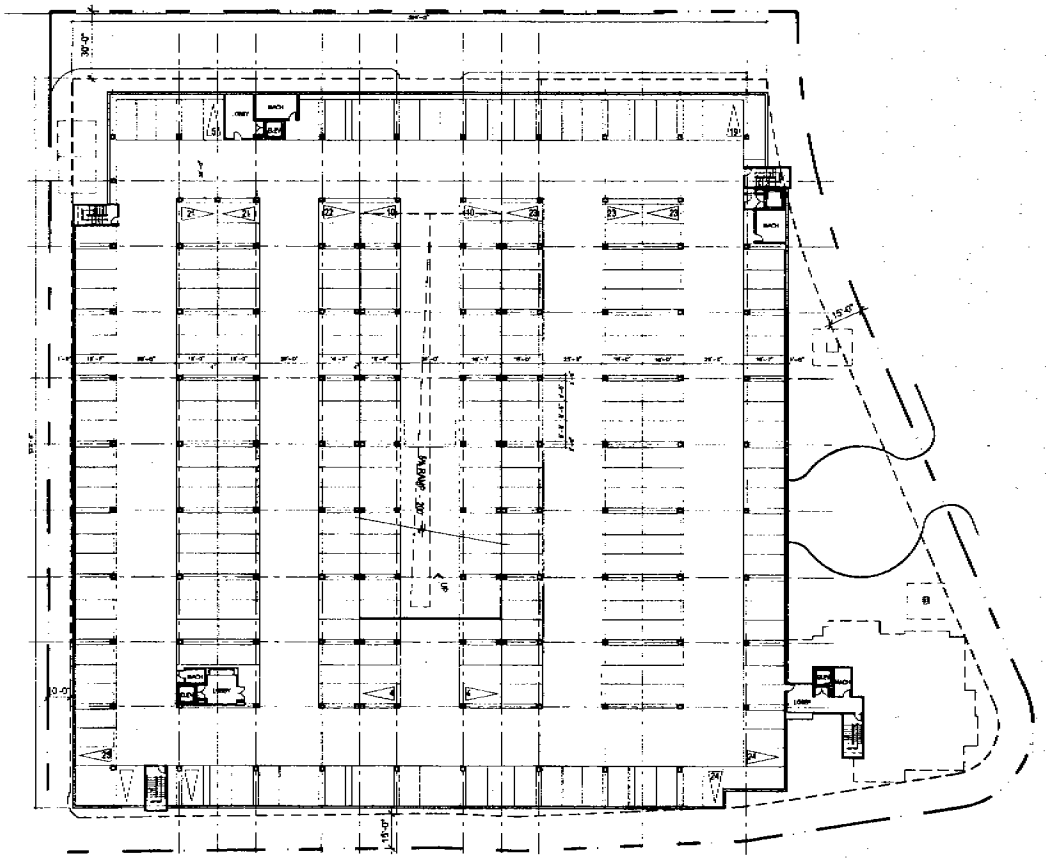

NORTH

GARAGE
LEVEL 02

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-2

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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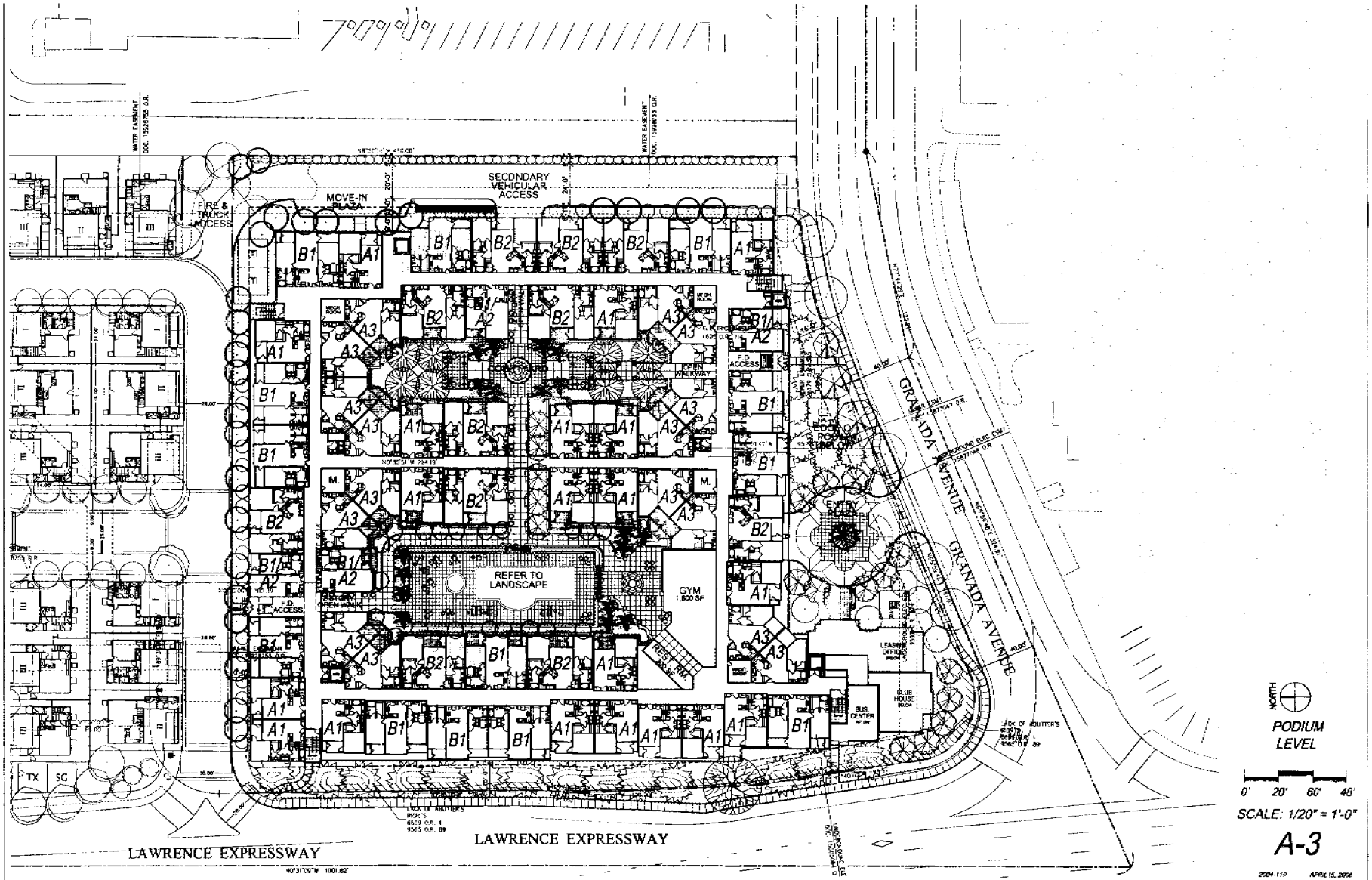

NORTH

PODIUM LEVEL

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-3

2004-110 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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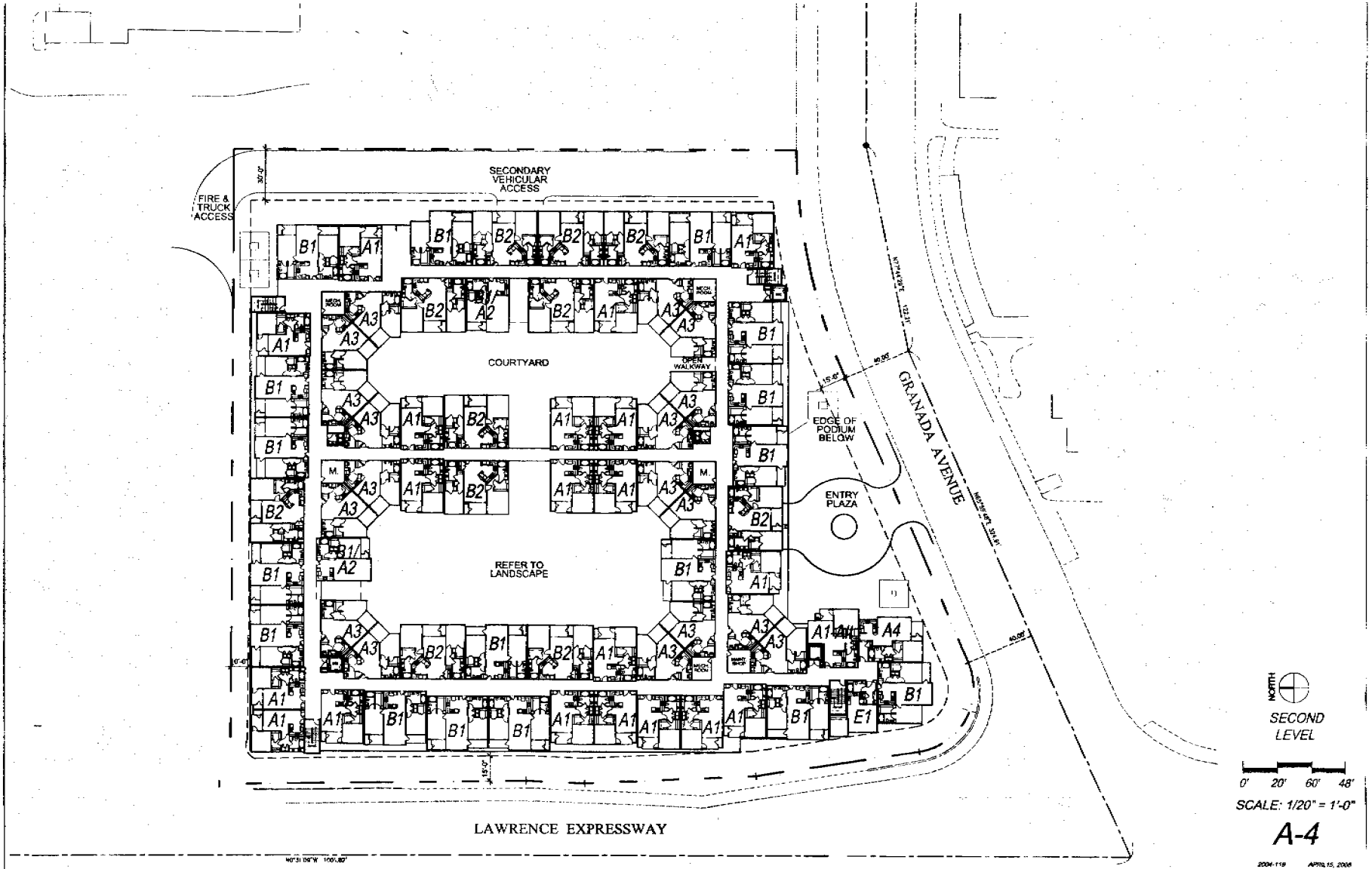

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

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ARCHITECTS ORANGE

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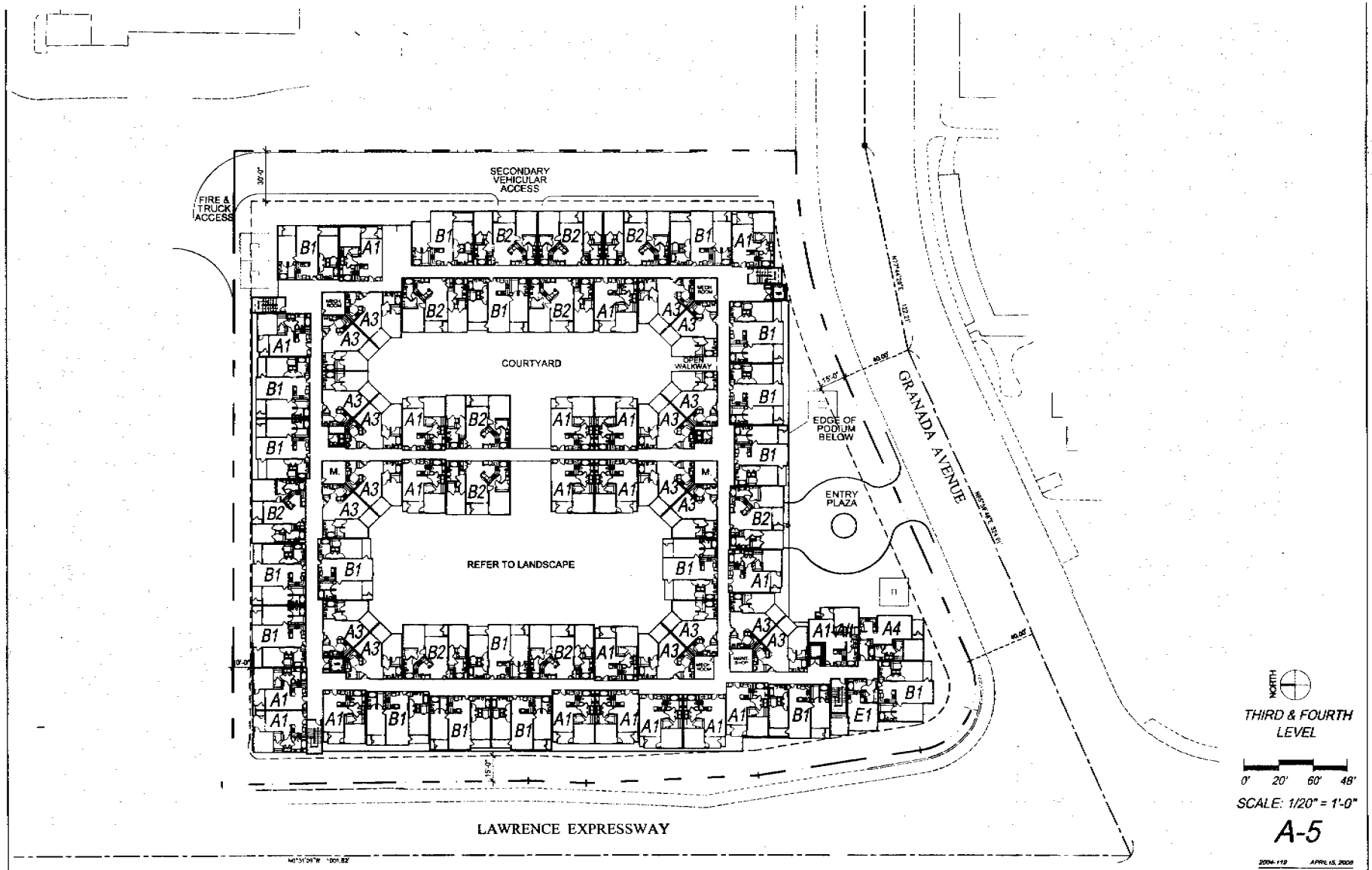
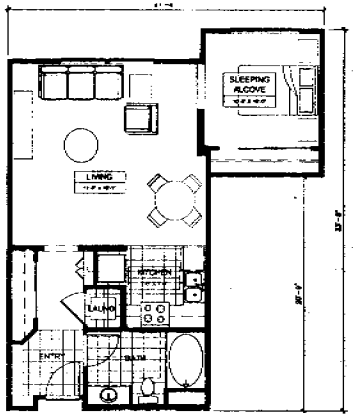


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

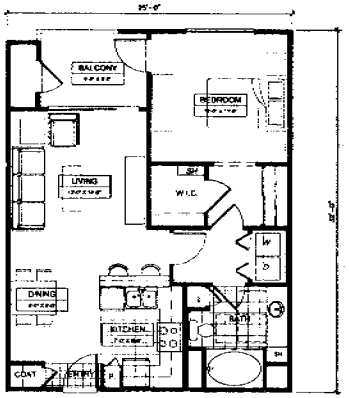
ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9880



UNIT E1

STUDIO - 1 BATH

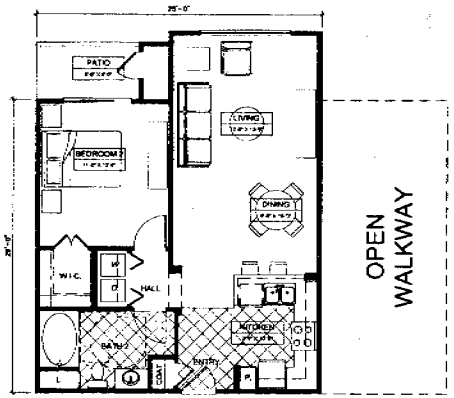
LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: -- SQ. FT.



UNIT A1

1 BEDROOM - 1 BATH

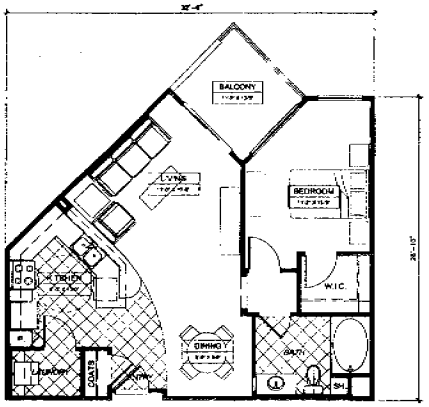
LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



UNIT A2

1 BEDROOM - 1 BATH

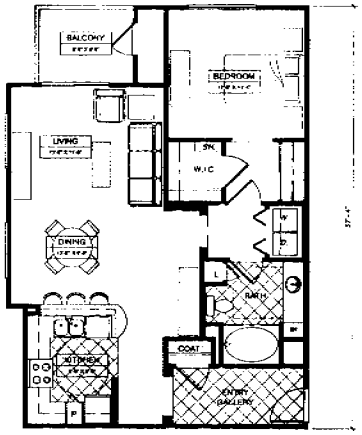
LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



UNIT A3

1 BEDROOM - 1 BATH

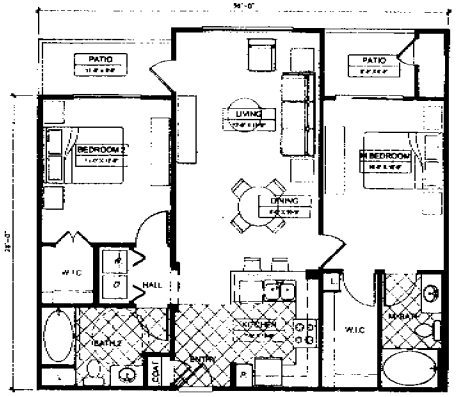
LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



UNIT A4

1 BEDROOM - 1 BATH

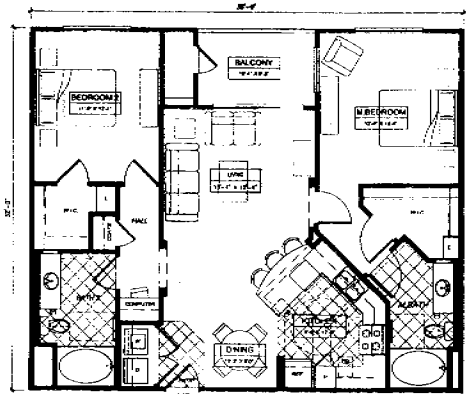
LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1

2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2

2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

A-6

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
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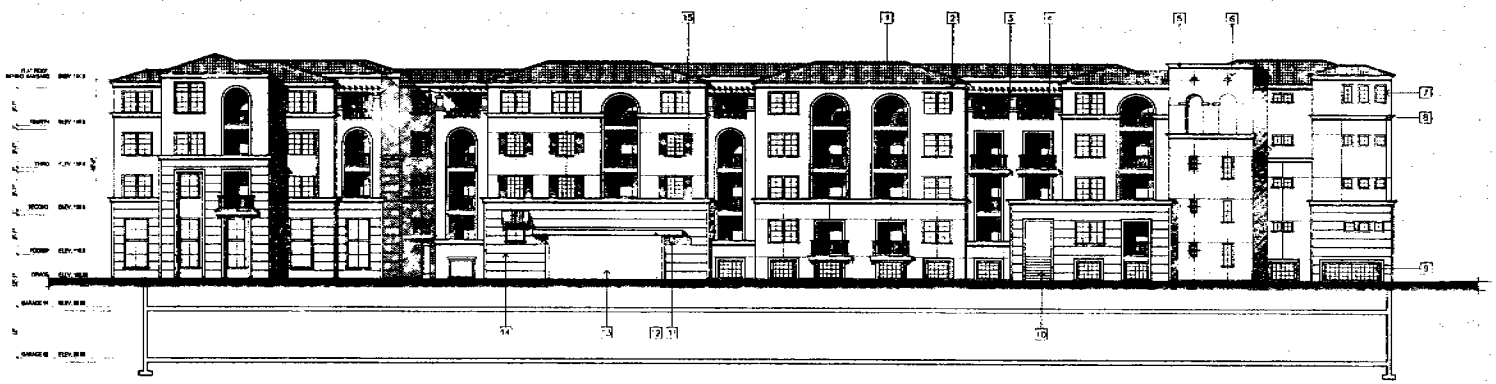

GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TGW/ FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	MAIN VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
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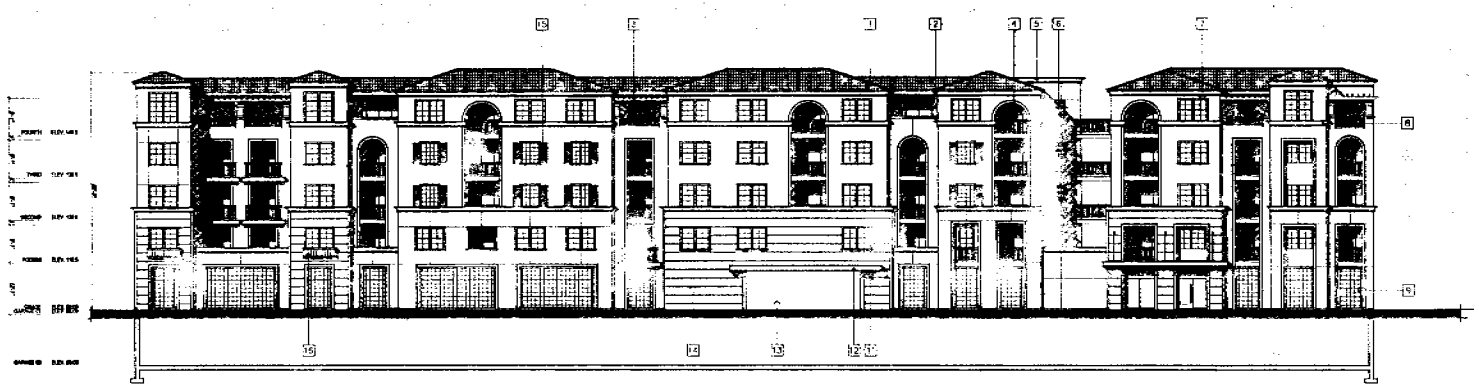

CONCEPTUAL EAST ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	PAINT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE GRILL
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	SECONDARY VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS
16	DECORATIVE PLANTER BOX

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.1

2004-110 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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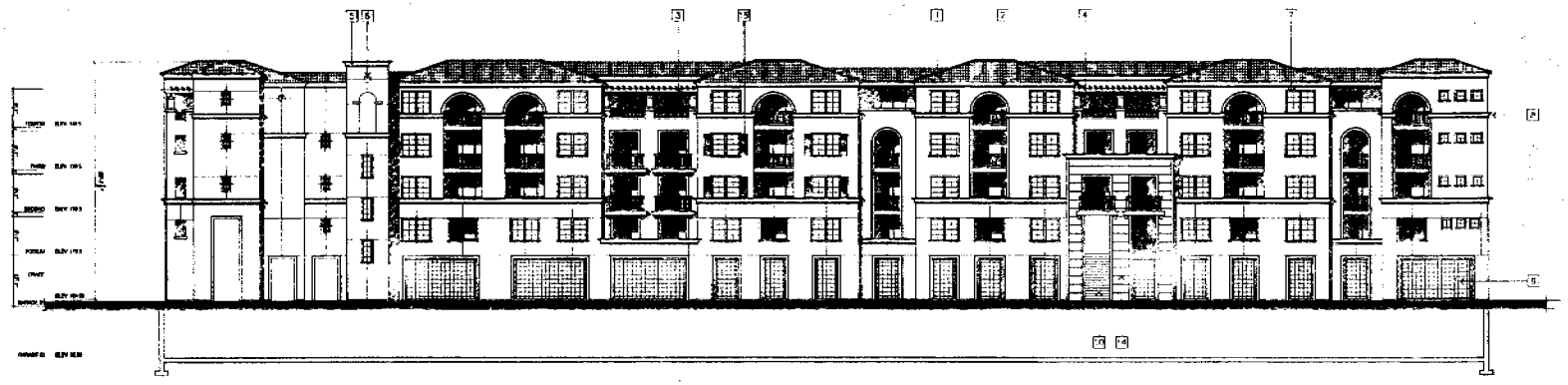

CONCEPTUAL NORTH ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TIGHT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	ADA VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.2

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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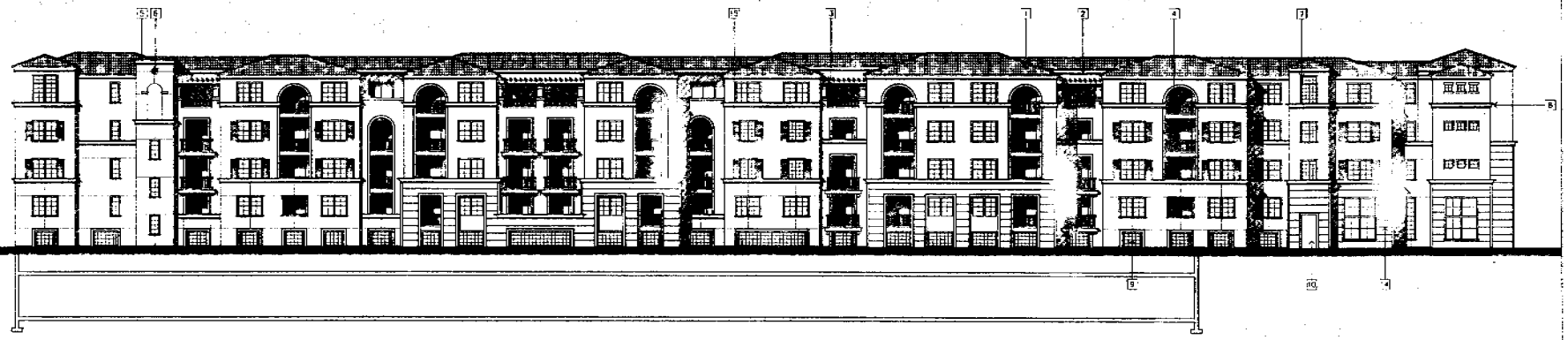

CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TIGHT + ABOR
3	TREELIN
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	STAIR EXIT
11	DECORATIVE CORBELS
12	METAL AWNING
13	MAIN VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.3

2004-110 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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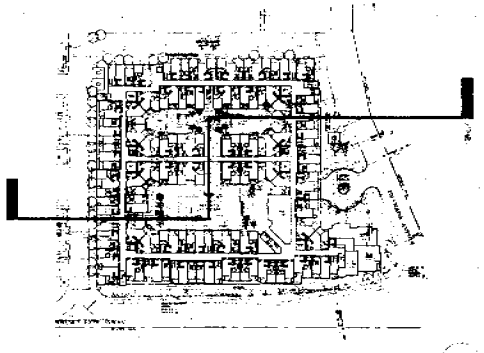

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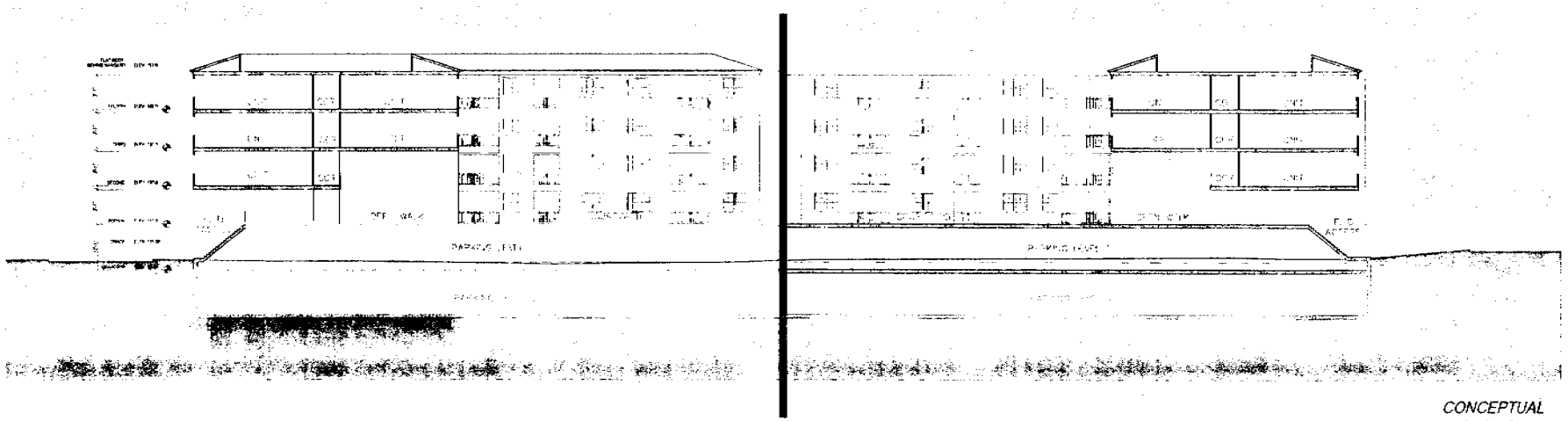

CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-8.0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6539

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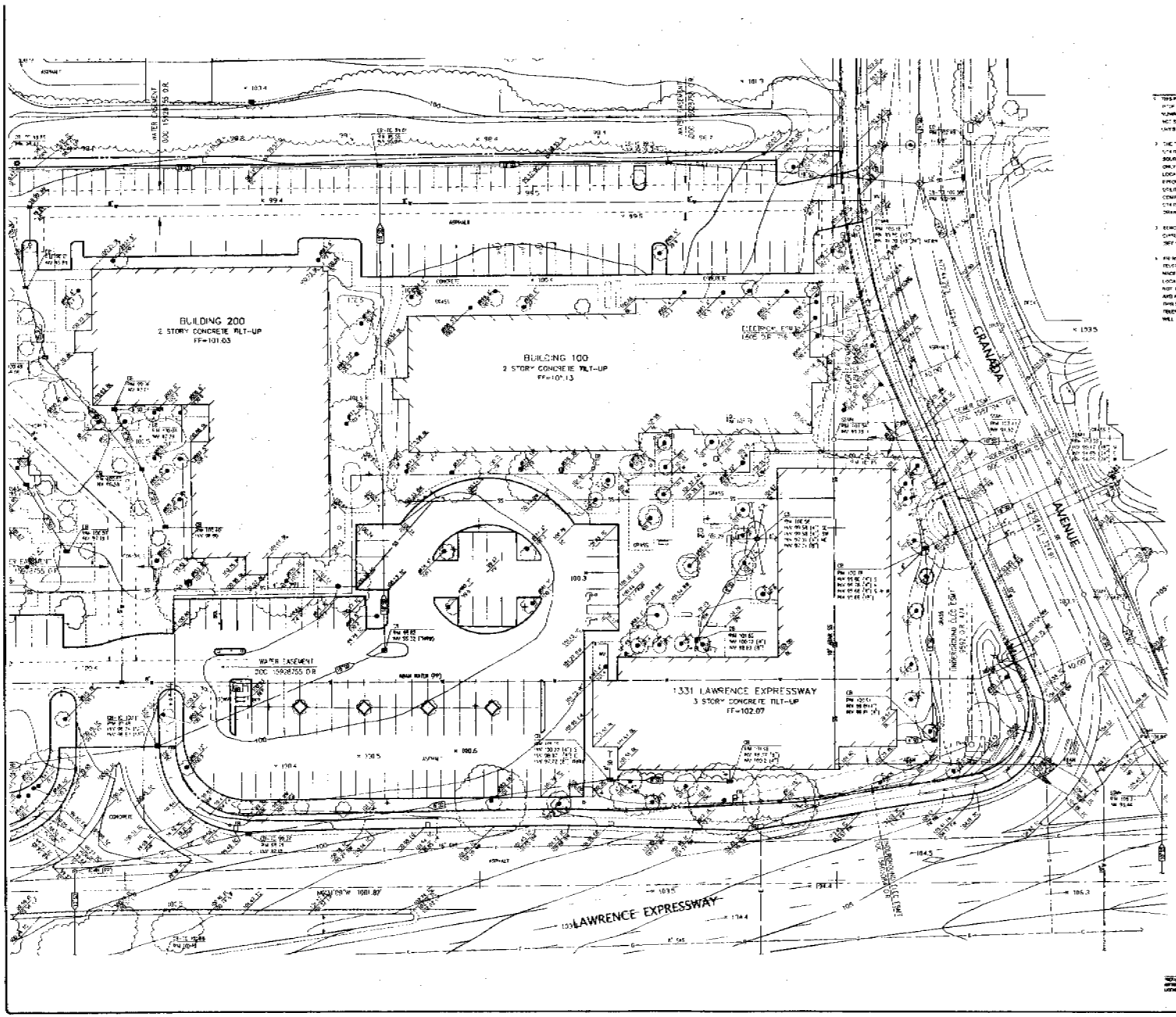


NOTES

1. THIS PLOT WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY FIRST AMERICAN TITLE ON 31 DECEMBER 2004 NUMBER NCS-135916-CC. NO LIABILITY IS ASSUMED FOR MATTERS OF RECORD NOT STATED IN SUCH PRELIMINARY TITLE REPORT THAT MAY AFFECT THE TITLE OWNS OR EXCEPTIONS, OR EASEMENTS OF THE PROPERTY.

2. THE TYPES LOCATIONS SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC SURVEY WERE OBTAINED FROM SOURCES OF VARYING RELIABILITY. THE CONTRACTOR IS CAUTIONED THAT ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, SIZES, AND LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. (A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND ON MEET ALL KNOWN UNDERGROUND UTILITIES. HOWEVER, THE UNDERSIGNED HAS NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF THE DESIGNATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED, BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS

3. BENCHMARK: LAWRENCE EXPRESSWAY AND GRANADA, SOUTHEAST CORNER, CUTTED SQUARE ON TOP CATCH BASIN AT RETURN ON LAWRENCE EXPRESSWAY SET 12-08-05 ELEVATION = 100.27

4. AN INSPECTION OF THE SUBJECT PROPERTY HAS REVEALED THAT THERE ARE TELEPHONE MANHOLES ON OR NEAR THE SUBJECT PROPERTY. A REQUEST WAS MADE OF THE TELEPHONE COMPANY FOR INFORMATION REGARDING THE LOCATION OF THE FACILITIES ON THIS SITE. AS OF JANUARY 4, 2006, THEY HAD NOT RESPONDED WITH THIS INFORMATION. UNTIL WE RECEIVE THE INFORMATION AND ARE ABLE TO DELINEATE THESE FACILITIES ALL PARTIES SHOULD CONSIDER THIS SURVEY AS PRELIMINARY WITH REGARDS TO THE LOCATION OF THE TELEPHONE FACILITIES. UPON RECEIPT OF THE INFORMATION KIER & WRIGHT WILL UPDATE THIS SURVEY AND REVISE IT.

PREPARED BY OR UNDER THE SUPERVISION OF DATE
ANTHONY C. MCCARTY, LS 8641
LICENSE EXPIRES: 12-31-06

LEGEND

PROPERTY LINE
ADJACENT PROPERTY LINE
DEVELOPED
FAYDEAD
FND. STANDARD CITY MONUMENT
ELECTROLIER
FIRE HYDRANT
STORM DRAIN MANHOLE
MANHOLE
UTILITY POLE
VALVE
STATE DIVISION
FIRE DEPARTMENT CONNECTION
BACK FLOW PREVENTER
POST INDICATOR VALVE
NOW
TYPE W/ SITE AND ELEVATION
SPOT ELEVATION
CONTOUR
VENT CENTER
DRIVE & CURBS
CONCRETE
FENCE
SINGLE TREE
AND BRUSH
SANITARY SEWER
STORM DRAIN
WATER
GAS
FIRE SERVICE
UNDERGROUND ELECTRIC
BUILDING
EDGE OF PAVEMENT
WALL

ABBREVIATIONS

A.C.	ASPHALTIC CONCRETE	CB	CATCH BASIN
A.D.	AREA DRAIN	WV	WATER ELEVATION
B.O.C.	BACK OF CURB	F.H.	HYDRANT TO MONUMENT
B.F.P.	BACK FLOW PREVENTER	N	NORTH
B.L.	BUILDING	NE	NORTHEAST
B.O.	BOLLARD	S.R.	SPECIAL RETURN
B.O.F.	BACK OF FACE	A	AGGREGATE
C.A.	CATCH AGGREGATE	EW	NEW ELEVATION
C.O.	CLEAN OUT TO GRADE	S	SOUTH
CONC.	CONCRETE	SDMH	STORM DRAIN MANHOLE
DWY.	DRIVEWAY	E	EASTERLY
E.L.	ELEVATION	SL	STREET LIGHT
E.P.	EDGE	SMH	SANITARY SEWER MANHOLE
E.E.	ELECTRIC BOX	W	WESTERLY
E.M.	ELECTRICAL MANHOLE	R.B.	RETURN BOX
E.O.P.	EDGE OF PAVEMENT	TR	TRANSFORMER
F.F.	FOUNDATION	PVC	PLASTIC SEWER BOX
E.B.	EDGE OF BALK	T.W.	TOP OF WALL
F.L.	FRONT FLUSH	W	WEST
F.H.	FIRE HYDRANT	WB	WATER BOX
F.L.	FLOW LINE	WM	WATER METER
F.W.	FOND	WV	WATER VALVE
F.O.W.	FACE OF WALL		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3133 Downer Lane, Suite 110
Pleasanton, California 94566
(925) 249-9131
Fax (925) 249-9135

NO.	DATE	REVISION	BY	NO.	DATE	REVISION
1	4-7-2006	RESPONSE TO CITY COMMENTS		4		
2	7-17-2006	RESPONSE TO CITY COMMENTS		5		
3	10-27-2007	CITY SUBMITTAL		6		
4	08-06-2009	HYDRA FILTER UPDATE		7		

TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 20'
SURVEYED BY	ACW
JOB NO.	A04733-3
SHEET	C1
OF	SHEETS

BUILDING REMOVAL NOTES:

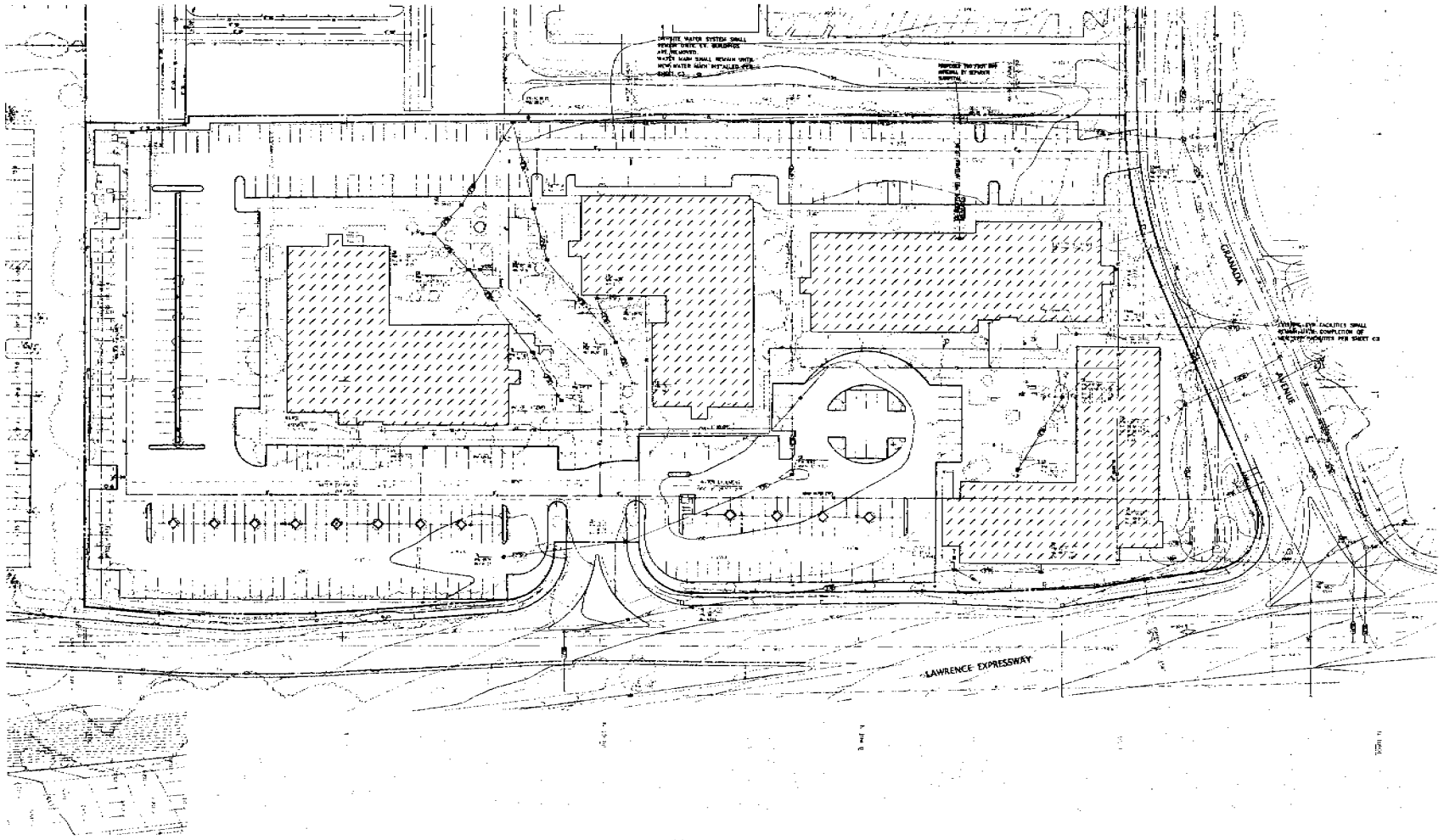
1. ON-SITE FIRE SYSTEM SHALL REMAIN ACTIVE UNTIL DEMOLITION OF BUILDINGS.
2. MAIN SVP FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY TAYLOR-MOORROW HOMES.
3. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

0 30 60 90

Scale: 1" = 30'

LEGEND

EXISTING BUILDING TO BE DEMOLISHED



REV	DATE	REVISION
	10-22-2007	CITY SUBMITTAL

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3470 Buskirk Ave., Suite 100
Pleasant Hill, California 94523
(925) 249-1011
Fax (925) 249-1013

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 30'
DRAWN BY	EK
FILE NO	A04722-3
SHEET	C2
OF	3 SHEETS

Z:\2004\A04722-3\A04722-5-PI.dwg 10/25/2007 1:11:16 AM PDT

ELEC. & WATER MAIN NOTES:

1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE REQ'D FOR THE SANTA CLARA CROSSINGS PROJECT BY BRE PROPERTIES ONLY. IMPROVEMENTS RELATED TO ADJACENT DEVELOPMENT ARE SHOWN ON PLANS FROM TAYLOR-WOODROW HOMES. SEE SHEET C6 FOR DETAILED PRELIMINARY LAYOUT.

2. EXISTING ON-SITE FIRE SYSTEM SHALL REMAIN UNTIL ACTIVE DEMOLITION OF BUILDINGS.

3. MAIN SVP FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY OTHERS.

4. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

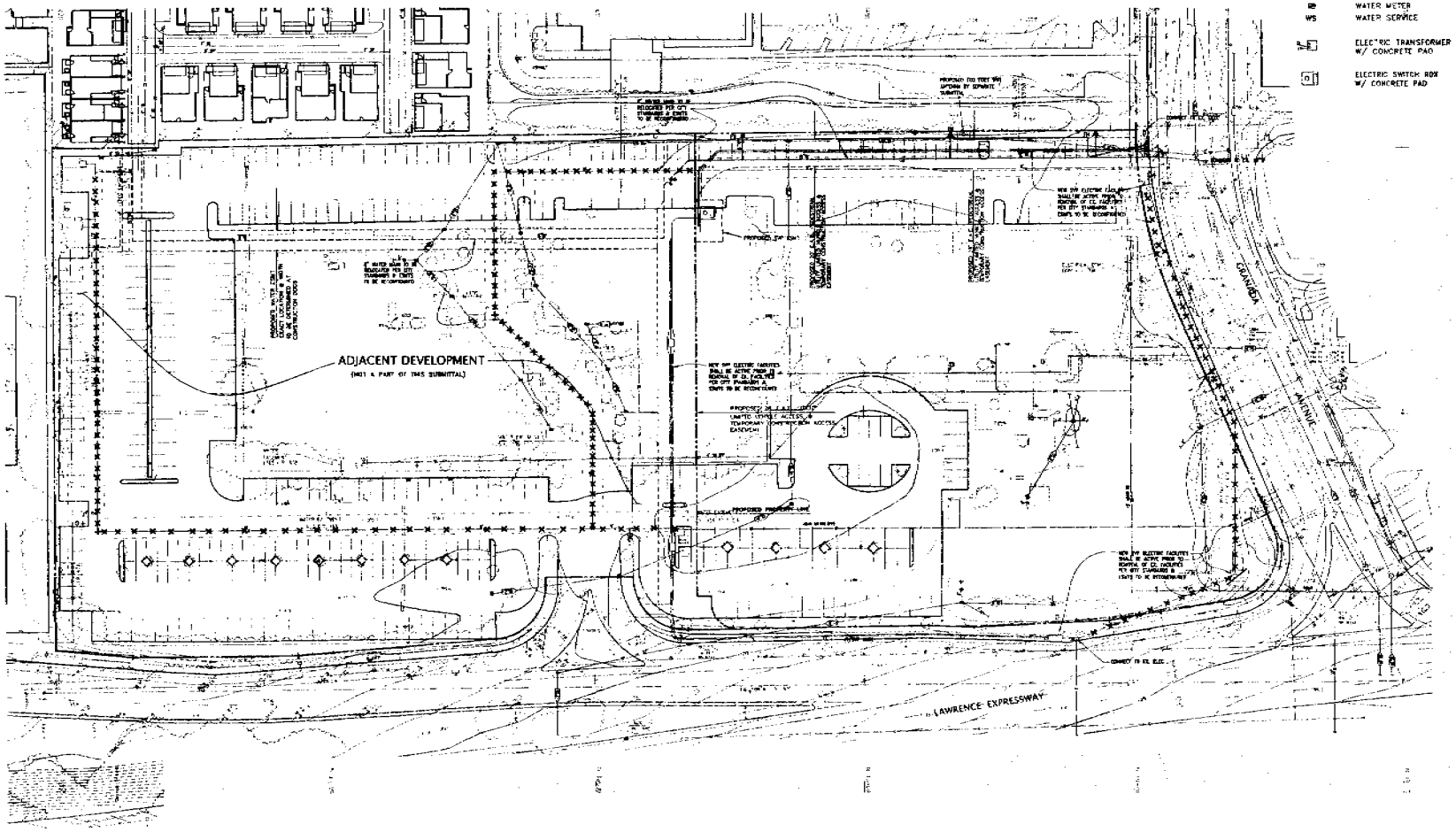
5. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

0 10 15 20

Scale 1" = 30'-0"

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
	BACK FLOW PREVENTION DEVICE
	EXISTING UTILITY TO BE ABANDONDED BY REMOVAL
	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD



REVISION	BY	REVISION	BY

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collier Canyon Road (925) 245-8788
Pleasanton, California 94566 Fax (925) 249-4583

PRELIMINARY ELECTRICAL AND WATER PLAN

1331-1333 LAWRENCE EXPRESSWAY
OF
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

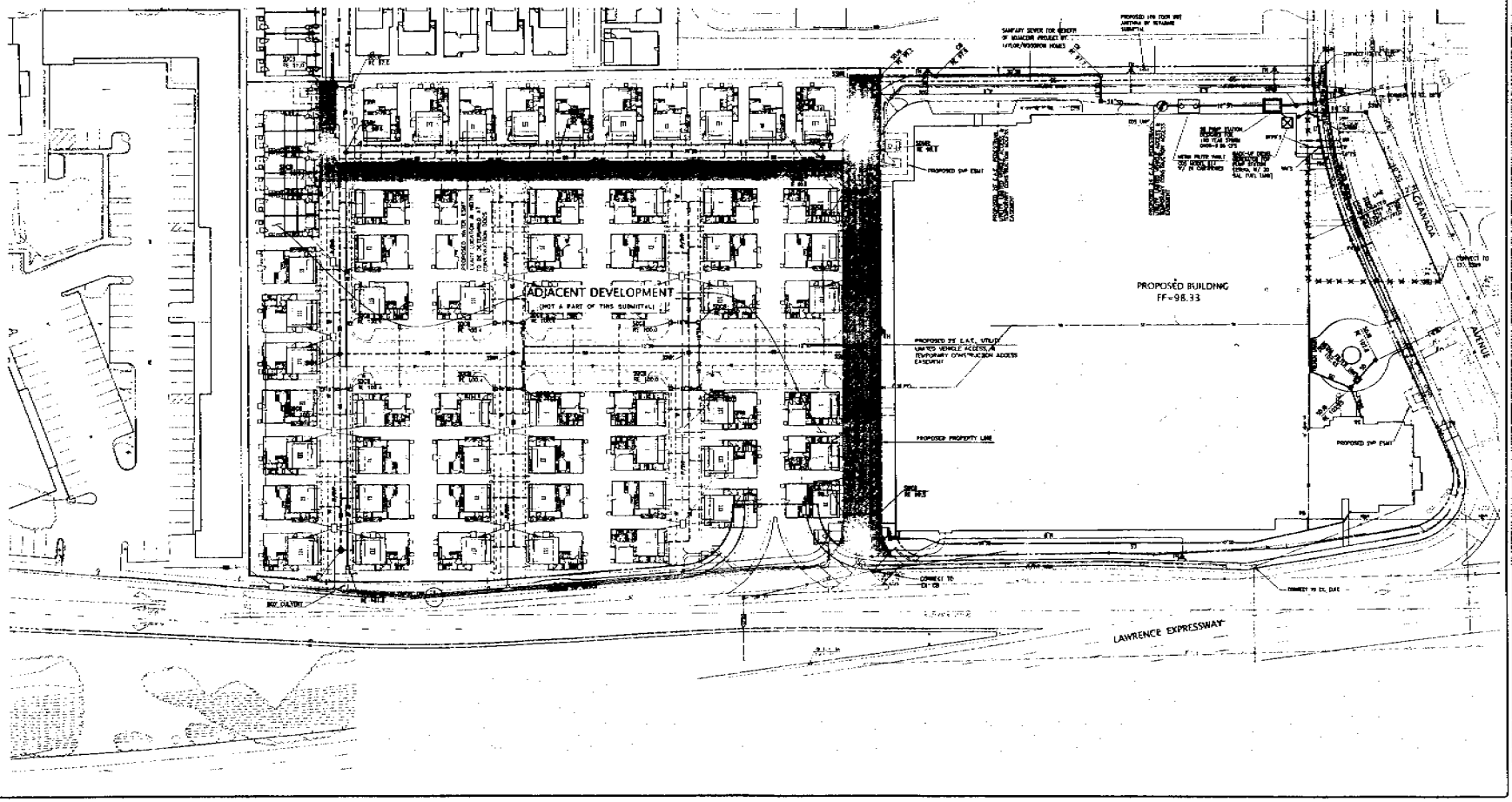
DATE	APRIL, 2006
SCALE	1" = 30'
DESIGNER	RAS
JOB NO.	KW7113-3
SHEET	C3
OF	SHEETS

OVERALL IMPROVEMENT PLAN NOTES:

1. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE SHEET C6 FOR DETAILED PRELIMINARY UTILITY LAYOUT. SEE PLANS BY TAYLOR MOODEROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT

LEGEND

	JOINT TRENCH/ SWP TRENCH BY OTHERS		AREA DRAIN
SD	STORM DRAIN LINE BY OTHERS		SATCH BASIN
SS	SEWER LINE BY OTHERS		STORM DRAIN JUNCTION BOX
W	WATER LINE BY OTHERS	FL	FLOW LINE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD	PV	PAVEMENT
	ELECTRIC TWINCH BOX W/ CONCRETE PAD	RE	RIM ELEVATION
	EASEMENT ON ADJACENT PROPERTY NEED FOR PROJECT	SD	STORM DRAIN LINE
		SS	SANITARY SEWER
		W	WATER LINE
			JOINT TRENCH/SWP TRENCH
		TC	TOP OF CURB



Scale 1" = 30' 0 30 60 90

REVISION	
1	9/17/2006 — RESPONSE TO CITY COMMENTS
2	12/11/2006 — RESPONSE TO CITY COMMENTS
3	12/22/2007 — CITY SUBMITTAL
4	04/08/2007 — MINOR ALTER UPDATE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1111 Quarry Lane, Suite 10
Pleasanton, California 94566
(925) 249-9515
Fax (925) 249-9563

PRELIMINARY OVERALL IMPROVEMENT PLAN

OF

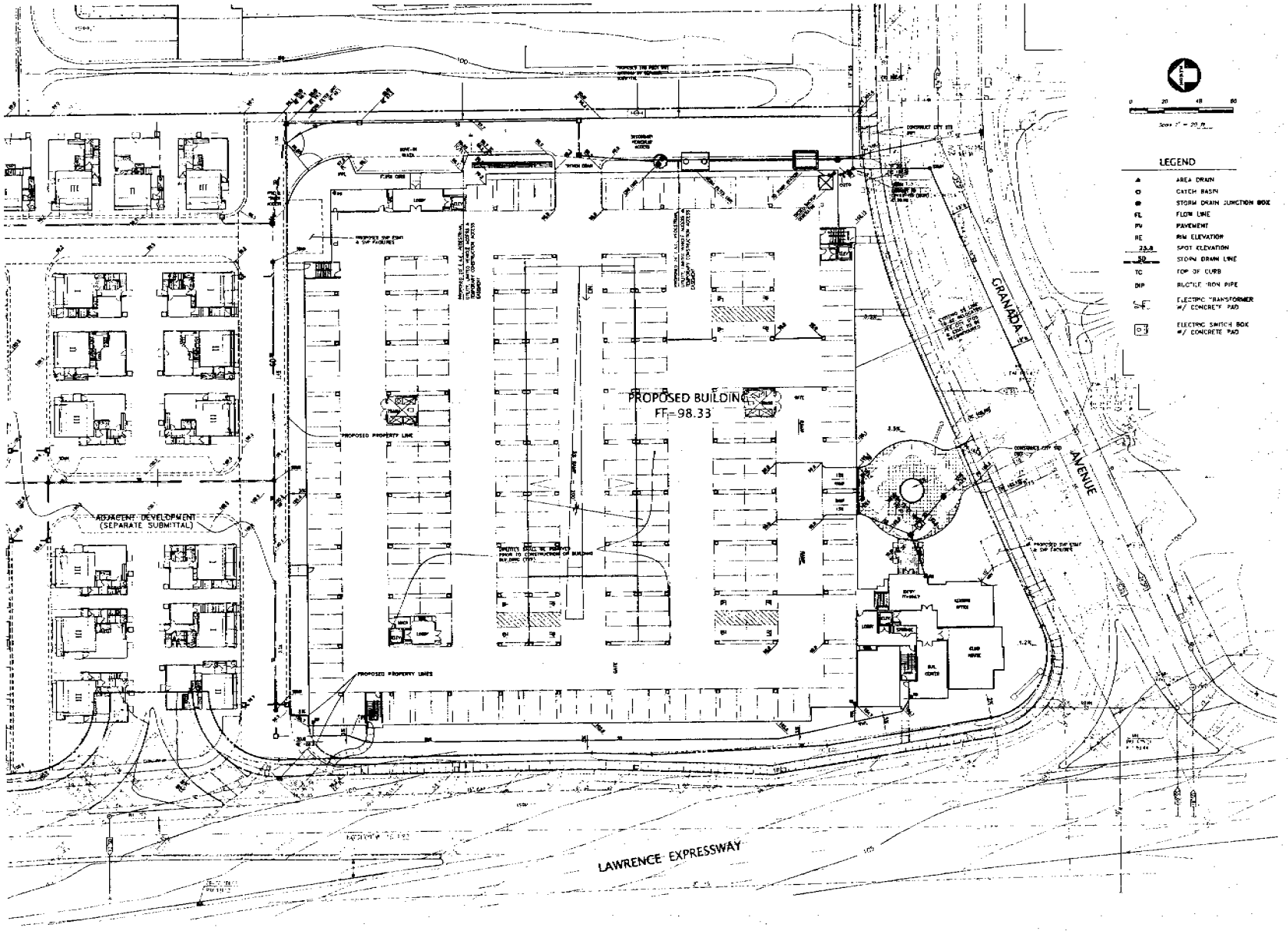
1331-1333 LAWRENCE EXPRESSWAY

FOR

BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL, 2006
SCALE	1" = 30'
DESIGN'D	SMC
JOB NO.	A04712-3
SHEET	C4
OF	SHEETS

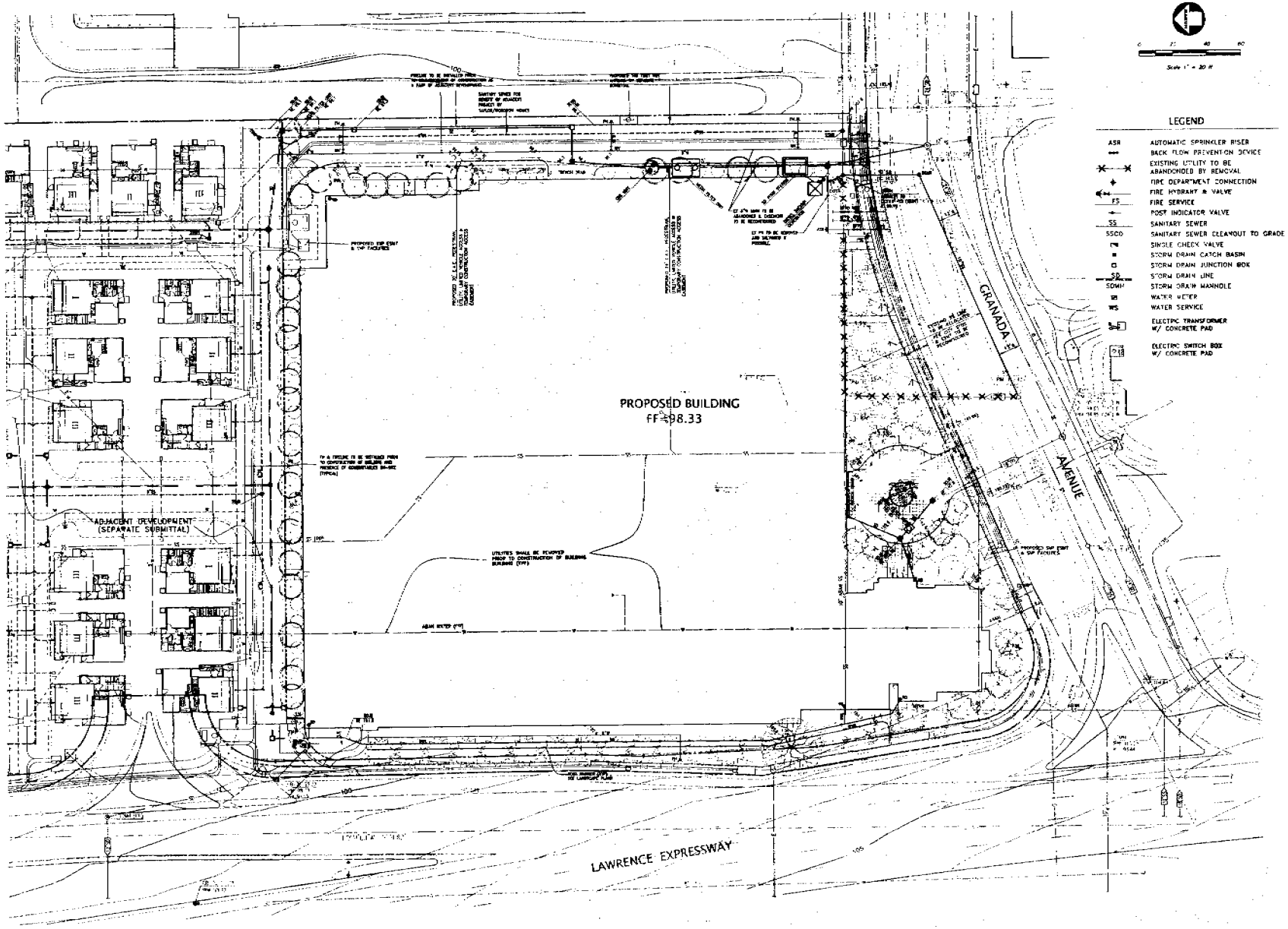


KILR & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1111 E. Fremont Avenue, Suite 100
Sunnyvale, California 94086
Tel (408) 245-7500 Fax (408) 245-0762

REV	DATE	DESCRIPTION	BY	REC
1	03/12/2008	REPORTED TO CITY COMMENTS		
2	11/17/2006	REPORTED TO CITY COMMENTS		
3	08/22/2007	CITY SUBMITTAL		
4	04/09/2007	MEDIA TO THE UPDATE		

PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 20'
DESIGNED	SAK
JOB NO.	AE4712-1
SHEET	C5
OF	SHEETS



NO	DATE	REVISION	BY	APP
1	07/17/2008	RESPONSE TO CITY COMMENTS		
2	11/17/2008	RESPONSE TO CITY COMMENTS		
3	04/22/2007	CITY SUBMITTAL		
4	03/09/2007	INITIAL FILING UPDATE		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
12275 El Camino Real, Suite 110
Rancho Cordova, California 95742
(916) 366-3051
Fax (925) 426-9555

PRELIMINARY UTILITY PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL 2007
SCALE	1" = 20'
DESIGNER	SMT
JOB NO	KE4212-1
SHEET	C6
OF	SHEETS

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (AC.)	AREA (S.F.)	% SITE
TOTAL TREATED AREA	5.18 AC.	156,700 S.F.	100%
1. SELF-TREATED	0.50 AC.	24,100 S.F.	15.4%
2. PAVEMENT/HARDSCAPE	0.35 AC.	10,800 S.F.	7.0%
3. ROOF AREA TO METAL FILTER	3.88 AC.	169,800 S.F.	74.6%
UNTREATED AREA	0.00 AC.	0 S.F.	0%
TOTAL SITE AREA	5.18 AC.	156,700 S.F.	100%

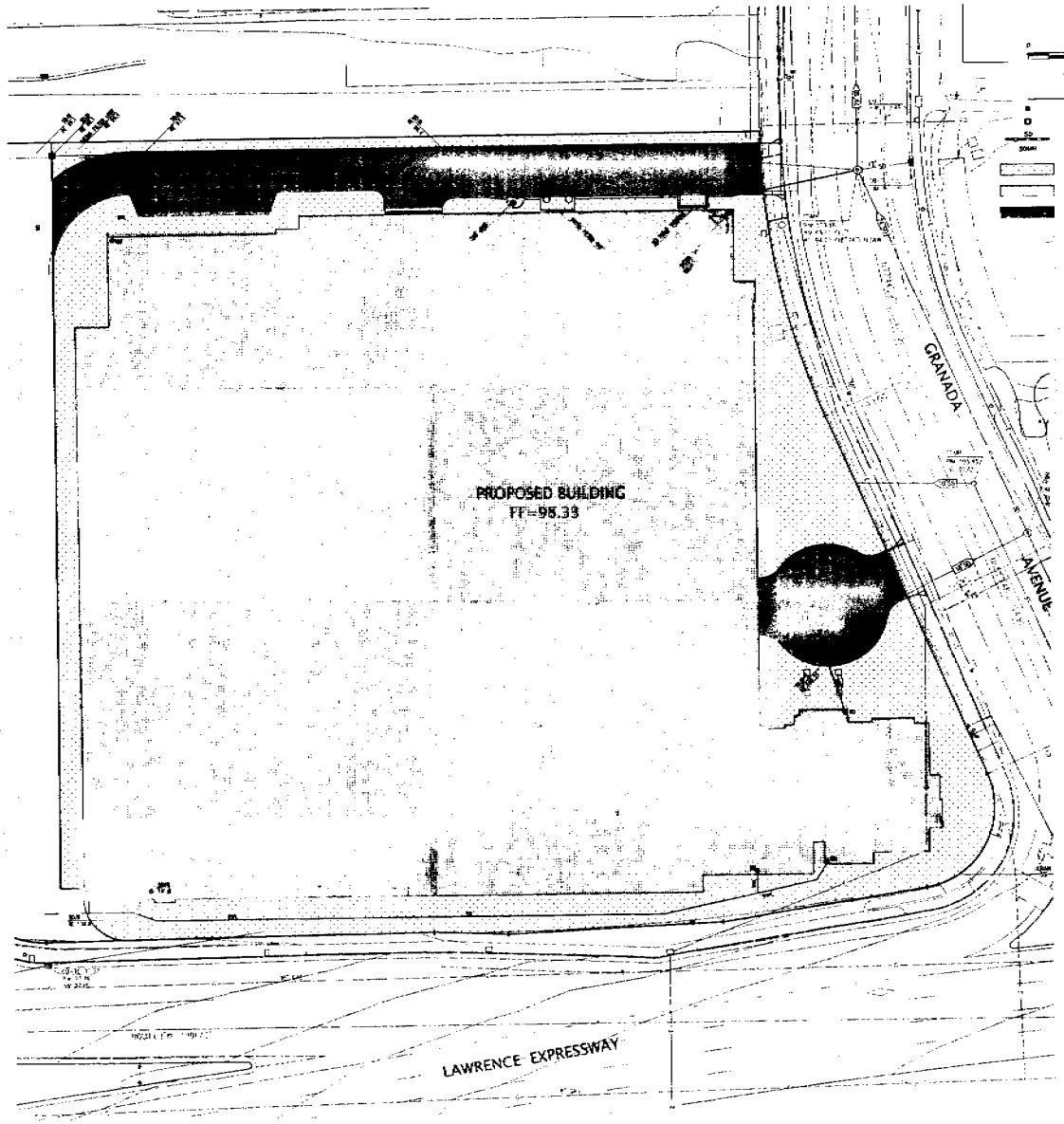
STORMWATER TREATMENT NOTES

1. SELF TREATING AREA INCLUDES ALL ON-SITE LANDSCAPING. LANDSCAPE PLANTER MAY DISCHARGE TO METAL FILTER UNIT.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING FLOWS TO BAY."

3. PROJECT IS EXEMPT FROM HYDROMODIFICATION PLAN (HMP) REQUIREMENTS PER ATTACHMENT B OF ORDER NO R2-2005-0050 OF NPDES PERMIT NO. CA0029831. THE ATTACHMENT STIPULATES THAT NOT PROJECT DRAINING TO A CONTINUOUSLY SUPPORTED CHANNEL IS NOT APPLICABLE TO THE HMP REQUIREMENTS IN THE NPDES PERMIT. ATTACHMENT SHOWS PROJECT IS LOCATED WITHIN AN AREA DRAINING TO A SUPPORTED CHANNEL.

4. METAL FILTER UNITS SHALL BE A CONFINED TYPE METAL FILTER SPECIFIED TO BE CONFINED STORMWATER SOLUTIONS STORMFILTER OR EQUIVALENT. FINAL DESIGN & SPECIFICATIONS OF MODEL TO BE REVIEWED & APPROVED BY CITY OF SANTA CLARA PRIOR TO ISSUANCE OF PERMITS.



REVISION		
NO	BY	
1		10/17/2006 - RESPONSE TO CITY COMMENTS
2		11/17/2006 - RESPONSE TO CITY COMMENTS
3		06/22/2007 - CITY SUBMITTAL
4		08/06/2007 - MEDIA FILTER UPDATE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3121 Benton Street, Suite 100
Pleasanton, California 94588 Fax (925) 249-9334

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL, 2006
SCALE	1" = 20'
DESIGNED	SMC
JOB NO	A04212-3
SHEET	C7
OF	SHEETS

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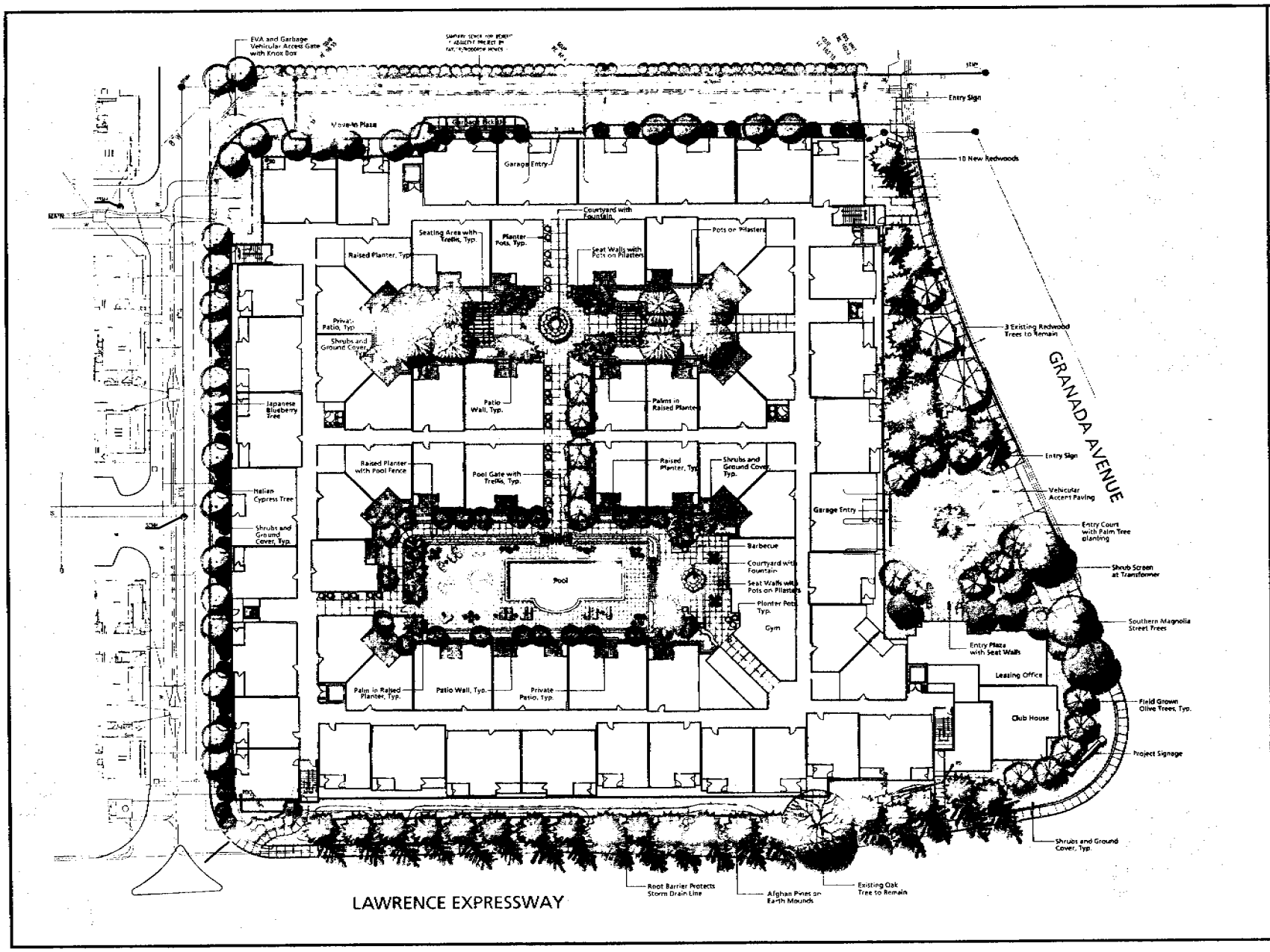


BRE Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC.
Landscape Architects - Land Planners
836 Montgomery Street
San Francisco, CA 94133
T 415 433 4672
F 415 433 5003

Issues/Revisions

No.	Date	Description
	06.22.07	Submittal Set

Conceptual Landscape Plan

Scale: 1" = 20'
0 10 20 40
North

Date: 05/11/2007

L-1

Project Number 05508

LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

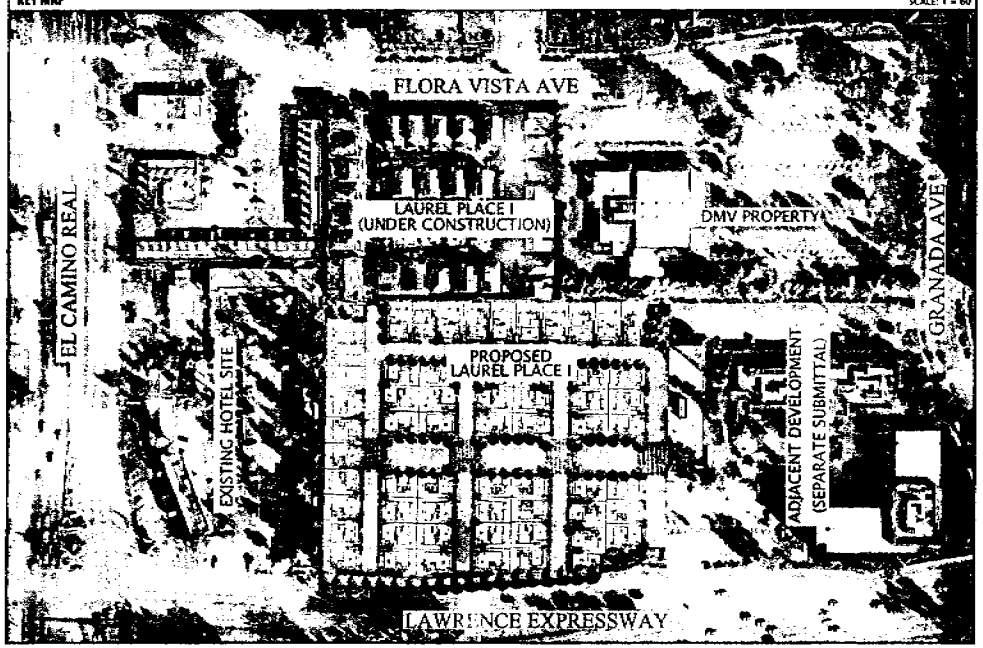
FOR

TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY

SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP SCALE: 1"= 60'



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

OWNER
TAYLOR MORRISON HOMES
3000 EXECUTIVE PARKWAY, SUITE 100
SAN RAMON, CA 94583
CONTACT: KERWIN GIANNOTTI
(925) 659-0120

ENGINEER
KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC
3350 SCOTT BOULEVARD, BLDG. 22
SANTA CLARA, CA 95054
CONTACT: JOHN MOORI
(408) 727-6955

BUILDING ARCHITECT
THE DAHLIN GROUP
5353 OWENS DRIVE
PLEASANTON CA 94588
CONTACT: MELISA BRAVER
(925) 251-7200

LANDSCAPE ARCHITECT
VAN DORN ABED LANDSCAPE ARCHITECTS
589 HOWARD STREET, SUITE 3
SAN FRANCISCO, CA 94105
CONTACT: SHARI VAN DORN
(415) 979-9918

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
C1.0	PROJECT COVER SHEET	KIER & WRIGHT
C2.0	LAUREL PLACE II - SITE PLAN	VAN DORN ABED
C3.0	ARTIST'S CONCEPT	DAHLIN GROUP
C3.1	TOPOGRAPHIC SURVEY (EXISTING SITE)	KIER & WRIGHT
C3.2	TENTATIVE MAP	KIER & WRIGHT
C3.3	TYPICAL STREET PLANS & SECTIONS	KIER & WRIGHT
C3.4	PRELIMINARY STORM WATER MANAGEMENT PLAN	KIER & WRIGHT
C4.0	FIRE SAFETY PLAN	KIER & WRIGHT
C4.1	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. EXIT	KIER & WRIGHT
C4.2	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. ENTRANCE	KIER & WRIGHT
C5.0	PRELIMINARY GRADING PLAN	KIER & WRIGHT
C6.0	PRELIMINARY UTILITY PLAN	KIER & WRIGHT
C6.1	UTILITY RELOCATION & IMPROVEMENT PLAN	KIER & WRIGHT
C6.2	TENTATIVE MAP	KIER & WRIGHT
A1.0	PLAN 1 - FLOOR PLANS	DAHLIN GROUP
A1.1	PLAN 1 - ELEVATIONS	DAHLIN GROUP
A2.0	PLAN 2 - FLOOR PLANS	DAHLIN GROUP
A2.1	PLAN 2 - ELEVATIONS	DAHLIN GROUP
A3.0	PLAN 3 - FLOOR PLANS	DAHLIN GROUP
A3.1	PLAN 3 - ELEVATIONS	DAHLIN GROUP
A4.0	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.1	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.2	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.3	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
A4.4	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
L1.1	CONCEPTUAL LANDSCAPE PLAN	VAN DORN ABED
L1.2	CONCEPTUAL DETAILS	VAN DORN ABED
L1.3	PLANTING LEGEND AND DETAILS	VAN DORN ABED

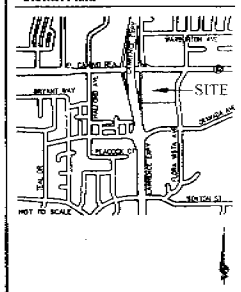
SQUARE FOOTAGE SUMMARY

PLAN 1	
FIRST FLOOR LIVING AREA	511 S.F.
SECOND FLOOR LIVING AREA	448 S.F.
THIRD FLOOR LIVING AREA	880 S.F.
TOTAL LIVING AREA	1,839 S.F.
TWO CAR GARAGE	501 S.F.
DECK	107 S.F.
GROSS SQUARE FOOTAGE	2,447 S.F.
PLAN 2	
FIRST FLOOR LIVING AREA	644 S.F.
SECOND FLOOR LIVING AREA	951 S.F.
THIRD FLOOR LIVING AREA	1,386 S.F.
TOTAL LIVING AREA	2,981 S.F.
TWO CAR GARAGE	420 S.F.
GROSS SQUARE FOOTAGE	2,413 S.F.
PLAN 3	
FIRST FLOOR LIVING AREA	575 S.F.
SECOND FLOOR LIVING AREA	936 S.F.
THIRD FLOOR LIVING AREA	979 S.F.
TOTAL LIVING AREA	2,490 S.F.
TWO CAR GARAGE	420 S.F.
DECK	124 S.F.
GROSS SQUARE FOOTAGE	2,564 S.F.
TOWNHOME	
FIRST FLOOR LIVING AREA	95 S.F.
SECOND FLOOR LIVING AREA	597 S.F.
THIRD FLOOR LIVING AREA	488 S.F.
TOTAL LIVING AREA	1,180 S.F.
TWO CAR GARAGE	484 S.F.
DECK	84 S.F.
GROSS SQUARE FOOTAGE	1,748 S.F.

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.18.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.28.06
4	FOURTH SUBMITTAL	10.20.06
5	FIFTH SUBMITTAL	05.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

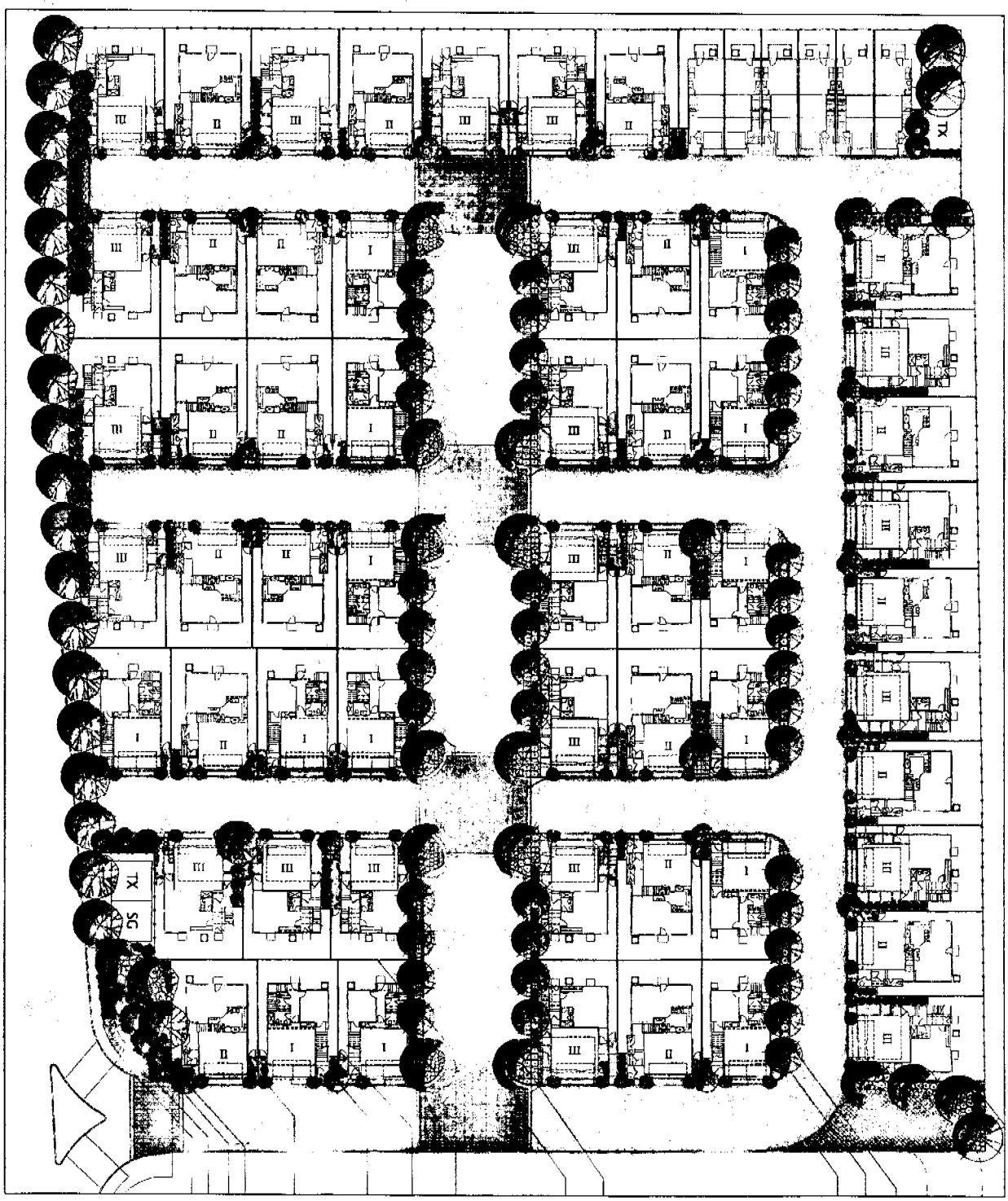


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22
Santa Clara, California 95054
(408) 727-6955 • (408) 727-1848

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

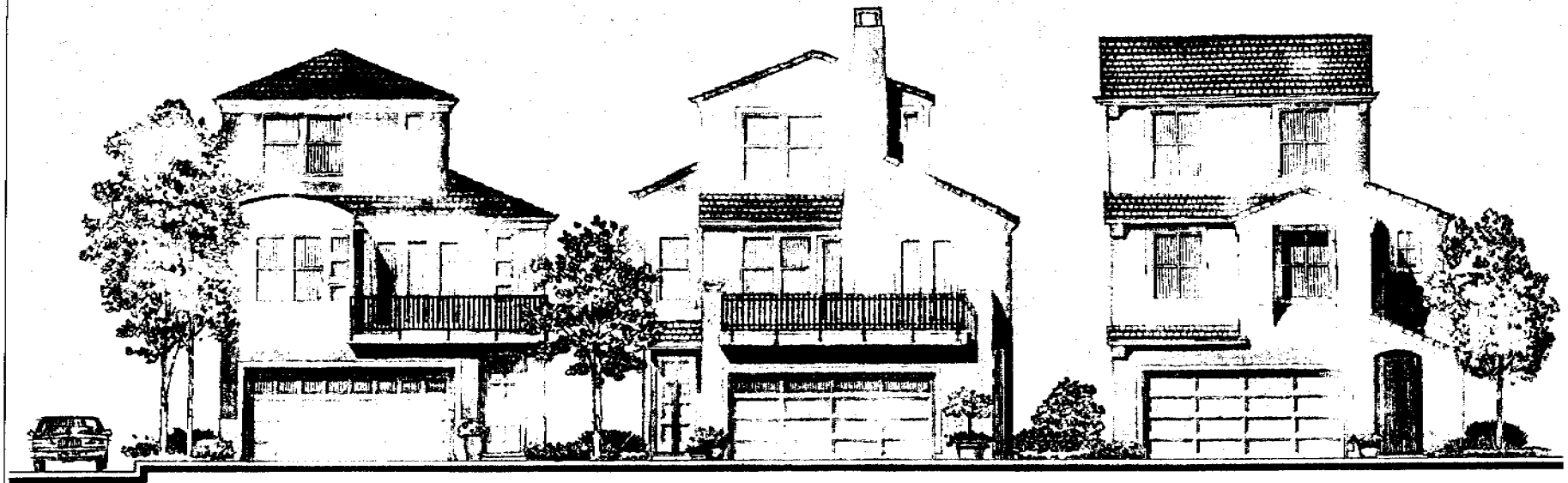
PROJECT COVER SHEET

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	A05148
SHEET	C1.0



SHEET C2.0	LAUREL PLACE II - SITE PLAN	LAUREL PLACE II PLANNED DEVELOPMENT APPLICATION SANTA CLARA, CALIFORNIA 1331-1333 LAWRENCE EXPRESSWAY TAYLOR WOODROW HOMES	DAHLIN GROUP ARCHITECTURE PLANNING 2671 Crow Canyon Rd San Ramon, CA 94583 925.837.8286 925.837.2543 Fax

DATE NOV. 2005
SCALE AS SHOWN
DESIGNED
DRAWN
DRAFTER
JOB



PLAN 1
END LOT
(STREET CONDITION)

PLAN 3
TYPICAL INTERIOR
LOT CONDITION

PLAN 2
END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9286
925.837.7543 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	C3.0

TOPOGRAPHIC SURVEY NOTES

1. THIS SURVEY WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY: FIRST AMERICAN TITLE COMPANY, DATED NOVEMBER 22, 2001, #NHS18-0121-1 EXPERIMENTAL. NO LIABILITY IS ASSUMED FOR MATTERS OF RECORD NOT STATED IN SAID PRELIMINARY TITLE REPORT THAT MAY AFFECT THE BOUNDARY LINES, EXCEPTIONS, OR EASEMENTS AFFECTING THIS PROPERTY.

THIS IS NOT A BOUNDARY SURVEY. NO LIABILITY IS ASSUMED BY KIER & WRIGHT FOR THE EXISTENCE OF ANY EASEMENT, ENCUMBRANCE, DISCREPANCIES IN BOUNDARY OR TITLE DEFECTS NOT MENTIONED IN SAID DOCUMENTS AND EXPRESSLY NOT SHOWN ON THIS DRAWING.

2. THE TYPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC AND BOUNDARY SURVEY WERE OBTAINED FROM SOURCES OF VARYING RELIABILITY. THE CONTRACTOR IS CAUTIONED THAT ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, EXTENT, SIZES, LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND DELINEATE ALL KNOWN UNDERGROUND UTILITIES. HOWEVER, THE ENGINEER CAN ASSUME NO RESPONSIBILITY FOR THE COMPLETENESS OF ACCURACY OF ITS DELINEATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED, BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS.

3. BENCHMARK (BM E-16)
LAWRENCE EXPRESSWAY & GRANADA: SOUTHEAST CORNER CONCRETE SQUARE ON TOP CATCH BASIN AT RETURN ON LAWRENCE EXPRESSWAY (NET 11-30-92)
ELEVATION = 94.12

4. THIS SITE IS IN FLOOD ZONE "B", AREAS BETWEEN LIMITS OF THE 100-YEAR FLOOD AND 500-YEAR FLOOD, OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE (1) FOOT OR WHERE THE CONTRIBUTING DRAINAGE AREA IS LESS THAN ONE SQUARE MILE, OR AREAS PROTECTED BY LEVEES FROM THE BASE FLOOD. PER FLOOD INSURANCE RATE MAP COMMUNITY NAME: NO. 060310 0005 D DATED JANUARY 20, 1999.

5. BASIS OF BEARINGS
THE BEARING OF NORTH 89°39'09" EAST WITH THE CENTERLINE OF GRANADA AVENUE AS SHOWN ON THAT CERTAIN MAPS WHICH WERE FILED FOR RECORD ON JUNE 3, 2004 IN BOOK 779 OF MAPS AT PAGES 44 & 45, SANTA CLARA CO., A.R. RECORDS WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

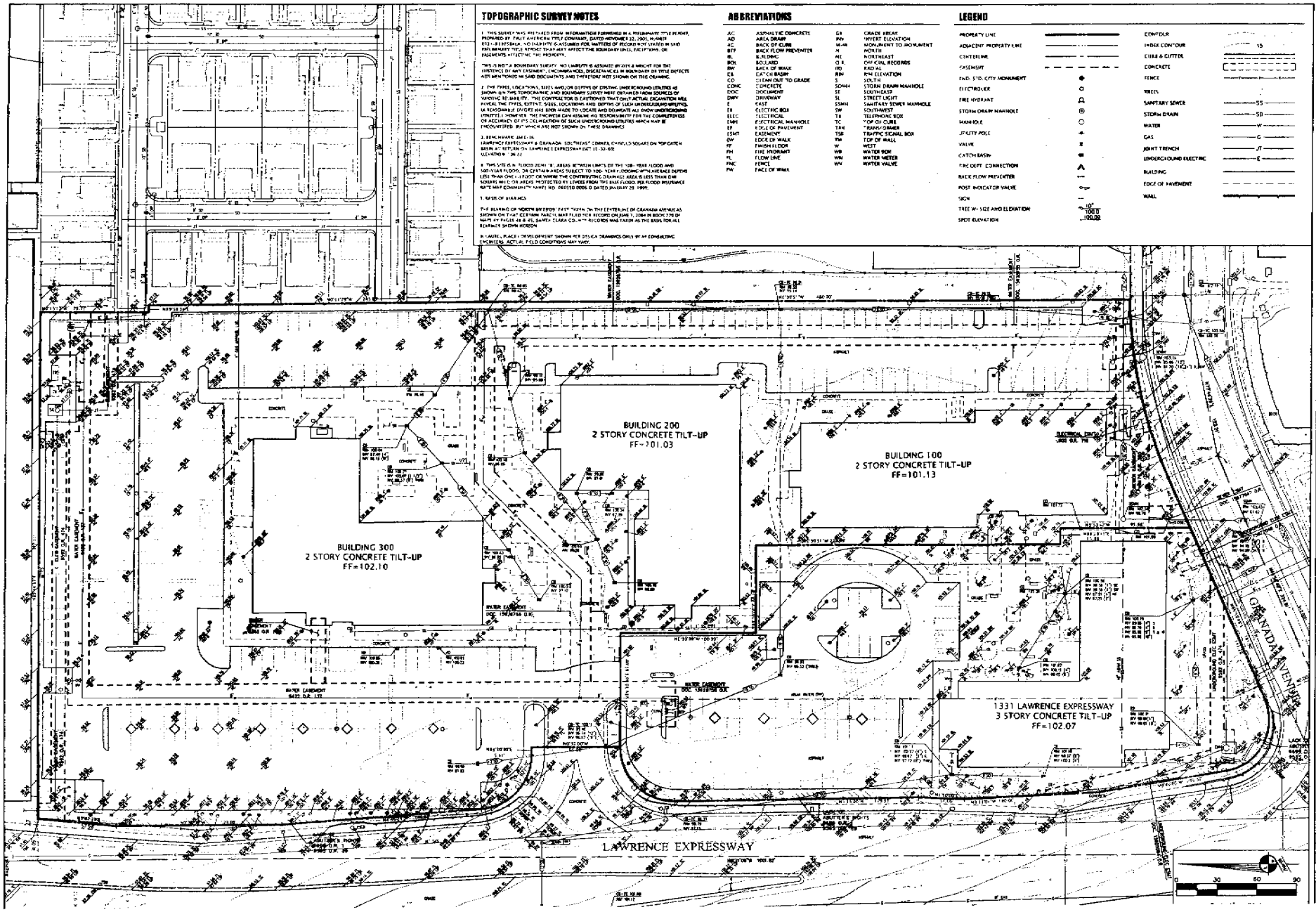
6. LAUREL PLACE - DEVELOPMENT SHOWN PER DISKA DRAWINGS ONLY BY AN EXPERIENCING ENGINEER. ACTUAL FIELD CONDITIONS MAY VARY.

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	GB	GRADE BREAK
AD	AREA DRAIN	INV	INVERT ELEVATION
AC	BACK OF CURB	M-M	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BL	BLDG	NE	NORTHEAST
BOL	BOLLARD	O.R.	OFFICIAL RECORDS
BW	BACK OF WALK	RD	RADIAL
CB	CATCH BASIN	RIM	RIM ELEVATION
CO	CLEAN OUT TO GRADE	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DOC	DOCUMENT	SE	SOUTHEAST
DWY	DRIVEWAY	SL	STREET LIGHT
E	EAST	SSMH	SANITARY SEWER MANHOLE
ER	ELECTRIC BOX	SW	SOUTHWEST
ELEC	ELECTRICAL	TB	TELEPHONE BOX
EMH	ELECTRICAL MANHOLE	TC	TOP OF CURB
EP	EDGE OF PAVEMENT	TRN	TRANSFORMER
ESMT	EASEMENT	TSB	TRAFFIC SIGNAL BOX
EW	EDGE OF WALK	TW	TOP OF WALL
FF	FINISH FLOOR	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FL	FLOW LINE	WM	WATER METER
FNC	FENCE	WV	WATER VALVE
FW	FACE OF WALL		

LEGEND

PROPERTY LINE		CONTOUR	
ADJACENT PROPERTY LINE		INDEX CONTOUR	15
CENTERLINE		CURB & GUTTER	
EASEMENT		CONCRETE	
FND. STD. CITY MONUMENT	◆	FENCE	
ELECTROLIER	○	TREES	
FIRE HYDRANT		SANITARY SEWER	SS
STORM DRAIN MANHOLE	Ⓡ	STORM DRAIN	SD
MANHOLE	○	WATER	W
UTILITY POLE		GAS	G
VALVE		JOINT TRENCH	JT
CATCH BASIN		UNDERGROUND ELECTRIC	E
FIRE DEPT. CONNECTION		BUILDING	
BACK FLOW PREVENTER		EDGE OF PAVEMENT	
POST INDICATOR VALVE		WALL	
SIGN			
TREE W/ SIZE AND ELEVATION	10" 100.0		
SPOT ELEVATION	100.00		



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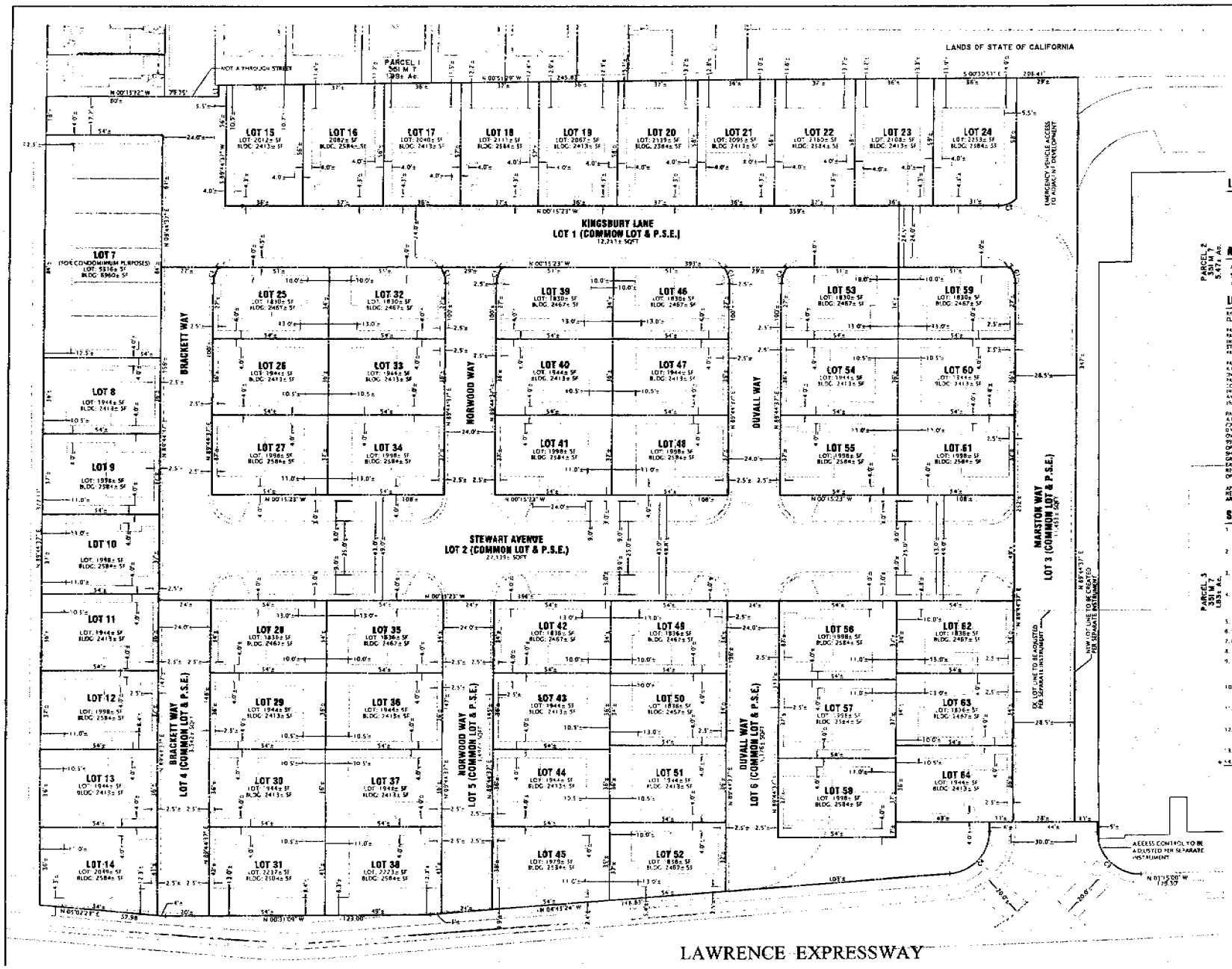
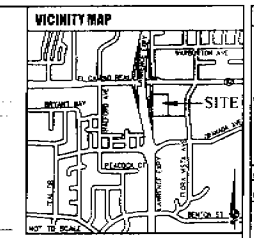
(408) 727-1817

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JN
JOB	405168
SHEET	C3.1





LEGEND

PROPOSED PROPERTY LINE
EXISTING PROPERTY LINE
CENTERLINE
COMMON LOT & P.S.E.

ABBREVIATIONS

AC.	ACRES
SF	SQUARE FOOTAGE
P.S.E.	PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF SANTA CLARA, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL ONE:
PARCELS 1 AND 3 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS PAGES 44 AND 45.

PARCEL TWO:
A PRIVATE RECIPROCAL EASEMENT FOR EXISTING PRIVATE UTILITIES OVER THAT PORTION OF PARCEL 2 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS PAGES 44 AND 45, AND AS RESERVED IN THAT CERTAIN GRANT DEED RECORDED JULY 15, 2004 AS DOCUMENT NO. 19923777 OF OFFICIAL RECORDS.

PARCEL THREE:
A NON-EXCLUSIVE STORM DRAIN EASEMENT, APPURTENANT TO THE FIRST ABOVE SHOWN PARCEL 3 OF THAT CERTAIN PARCEL MAP FILED JUNE 7, 2004, IN BOOK 770 OF MAPS AT PAGES 44 AND 45, ON OVER AND ACROSS THAT PORTION OF COMMON LOT 4 OF TRACT NO. 9932, WHICH MAP WAS FILED ON SEPTEMBER 8, 2004 IN BOOK 774 OF MAPS AT PAGES 43 AND 44 SANTA CLARA COUNTY RECORDS, SHOWN AS "P.S.E." (PRIVATE STORM DRAIN EASEMENT) AS GRANTED IN THAT CERTAIN DOCUMENT ENTITLED "STORM DRAIN EASEMENT AND JOINT USE AND MAINTENANCE AGREEMENT" RECORDED NOVEMBER 3, 2004 AS DOCUMENT NO. 19979043 OF OFFICIAL RECORDS.

APN: OLD APN: 290-01-122
NEW APN: 290-01-144, 290-01-145
APN: 290-01-142(01), 290-01-32

SUBDIVISION STATEMENT

1. OWNER — MARINA PLAYA ASSOCIATES, LLC, 30 E. 4TH AVENUE, SAN MATEO, CA 94401
2. BUYER — BRE PROMENTEL INC, 525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105
3. SUBDIVIDER — TAYLOR MORRISON HOMES, INC., 2300 CAMINO RAMON, SAN RAMON, CA 94583
4. PREPARER — KIER & WRIGHT CIVIL ENGINEERS, 3130 SCOTT BLVD. #22, SANTA CLARA, CA 95054, EUGENE R. COLONIC - RCE #30441
5. EXISTING USE — COMMERCIAL OFFICE
6. PROPOSED USE — SINGLE-FAMILY RESIDENTIAL
7. EXISTING ZONING — PD - PLANNED DEVELOPMENT
8. PROPOSED ZONING — NO CHANGE
9. PROPOSED LOTS — 57 SINGLE-FAMILY RESIDENTIAL, 01 MULTI-FAMILY RESIDENTIAL, 6 COMMON LOTS, 64 LOT SUBDIVISION
10. SITE SUMMARY — TOTAL LOT SF: 181,148± SF (4.16± AC); TOTAL BUILDING SF: 148,846± SF
11. SITE COVERAGE — PERVIOUS: 23%; IMPERVIOUS: 27%
12. PARKING SUMMARY — PRIVATE (GARAGES): REQUIRED 120, PROVIDED 120; PUBLIC (GUEST): REQUIRED 7, PROVIDED 18
13. ALL PROPOSED DISTANCES SHOWN ARE APPROXIMATE ONLY.

* LOT 7 IS SOLELY FOR CONDOMINIUM PURPOSES.

CURVE TABLE

CURVE	RADIUS	DELTA	LENGTH
C1	12.00'	38°41'15"	8'±
C2	12.00'	41°48'37"	9'±
C3	20.00'	90°59'37"	31'±
C4	20.00'	85°29'59"	30'±

LINE TABLE

LINE	BEARING	DISTANCE
L3	N 89°56 34" E	5.38'

0 20 40 60

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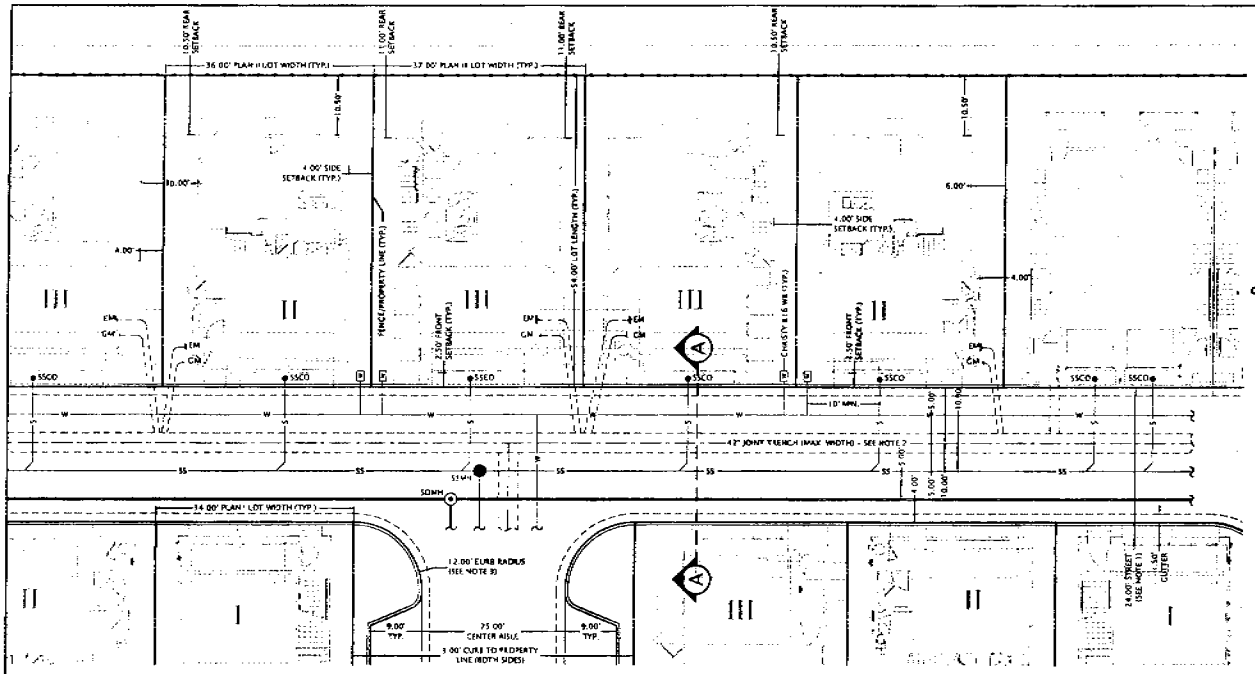
LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
13311 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

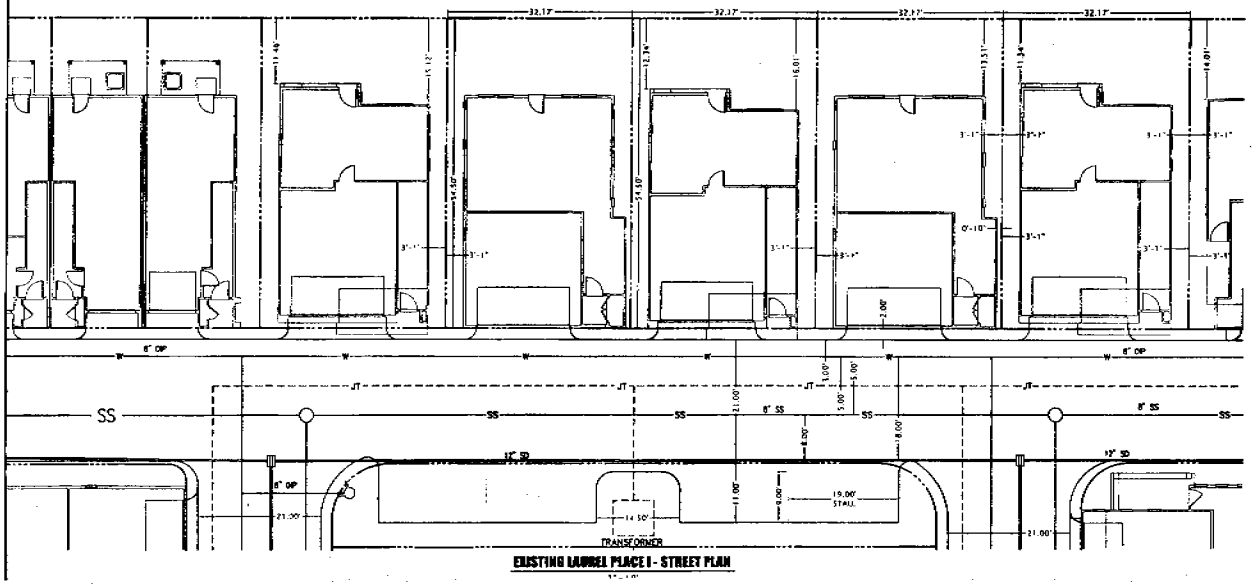
TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

DATE	MAR. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	A08148
SHEET	C3.2



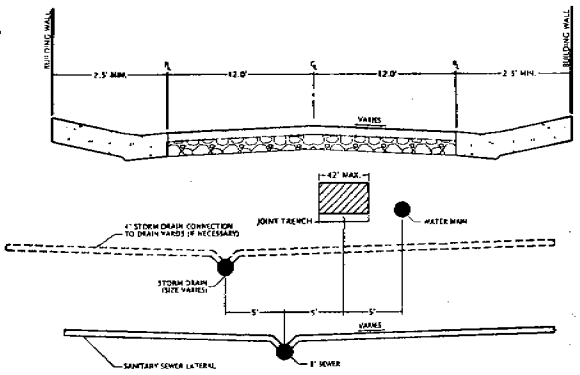
PROPOSED LAUREL PLACE II - STREET PLAN

1" = 10'



EXISTING LAUREL PLACE I - STREET PLAN

1" = 10'



NOTES

1. SECTION IS NOT TO SCALE AND MAY NOT BE REPRESENTATIVE OF ACTUAL DEPTHS/LOCATIONS OF UTILITIES. SECTION SHOWN FOR EXAMPLE ONLY.
2. SEE SHEET C2.0 FOR PRELIMINARY UTILITY PLAN SHOWING PROPOSED UTILITY LOCATIONS AND EXISTING FACILITIES.
3. ALL STORM AND SEWER PIPES HAVE 4'-6" VERTICAL CLEARANCE BETWEEN PIPES.

PROPOSED STANDARD STREET SECTION (A-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES ON-SITE
   - CENTER DRIVE AISLE TO BE 25' WIDE PLUS 9' WIDE & 24' DEEP PARALLEL PARKING STALLS.
   - AISLE OFF LAWRENCE EXPRESSWAY TO BE 28' WIDE TO COUNTY STD. 30' WIDE ENTRANCE
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE
2. JOINT TRENCH SHOWN INCLUDES SILICON VALLEY POWER TRENCH WIDTH. MAXIMUM TRENCH WIDTH TO BE 42" WIDE. EXACT TRENCH DIMENSIONS WILL VARY BASED ON TRENCH OCCUPANCY, AND WILL BE DETERMINED DURING CONSTRUCTION LEVEL DESIGN. ALL PROPOSED TRENCHES TO BE A MINIMUM OF 5' FROM PROPOSED ELECTRIC FACILITIES
3. CURB RADIUS TO BE 12' TO ACCOMODATE FIRE TRUCK INSIDE TURNING RADIUS OF 36'. SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING EXHIBITS.
4. ALL UTILITY STRUCTURES (MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
5. THIS UTILITY LAYOUT IS AN EXAMPLE ONLY. FOR ACTUAL UTILITY DESIGN INTENT SEE SHEET C6.0 FOR PRELIMINARY UTILITY PLAN.

LEGEND

- WATER MAIN — METER — W
- JOINT TRENCH
- SANITARY SEWER MAIN — SSMH — SS
- SANITARY SEWER LATERAL — SSCO — S
- STORM DRAIN — SDMH

ABBREVIATIONS

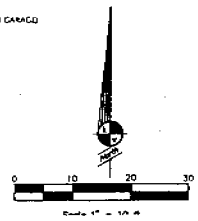
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEAN OUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXISTING LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.99 ACRES (86,684 S.F.)	4.76± ACRES (1.81,148± SQFT)
TOTAL UNITS	34 UNITS	63 UNITS (57 SINGLE-FAMILY, 6 MULTI-FAMILY)
AVERAGE LOT SIZE	1,845 S.F.	1,872 S.F.
TOTAL LOT COVERAGE	62,730 S.F. (72%)	117,934 S.F. (65%)
COMMON LOT SIZE	23,954 S.F. (28%)	063,214 S.F. (35%)
PRIVATE PARKING PROVIDED	68 STALLS (2-CAR GARAGE)	120 STALLS (2-CAR GARAGE)
GUEST PARKING PROVIDED	8 STALLS	18 STALLS
GUEST PARKING RATIO	1:4	1:3.5
AVERAGE FLOOR AREA RATIO	1.35	1.28
FRONT SETBACK	0'-0" (SEE NOTE "A")	2'-6"
SIDE SETBACK	3'-1"	4'-0"
REAR SETBACK	11'-14"	10'-13"
STREET WIDTH	21'-23'	24'-28'

NOTE

A. LAUREL PLACE I – 50 ME UNITS WERE DESIGNED WITH FRONT BUILDING WALLS ON THE PROPERTY LINE WITH 2' OVERHANG INTO COMMON LOT.



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Santa Clara, California 95054 · (408) 727-1661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1831 1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	A05100
SHEET	C3.3

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

MEDIA FILTRATION UNIT & HYDRODYNAMIC SEPARATOR TO BE INSTALLED ON ADJACENT PODIUM PROJECT AND MAINTAINED THROUGH A COMMON MAINTENANCE AGREEMENT AS DELINEATED IN THE FUTURE CC&RS FOR BOTH DEVELOPMENTS

STORM WATER TREATMENT DEVICE (CDS UNIT)

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

LAWRENCE EXPRESSWAY

0 20 40 80

Scale 1" = 20 ft

TREATMENT CHART

TREATMENT METHOD	AREA TREATED	% OF SITE
SELF-TREATING (SEE NOTE 1)	126,543 S.F.	70%
PAVEMENT AREA (TO CDS UNIT)	48,093 S.F.	26%
PERMEABLE AREA (PAVERS)	6,508 S.F.	04%
TOTAL AREA	181,144 S.F.	100%

PLAN NOTES

1. SELF-TREATING AREA INCLUDES BACKYARD & SIDEYARD LANDSCAPING AND ALL ROOF AREAS WHICH ARE TO DISCHARGE DIRECTLY ONTO LANDSCAPING.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING - FLOWS TO BAY"

PAVING LEGEND

SELF-TREATING AREA

PAVEMENT AREA

PERMEABLE PAVERS

DIRECTION OF PIPE FLOW

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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY STORM WATER MANAGEMENT PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	405188
SHEET	C3.4

EXISTING LAUREL PLACE I DEVELOPMENT (UNDER CONSTRUCTION)

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE HYDRANT

DMV PROPERTY

PROPOSED ON-SITE HYDRANT

PROPOSED ON-SITE HYDRANT

GUEST PARKING (TYPICAL)

PROPOSED ON-SITE HYDRANT

PROPOSED ON-SITE HYDRANT

ADJACENT DEVELOPMENT (SEPARATE SUBMITTAL)

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE FIRE DEPARTMENT CONNECTION

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE HYDRANT

EXISTING OFF-SITE FIRE DEPARTMENT CONNECTION

EXISTING OFF-SITE HYDRANT

GRANADA AVENUE

LAWRENCE EXPRESSWAY

24.00'

26.00'

78.00'

9.00'

25.00'

PLAN NOTES

1. ALL ON-SITE ROADS SHALL BE PAVED & FIRE ACCESSIBLE.
2. ALL PROPOSED HYDRANTS ARE LESS THAN 300' APART STARTING FROM OFF-SITE HYDRANT ON LAUREL PLACE II.
3. ALL ON-SITE ROADWAYS SHALL HAVE CALTRANS TYPE R26F "NO STOPPING-FIRE LANE" SIGNS INSTALLED EXCEPT ALONG GUEST PARKING STALLS.
4. ALL HYDRANTS ON SITE & OFF-SITE SHALL BE PUBLIC.
5. SEE SHEETS C6.1 & C6.2 FOR FIRE TRUCK ROUTING.

PLAN LEGEND

EXISTING HYDRANT

PROPOSED HYDRANT

EXISTING FIRE DEPARTMENT CONNECTION

150' RADIUS (300' DIAMETER) COVERAGE AREA

0 30 60 90

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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1431-1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE SAFETY PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	400166
SHEET	C4.0

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

GRANADA AVENUE

LAWRENCE EXPRESSWAY

DIRECTION OF TRAVEL

24.00'

28.00'

8.00'

25.00'

9.00'

150.00'

150.00'

20.00'

RESERVE TRUCK #2 PROFILE

39.00

7.00

20.00

	FEET
WIDTH	8.00
TRACK	8.00
LOCK TO LOCK TIME	6.00
STEERING ANGLE	40.00

0 30 60 90

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Santa Clara, California 95054 · (408) 727-1869

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1335 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT

DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	405168
SHEET	C4.1

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

GRANADA AVENUE

LAWRENCE EXPRESSWAY

DIRECTION OF TRAVEL

DIRECTION OF TRAVEL

24.00

28.00

9.00

15.00

10.00

10.00

RESERVE TRUCK #2 PROFILE

39.00

7.00

20.00

	FEET
WIDTH	8.00
TRACK	8.00
LOCK TO LOCK TIME	6.00
STEERING ANGLE	40.00

0 30 60 90

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CIVIL ENGINEERS & SURVEYORS, INC.
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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1433 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

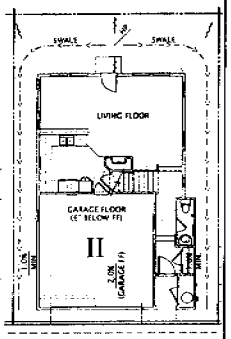
FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE

DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A00168
SHEET	C4.2

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

LAWRENCE EXPRESSWAY



TYPICAL LOT DRAINAGE
1"=10'

LEGEND

RIDGE LINE	
OVERLAND RELEASE	
STREET SLOPE	1.0%
SPOT ELEVATION	99.2

ABBREVIATIONS

EX	EXISTING
FL	FLOW LINE
FF	FINISH FLOOR
GB	GRADE BREAK
HP	HIGH POINT
TYP	TYPICAL
TX	TRANSFORMER
SG	SWITCHGEAR

0 20 40 80

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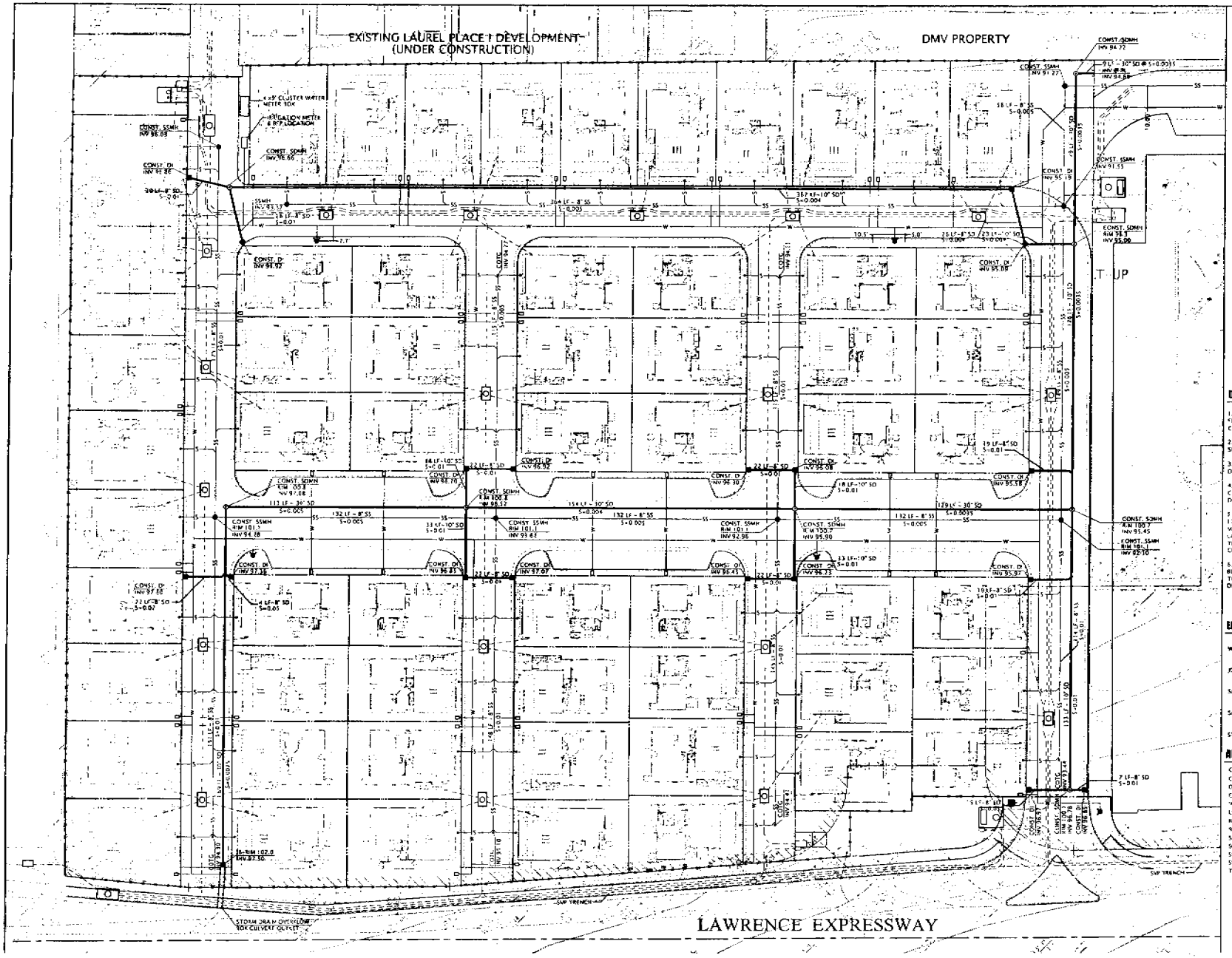
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1371 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY GRADING PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	409168
SHEET	C5.0



UTILITY PLAN NOTES

1. ALL WATER & SEWER LATERALS MAINTAIN 10' FEET HORIZONTAL SEPARATION EXCEPT WHERE CONFLICTS REQUIRE A SHORTER DISTANCE.

2. SANITARY SEWER CONNECTION TO EL CAMINO SHOWN PENDING OUTCOME OF FULL SEWER STUDY.

3. SEE SHEET C3.3 FOR UTILITY SEPARATION DETAILS & TYPICAL STREET SECTION.

4. WATER METERS, SWP STRUCTURES, MANHOLES, CLEANOUTS, ETC. SHOWN TO ACTUAL DIMENSIONS.

5. SWITCHGEAR & TRANSFORMER AREAS SHOWN AS 17' X 17' CLEAR AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARD SPECIFICATIONS. FINAL LANDSCAPE DESIGN SURROUNDING THESE AREAS TO BE DETERMINED PRIOR TO SUBMITTAL OF CONSTRUCTION DOCUMENTS.

6. STORM LATERALS MAY BE NEEDED IN SOME LOTS BUT ARE NOT SHOWN ON THIS PLAN. FINE GRADING TO BE DONE AS PART OF CONSTRUCTION DOCUMENTS.

LEGEND

WATER MAIN	METER, FH
JOINT TRENCH	
SANITARY SEWER MAIN	SSMH
SANITARY SEWER LATERAL	SSCO
STORM DRAIN	SDMH

ABBREVIATIONS

CONST	CONSTRUCT
COTG	CLEAN OUT TO GRADE
DI	DROP INLET
EX	EXISTING
INV	INVERT ELEVATION
LF	LINEAR FEET
MH	MANHOLE
RIM	RIM ELEVATION
SDMH	STORM DRAIN MANHOLE
SG	SWITCHGEAR
SSMH	SANITARY SEWER MANHOLE
SVP	SILICON VALLEY POWER
TX	TRANSFORMER

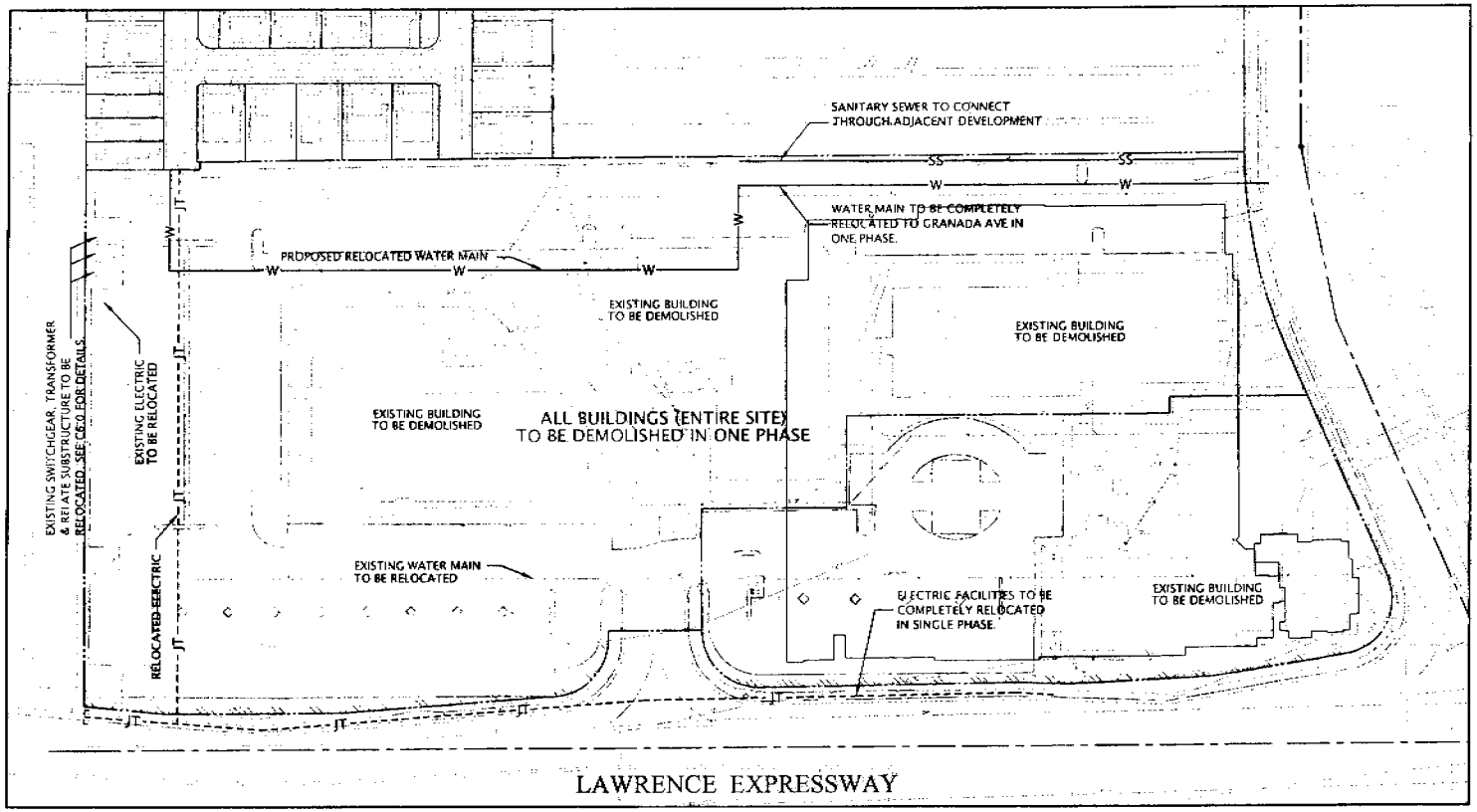
0 20 40 80

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22 • (408) 727-6665
Santa Clara, California 95054 • (408) 727-5441

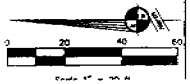
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JN
JOB	A05168
SHEET	C6.0



UTILITY RELOCATIONS

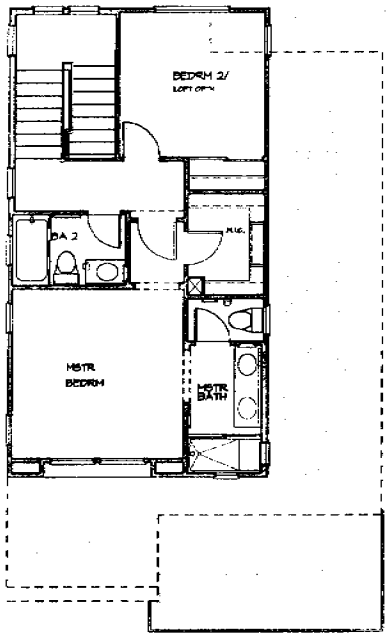


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3470 Olympic Boulevard, Suite G
Santa Clara, California 95054
(408) 727-1555 • (408) 727-1551

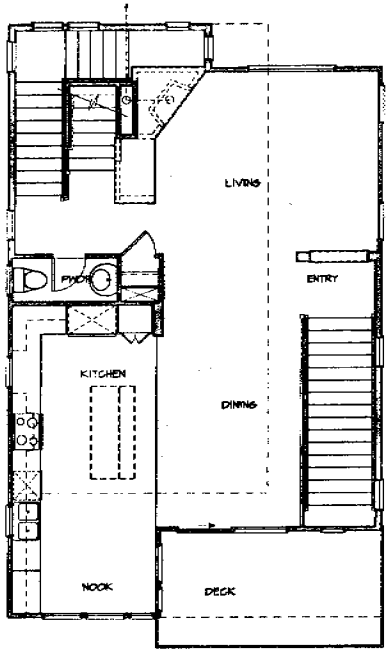
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

UTILITY RELOCATION
& IMPROVEMENT PLAN

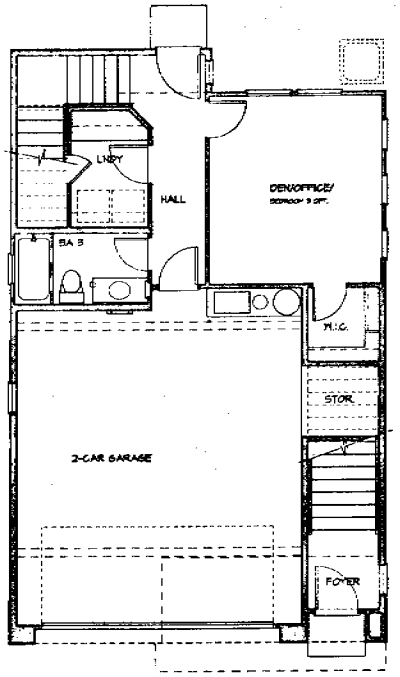
DATE	NOV. 2000
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	400948
SHEET	C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

0 4 8 16

AUGUST 3, 2005

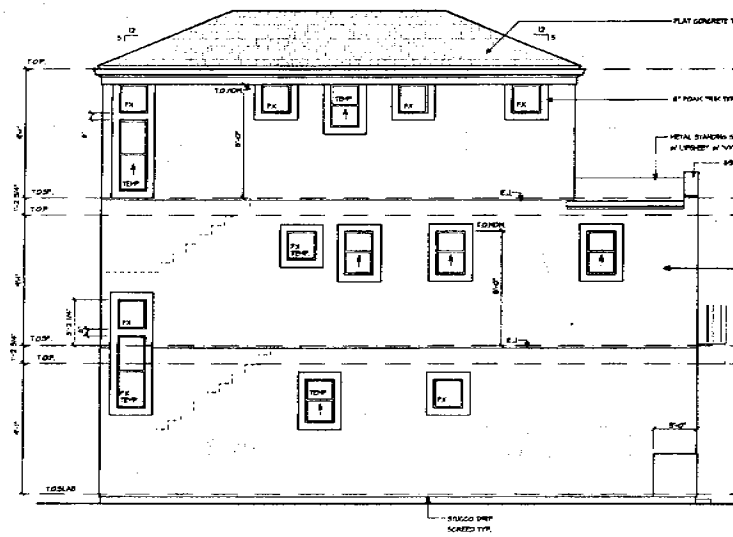
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING
7671 Crow Canyon Rd
San Ramon, CA 94583
925.837.9786
925.837.3343 Fax

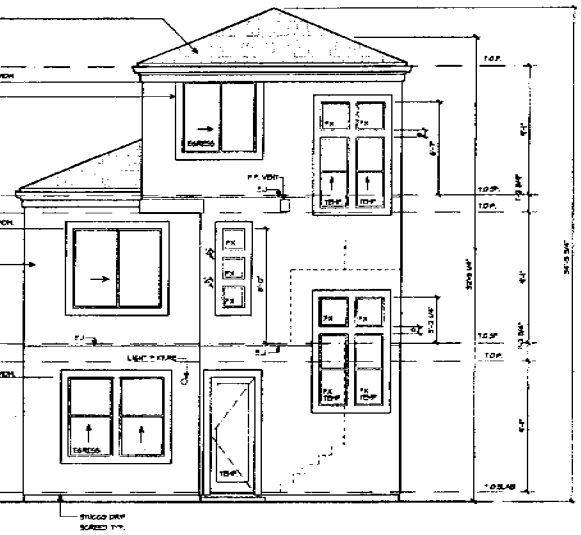
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331, 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - FLOOR PLANS

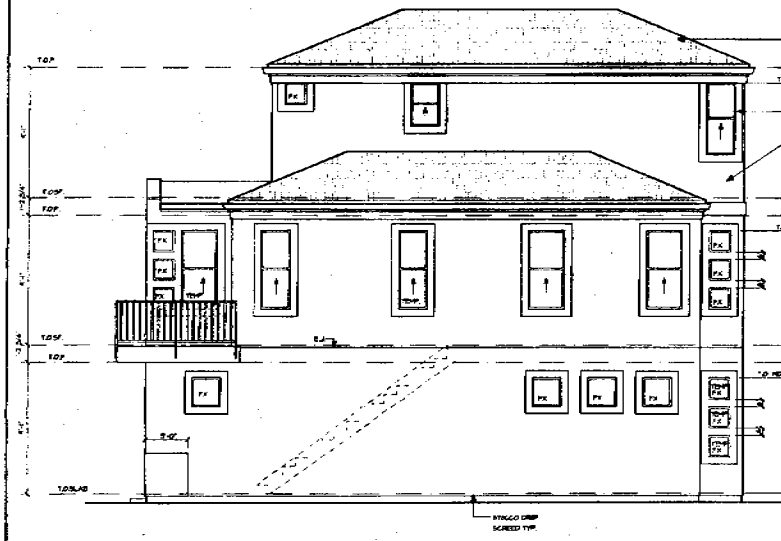
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A1.0



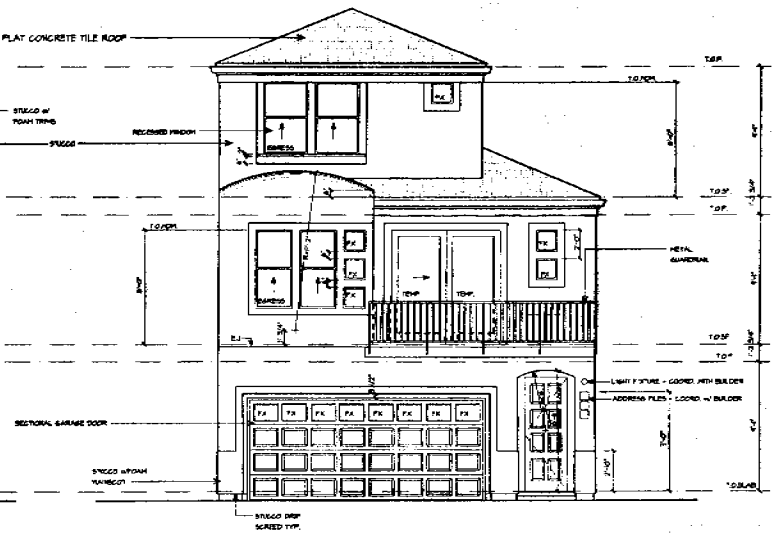
LEFT ELEVATION "A"



REAR ELEVATION "A"



RIGHT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. GLASS & ROOF MTRL. (2) 90# FELT (1) SOLID SHEE. SHALL BE ALL ELEVATIONS - HOMEROOFING FLAT "SAXON" SHAKE TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS
   FIRST FLOOR 8'-0" (8.0K)
   SECOND FLOOR 8'-0" (8.0K)
   THIRD FLOOR 7'-0" (7'-8" (8.0K))
3. SEE FLOOR PLANS FOR ADDITIONAL INFORMATION.
4. SEE DET. VA.0.5 FOR TYPICAL FLASHING AT WALL OPENINGS
5. SEE DET 4 4 (VA.0.5) FOR TYPICAL WALL PENETRATIONS.
6. EXTERIOR FINISH SHALL BE 1/8" S-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER OF SOLID WOOD SHEATHING

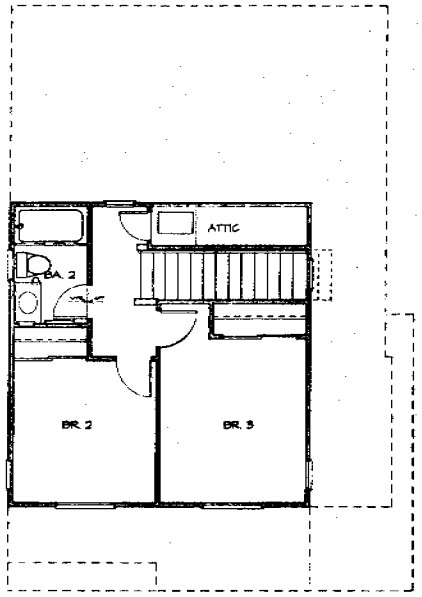
SCALE 1/4" = 1'-0" PLOTTED 1-6-2005
FILENAME J:\5070\DRAWING\MC VERTICAL.DGS

DAHLIN GROUP
CIVIL ENGINEERS
2671 Crow Canyon Rd.
San Ramon, CA 94583
925 837 0266
925 837 7343 fax

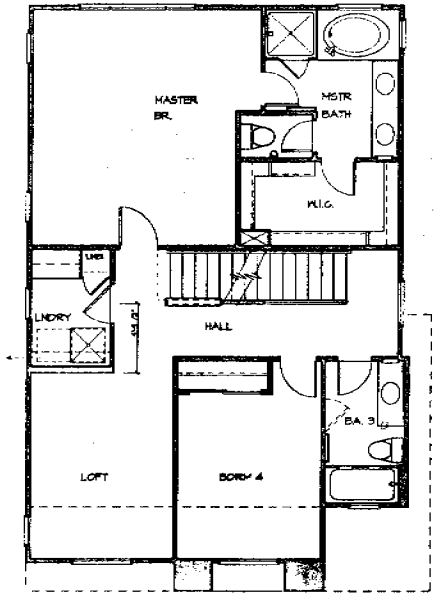
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

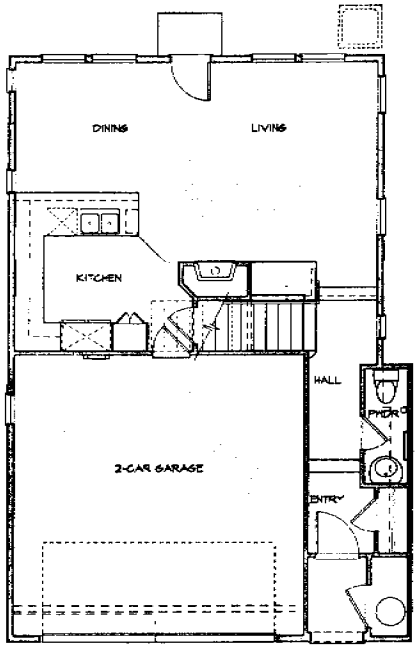
DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 16

AUGUST 3, 2005

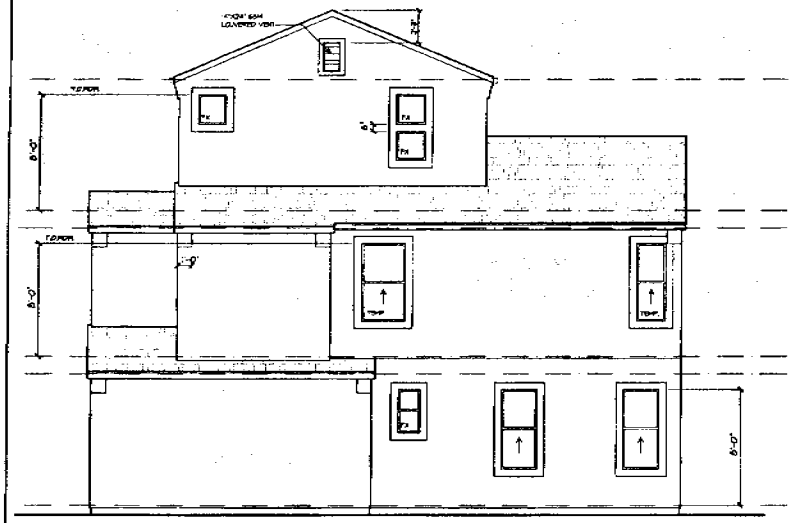
Project No.: 520.024

DAHLIN GROUP
ARCHITECTURE PLANNING
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.2266
925.837.2243 fax

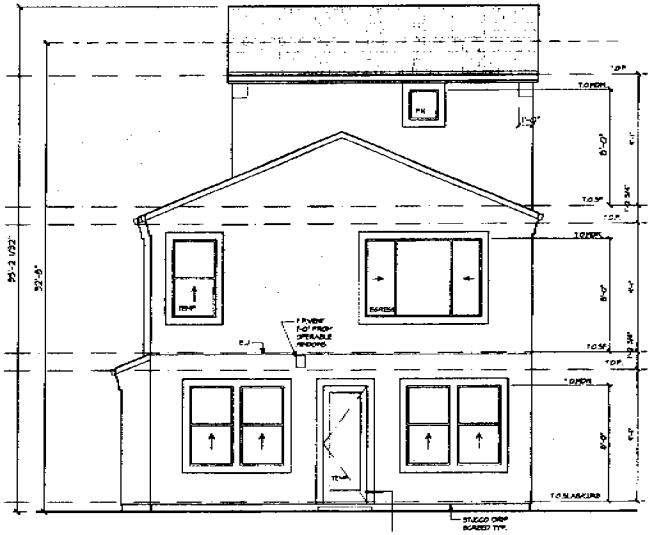
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

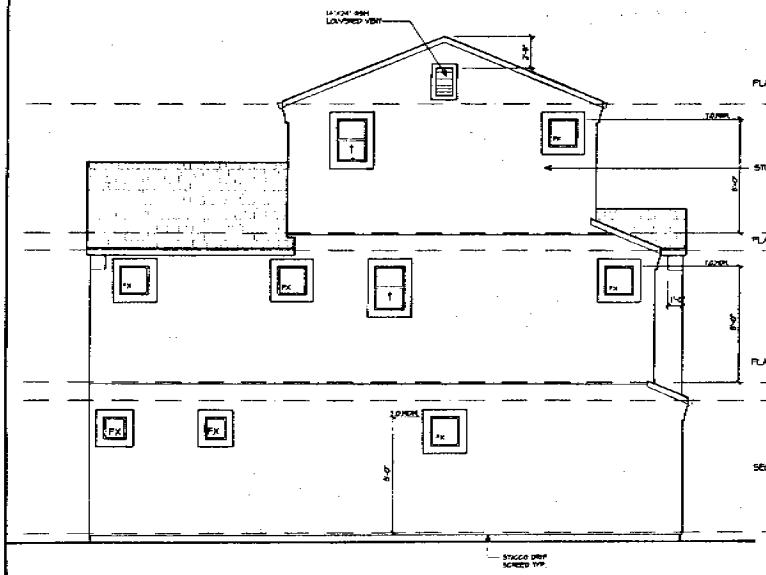
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A2.0



RIGHT ELEVATION "A"



REAR ELEVATION "A"



LEFT ELEVATION "A"

FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF MTRL. 5/12 OR "FL." 3/12 SOLID MTR. SHALL BE ALL ELEVATIONS - MONIER/LIFETILE FLAT "SANDRY SHANE" TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 8'-0" (L.O.N.)
   SECOND FLOOR: 8'-0" (L.O.N.)
   THIRD FLOOR: 7'-0" (T.O.P. (U.O.N.)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. 1/A0.3 FOR TYPICAL "LASHING A" WALL OPENINGS
5. SEE DET. 4 / 1 BANDS FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE 7/8" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER ON SOLID WOOD SHEATHING.

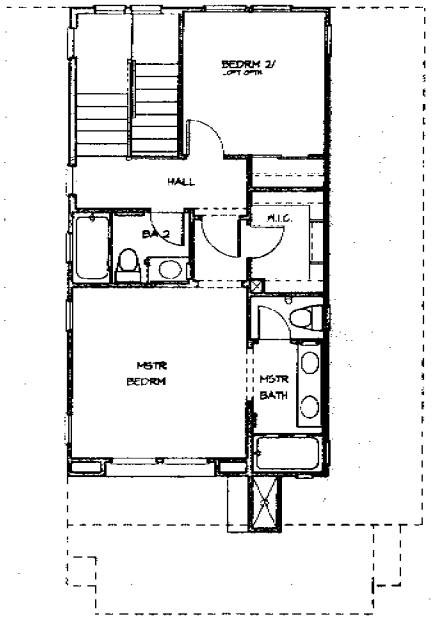
SCALE: 1/4" = 1'-0"
PLOTTED: 11/30/2005
FILE-NAME: 0304-03-SAMPLES-SAMPLES

DAHLIN GROUP
ARCHITECTURE
7671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.4706
925.837.7543 Fax

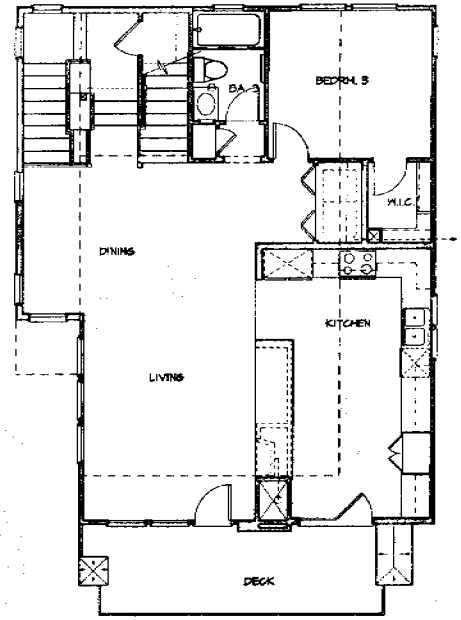
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

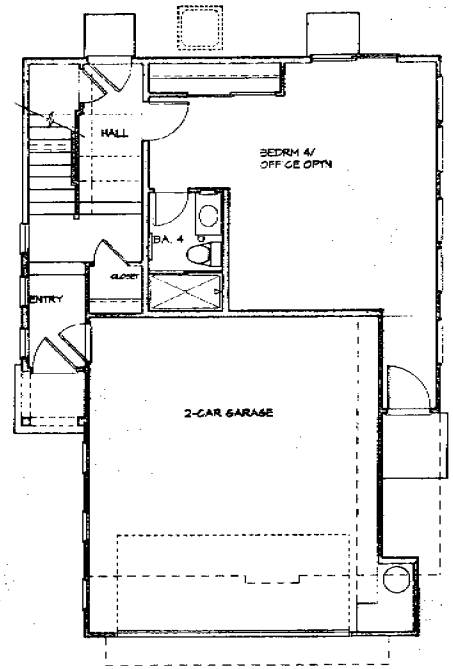
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

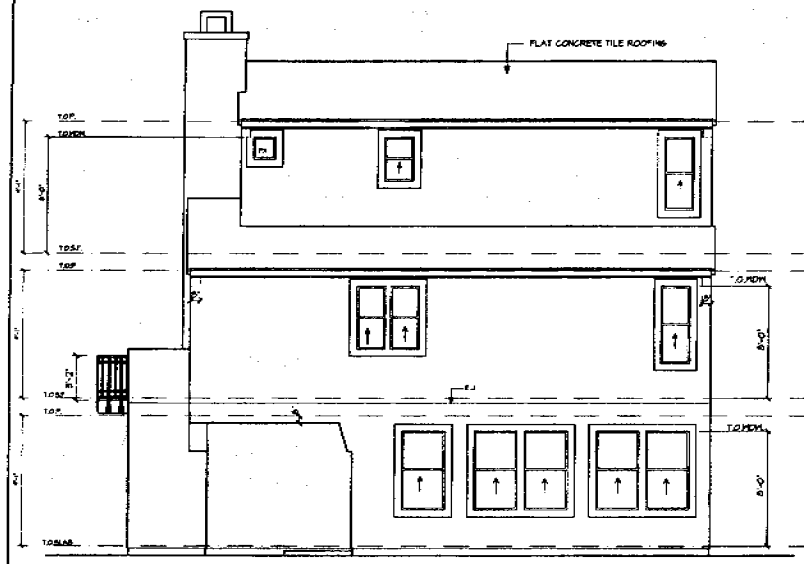
Project No.: 529.05

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2601 Cross Campus Rd
San Ramon, CA 94583
925.837.7006
925.837.2545 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 CAMBRIDGE EXPRESSWAY
TAYLOR WOODROW HOMES

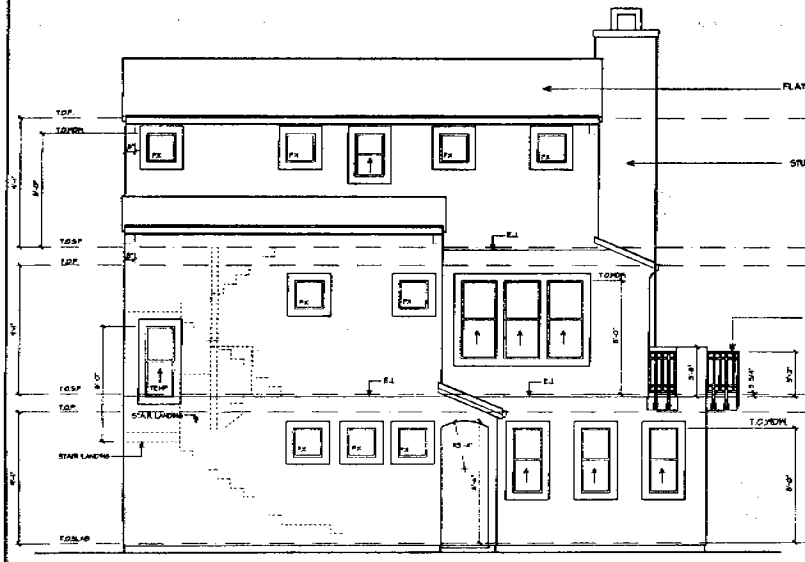
PLAN 3 – FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A3.0

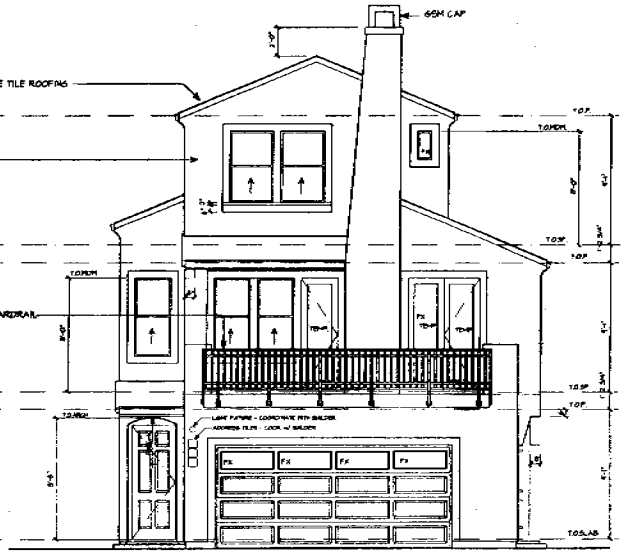


RIGHT ELEVATION 'A'

REAR ELEVATION 'A' PLAN 3A



LEFT ELEVATION 'A'



FRONT ELEVATION 'A'

EXTERIOR ELEVATION NOTES

1. GLASS & ROOF VENT, 01 SOR FEL" OV SOLID SHTG SHALL BE ALL ELEVATIONS - HOMERU/TILE FLAT 'SAXONY SHADE' TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 7'-0" (2.0M)
   SECOND FLOOR: 8'-0" (2.0M)
   THIRD FLOOR: 7'-0" & 7'-8" (2.0M)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET 1/A2.5 FOR TYPICAL FLASHING AT WALL OPENINGS.
5. SEE DET 4 & 5 ON A2.5 FOR TYPICAL WALL PENETRATIONS.
6. EXTERIOR FINISH SHALL BE "7/8" 3-COAT" 5/8" CCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER ON SOLID WOOD SHEATHING

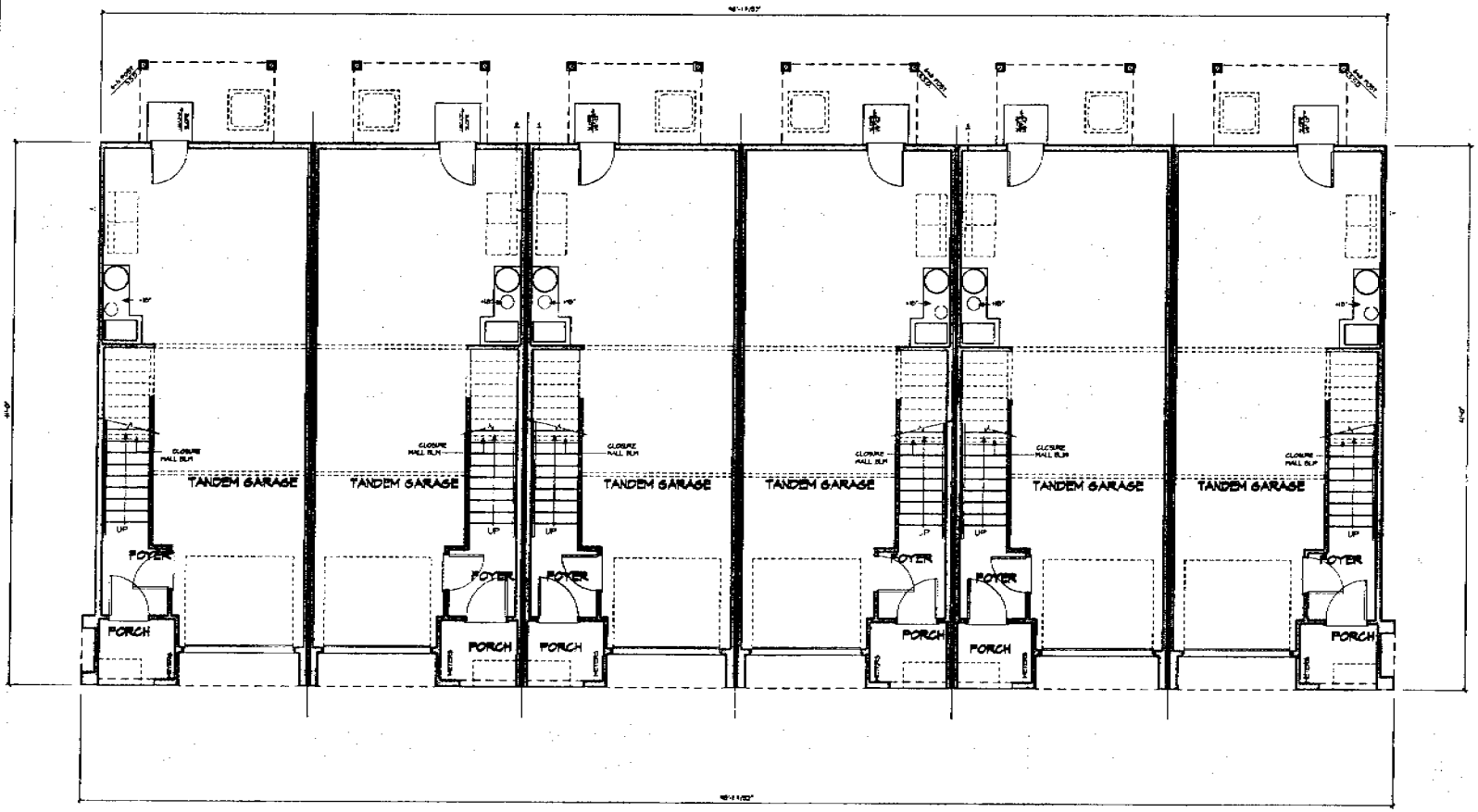
SCALE: 1/8" = 1'-0" PLOTTED 10/30/05
PATH NAME: J:\5240\SDR\A\PB\5240.DWG

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
26/1 Crow Canyon Rd.
San Ramon, CA 94583
925.837.1066
925.837.2540 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.
TOTAL: 1,160 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 19, 2006

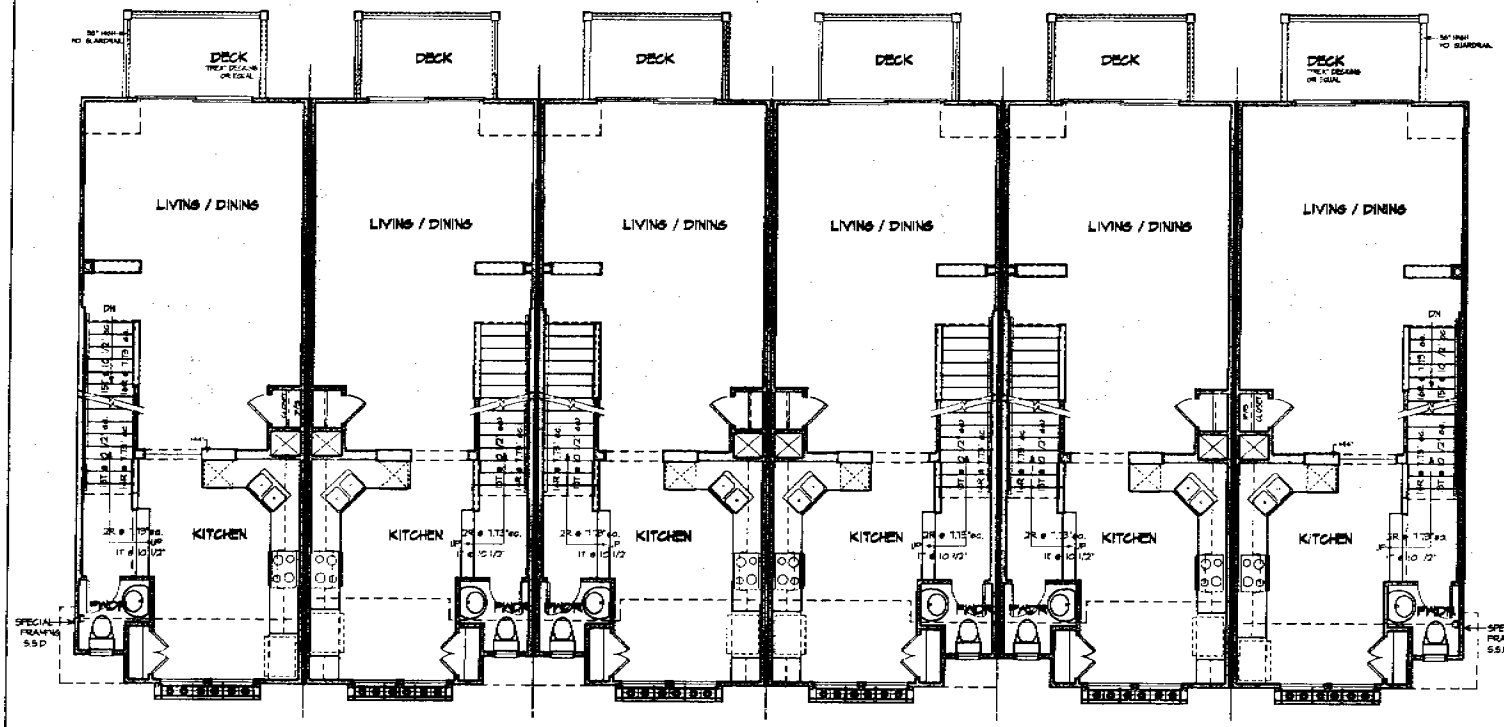
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE
PLANNING
7671 Gray Canyon Rd
San Ramon, CA 94583
925 837 8586
925 837 2543 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A4.0



SECOND FLOOR PLAN

567 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

Project No.: 529.024

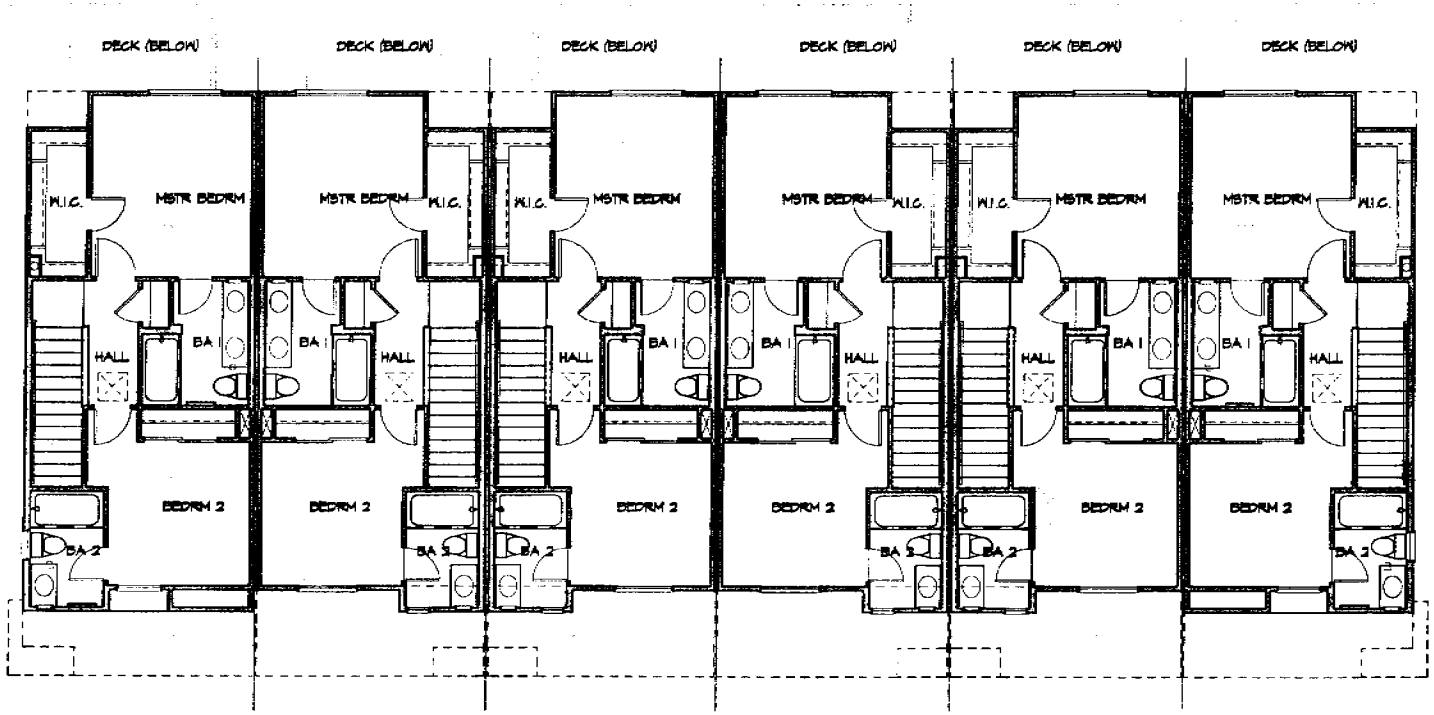
DAHLIN GROUP

2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.8384
925.837.2543 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1313 - 1317 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

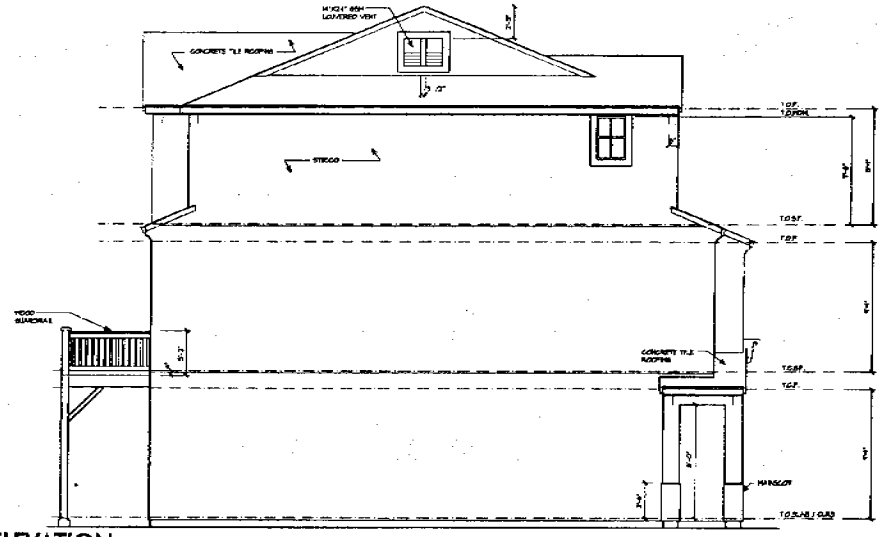
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING
2671 Crow Canyon Rd.
San Ramon, CA 94583
925 837 9966
925 837 2443 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

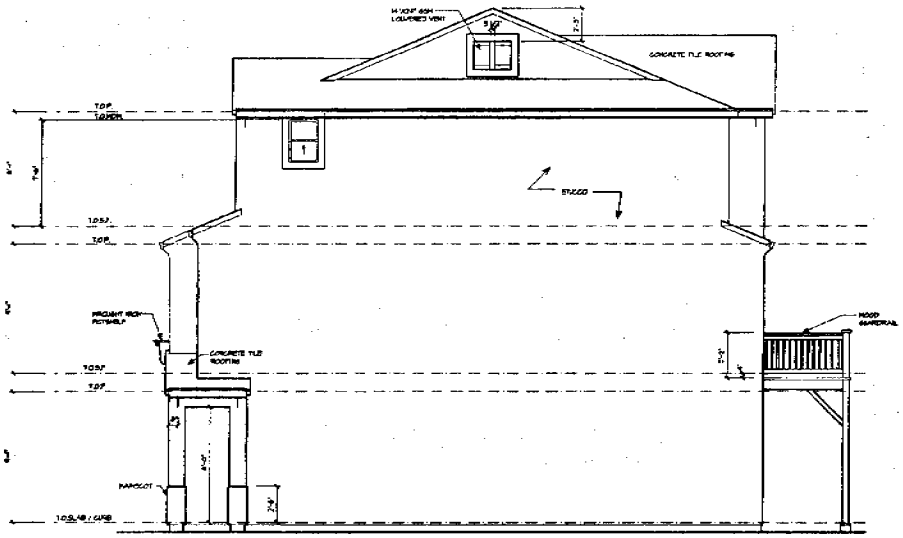
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING
2671 Crow Canyon Rd
San Ramon, CA 94583
(925) 837-3836
925.837.2343 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.3



SIDE ELEVATION

REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

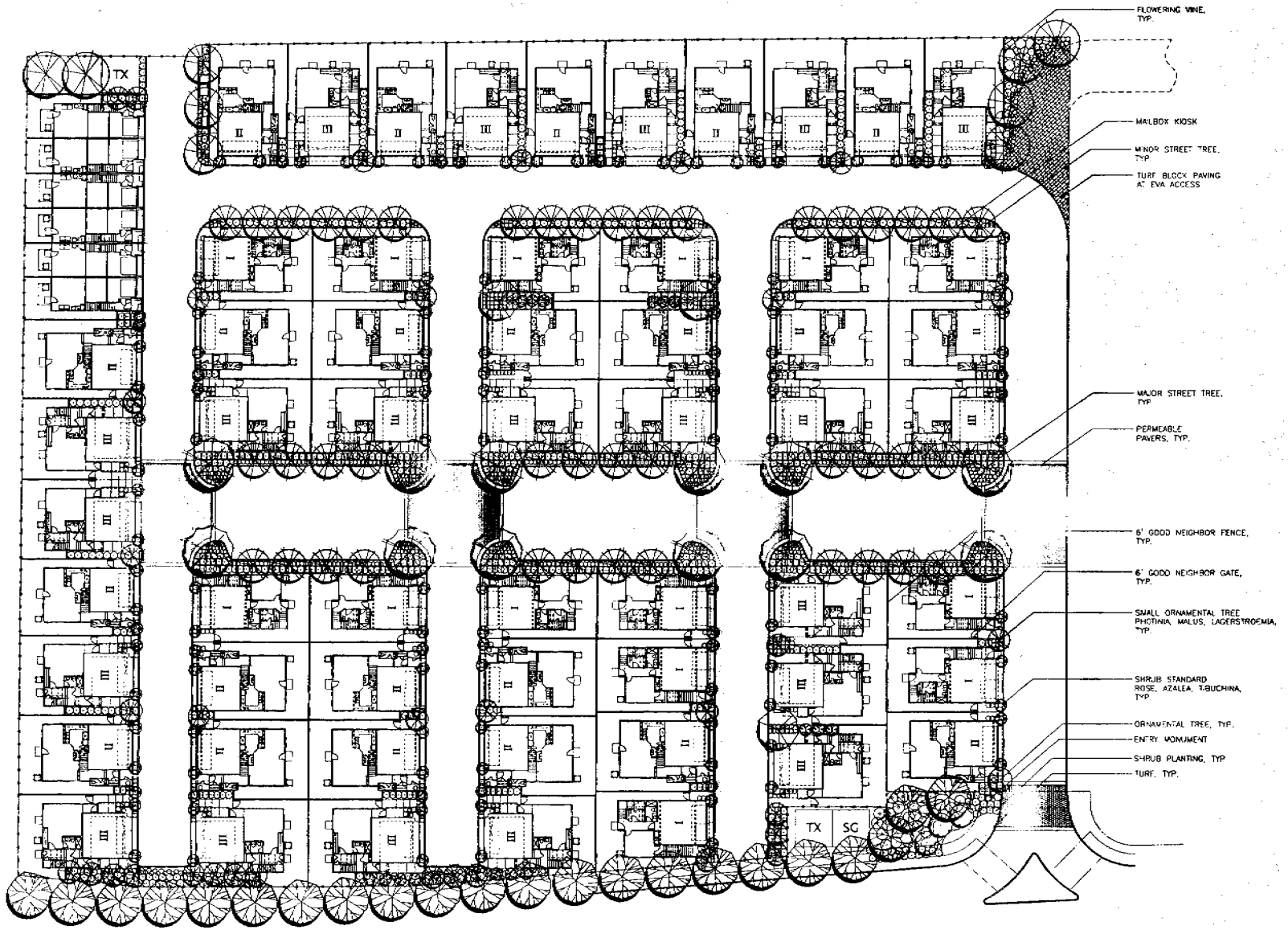
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd
San Ramon, CA 94583
925.837.9700
925.837.2943 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.4

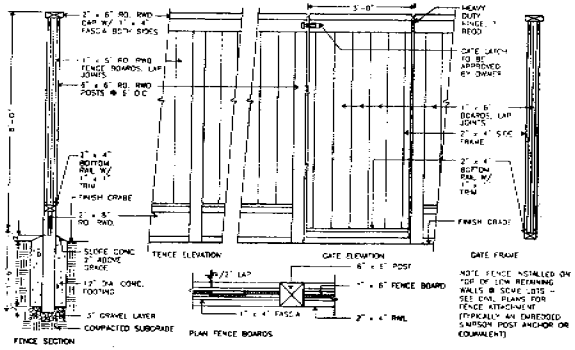


VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
591 HOWARD ST. SUITE 5, SAN FRANCISCO, CA
TEL (415) 543-3013 FAX (415) 975-9108

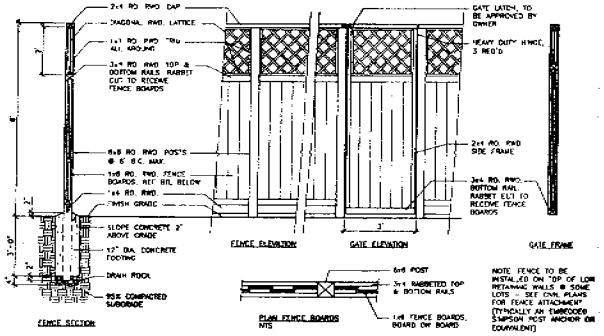
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133 TO 143 LAUREL PLACE AND 1900 WILLOW WAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

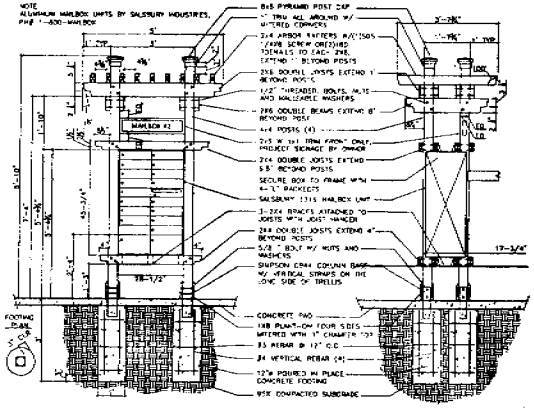
DATE APR 2006
SCALE 1" = 30'-0"
DESIGNER MW
DRAWTER MW
CHK VDA/AB
SHEET L1.1
OF SHEETS



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS



MAILBOX KIOSK
NTS

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
509 HOWARD ST. SUITE 3, SAN FRANCISCO, CA
TEL 415-777-1111 FAX (415) 979-9158

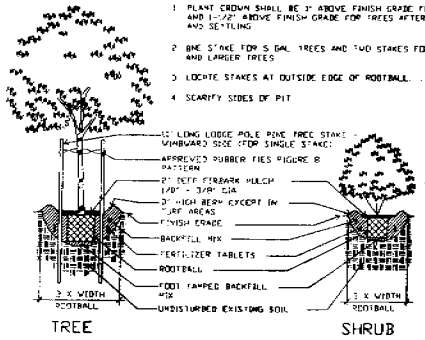
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1131-1133 LAUREL PLACE & 1135 LAUREL WAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

DATE	NOV 2005
SCALE	1" = 20'-0"
DESIGNER	MK
DRAFTER	MK
JOB	405168
SHEET	L1.2
OF	SHEETS

NOTES:

1. PLANT CROWN SHALL BE 3" ABOVE FINISH GRADE FOR SHRUBS AND 1-1/2" ABOVE FINISH GRADE FOR TREES AFTER WATERING AND SETTLING
2. ONE STAKE FOR 5 GAL. TREES AND TWO STAKES FOR 15 GAL AND LARGER TREES
3. LOCATE STAKES AT OUTSIDE EDGE OF ROOTBALL.
4. SCARIFY SIDES OF PIT

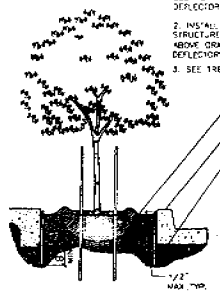


TREE AND SHRUB PLANTING
NTS

NOTES: 1. ROOT DEFLECTORS MAY BE REQUIRED UNDER CERTAIN CONDITIONS SEE PLANTING NOTES FOR SPECIFIC CONDITIONS WHERE ROOT DEFLECTORS ARE REQUIRED

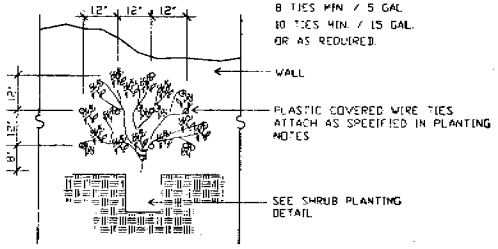
2. INSTALL ROOT DEFLECTOR AGAINST STRUCTURE OR AS CLOSE TO STRUCTURE AS POSSIBLE. THE TOP OF ROOT DEFLECTOR SHALL BE SET ABOVE GRADE AS NOTED (NEVER BELOW GRADE) THE RAISED ROOT DEFLECTORS SHALL FACE TOWARDS TREE

3. SEE TREE PLANTING DETAIL FOR TREE INSTALLATION



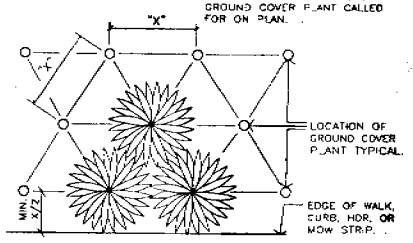
ROOT DELECTOR
NTS

NOTES
4 TIES MIN. / 1 GAL.
8 TIES MIN. / 5 GAL.
10 TIES MIN. / 15 GAL.
OR AS REQUIRED.



VINE TYING PLANTING
NTS

NOTE:
"X" = ON CENTER SPACING OF GROUND COVER PLANT CALLED FOR ON PLAN.



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Chitalpa Tashkentensis	Chitalpa
Chionanthus Retusus	Chinese Fringe Tree
Cupaniopsis Anacardioides	Carrot Wood
Fumenosporum Flavium	Sweetshade
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia Yarwood	Yarwood Sycamore
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Faueri "Cherokee	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Blireana	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis 'Majestic Beauty'	India Hawthorn Standard
SHRUBS	
Abelia 'Edward Goucher'	Glossy Abelia
Abelia Floribunda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hybiscus
Anisodontea Capensis	Cape Mallow
Artemisia 'Powis Castle'	Non
Clivia Miniata	Kaffir Lily
Coleonema Puchrum	Breath Of Heaven
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Dodonea Viscosa	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum 'Bowles Mauve'	Wallflower
Escallonia Terri	Escallonia
Escallonia Fredesii	Escallonia
Euryops Pectinatus 'Veridis'	Shrub Daisy
Fatsia Japonica 'Variegata'	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosemarinifolia	Rosemary Grevillea
Grevillea 'Noelii'	Non
Hebe 'Coed'	Non
Hemerocallis Hybrid Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lanzana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavendar
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalum Chinensis'rubrum'	Razzleberry
Loropetalum Chinense	Non
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Nephrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly Leaf Osmanthus
Phormium Tenax Spp.	New Zealand Flax
Photinia 'Jack Spratt'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Rhaphiolepis Indica Spp.	India Hawthorn
Rosmarinus O. 'Tuscan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Non
Tulbaghia Violacea	Society Garlic
Viburnum Davidii	Non
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Aptenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Clytostoma Callistegiodes	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfadenya Ungis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Faasseni	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Sollya Heterophyllus	Australian Bluebell Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion dwarf tall fescue

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
589 HOWARD ST. SUITE 3, SAN FRANCISCO, CA
ZIP 94105-2033 PH (415)777-9900 FAX (415) 974-9108

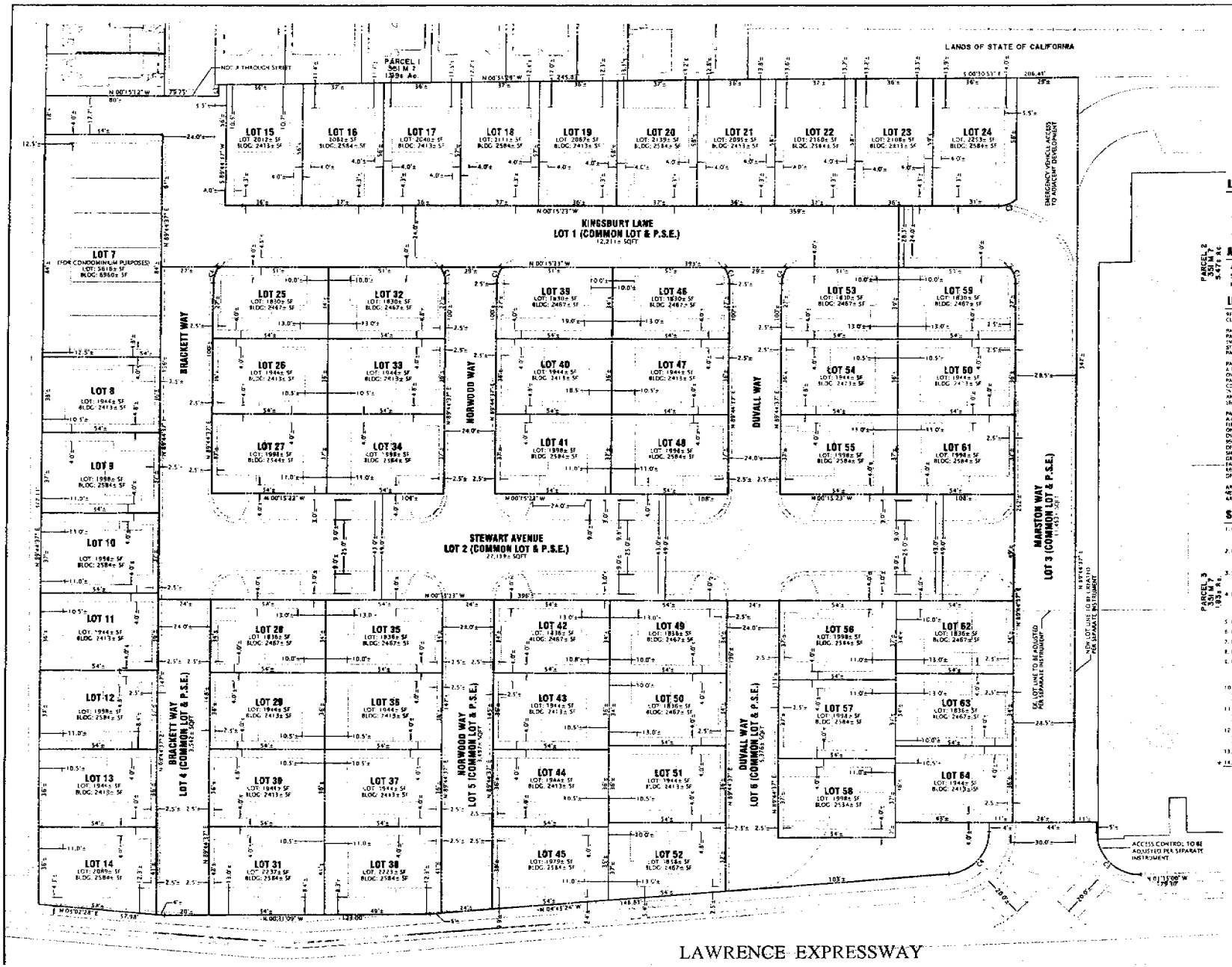
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

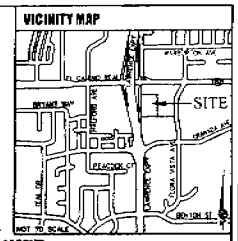
LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE	NOV. 2005
SCALE	1" = 20'-0"
DESIGNED	VAB
DRAWN	VAB
JOB	AC5158
SHEET	L1.3
OF	SHEETS

EXHIBIT B

TENTATIVE MAP





LEGEND

PROPOSED PROPERTY LINE
EXISTING PROPERTY LINE
CENTERLINE
COMMON LOT & P.S.E.

ABBREVIATIONS

AC. ACRES
SF SQUARE FOOTAGE
P.S.E. PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF SANTA CLARA, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL ONE:
PARCELS 2 AND 3 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS, PAGES 44 AND 45.

PARCEL TWO:
A PRIVATE RECIPROCAL EASEMENT FOR EXISTING PRIVATE UTILITIES OVER THAT PORTION OF PARCEL 1 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 770 OF MAPS, PAGES 44 AND 45 AND AS RESERVED IN THAT CERTAIN GRANT DEED RECORDED JULY 16, 2004 AS DOCUMENT NO. 17812737 OF OFFICIAL RECORDS.

PARCEL THREE:
A NON EXCLUSIVE STORM DRAIN EASEMENT, APPURTENANT TO THE FIRST ABOVE SHOWN PARCEL (LOT 1 ON THAT CERTAIN PARCEL MAP FILED ON JUNE 7, 2004, IN BOOK 770 OF MAPS, AT PAGES 44 AND 45, ON, OVER AND ACROSS THAT PORTION OF COMMON LOT "A" OF TRACT NO. 9592, WHICH MAP WAS FILED ON SEPTEMBER 9, 2004 IN BOOK 174 OF MAPS, AT PAGES 43, 45 AND 46 SANTA CLARA COUNTY RECORDS, SHOWN AS "P.S.D.E." (PRIVATE STORM DRAIN EASEMENT) AS GRANTED IN THAT CERTAIN DOCUMENT ENTITLED "STORM DRAIN EASEMENT AND JOINT USE AND MAINTENANCE AGREEMENT" RECORDED NOVEMBER 1, 2004 AS DOCUMENT NO. 18690901 OF OFFICIAL RECORDS.

APN: OLD APN: 290-51-122
NEW APN: 290-51-144, 290-01-145
APN: 290-10-100 D1, 100 D1.02

SUBDIVISION STATEMENT

1. OWNER: MARINA PLAYA ASSOCIATES, LLC
30 E. 4TH AVENUE
SAN MATEO, CA 94401
2. BUYER: BRE PROPERTIES, INC
525 MARKET STREET 6TH FLOOR
SAN FRANCISCO, CA 94105
3. SUBDIVIDER: TAYLOR MORRISON HOMES, INC
2370 CAMINO RAMON
SAN RAMON, CA 94583
4. PREPARER: KIER & WRIGHT CIVIL ENGINEERS
3350 SCOTT BLVD, #27
SANTA CLARA, CA 95054
EUGENE A. COLOMBO - RCE 036441
5. EXISTING USE: COMMERCIAL OFFICE
6. PROPOSED USE: SINGLE-FAMILY RESIDENTIAL
7. EXISTING ZONING: PD - PLANNED DEVELOPMENT
8. PROPOSED ZONING: NO CHANGE
9. PROPOSED LOTS: 57 SINGLE-FAMILY RESIDENTIAL
01 MULTI-FAMILY RESIDENTIAL
6 COMMON LOTS
64 LOT SUBDIVISION
10. SITE SUMMARY
- TOTAL LOT SF: 181,146± SF (4.16± AC)
- TOTAL BUILDING SF: 148,848± SF
11. SITE COVERAGE
- PERVIOUS: 73%
- IMPERVIOUS: 27%
12. PARKING SUMMARY
- PRIVATE (GARAGES): REQUIRED: 120 PROVIDED: 120
- PUBLIC (GUEST): REQUIRED: 3 PROVIDED: 18
13. ALL PROPOSED DISTANCES SHOWN ARE APPROXIMATE ONLY
* 14. LOT 7 IS SOLELY FOR CONDOMINIUM PURPOSES.

CURVE TABLE:

CURVE	RADIUS	DELTA	LENGTH
C1	12.00'	38°41'15"	8'±
C2	12.00'	41°48'37"	9'±
C3	20.00'	90°59'37"	32'±
C4	20.00'	85°29'59"	30'±

LINE TABLE:

LINE	BEARING	DISTANCE
L1	N 89°56'34" E	5.38'

0 20 40 80

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22 • Santa Clara, California 95054
(408) 727-6665 • (408) 727-5441

LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

DATE	MAR 2005
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A00168
SHEET	C3.2

EXHIBIT C

CONDITIONS OF APPROVAL FOR TENTATIVE MAP

In order to approve the Tentative Subdivision Map, the City Council must find that:

1. The proposed map is consistent with the general plan, any applicable specific plans, and any applicable provisions of the Santa Clara Municipal Code .
2. The design and improvements of the proposed subdivision are consistent with general plan and any applicable specific plans.
3. The site is physically suitable for the proposed type of development.
4. The site is physically suitable for the proposed density of development.
5. The design of the subdivision and type of improvements are not likely to cause serious health problems.
6. The design of the subdivision and proposed improvements are not likely to cause substantial environmental damage and will not substantially or unavoidably injure fish or wildlife or their habitat or that an environmental impact report was prepared with respect to the project and there are specific economic, social or other considerations that make infeasible the mitigation measures and project alternatives identified in the environmental impact report.
7. The design of the subdivision and type of improvements will not conflict with easements acquired by the public at large, for access through or use of, property within the proposed subdivision.

It is recommended that the City Council accept on behalf of the City all dedications required as conditions of approval given to the Tentative Subdivision Map and that the City Clerk be authorized to so state on the Final Map prior to recordation.

RECOMMENDED CONDITIONS OF APPROVAL

In the event that this request is favorably considered, it is recommended that the Planning Commission apply the following recommended conditions of approval. In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval are recommended:

GENERAL

1. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
2. In accordance with Code Section 17.15.250, the first of Developer or other planned construction project to be served by the Westside Sewer Improvements shall design and construct, prior to occupancy, the Westside Sewer Improvements and be reimbursed by the City the amount noted herein towards the total cost of the Westside Sewer Improvements as the Sanitary Sewer Outlet Charge – Conveyance Fee ("Conveyance Fee") is collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements.

   If and only if Developer designs and constructs the Westside Sewer Improvements, the following shall apply:

   a. In accordance with Code Section 17.15.250, the total reimbursement to the Developer from the City for the total cost of the West Side Sewer Improvements shall not exceed ~~$1,276,000.00~~ $1,429,120.00. The reimbursement to the Developer for the Westside Sewer Improvements shall commence after the City has accepted the Westside Sewer Improvements and the Developer has submitted to the City complete detailed documentation evidencing the total cost of the Westside Sewer Improvements.

b. The Conveyance Fee to be paid by the Developer shall be $2,700.00 per dwelling unit.
c. If the parallel sanitary sewer line along with the rehabilitation of the existing sanitary sewer line is the option chosen, the parallel line must be completed and accepted by the City prior to occupancy of the Development (T-M or BRE). Once the City accepts the parallel sanitary sewer line, T-M may start occupancy.

ENGINEERING

3. Obtain site clearance through Engineering Department prior to issuance of building permit. Site clearance will require payment of applicable development fees. Other requirements may be identified for compliance during the site clearance process.

4. All work within the public right-of-way, which is to be performed by the Developer/Owner, the general contractor, and all subcontractors shall be included within a **Single Street Opening Permit** issued by the City Engineering Department. Issuance of the Street Opening Permit and payment of all appropriate fees shall be completed prior to commencement of work, and all work under the permit shall be completed prior to issuance of occupancy permit.

5. Obtain approval and permit from the County for work within Lawrence Expressway. Any change in access on the Lawrence Expressway off-ramp will require County approvals and permits.

6. Unused driveways in the public right-of-way shall be replaced with City standard curb, gutter, and sidewalk.

7. Damaged curb, gutter, and sidewalk within the public right-of-way along property's frontage shall be repaired or replaced (to the nearest score mark) in a manner acceptable to the City Engineer or his designee. The extents of said repair or replacement within the property frontage shall be at the discretion of the City Engineer or his designee.

8. Visual obstructions over three feet in height will not be allowed within the driver's sight triangle near driveways and corners in order to allow an unobstructed view of oncoming traffic. Contact Traffic Engineering at (408) 615-3000 for further information.

9. Construct driveways in the public right-of-way to City commercial type standards. Any proposed non-standard driveway will require approval of the City Engineer and the Developer's execution of an agreement to maintain the driveway.

10. Parking will be prohibited on Granada Avenue within 25 feet of each of the two driveways on Granada Avenue.

11. Developer shall complete the Westside Sewer Improvements in accordance with either a or b below, as determined by the Director of Public Works:

    a. (1) Replace the existing 10" VCP with a new 12" VCP on the south side of El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) replace the existing 10" VCP with a new 15" VCP on the south side of El Camino Real from Pomeroy Avenue to Calabazas Creek, and (3) reconnect the existing sanitary sewer laterals to the new 12" VCP and 15" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

b. (1) Construct a new 12" VCP in El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) construct a new 15" VCP in El Camino Real from Pomeroy Avenue to Calabazas Creek, (3) rehabilitate (i.e. use "slipline", "cured-in-place pipe", etc.) the existing 10" VCP on the south side of El Camino Real from Flora Vista to Calabazas Creek, and (4) reconnect the existing sanitary sewer laterals to the rehabilitated 10" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

12. Obtain approval and permit from the Caltrans for work within El Camino Real.

13. Developer to provide a complete storm drain study for the 10-year and 100-year storm events. The grading plans shall include the overland release for the 100-year storm event and any localized flooding areas. System improvements, if needed, will be at Developer's expense.

14. Drainage water shall be pumped to an on-site (private) storm drain structure (e.g., manhole or catch basin) and then gravity flow to the City's storm drain system. Storm drain backflow prevention devices are required; these devices shall be placed outside the public right-of-way and shall be maintained by the property owners.

15. All private street signs shall be installed on private property (not in the public right-of-way), be similar in size and shape as shown in the City's Standard Detail TR-1, have a brown background with white lettering, and shall have the wording "Private Street" on the face.

16. Prior to start of construction obtain Council approval of a resolution ordering vacation of easements proposed to be abandoned, through the Engineering Department.

17. Taylor Morrison is to cause a Final Map to be recorded for the Taylor Morrison Homes development.

18. After City Council approval of Tentative Subdivision Map, submit 12 copies of Final Map, prepared by a Licensed Land Surveyor or a Registered Civil Engineer with Land Surveyor privileges to the Engineering Department. The submittal shall include a title report, closure calculations, and all appropriate fees. Final Map must be approved by City Council and recorded by Developer prior to building permit issuance.

ELECTRIC

19. Prior to submitting any project for Electric Department review, applicant shall provide a site plan showing all existing utilities, structures, easements and trees. Applicant shall also include a "Load Survey" form showing all current and proposed electric loads. A new customer with a load of 500KVA or greater or 100 residential units will have to fill out a "Service Investigation Form" and submit this form to the Electric Planning Department for review by the Electric Planning Engineer. Silicon Valley Power will do exact design of required substructures after plans are submitted for building permits.

20. Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.

21. Electric service shall be underground. See Electric Department Rules and Regulations for available services.

22. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter 17.15.050.

23. Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G6 and MS-G7.

24. Developer shall grant to the City, without cost, all easements and/or right of way necessary for serving the property of the Developer and for the installation of utilities (Santa Clara City Code chapter 17.15.110).

25. All electric meters and services disconnects shall be grouped at one location, outside of the building or in a utility room accessible directly from the outside. A double hasp locking arrangement shall be provided on the main switchboard door(s). Utility room door(s) shall have a double hasp locking arrangement or a lock box shall be provided. Utility room door(s) shall not be alarmed.

26. City Electric Department transformer pads require an area of 17' x 16'-2", which is clear of all utilities, trees, walls, etc. This area includes a 5'-0" area away from the actual transformer pad. This area in front of the transformer may be reduced from a 8'-0" apron to a 3'-0", providing the apron is back of a 5'-0" min. wide sidewalk. Transformer pad must be a minimum of 10'-0 from all doors and windows, and shall be located next to a level, drivable area that will support a large crane or truck.

27. All trees, existing and proposed, shall be a minimum of five (5) feet from any existing or proposed Electric Department facilities. Existing trees in conflict will have to be removed. Trees shall not be planted in PUE's or electric easements.

28. Any relocation of existing electric facilities shall be at Developer's expense.

29. Electric Load Increase fees may be applicable.

30. Developer shall provide the City, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the City shall accept the work. Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect a customer to the electrical supply system of and by the City. After completion of the facilities installed by Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system (Santa Clara City Code chapter 17.15.210 (2)).

31. Electrical improvements (including underground electrical conduits on properties frontage) may be required if any private single improvement valued at $50,000 or more or any series of private improvements made within a three-year period valued at $50,000 or more in conjunction with a use, variance, or moving permit. Also may be required if any single private improvement valued at $80,000 or more or any series of private improvements

made within a three-year period valued at $80,000 or more in conjunction with a building permit (Santa Clara City Code Title 17 Appendix A (Table III)).

32. Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering Division. A Generating Facility Interconnection Application must be submitted with building permit plans. Review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written authorization from SVP Electric Engineering Division.

33. Developer is advised to contact SVP (CSC Electric Department) to obtain specific design and utility requirements that are required for building permit review/approval submittal. Please contact Leonard Buttitta at 408-261-5469 after development of site plan, to facilitate plan review.

WATER

34. All on-site water distribution facilities for the BRE-Properties Development shall be private and shall be maintained by owner or property owner's association. Water needs shall be served by a master meter(s) at the public street right-of-way. A public water distribution main, to be provided, for the Taylor Morrison Homes Development will cross the BRE-Properties Development within either a water easement or a public utility easement.

35. All sanitary sewer lateral(s), either proposed or existing, shall be equipped with a clean-out at the property line.

36. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

37. Landscaping irrigation water needs shall be provided by a separate water services if the total landscaped area exceeds 2,500 square feet.

38. While the City is taking due diligence in maintaining its facilities, the City shall not be held liable for water damages to the property with depressed grade features in the event of public water main breaks. If the Developer elects to proceed with the depressed grade parking feature for the development, adequate hold harmless clause must be provided to the City in the HOA's CC and Rs (or other means deemed necessary) as directed by the City.

39. If multiple fire services are required, backflow prevention is required on any required fire service connection at the Developer's expense.

40. If additional water service(s) is required, backflow prevention will be required on all existing and new water services at the Developer's expense.

FIRE

Occupancy Classifications:

41. State the occupancy classification in accordance with the Uniform Building Code for each building or areas.

Fire Department Emergency Access:

42. Approved fire apparatus access roads (public/private) shall be established and maintained to within 150 feet of all exterior walls of any building. Since access to the North and West side of Santa Clara Crossings apartment building will have trees planted along the sides, plans for landscape shall be reviewed and approved by the Fire Dept. prior to permit issuance.

43. Approved fire apparatus access roads shall have a minimum 20-foot width, have a minimum 13 ½-foot vertical clearances and have a minimum 36-foot inside turning radius.

44. Dead-end fire apparatus access roads that exceed 150-feet in length shall be provided with a 75-foot diameter vehicle turnaround or an approved hammerhead turnaround (incorporating the minimum 36-foot inside turning radius).

45. Adjacent private emergency access roads from lands adjoining a property required to have access shall not be considered unless such access is designated as a "shared Emergency Access Easement" (E.A.E.).

46. A Knox box shall be installed for gate at controlled ingress and egress between Laurel Place II and Santa Clara Crossing.

Water Supply:

47. Private fire hydrants and mains capable of supplying the required fire flow shall be installed when any portion of the building protected is in excess of 150 feet from a water supply on a public street. Fire hydrant distribution shall be in accordance with Table IIIA of the California Fire Code. Determine the number and spacing based on floor area and type of building construction.

48. Underground fire service mains are required. Submit separate plans, fees and fire flow calculations to the Fire Department for separate review and permit. Each parcel or building may require separate fire service. NOTE: Stamped and wet signed Civil drawings shall be submitted in conjunction with shop quality drawings by the installing "A" or "C-16" licensed contractor.

49. **Santa Clara Crossings**: **Interior courtyards that limit our accessibility will require horizontal standpipes (wharf hydrants - each shall have two 2-1/2 inch outlets) that are augmented by each building's fire sprinkler/standpipe system FDC to boost the city water pressure via fire apparatus.** Incorporate these criteria with the Underground fire service permit submittal for each building.

50. **Santa Clara Crossings**: Vertical standpipes shall be provided for building four or more stories in height.

51. **Santa Clara Crossings**: FDC and PIV shall be located on the street fronting each building. The FDC shall not supplement/charge/pressurize the private fire service main, but only the building's sprinkler/standpipe/wharf hydrant system it serves. The FDC shall be located within 50 feet of a fire hydrant, plus on the same side of the road as the fire hydrant(s). FDC's shall not be for the private fire service and its private fire hydrants. **NOTE: The FDC and PIV shall be located a minimum of 40 feet from a building.**

52. **Santa Clara Crossings**: In private underground piping systems, any dead end pipe, which supplies both sprinklers and hydrants, shall be not less than eight (8) inches in diameter.

53. **Provide sprinklers for the 6 attached multi family dwelling units at Laurel Place II.**

54. **Laurel Place II: Relocate fire hydrant at lot 56 to lot 49 (Public hydrant).**

Required Fire Protections/ Detection Systems and Equipment:

55. An automatic fire sprinkler system is required for all new buildings where the total floor area exceeds 10,000 square feet (a separate Fire Department permit is required for the sprinkler system). Sprinkler main drain test valves shall discharge to the sanitary sewer system (via an indirect connection) or shall discharge onto a landscape area of sufficient size.

56. A fire alarm system shall be provided in accordance with the Fire Code.

Dumpster Storage:

57. Rubbish containers: Containers that are 1.5 cubic yards (40.5 cubic feet) or more shall not be stored in buildings or placed within 5 feet of combustible walls, openings, property lines or combustible roof eave lines unless protected by approved fire sprinklers (UFC 1103.2.2). If a roof over the trash enclosure is to be provided, then it shall be of non-combustible construction.

Fire Safety During Construction:

58. At the time of permit application, submit a construction "Fire Safety Plan" to the Fire Department for review and approval. The "Fire Safety Plan" shall address fire protection (i.e., access roads, water mains, on-site fire hydrants, fire extinguishers and standpipes) be installed and made serviceable prior to the time of construction. Include in the safety plan the location of fire extinguishers, fire hydrants (public and private), storage of combustible construction materials, propane tanks, and "NO SMOKING" signs. Plus the Safety plan shall address the how the following items will be used: temporary heating devices, temporary electrical wiring, cutting/welding and other open-flame devices (CFC 8703; 901.3; 903.2 & 8700). See "Standards for Construction Site Fire Safety" handout or website at www.unidocs.org/fire

Fire Department Notes (Required on plans/ drawings at the time of application):

59. At the time of Building Permit application, submit Civil Drawings that denote existing and proposed locations of fire hydrants, underground sectional valves, Fire Department connections and post indicator valves for fire department review and approval.

60. Prior to combustible materials being brought onto the site, approved fire apparatus access roads shall be constructed. These shall be capable of supporting the imposed fire apparatus load (70,000 lbs.) and have a FD approved all-weather driving surface.

61. Construction materials shall not obstruct access roads, access to buildings, hydrants or fire appliances.

62. Combustible construction in excess of 100 feet from the street shall not commence until emergency access roads; underground fire service lines and permanent on-site hydrants are in service and have been tested, flushed and approved by the Fire Department.

63. During construction of a building and until permanent fire-extinguishers have been installed, portable fire extinguishers are required within 50 feet travel distance to any part of the building in accordance with section 8704.4.2 of the 2001 California Fire Code and the Santa Clara Municipal Fire and Environmental Code.

64. General Permit through the State shall be adhered to regarding non-point source issues on construction sites (i.e., prevention of paints, debris, etc. from going down storm drains).

65. Internal-combustion-powered construction equipment shall be used as follows:
    a. Equipment shall not be refueled while in operation.
    b. Exhausts shall be piped to the outside of the building.

POLICE

66. Provide a minimum illumination of one-foot candle in carport, parking areas and in all common pedestrian or landscaped areas of the development. The illumination should be deployed in fixtures that are both weather and vandal resistant.

67. Address numbers of the individual units shall be clearly visible from the street and shall be a minimum of six (6) inches in height and of a color contrasting with the background material. Numbers shall be illuminated during the hours of darkness. Individual apartment numbers shall be a minimum of six (6) inches in height and a color contrasting to the background material and either visible from the street or from the center area of the project. Where multiple units/buildings occupy the same property, unit/building address shall be clearly visible. A monument sign, preferably at all dedicated entrances to the property, shall be prominently displayed, showing all unit/building numbers, addresses, etc. A map is recommended for large complexes with multiple streets or walkways.

68. All construction of dwelling units shall conform to the requirements of the Uniform Building Security Code as adopted by the City of Santa Clara City Council.

69. A Knox Box or Coded Entry System is required for Police access to enclosed parking lots and gated communities.

70. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

71. Any required enclosure fencing (trash area, utility equipment, etc.) if not see through, should have a six (6) inches opening along the bottom for clear visibility. Any gates or access doors to these enclosures should be locked.

72. There shall be positioned near the entrance an illustrative diagram of the complex, which shows the location of the viewer and unit designations within the complex including separate building designations. This diagram shall be illuminated and should be protected by vandal resistant covers.

73. The parking structure, including ramps, corners and entrances, should be illuminated at a minimum of 5-foot candles at all hours.

74. The parking structure/site should be equipped with emergency telephones.

75. All entrances to parking areas (surface, structure, sub-terranean, etc.) should be posted with appropriate signage to discourage trespassing, unauthorized parking, etc. (See California Vehicle Code Section 22658(a) for guidance).

76. The 'Parking Structure & Parking Lot Security' recommendations provided to applicant should be considered, with applicable provisions implemented.

77. The 'Multiresidential Security Guidelines' provided to applicant should be considered, with applicable provisions implemented.

STREET

78. Submit copy of complete landscape and automatic irrigation plans for review and comment by City staff. Plans are to include all existing trees with 4" or larger diameter (measured 30" above ground) on development property and adjacent property if they may be impacted. Trees are to be correctly labeled with specie name and correctly plotted as to exact location on the plans. Trees are to be noted as to whether they are proposed to be saved or removed. City tree preservation specifications are to be included on all plans where existing trees are to be saved during construction. A copy of these specifications can be obtained from the City Arborist at 408-615-3080.

79. Developer is to supply and install City street trees per City specifications; spacing, specie, and size (15 gallon minimum) to be determined by City Arborist.

80. No cutting of any part of City trees, including roots, shall be done without following city tree preservation specifications and securing approval and direct supervision from the City Arborist at 408-615-3080.

81. No cutting of any part of private trees, including roots, shall be done without direct supervision of a certified arborist (Certification of International Society of Arboriculture).

82. Applicant is advised to contact Street Department to obtain required tree removal permits in the event trees are removed. Please contact John Mendoza at 408-615-3080 to facilitate plan review.

83. Identified existing mature trees to be maintained. Prepare a tree protection plan for review and approval by the City prior to any demolition, grading or other earthwork in the vicinity of existing trees on the site. Provide 48-inch box trees for screening adjacent to the existing residential properties, type to be determined by City Arborist.

84. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

85. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

86. Prior to submitting any project for Street Department review, applicant shall provide a site plan showing all existing trees (including size and species), proposed trees (including size

and species), existing stormwater drainage facilities, proposed storm water drainage facilities, proposed locations of solid waste containers and, if applicable, a statement on the site plan confirming compliance with Fire Department approved fire apparatus access roads (1998 CFC 902.2.2.1 & 902.2.2.3).

87. All landscaping and irrigation systems shall meet City standard specifications.

88. Application does not provide Street Department with sufficient information regarding existing tree information and/or how trees are to be preserved. Applicant to coordinate with John Mendoza of the Street Department at 408-615-3080 prior to re-submittal.

89. Obtain required permits and inspections from the Building Official and comply with the conditions thereof. If this project involves land area of 15,000 sq. ft. or more, Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any building permit for grading, or construction; a copy of the NOI shall be sent to the City Building Inspection Division. A storm water pollution prevention plan is also required with the NOI.

90. Incorporate Best Management Practices (BMPs) into construction plans and incorporate post construction water runoff measures into project plans in accordance with the City's Urban Runoff Pollution Prevention Program standards prior to the issuance of permits. Proposed BMPs shall be submitted to and thereafter reviewed and approved by the Planning Division and the Building Inspection Division for incorporation into construction drawings and specifications.

91. An erosion control plan shall be prepared and copies provided to the Planning Division and to the Building Inspection Division for review and approval prior to the issuance of grading permits or building permits that involve substantial disturbance of substantial ground area.

92. All proposed storm water treatment vaults shall have a hydrodynamic separator upstream of their installation.

93. All proposed stormwater treatment vaults shall have internal treated distribution plumbing. No external folding racks are permitted.

94. All post construction structural controls shall require property owner to execute with City a Stormwater Treatment Measures Inspection and Maintenance Agreement.

95. Decorative water features such as fountains and ponds shall be designed and constructed to drain to sanitary sewer only. No discharges allowed to storm drain.

96. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Set up meeting with the Street Department to discuss requirements. Contact Roger Lee at 408-615-3080.

97. Application does not provide Street Department with sufficient information to evaluate proposed stormwater pollution prevention improvements. Applicant to coordinate with Roger Lee of the Street Department at 408-615-3080 prior to re-submittal.

98. Applicant to comply with City Development Guidelines for Solid Waste Services as specified by development type.

99. Provide trash enclosure, the location and design of which shall be approved by the Director of Planning and Inspection prior to issuance of any building permits.

100. Commercial, industrial, and multi-family residential buildings must have enclosures for solid waste and recycling containers. The size and shape of the enclosure(s) must be adequate to serve the estimated solid waste and recycling needs and size of the structure, and should be designed and located on the property so as to allow ease of access by collection vehicles. As a general rule, the size of the enclosure(s) for the recycling containers should be similar to the size of the trash enclosure(s) provided onsite. Roofed enclosures with masonry walls and solid gates are the preferred design.

101. To complete the review of the project, Street Department requires applicant to provide site plan showing all proposed locations of solid waste containers, enclosure locations and street/alley widths.

102. Application does not provide Street Department with sufficient information to evaluate Solid Waste requirements. Set up meeting with the Street Department to discuss requirements. Contact Dave Staub at 408-615-3080.

103. Applicant to comply with City Code Section 8.25.285 and recycle or divert at least fifty percent (50%) of materials generated for discards by the project during demolition and construction activities. No building, demolition or site development permit shall be issued unless and until applicant has submitted a construction and demolition debris materials check-off list. After completion of project, applicant shall submit a construction and demolition debris recycling report as stipulated by ordinance, or be subject to monetary, civil, and/or criminal penalties.

PLANNING AND INSPECTION

104. Obtain required permits and inspections from the Building Official and comply with the conditions thereof.

105. Submit plans to the Planning Division for Architectural Committee review and approval prior to issuance of building permits.

106. Prior to issuance of permits, the Developer shall enter into an agreement with the City for the provision of at least ten percent (10%) of the units in the development as affordable units, at levels commensurate with the City's regional fair share requirements and the City's inclusionary policies (i.e. Very-low or Low income affordability for rental projects and Moderate Income affordability for for-sale projects). The agreement shall provide for prescribed affordability restriction periods and unit distributions consistent with the City's inclusionary policies to the satisfaction of the Director of Planning and Inspection and consistent with the terms of the Development Agreement.

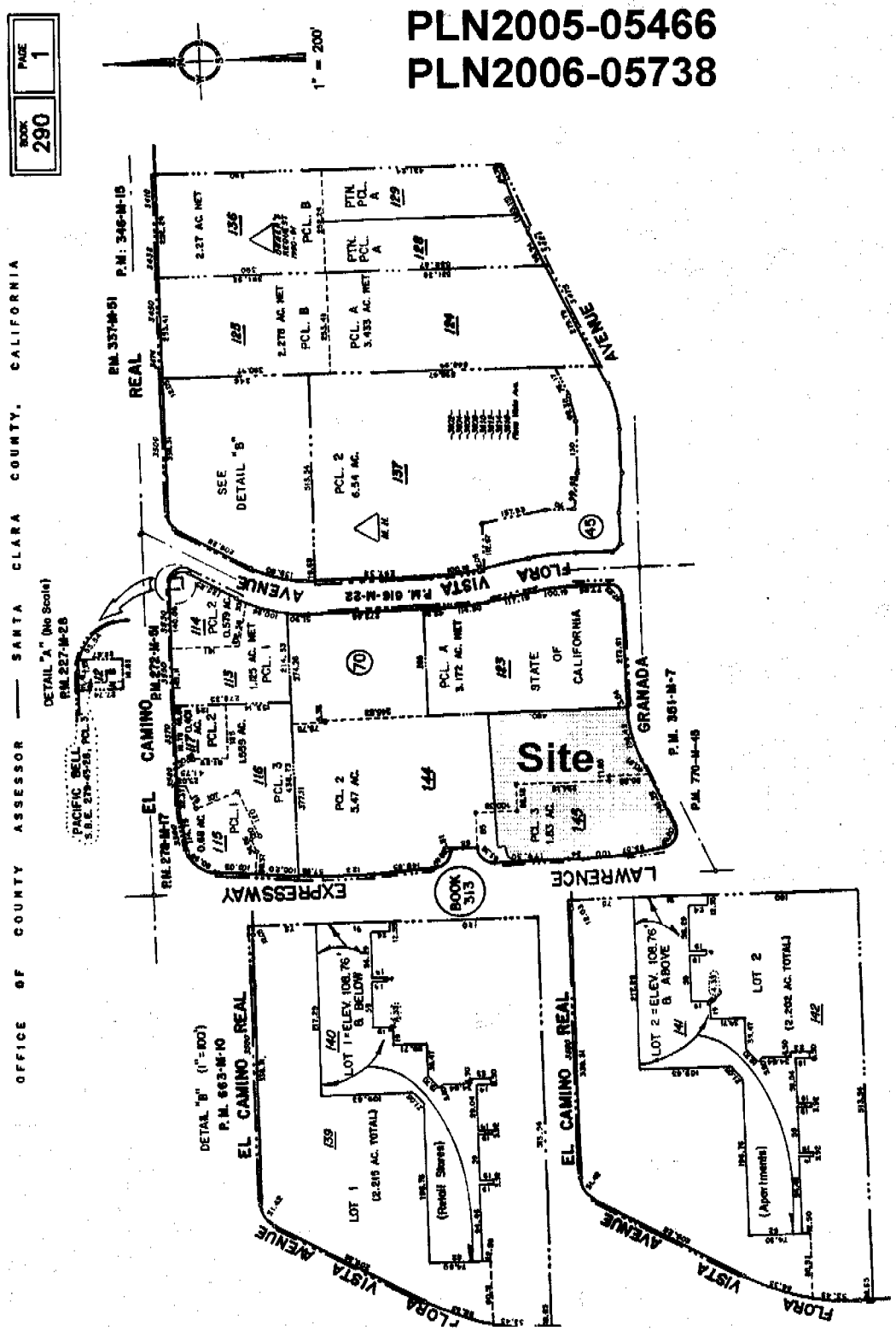
107. The project shall comply with the mitigation measures identified in the Environmental Impact Report for the Marina Playa Residential Project.

108. The project shall comply with the conditions set forth in the Development Agreement for the Marina Playa Residential Project.

109. The multi-family units in the project shall comply with the SCCC 18.22.150 "Additional development standards" section within Regulations for TMU – Transit –Oriented Mixed Use.

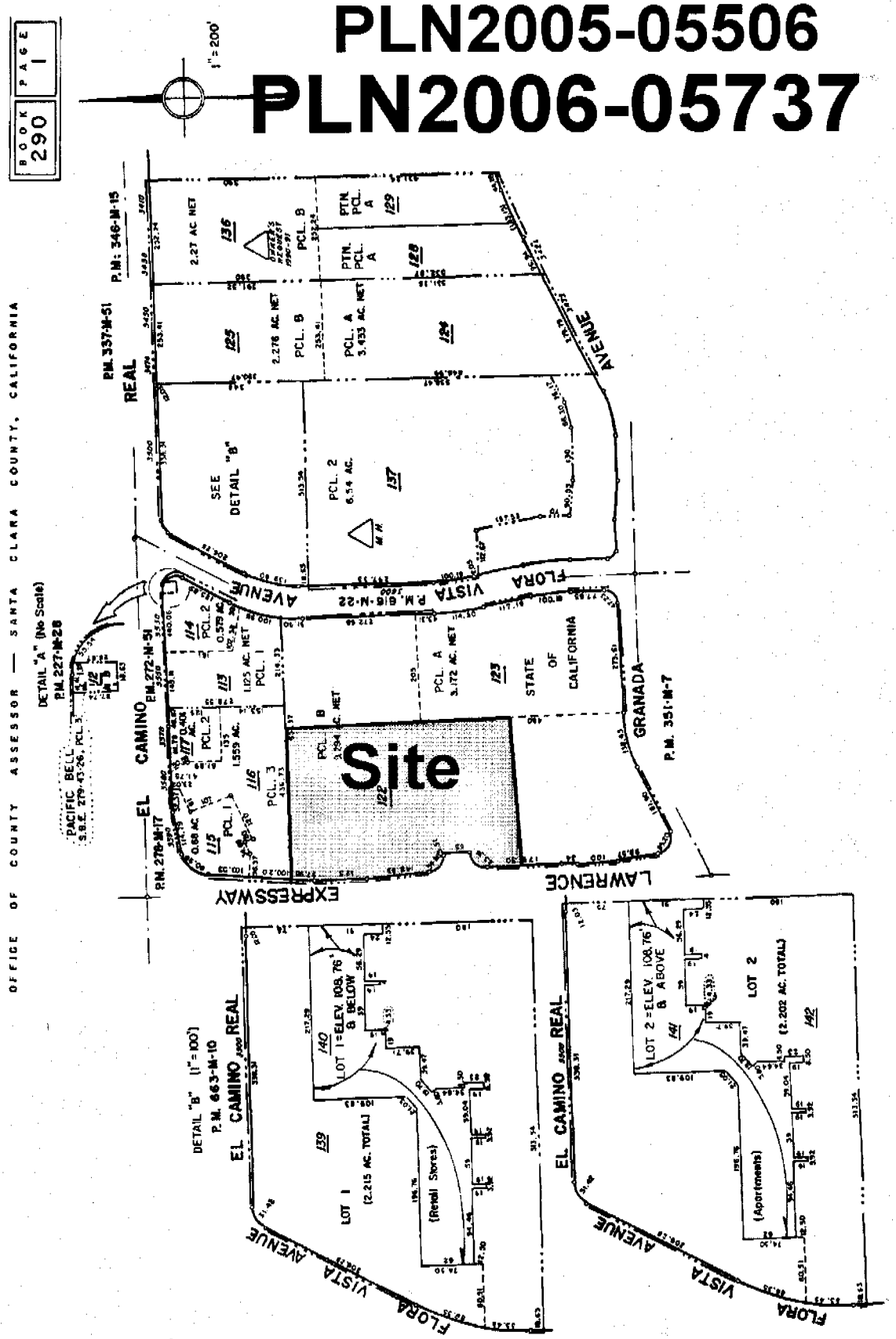
I:\PLANNING\2008\Project Files Active\PLN2005-05466-05506 1331-1333 Lawrence Expway\Tentative Subdivision Map Conditions.doc

PLN2005-05466
PLN2006-05738



Project Clearance/ Subdivision Committee 12/03/07

PLN2005-05506
PLN2006-05737



Conditions Approval as Amended by PC April 23, 2008 BRE Properties/Taylor Morrison
PLN2005/05506/PLN2006-05736/CEQ2007-01049

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, REZONING THE PARCELS LOCATED AT 1331-1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the 1992 General Plan of the City of Santa Clara has designated the property at 1331-1333 Lawrence Expressway in the City of Santa Clara ("Project Site") as Transit-Oriented Mixed Use; and

WHEREAS, the Project Site is currently zoned as PD [OG] (Planned Development/General Office); and

WHEREAS, in order to effectuate the development application for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units ("Project"), all as shown on the Development Plan, attached hereto and incorporated herein by reference as Exhibit A ("Development Plan"), the Project Site needs to be rezoned to PD [TMU] (Planned Development/Transit-Oriented Mixed Use); and

WHEREAS, Santa Clara City Code ("SCCC") Section 18.112.040 provides for the review and recommendation of the City's Planning Commission of all rezoning requests before action by the City Council; and

WHEREAS, SCCC Section 18.112.030 requires that the City Council consider rezoning of a property only after holding a public hearing; and

WHEREAS, SCCC Section 18.112.060 requires that notice of the hearing be given by posting the property in at least three (3) conspicuous places at least ten (10) days prior to the hearing date; and

WHEREAS, SCCC Section 18.112.060 further requires that notice of the hearing be given by mailing notices to property owners, as of the last assessor's roll, within three hundred (300) feet of the boundary of the property; and

WHEREAS, notices describing the proposed rezoning were sent to neighboring property owners on April 11, 2008; and

WHEREAS, notices describing the proposed rezoning were posted at the Project Site on April 11, 2008; and

WHEREAS, following a noticed public hearing on April 23, 2008, for the Project approvals, the Planning Commission adopted Resolution No. 08-004, approving the Final Environmental Impact Report ("FEIR") and recommending to the City Council of the City of Santa Clara that it (1) certify the FEIR; (2) rezone the Project Site to PD [TMU] (Planned Development/Transit-Oriented Mixed Use); (3) approve a tentative map for the northerly 4.16-acre portion of the Project; and (4) adopt an ordinance approving the Development Agreement ("Planning Commission Resolution"); and

WHEREAS, the Project entitlements will include Resolution No. _____ ("FEIR Resolution"); Resolution No. _____ ("Tentative Map Resolution"); Ordinance _____ ("Development Agreement Ordinance") and this Rezoning Resolution (collectively "Entitlements"); and

WHEREAS, before considering the rezoning of the Project Site, the City Council reviewed and considered the information contained in the FEIR for the Project (SCH #2007102131); and

WHEREAS, the City Council finds that the mitigation measures identified in the FEIR have been incorporated into the FEIR and imposed on the Project, sufficient to mitigate or avoid the significant environmental effects and that there are specific economic, social and other considerations which make infeasible the project alternatives that would avoid or mitigate the environmental impacts; and

WHEREAS, the City Council has reviewed the requested rezoning of the Project Site and conducted a public hearing.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the Project Site, consisting of approximately 7.36 acres, is hereby rezoned from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use).

2. Pursuant to SCCC Section 18.12.110, the City Council finds and determines that the public necessity or convenience of the general welfare require the rezonings set forth above in order to conserve property values, protect or improve the existing character and stability of the area in question, promote the orderly and beneficial development of such area, and allow imaginative planning and design concepts to be utilized which would otherwise be restricted in other zoning districts.

3. That, based on the findings set forth in this Rezoning Resolution, the FEIR Resolution, and the evidence in the City Staff Report, the City Council hereby rezones the Project Site as set forth herein.

4. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF MAY, 2008, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Plan
I:\DATA\WP\RESOLUTIONS\MARINA PLAYA\Reso Rezon Parcels 05-07-08.doc

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: DON REBER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-6555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

THE GUZZARDO PARTNERSHIP, INC.
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY

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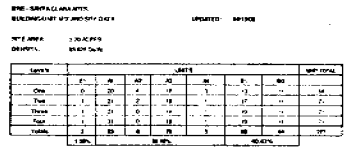
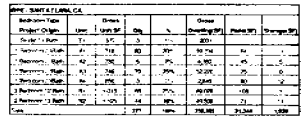
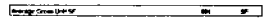
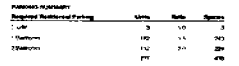
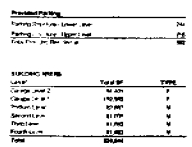
PROJECT SUMMARY:

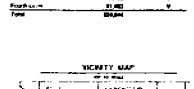


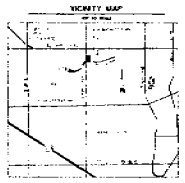












A-0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

DESIGN SUBMITTAL

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860

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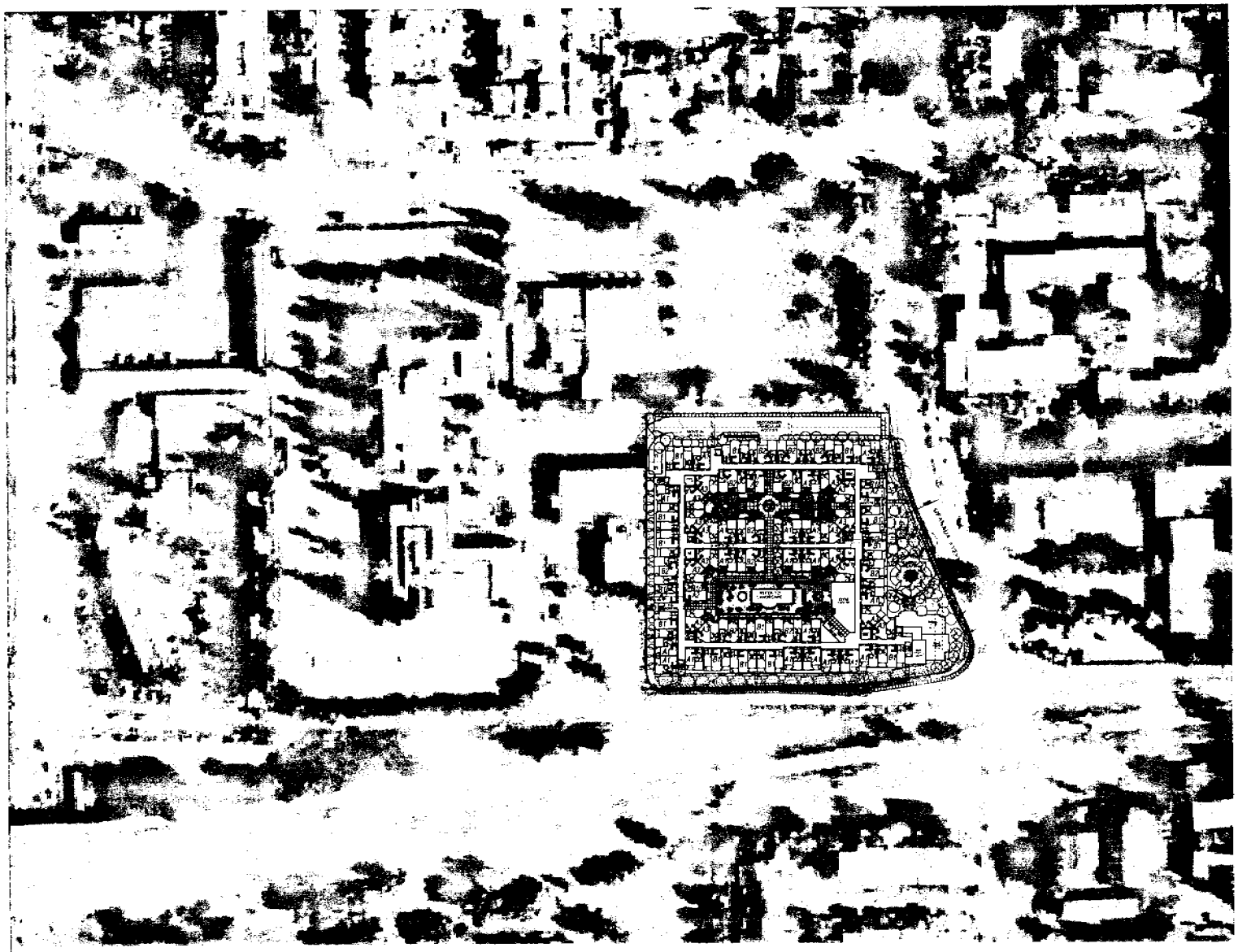

NORTH

COMPOSITE SITE PLAN

0' 50' 100' 150'

SCALE: 1/50" = 1'-0"

A-1

2004-113 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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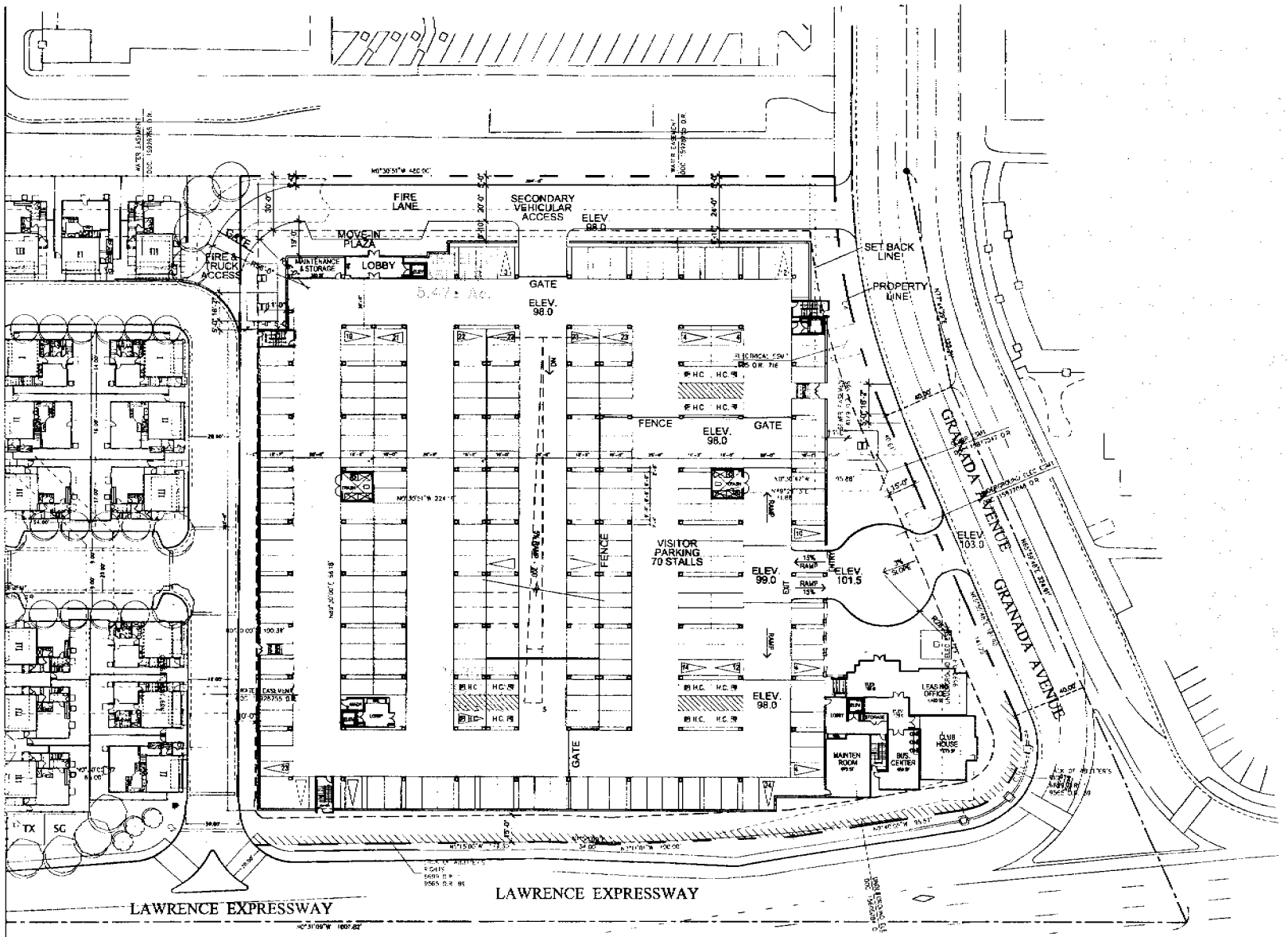

NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-1.1

2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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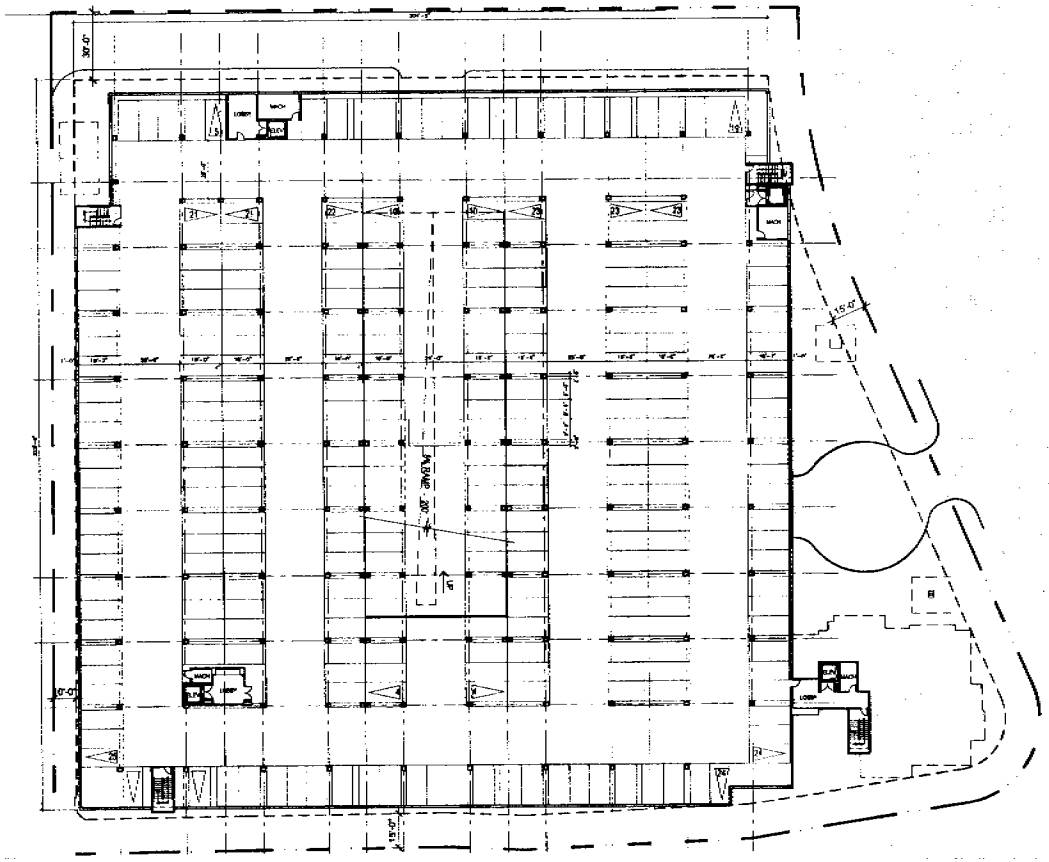

NORTH

GARAGE
LEVEL 02

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-2

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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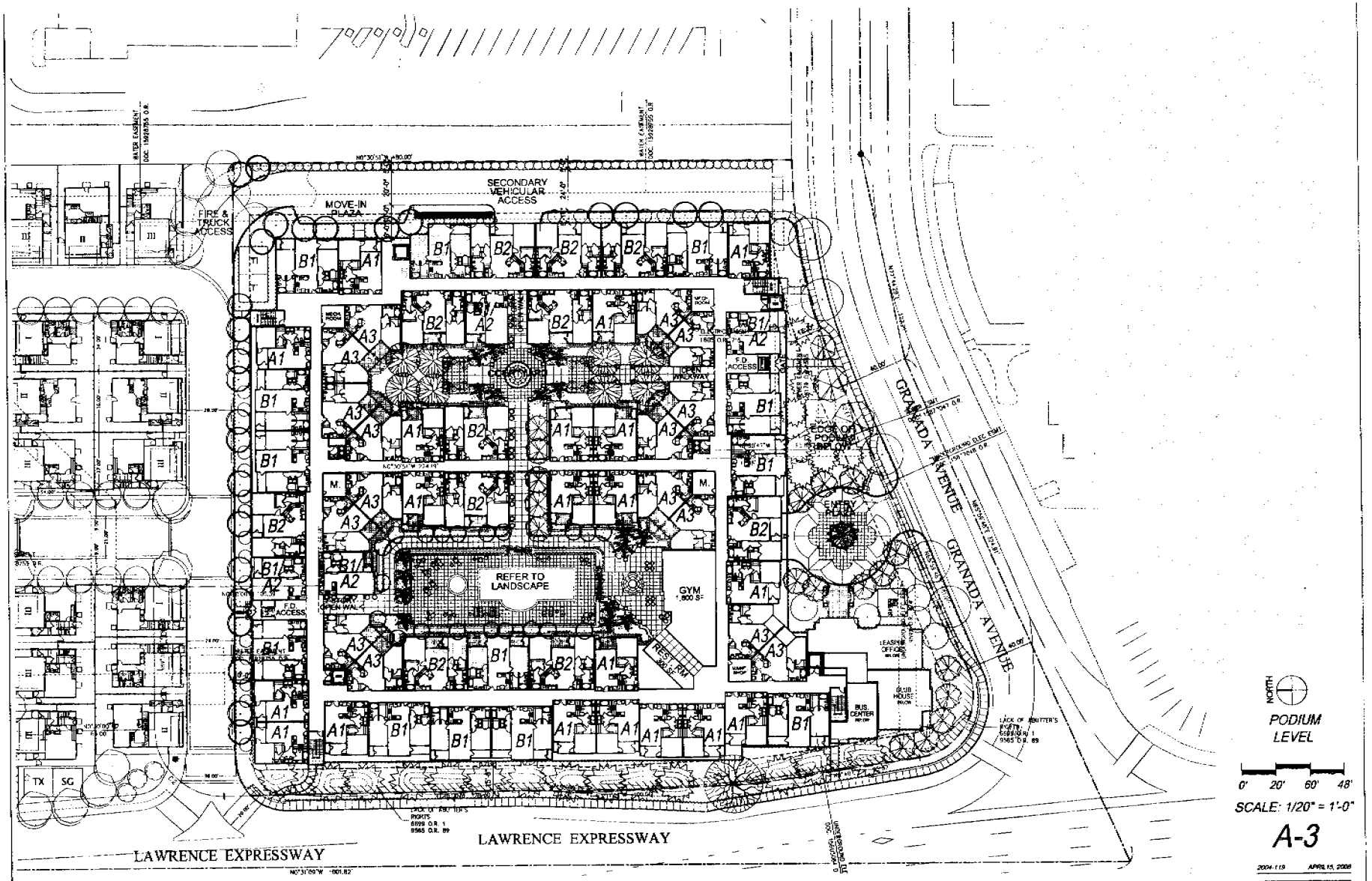

NORTH

PODIUM LEVEL

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-3

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

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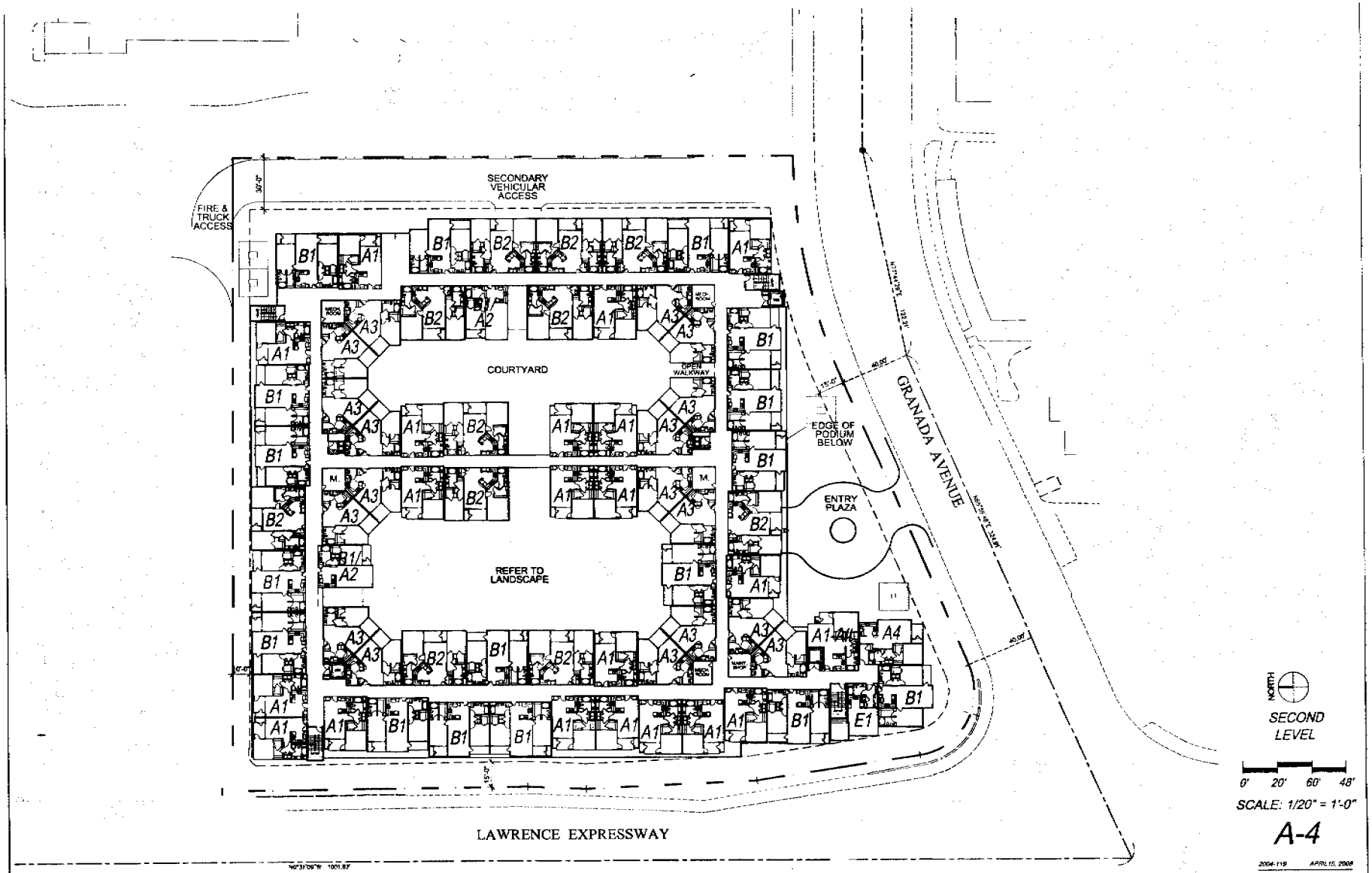

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

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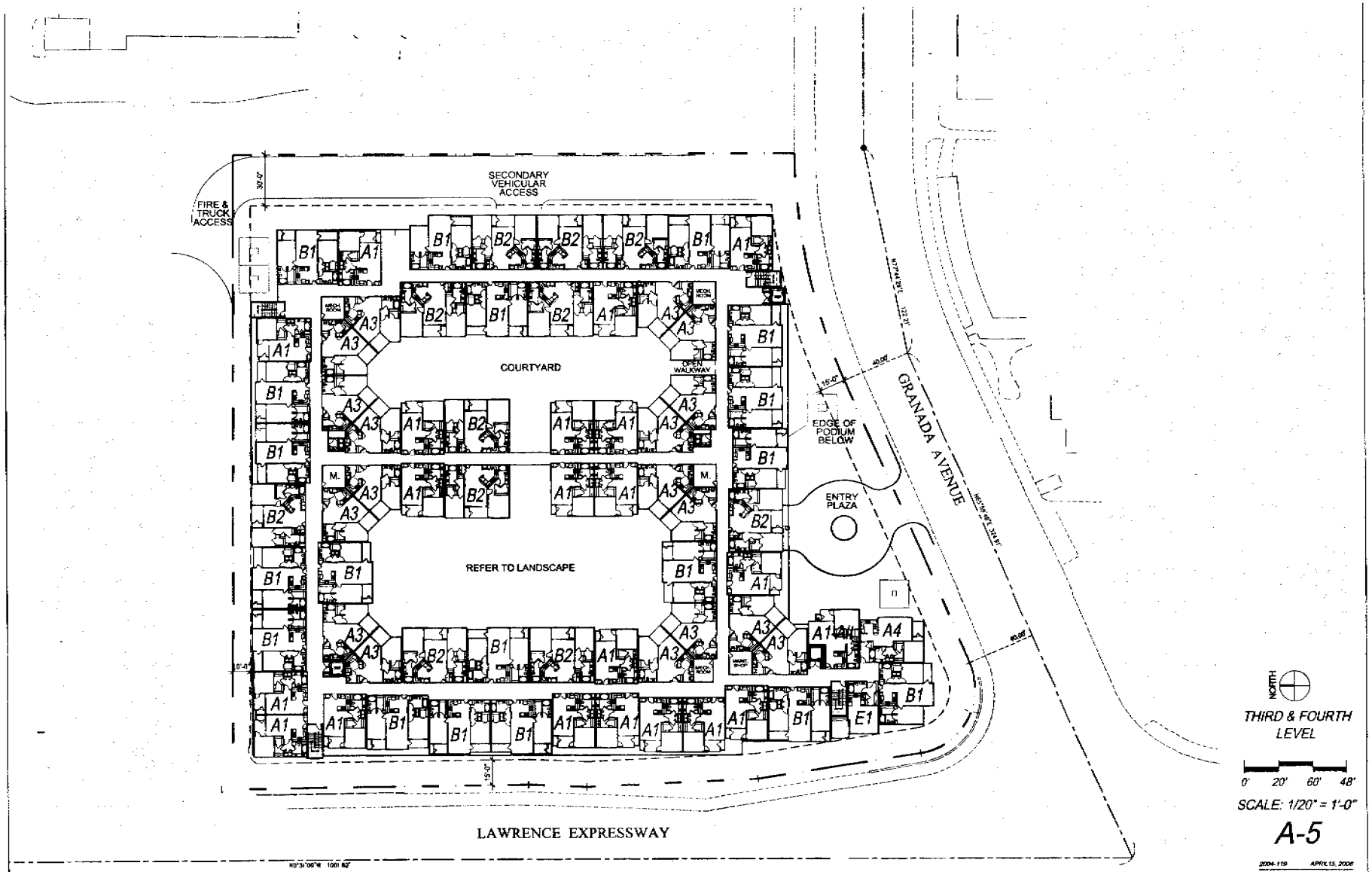
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9860



THIRD & FOURTH LEVEL

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-5

2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE

144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9660

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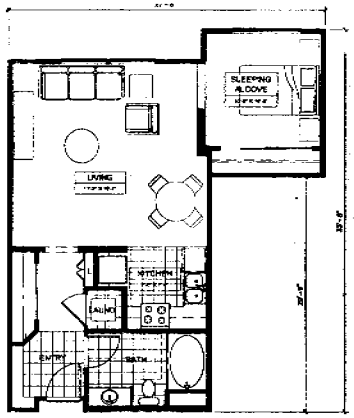
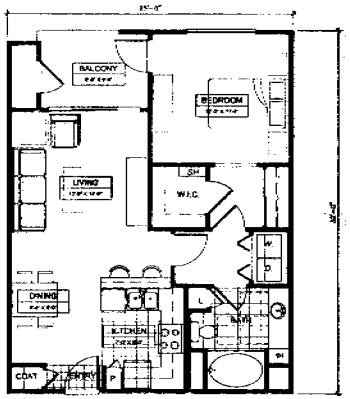


UNIT E1

STUDIO - 1 BATH

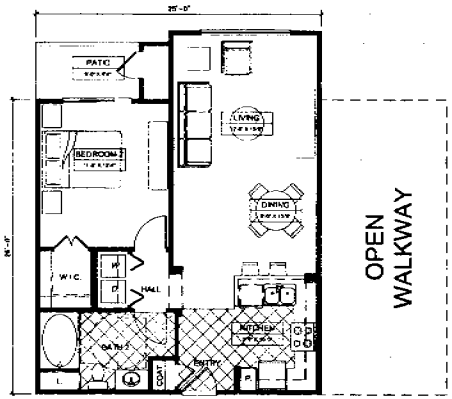
LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: -- SQ. FT.



UNIT A1

1 BEDROOM - 1 BATH

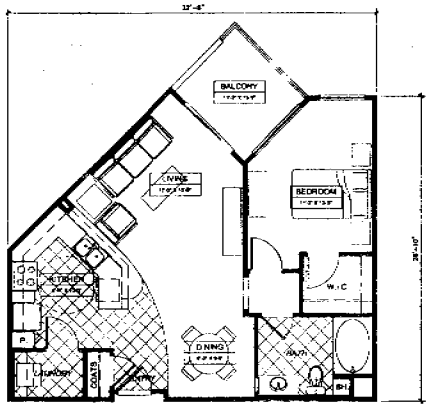
LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



UNIT A2

1 BEDROOM - 1 BATH

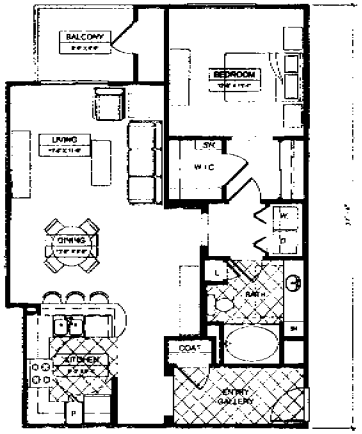
LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



UNIT A3

1 BEDROOM - 1 BATH

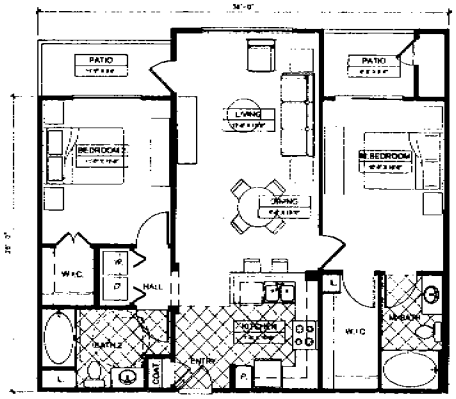
LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



UNIT A4

1 BEDROOM - 1 BATH

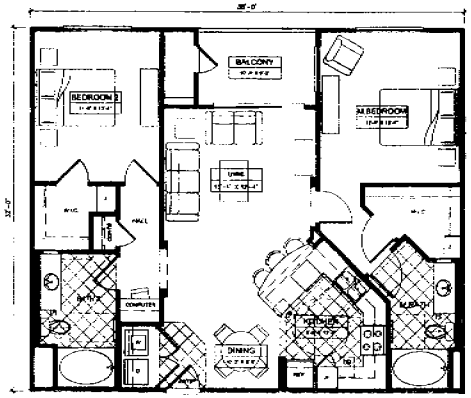
LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1

2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2

2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

A-6

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
575 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-9660

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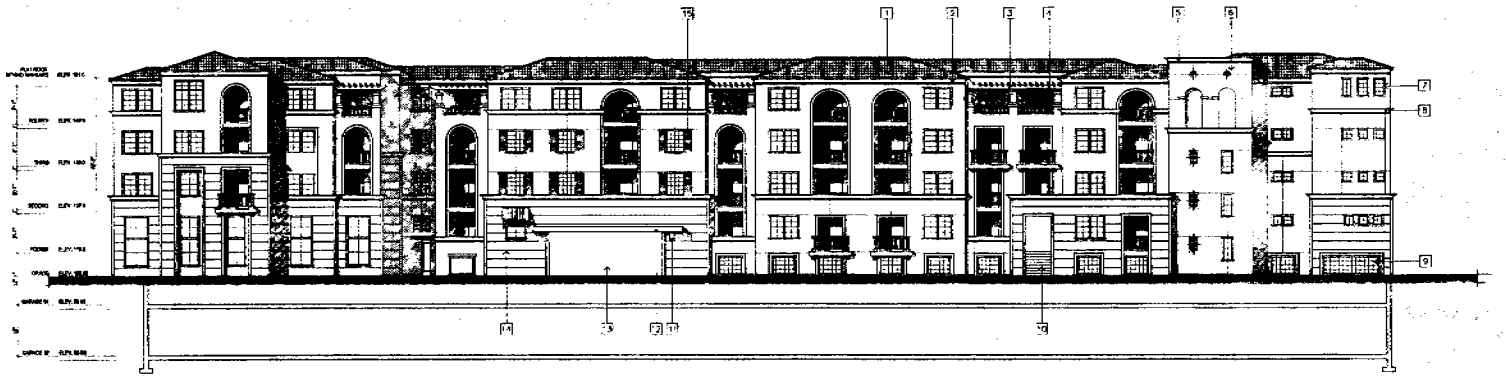

GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND	
	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	LIGHT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	FAUX VENT DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	MAIN VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.0

2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
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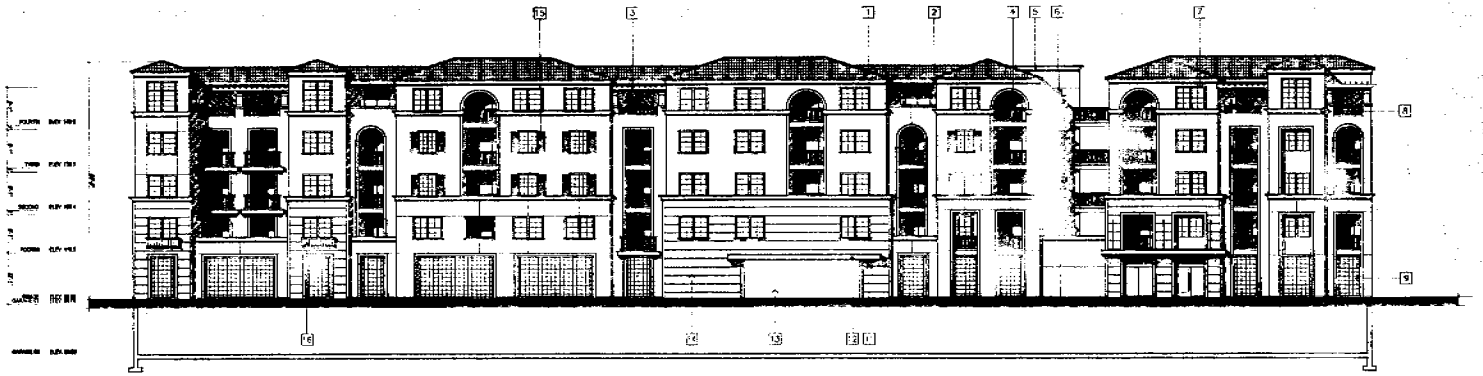

CONCEPTUAL EAST ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TRAVIT FASCIA
3	TRELLIS
4	WROUGHT IRON RAILING
5	STUCCO DETAIL
6	DECORATIVE GRILL
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	SECONDARY VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS
16	DECORATIVE PLANTER BOX

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.1

2004-110 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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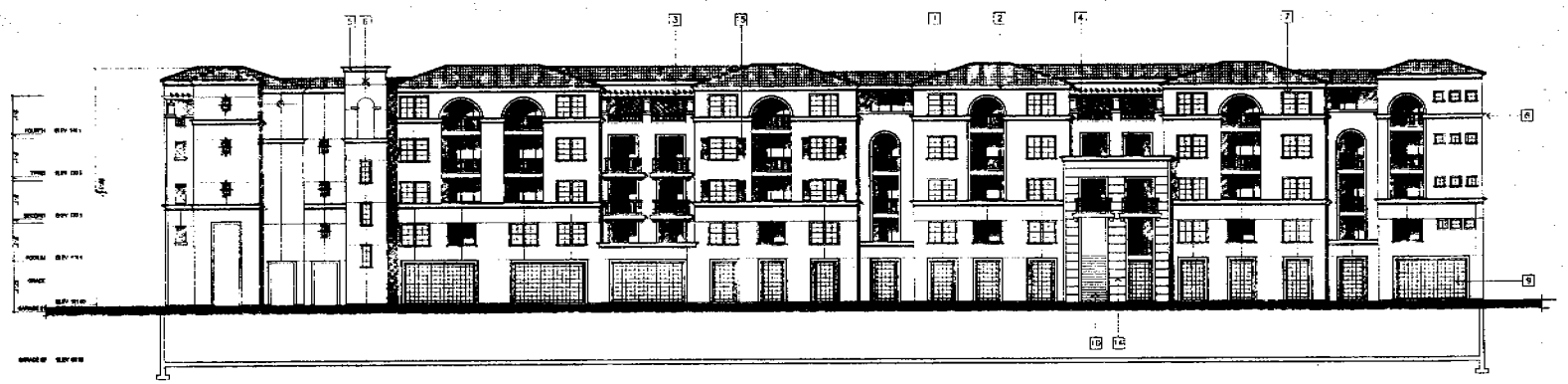

CONCEPTUAL NORTH ELEVATION

MATERIALS AND FINISH LEGEND

	DESCRIPTION
1	CLAY BARREL TILE ROOF
2	TRIM FASCIA
3	TRIM LIS
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL AWNINGS
8	DECORATIVE FENAL TRIM
9	DECORATIVE GARAGE GRILL
10	FIRE DEPARTMENT ACCESS
11	DECORATIVE CORBELS
12	METAL AWNING
13	NEW VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE BALUSTERS

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.2

2004-115 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE

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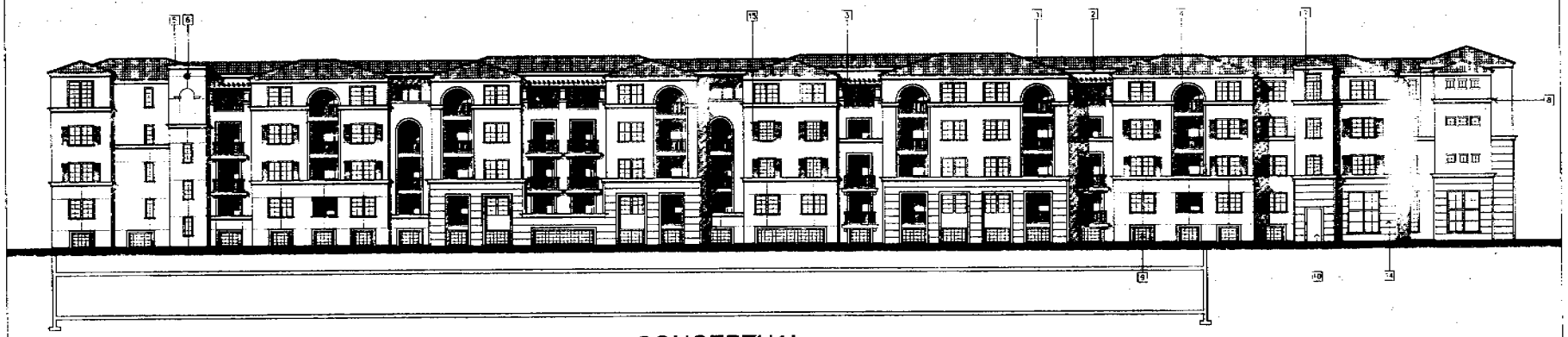

CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

1	CLAY BARREL TILE ROOF
2	FOAM FASCIA
3	"SPLIT"
4	WROUGHT IRON RAILING
5	PARAPET DETAIL
6	DECORATIVE MEDALLION
7	VINYL WINDOWS
8	DECORATIVE FOAM TRIM
9	DECORATIVE (MUNICIPGREY)
10	STAIR EXIT
11	DECORATIVE CORBELS
12	METAL AWNING
13	MAIN VEHICLE ACCESS
14	SCORE LINES
15	DECORATIVE SHUTTERS

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.3

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

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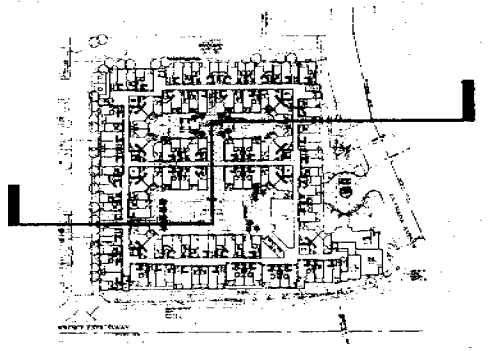

KEY

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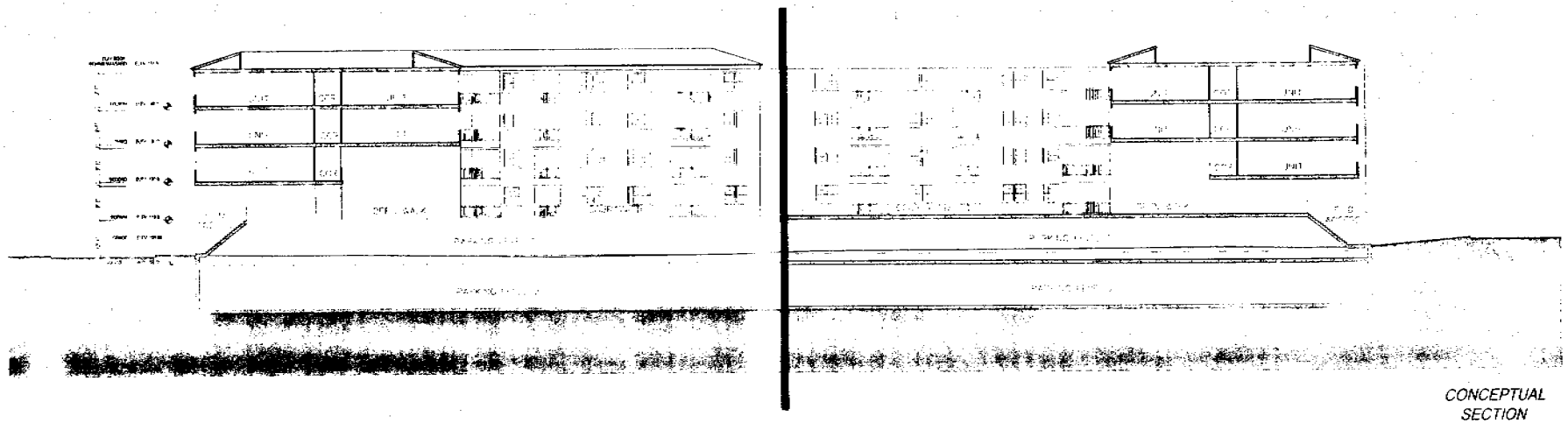

CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-8.0

2004-119 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

525 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE

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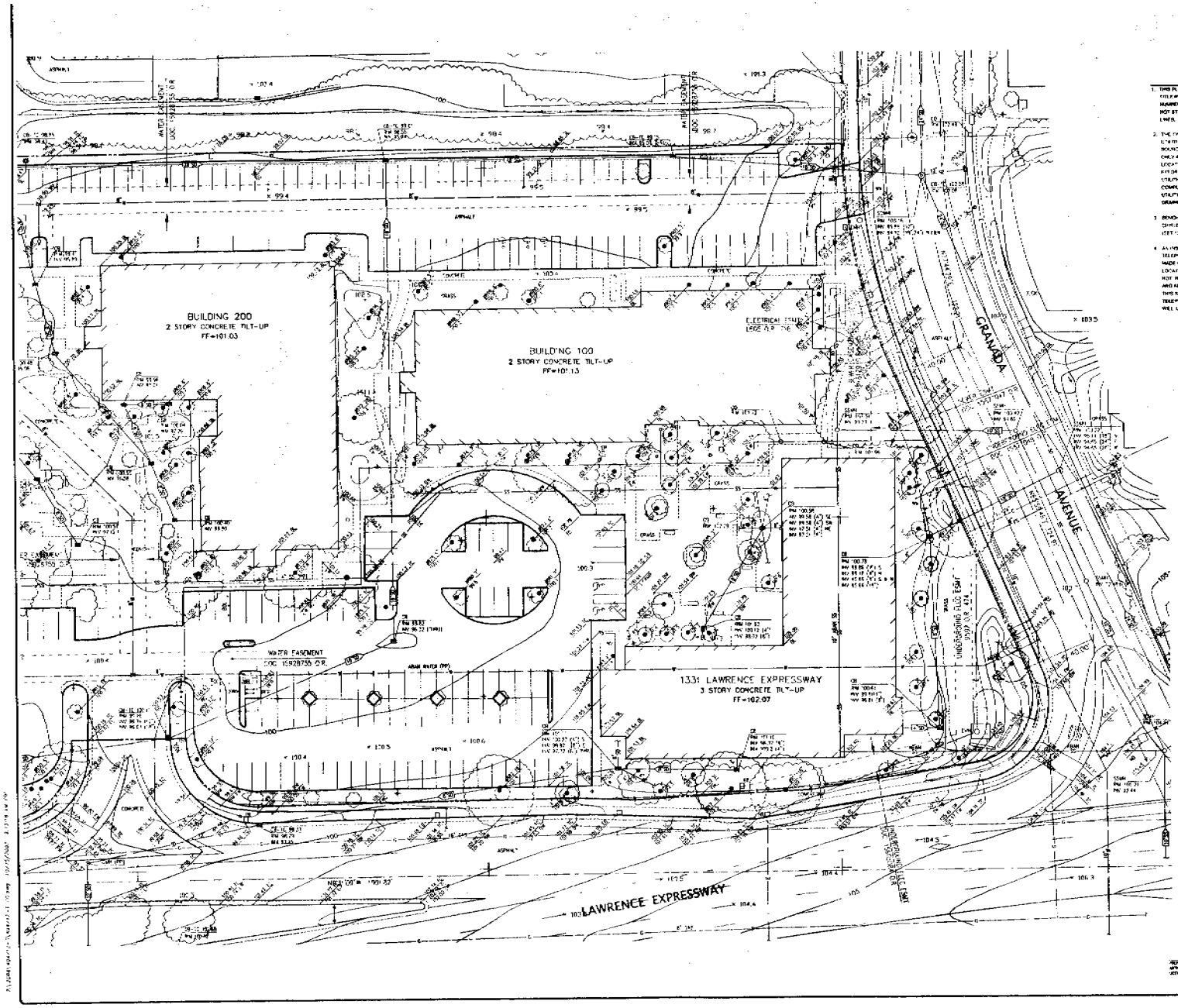


0 20 40 60

Scale 1" = 20'-0"

NOTES

1. THIS PLOT WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY FIRST AMERICAN TITLE ON 12/31/2005 REFERENCE: [illegible] NO WARRANTY IS ASSUMED FOR MATTERS OF RECORD NOT STATED IN SUCH PRELIMINARY TITLE REPORT THAT MAY AFFECT THE TITLE LINES, DEFINITIONS, OR EASEMENTS OF THE PROPERTY.

2. THE TYPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC SURVEY WERE OBTAINED FROM SOURCES OF VARYING RELIABILITY. THE CONTRACTOR IS CAUTIONED THAT ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, EXTENT, SIZES, LOCATIONS AND DEPTHS OF SUCH UNDERGROUND UTILITIES. A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND DELINEATE ALL KNOWN UNDERGROUND UTILITIES. HOWEVER, THE ENGINEER CAN ASSUME NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF THE DELINEATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS.

3. BENCHMARK: LAWRENCE EXPRESSWAY AND GRANADA, SOUTHEAST CORNER CHISELED SQUARE ON TOP OF CURB. BASIS AT REPLACEMENT LAWRENCE EXPRESSWAY (FEET-13-2040) ELEVATION= 109.27

4. AN INSPECTION OF THE SUBJECT PROPERTY HAS REVEALED THAT THERE ARE TELEPHONE MARKERS ON OR NEAR THE SUBJECT PROPERTY. A REQUEST WAS MADE OF THE TELEPHONE COMPANY FOR INFORMATION REGARDING THE LOCATION OF THEIR FACILITIES ON THIS SITE. AS OF JANUARY 4, 2006 THEY HAD NOT RESPONDED WITH THIS INFORMATION. UNTIL WE RECEIVE THIS INFORMATION AND ARE ABLE TO DELINEATE THESE FACILITIES, ALL PARTIES SHOULD CONSIDER THIS SURVEY AS PRELIMINARY WITH REGARDS TO THE LOCATION OF THE TELEPHONE FACILITIES. UPON RECEIPT OF THIS INFORMATION KIER & WRIGHT WILL UPDATE THIS SURVEY AND REISSUE IT.

LEGEND

- PROPERTY LINE
- ADJACENT PROPERTY LINE
- CENTERLINE
- EASEMENT
- FWC STANDARD CITY MONUMENT
- ELEVATOR
- FIRE HYDRANT
- STORM DRAIN MANHOLE
- MANHOLE
- UTILITY POLE
- VALVE
- CATCH BASIN
- FIRE DEPARTMENT CONNECTION
- BACK FLOW PREVENTER
- POST INDICATOR VALVE
- WELL
- SPOT HIGHT AND ELEVATION
- SPOT ELEVATION
- CONTOUR
- INDEX CONTOUR
- CURB & GUTTER
- CONCRETE
- FENCE
- WHALE PIPE AND BRUSH
- SS SANITARY SEWER
- SD STORM DRAIN
- W WATER
- G GAS
- TS TIRE SERVICE
- E UNDERGROUND ELECTRIC
- BUILDING
- EDGE OF PAVEMENT
- WALL

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	BR	BRICK BENCH
AGB	AIR GAP BREAK	BW	WATER ELEVATION
BC	BACK OF CURB	B-U	BACKHOE TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BLDG	BUILDING	NE	NORTHEAST
BOL	BOLLARD	OE	OVERHEAD WIRING
BOW	BACK OF WALK	OAK	OAK
CB	CATCH BASIN	PEL	PAD ELEVATION
CBGW	CURB GUTTER & SIDEWALK	S	SOUTH
CC	CONCRETE	SDMH	STORM DRAIN MANHOLE
CO	CLEANOUT	SE	SOUTHEAST
DW	DRIVEWAY	ST	STREET LIGHT
EOP	EDGE OF PAVEMENT	SSMH	SANITARY SEWER MANHOLE
EB	ELECTRIC BOX	SW	SOUTHWEST
EP	ELECTRIC PEDESTAL	TC	TOP OF CURB
EM	ELECTRIC MANHOLE	TW	TOP OF WALL
FF	FINISH FLOOR	PG	POLE GUYS
FG	FINISH GRADE	TSB	TRAFFIC SIGNAL BOX
FOS	EDGE OF SIDEWALK	FW	FACE OF WALL
FL	FLOW LINE	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FW	FLOW LINE	WV	WATER VALVE
F	FENCE	WM	WATER METER
FW	FACE OF WALL		

PREPARED BY OR UNDER THE SUPERVISION OF
ANTHONY D. ACCARTO, L.S. 5844
LICENSE EXPIRES: 12-31-06

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1333 Queen Lane, Suite 115
Pleasanton, California 94566
(925) 249-9191
Fax (925) 249-9193

NO	DATE	REVISION	BY	NO
1	9/11/2006	REVISED PER COMMENTS		1
2	9/11/2006	REVISED PER CITY COMMENTS		2
3	10/27/2006	CITY COMMENTS		3
4	06/07/2007	REVISED PER APPROVAL		4

TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 20'
SURVEYOR	AEM
JOB NO.	204212
SHEET	C1
OF	SHEETS

BUILDING REMOVAL NOTES:

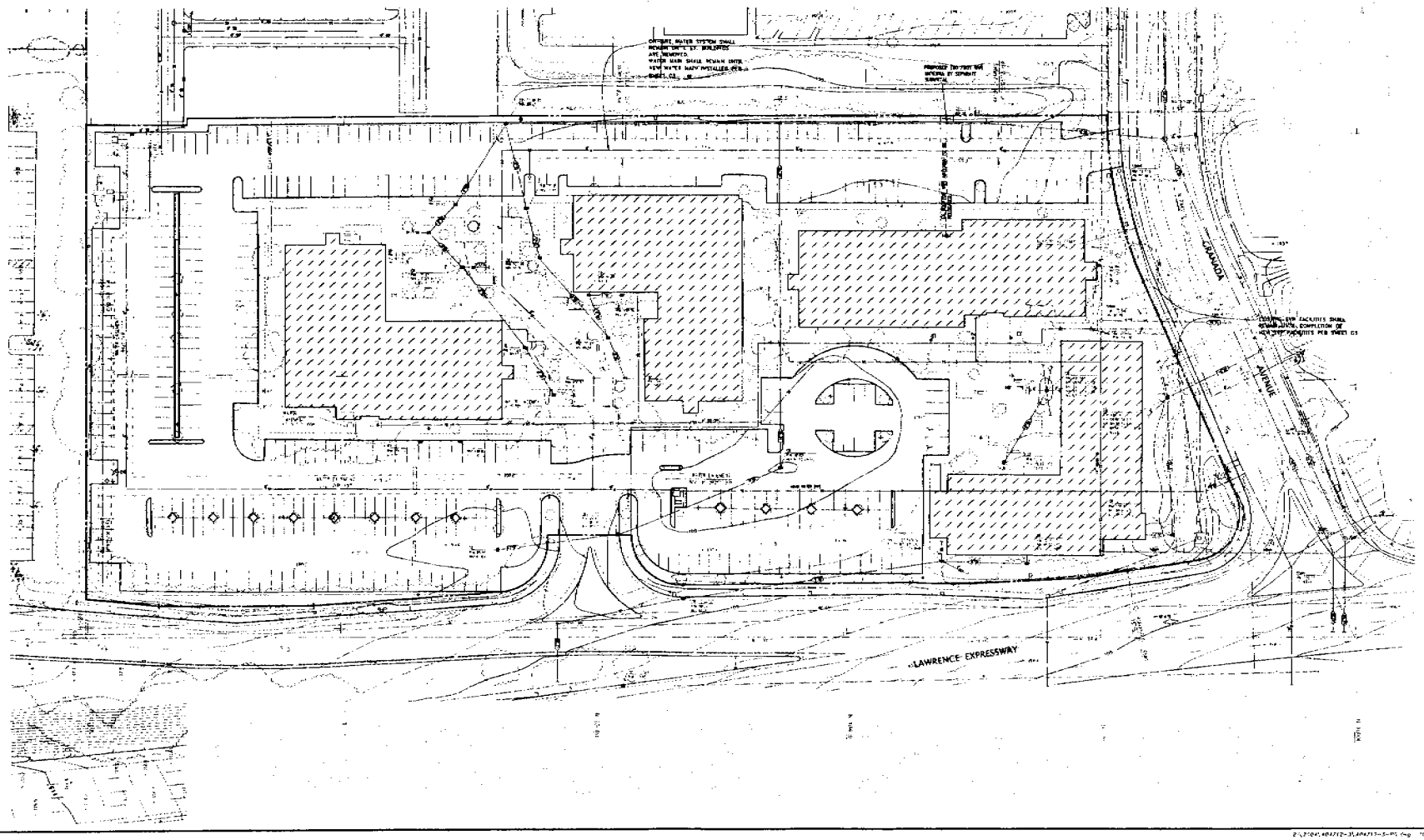
1. ON-SITE FIRE SYSTEM SHALL REMAIN ACTIVE UNTIL DEMOLITION OF BUILDINGS.
2. MAIN SVP FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY TAYLOR-MORRISON HOMES.
3. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

0 20 40 80

Scale 1" = 30 ft

LEGEND

EXISTING BUILDING TO BE DEMOLISHED



REVISION	BY	DATE

ISSUE	BY	DATE
08/27/2002 - CITY SUBMITTAL		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1333 Quarry Lane, Suite 115
Pleasanton, California 94566
(925) 398-8551
fax (925) 398-8553

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 30'
DESIGNED	BA
JOB NO	A35221-3
SHEET	C2
OF	SHEETS

Z:\35221\A35221-3\A35221-3-PD.dwg 10/25/2002 4:15:18 AM PDT

ELEC. & WATER MAIN NOTES:

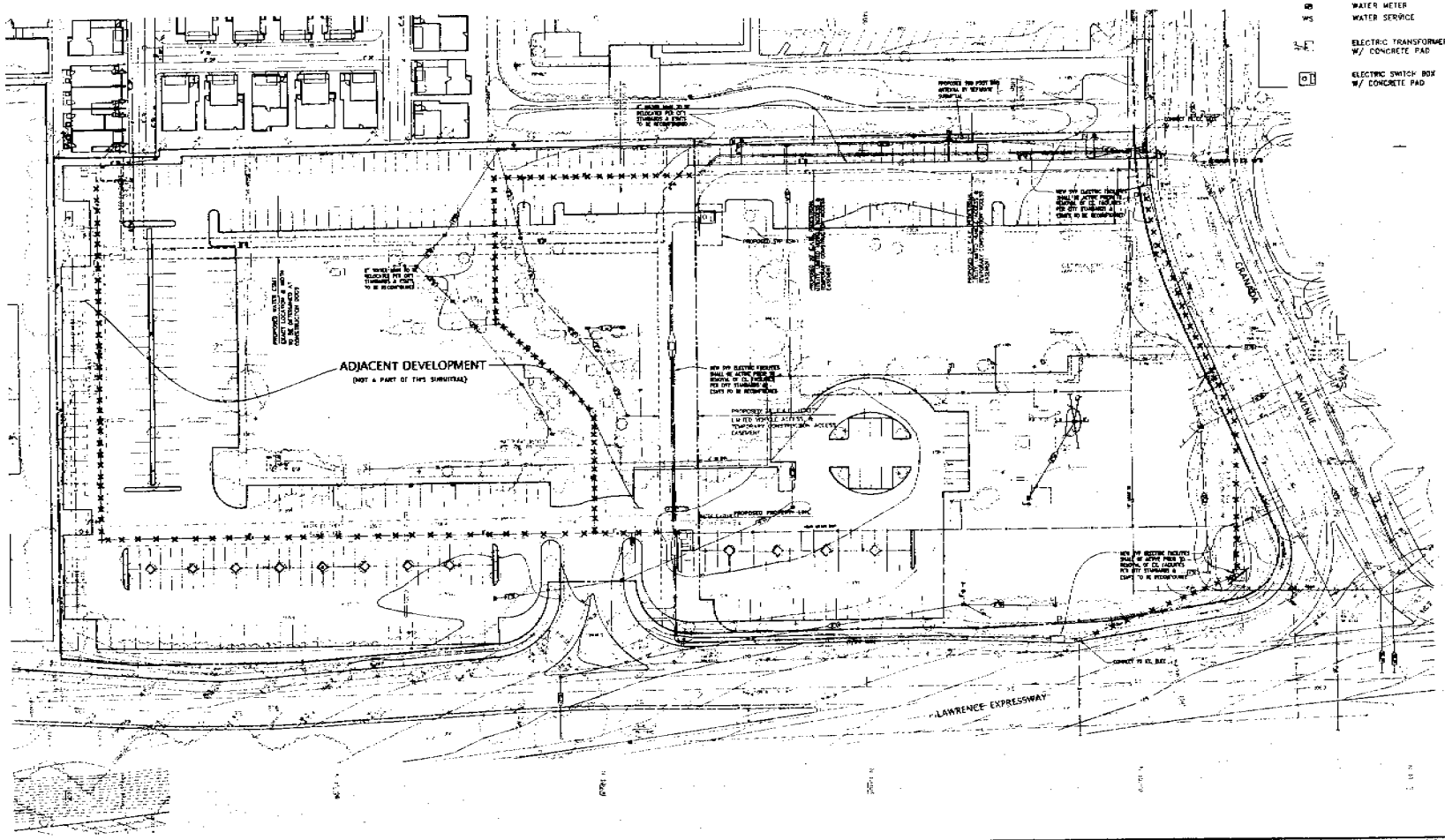
1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE REQ'D FOR THE SANTA CLARA CROSSINGS PROJECT BY BRE PROPERTIES ONLY. IMPROVEMENTS RELATED TO ADJACENT DEVELOPMENT ARE SHOWN ON PLANS FROM TAYLOR-WOODROW HOMES. SEE SHEET C6 FOR DETAILED PRELIMINARY LAYOUT.
2. EXISTING ON-SITE FIRE SYSTEM SHALL REMAIN UNTIL ACTIVE DEMOLITION OF BUILDINGS.
3. MAIN SVC FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW RELOCATED FACILITIES SHOWN ON SHEET C3 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS DIFFERENT UTILITY REQUIREMENTS. SEE PLANS BY OTHERS.
4. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.
5. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

0 30 60 90

SCALE: 1" = 30' ft

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
—	BACK FLOW PREVENTION DEVICE
X—X	EXISTING UTILITY TO BE ABANDONED BY REMOVAL
✦	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD



REVISION		
1	06/22/07	CITY SUBMITTAL

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3970 Rivermark Parkway, Suite 145
Santa Clara, California 95054
Tel: (408) 496-6000
Fax: (408) 246-5593

PRELIMINARY ELECTRICAL AND WATER PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

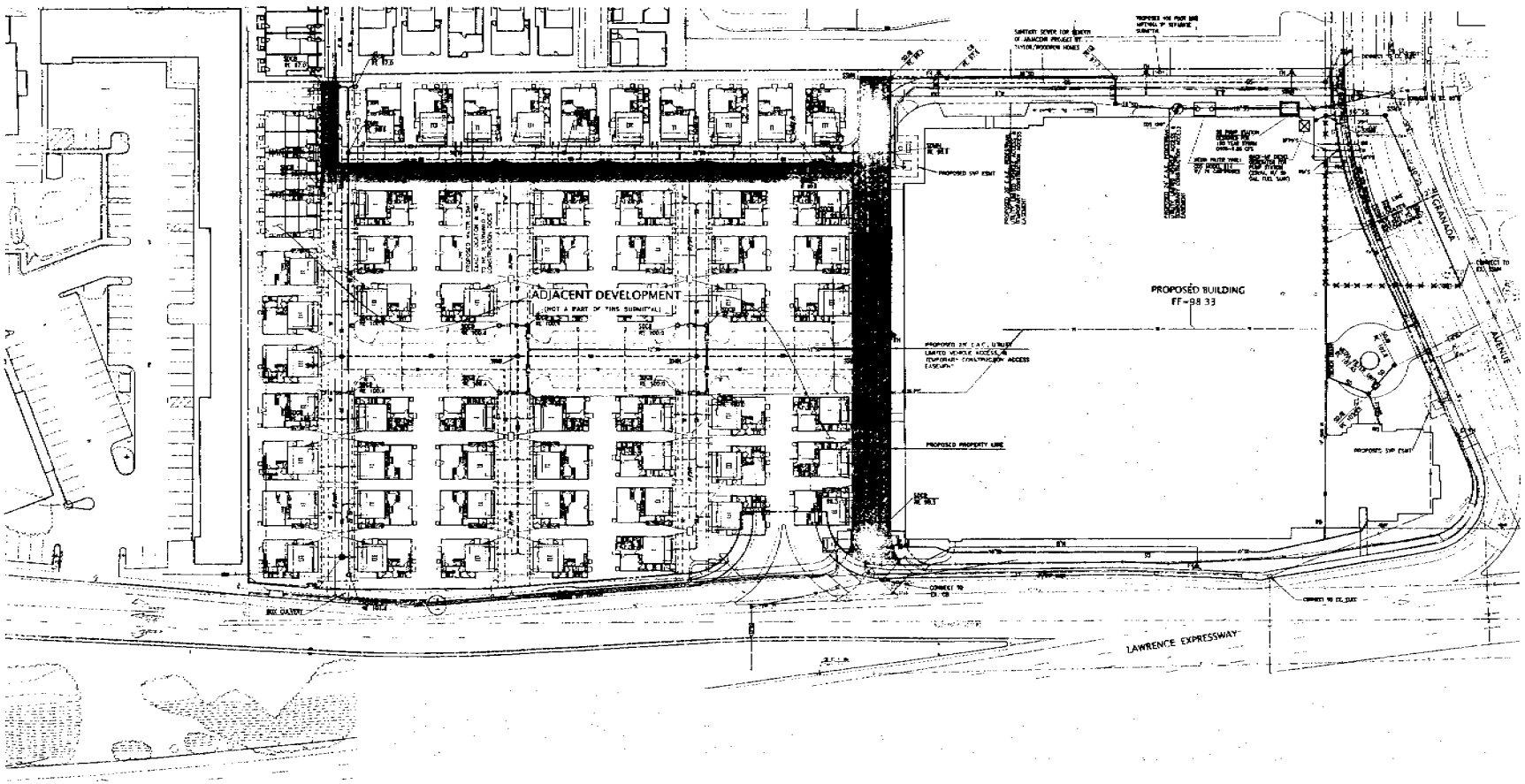
DATE	APRIL, 2006
SCALE	1" = 10'
DESIGNED	KK
JOB NO.	3067-12-3
SHEET	C3
OF	SHEETS

OVERALL IMPROVEMENT PLAN NOTES:

1. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE SHEET C6 FOR DETAILED PRELIMINARY UTILITY LAYOUT. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

LEGEND

JOINT TRENCH/ SVP TRENCH BY OTHERS	AREA DRAIN
STORM DRAIN LINE BY OTHERS	CATCH BASIN
SEWER LINE BY OTHERS	STORM DRAIN JUNCTION BOX
WATER LINE BY OTHERS	FLOW LINE
ELECTRIC TRANSFORMER W/ CONCRETE PAD	PAVEMENT
ELECTRIC SWITCH BOX W/ CONCRETE PAD	FINI ELEVATION
EASEMENT OF ADJACENT PROPERTY BEYOND PRIME PROJECT	STORM DRAIN LINE
	SANITARY SEWER
	WATER LINE
	JOINT TRENCH/SVP TRENCH
	TOP OF CURB



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 COLLEGE AVENUE, SUITE 1, SANTA CLARA, CALIFORNIA 95051
Phone (408) 727-1122 Fax (408) 249-6643
Pleasanton, California 94566

PRELIMINARY OVERALL IMPROVEMENT PLAN

OF

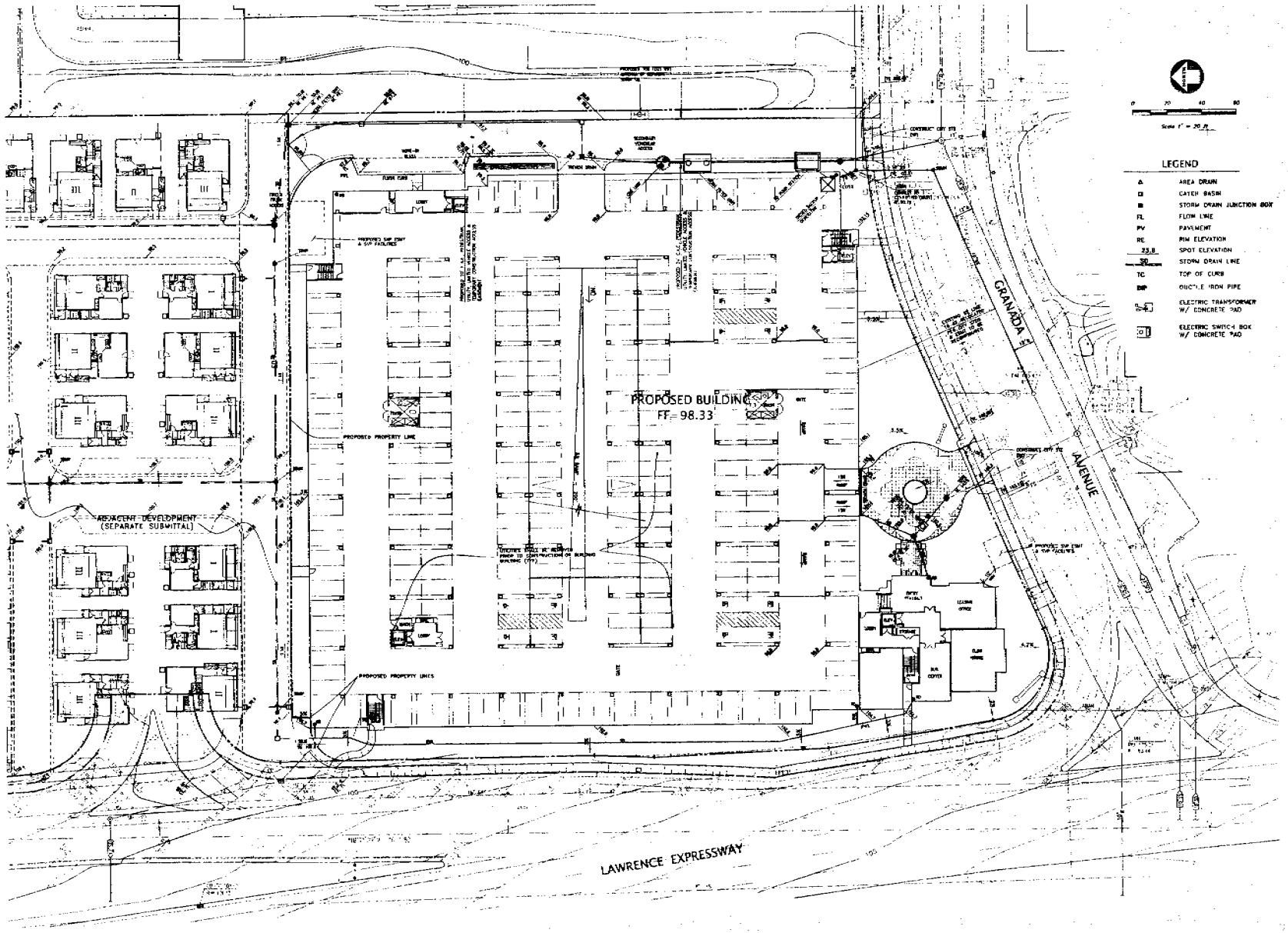
1331-1333 LAWRENCE EXPRESSWAY

FOR

BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 30'
DESIGNED	SMC
JOB NO.	2342.3-1
SHEET	C4
OF	SHEETS



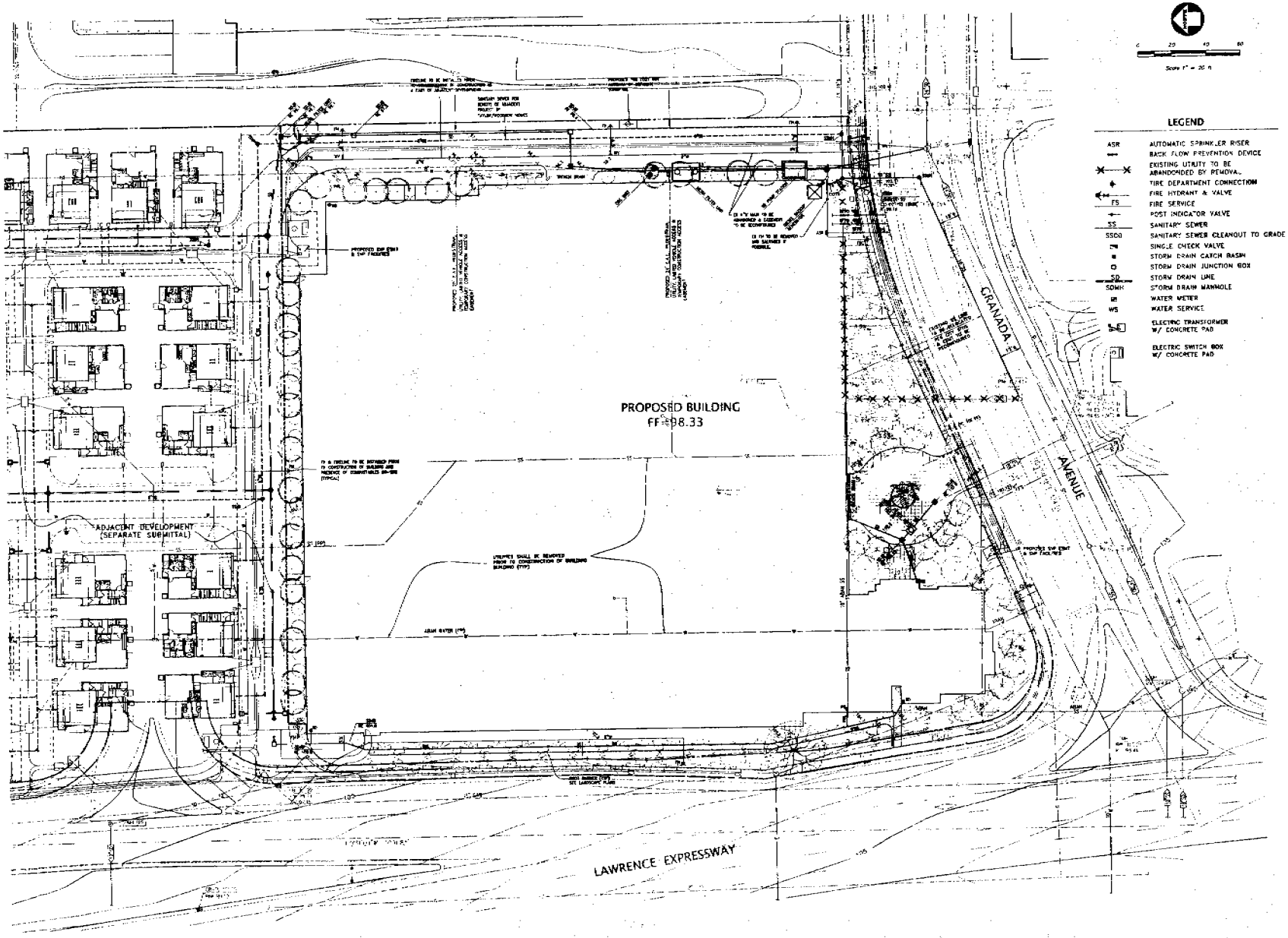
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1775 Sunset Lane, Suite 115
Pleasanton, California 94566
(925) 249-6411
Fax (925) 249-6593

SYMBOL	DESCRIPTION	BY	CHK
1	11/17/06 REVISION TO CITY COMMENTS	SS	
2	11/17/06 REVISION UTILITY COMMENTS	SS	
3	06/12/07 CITY SUBMITTAL		
4	10/29/07 WITH ATB LAYOUT		

PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL 2006
SCALE	1" = 20'
DESIGNED	MAK
JOB NO.	604312-1
SHEET	C5
OF	SHEETS



NO.	DATE	REVISION	BY
1	8/7/2006	RESPONSE TO CITY COMMENTS	
2	11/17/2006	RESPONSE TO CITY COMMENTS	
3	3/12/2007	CITY SUBMITTAL	
4	10/10/2007	MEDIA FILTER UPDATE	

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collen Street, San Jose, California 95128
Pleasanton, California 94566 Fax (925) 249-9561

PRELIMINARY UTILITY PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE	APRIL, 2006
SCALE	1" = 20'
DESIGNED	JMC
JOB NO.	4040212-2
SHEET	C6
OF	SHEETS

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (AC.)	AREA (S.F.)	% SITE
TOTAL TREATED AREA	3.10 AC.	134,700 S.F.	100%
1. SELF-TREATED	0.55 AC.	24,700 S.F.	17.8%
2. PAVEMENT/HARDSCAPE	0.15 AC.	7,000 S.F.	7.0%
3. ROOF AREA TO MEDIA FILTER	2.38 AC.	103,000 S.F.	74.8%
UNTREATED AREA	0.00 AC.	0 S.F.	0%
TOTAL SITE AREA	3.10 AC.	134,700 S.F.	100%

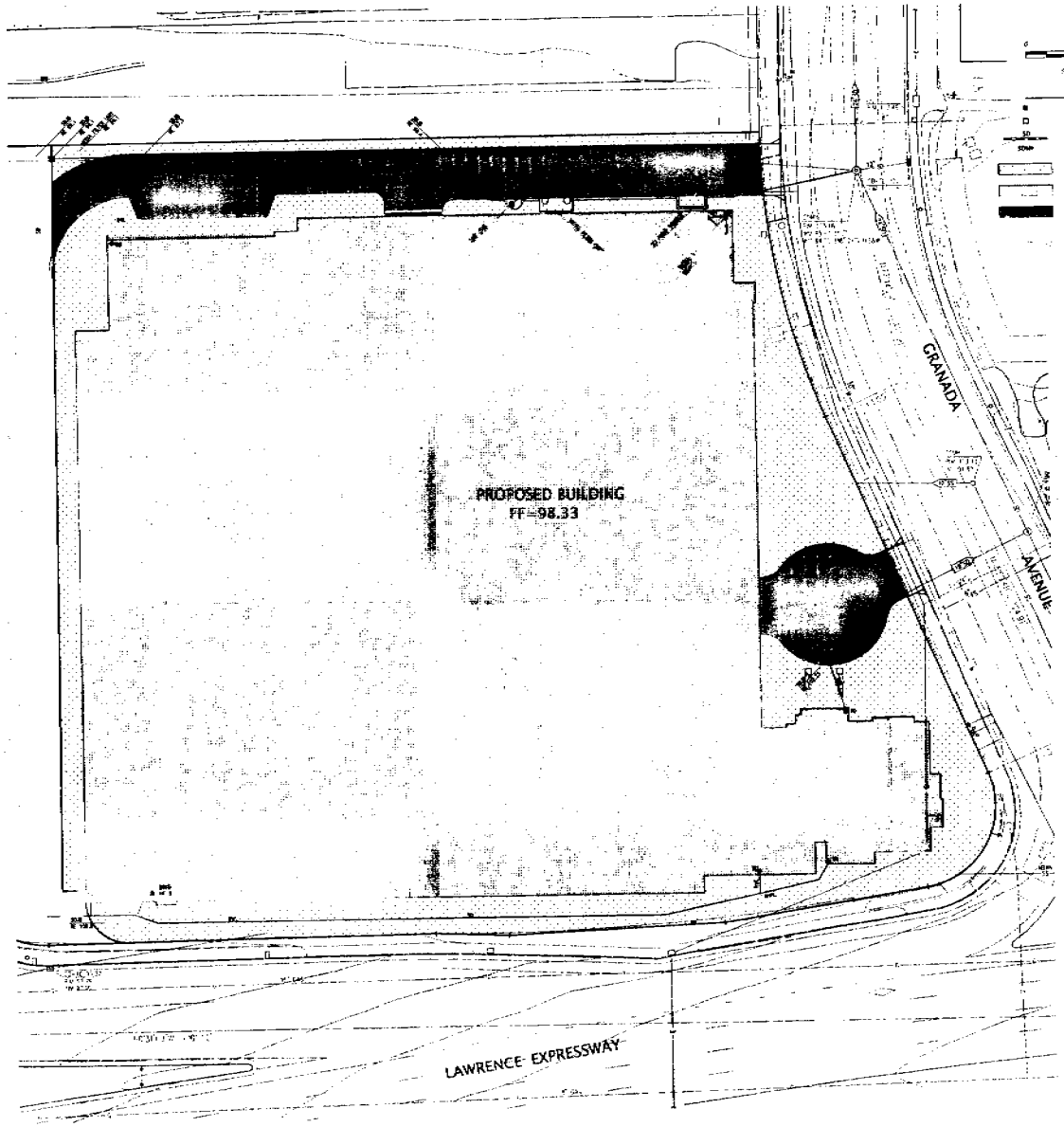
STORMWATER TREATMENT NOTES

1. SELF TREATING AREA INCLUDES ALL ON-SITE LANDSCAPING. LANDSCAPE RUNOFF MAY DISCHARGE TO MEDIA FILTER UNIT.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING FLOWS TO BAY."

3. PROJECT IS EXEMPT FROM HYDROMODIFICATION PLAN (HMP) REQUIREMENTS PER ATTACHMENT B OF ORDER NO R2-2005-0035 OF NPDES PERMIT NO. CA0029718. THE ATTACHMENT STIPULATES THAT ANY PROJECT DRAINING TO A CONTRACOSTA HARDSCAPE CHANNEL IS NOT APPLICABLE TO THE HMP REQUIREMENTS IN THE NPDES PERMIT. ATTACHMENT SHOWS PROJECT IS LOCATED WITHIN AN AREA DRAINING TO A HARDENED CHANNEL.

4. MEDIA FILTER UNITS SHALL BE A CARTRIDGE TYPE MEDIA FILTER SPECIFIED TO BE CONTECH STORMWATER SOLUTIONS STORMFILTER OR EQUIVALENT. FINAL DESIGN & SPECIFICATIONS OF MODEL TO BE REVIEWED & APPROVED BY CITY OF SANTA CLARA PRIOR TO ISSUANCE OF PERMIT.

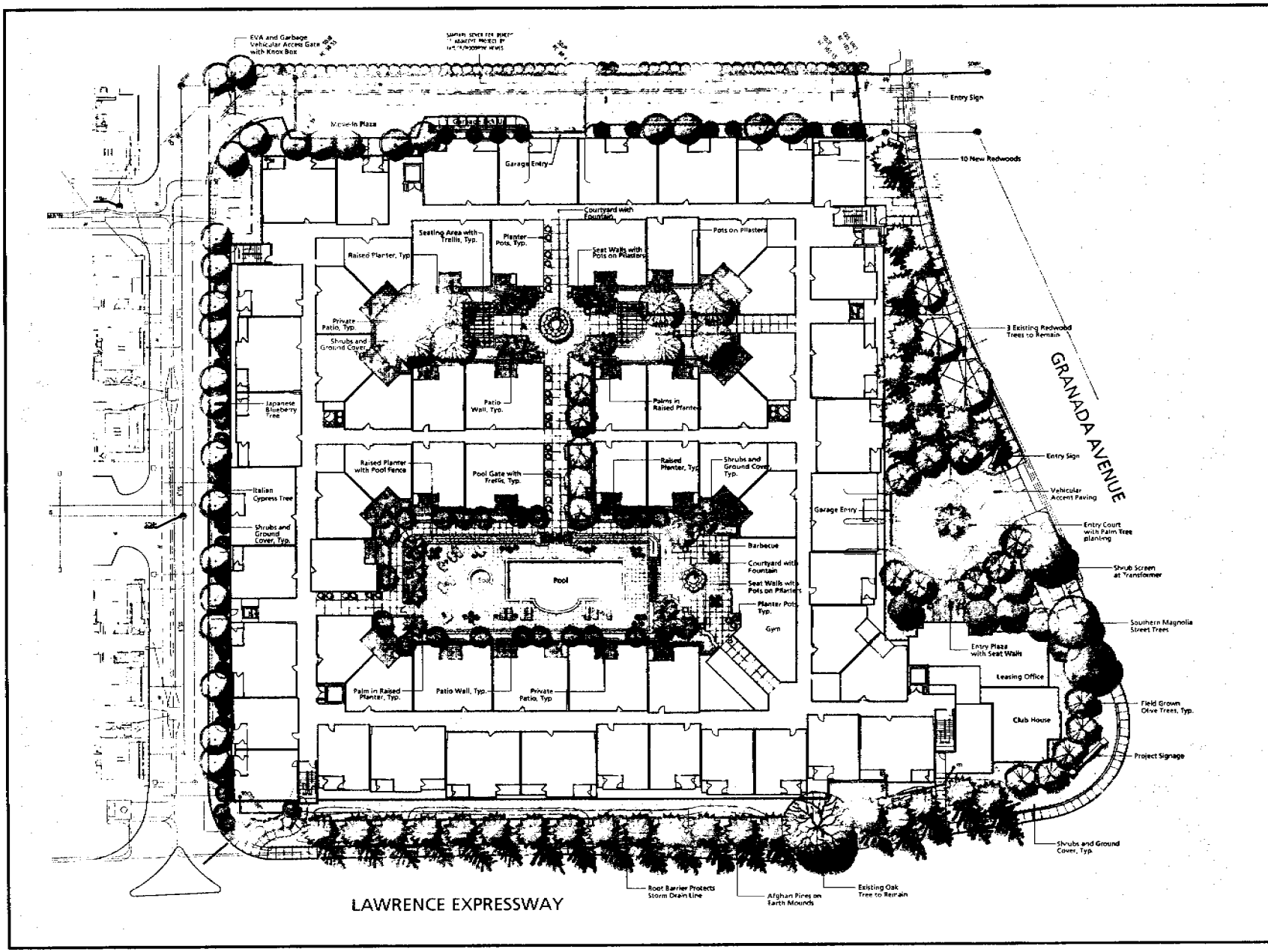


NO	DATE	REVISION
1	07/2006	RESPONSE TO CITY COMMENTS
2	11/7/2006	RESPONSE TO CITY COMMENTS
3	06/22/2007	CITY SUBMITTAL
4	08/29/2007	MEDIA FILTER UPDATE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collen Street
Manteca, California 95336
(209) 956-0333
Fax (209) 956-0333

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE	APRIL 1, 2006
SCALE	1" = 20'
DESIGNED	GMC
JOB NO	A04-212-1
SHEET	C7
OF	SHEETS



BRE Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC.
Landscape Architects - Land Planners
836 Montgomery Street
San Francisco, CA 94133
T 415 433 4672
F 415 433 5003

Issues/Revisions

No.	Date	Description
	06 27 07	Submittal Set

Conceptual Landscape Plan

North

Scale: 1" = 20'
0 10 20 40

Date: 05/11/2007

L-1

Project Number: 05508

LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

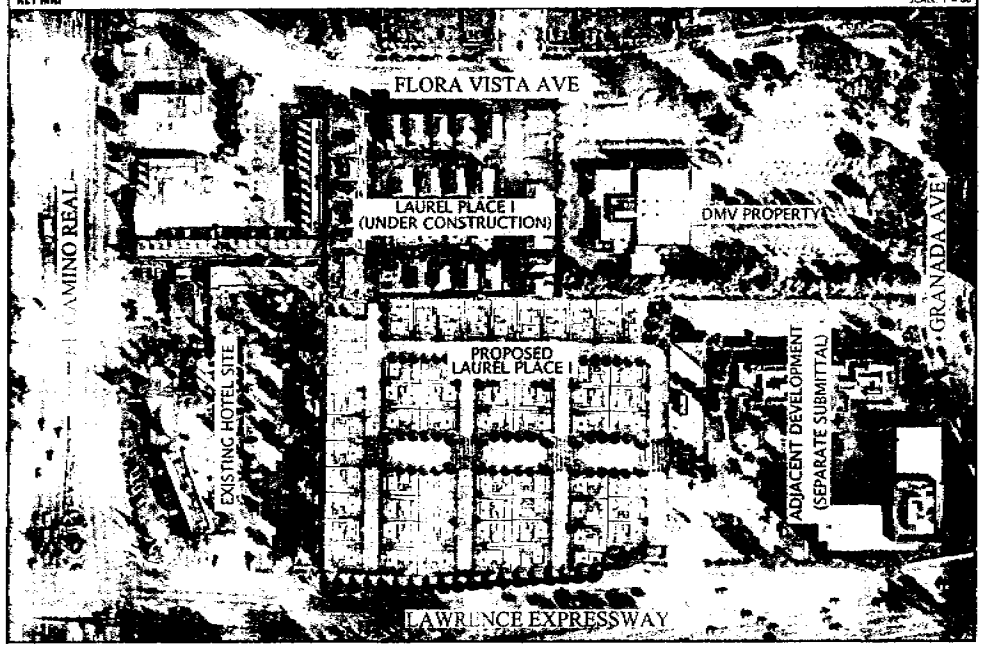
FOR

TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY

SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP SCALE: 1"= 60'



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

OWNER	ENGINEER
TAYLOR MORRISON HOMES	KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.
3000 EXECUTIVE PARKWAY, SUITE 100 SAN RAMON, CA 94583 CONTACT: KERYNN GRANDETTI (925) 659-0120	3350 SCOTT BOULEVARD BLDG. 22 SANTA CLARA, CA 95054 CONTACT: JOHN MOORE (408) 727-6665
BUILDING ARCHITECT	**LANDSCAPE ARCHITECT**
THE DAHLIN GROUP	VAN DORN ABED LANDSCAPE ARCHITECTS
5965 OWENS DRIVE PLEASANTON, CA 94588 CONTACT: MELISA BEAVER (925) 251-7200	589 HOWARD STREET, SUITE 3 SAN FRANCISCO, CA 94105 CONTACT: SHARI VAN DORN (415) 979-9918

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
C1.0	PROJECT COVER SHEET	KIER & WRIGHT
C2.0	LAUREL PLACE II - SITE PLAN	VAN DORN ABED
C3.0	ARTISTS CONCEPT	DAHLIN GROUP
C3.1	TOPOGRAPHIC SURVEY (EXISTING SITE)	KIER & WRIGHT
C3.2	TENTATIVE MAP	KIER & WRIGHT
C3.3	TYPICAL STREET PLANS & SECTIONS	KIER & WRIGHT
C3.4	PRELIMINARY STORM WATER MANAGEMENT PLAN	KIER & WRIGHT
C4.0	FIRE SHEET- PLAN	KIER & WRIGHT
C4.1	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. EXIT	KIER & WRIGHT
C4.2	FIRE TRUCK ROUTING PLAN - LAWRENCE EXPWY. ENTRANCE	KIER & WRIGHT
C5.0	PRELIMINARY GRADING PLAN	KIER & WRIGHT
C6.0	PRELIMINARY UTILITY PLAN	KIER & WRIGHT
C6.1	UTILITY RELOCATION & IMPROVEMENT PLAN	KIER & WRIGHT
C6.2	TENTATIVE MAP	KIER & WRIGHT
A1.0	PLAN 1 - FLOOR PLANS	DAHLIN GROUP
A1.1	PLAN 1 - ELEVATIONS	DAHLIN GROUP
A2.0	PLAN 2 - FLOOR PLANS	DAHLIN GROUP
A2.1	PLAN 2 - ELEVATIONS	DAHLIN GROUP
A3.0	PLAN 3 - FLOOR PLANS	DAHLIN GROUP
A3.1	PLAN 3 - ELEVATIONS	DAHLIN GROUP
A4.0	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.1	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.2	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.3	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
A4.4	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
L1.1	CONCEPTUAL LANDSCAPE PLAN	VAN DORN ABED
L1.2	CONCEPTUAL DETAILS	VAN DORN ABED
L1.3	PLANTING LEGEND AND DETAILS	VAN DORN ABED

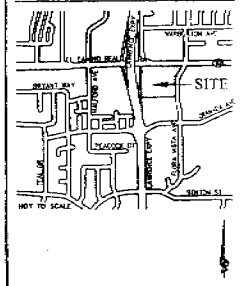
SQUARE FOOTAGE SUMMARY

PLAN 1	
FIRST FLOOR LIVING AREA	931 S.F.
SECOND FLOOR LIVING AREA	948 S.F.
THIRD FLOOR LIVING AREA	480 S.F.
TOTAL LIVING AREA	1,835 S.F.
TWO CAR GARAGE	561 S.F.
DECK	137 S.F.
GROSS SQUARE FOOTAGE	2,467 S.F.
PLAN 2	
FIRST FLOOR LIVING AREA	844 S.F.
SECOND FLOOR LIVING AREA	951 S.F.
THIRD FLOOR LIVING AREA	398 S.F.
TOTAL LIVING AREA	1,993 S.F.
TWO CAR GARAGE	428 S.F.
GROSS SQUARE FOOTAGE	2,413 S.F.
PLAN 3	
FIRST FLOOR LIVING AREA	573 S.F.
SECOND FLOOR LIVING AREA	938 S.F.
THIRD FLOOR LIVING AREA	439 S.F.
TOTAL LIVING AREA	1,950 S.F.
TWO CAR GARAGE	420 S.F.
DECK	124 S.F.
GROSS SQUARE FOOTAGE	2,584 S.F.
TOWNHOME	
FIRST FLOOR LIVING AREA	95 S.F.
SECOND FLOOR LIVING AREA	563 S.F.
THIRD FLOOR LIVING AREA	498 S.F.
TOTAL LIVING AREA	1,156 S.F.
TWO CAR GARAGE	464 S.F.
DECK	65 S.F.
GROSS SQUARE FOOTAGE	1,718 S.F.

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.18.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.28.06
4	FOURTH SUBMITTAL	10.20.06
5	FIFTH SUBMITTAL	05.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

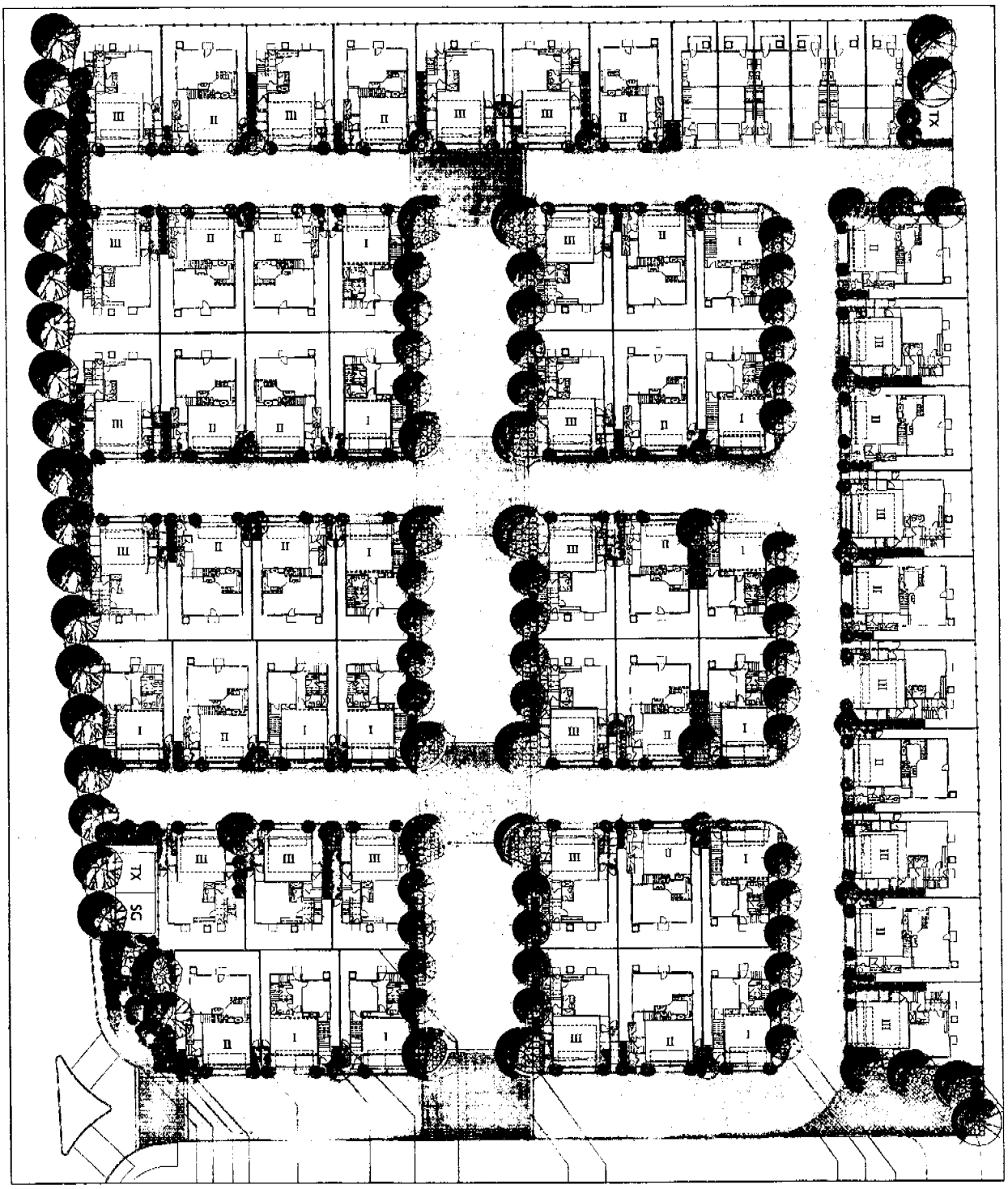


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22 • (408) 727-6665
Santa Clara, California 95054 • (408) 727-1641

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PROJECT COVER SHEET

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JA
DRAFTER	JA
JOB	J05168
SHEET	C1.0



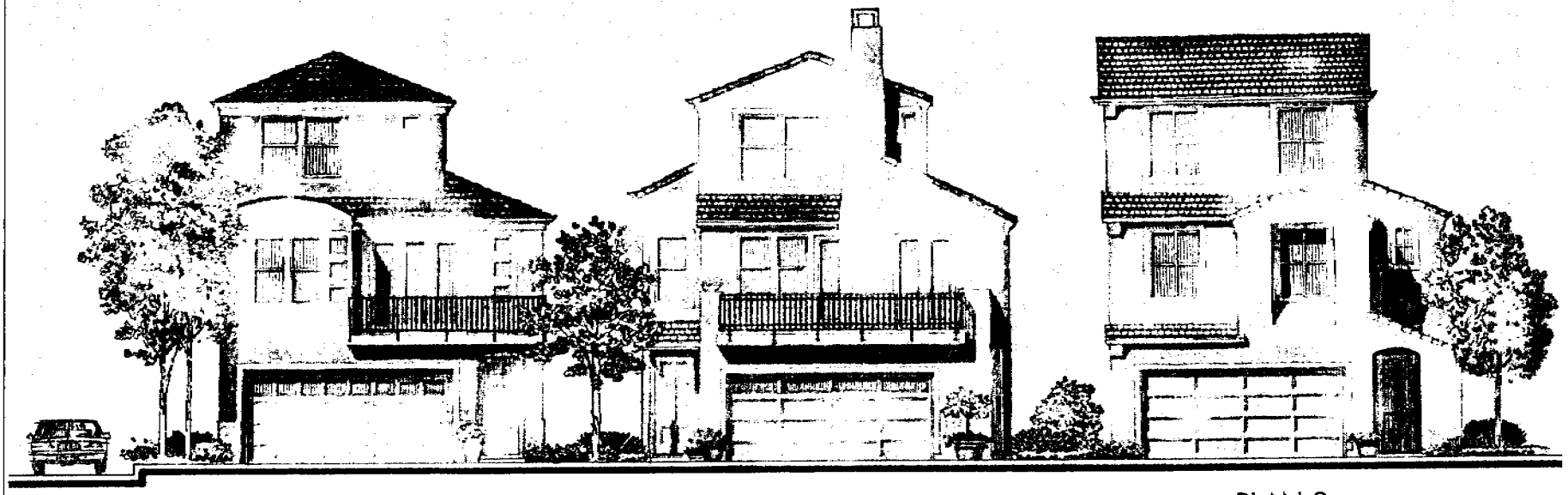
SHEET C2.0	JOB	DRAWN	DESIGNED	SCALE AS SHOWN	DATE NOV 2005

LAUREL PLACE II - SITE PLAN

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

DAHLIN GROUP
ARCHITECTURE
PLANNING
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.8286
925.837.3543 Fax

	REVISION			REVISION	
1			1		
2			2		
3			3		
4			4		
5			5		



PLAN 1
END LOT
(STREET CONDITION)

PLAN 3
TYPICAL INTERIOR
LOT CONDITION

PLAN 2
END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2871 Crow Canyon Rd.
San Ramon, CA 94583
925.837.2870 Ph
925.837.2843 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	C3.0

TOPOGRAPHIC SURVEY NOTES

1. THIS SURVEY WAS PREPARED FROM INFORMATION FURNISHED IN A PRELIMINARY TITLE REPORT, PREPARED BY FIRST AMERICAN TITLE COMPANY, DATED NOVEMBER 22, 2005, NUMBER 8331-6115 PLANA. NO EASEMENTS ARE ASSUMED FOR MATTERS OF RECORD NOT STATED IN SAID PRELIMINARY TITLE REPORT THAT MAY AFFECT THE BOUNDARY LINES, LIST PERSONS OR EASEMENTS AFFECTING THE PROPERTY.

THIS IS NOT A BOUNDARY SURVEY. NO LIABILITY IS ASSUMED BY KIER & WRIGHT FOR THE EXISTENCE OF ANY EASEMENT, ENCUMBRANCES, DISCREPANCIES IN BOUNDARY OR TITLE DEFECTS NOT MENTIONED IN SAID DOCUMENTS AND THEREFORE NOT SHOWN ON THIS DRAWING.

2. THE TYPES, LOCATIONS, SIZES AND/OR DEPTHS OF EXISTING UNDERGROUND UTILITIES AS SHOWN ON THIS TOPOGRAPHIC AND BOUNDARY SURVEY WERE DERIVED FROM SOURCES OF VARYING RELIABILITY. THE CONTRACTOR IS CAUTIONED THAT ONLY ACTUAL EXCAVATION WILL REVEAL THE TYPES, DEPTHS, SIZES, LOCATIONS AND OWNERS OF SUCH UNDERGROUND UTILITIES. A REASONABLE EFFORT HAS BEEN MADE TO LOCATE AND DELINEATE ALL KNOWN UNDERGROUND UTILITIES. HOWEVER, THE ENGINEER CAN ASSUME NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF ITS DELINEATION OF SUCH UNDERGROUND UTILITIES WHICH MAY BE ENCOUNTERED, BUT WHICH ARE NOT SHOWN ON THESE DRAWINGS.

3. BENCHMARK BM 6-72
LAWRENCE EXPRESSWAY & GRANADA, SOUTHEAST CORNER, CHISELED SQUARE ON TOP CATCH BASIN AT RETURN ON LAWRENCE EXPRESSWAY (SET 12-30-98)
ELEVATION: 106.22

4. THIS SITE IS IN FLOOD ZONE "B", AREAS BETWEEN LIMITS OF THE 100-YEAR FLOOD AND 500-YEAR FLOOD; OR CERTAIN AREAS SUBJECT TO 100-YEAR FLOODING WITH AVERAGE DEPTHS LESS THAN ONE (1) FOOT OR WHERE THE CONTRIBUTING DRAINAGE AREA IS LESS THAN ONE SQUARE MILE; OR AREAS PROTECTED BY LEVEES FROM THE BASE FLOOD. PER FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 0601CE 2002 G DATED JANUARY 25, 1999

5. BASIS OF STATIONING

6. BEARING OF NORTH 89°25'00" EAST TAKEN ON THE CENTERLINE OF GRANADA AVENUE AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD ON JUNE 7, 2004 IN BOOK 270 OF MAPS AT PAGES 44 & 45, SANTA CLARA COUNTY RECORDS WAS TAKEN AS THE BASIS FOR ALL BEARINGS SHOWN HEREON.

6. LAUREL PLACE I DEVELOPMENT SHOWN PER DESIGN DRAWINGS ONLY BY AP CONSULTING ENGINEERS. ACTUAL FIELD CONDITIONS MAY VARY.

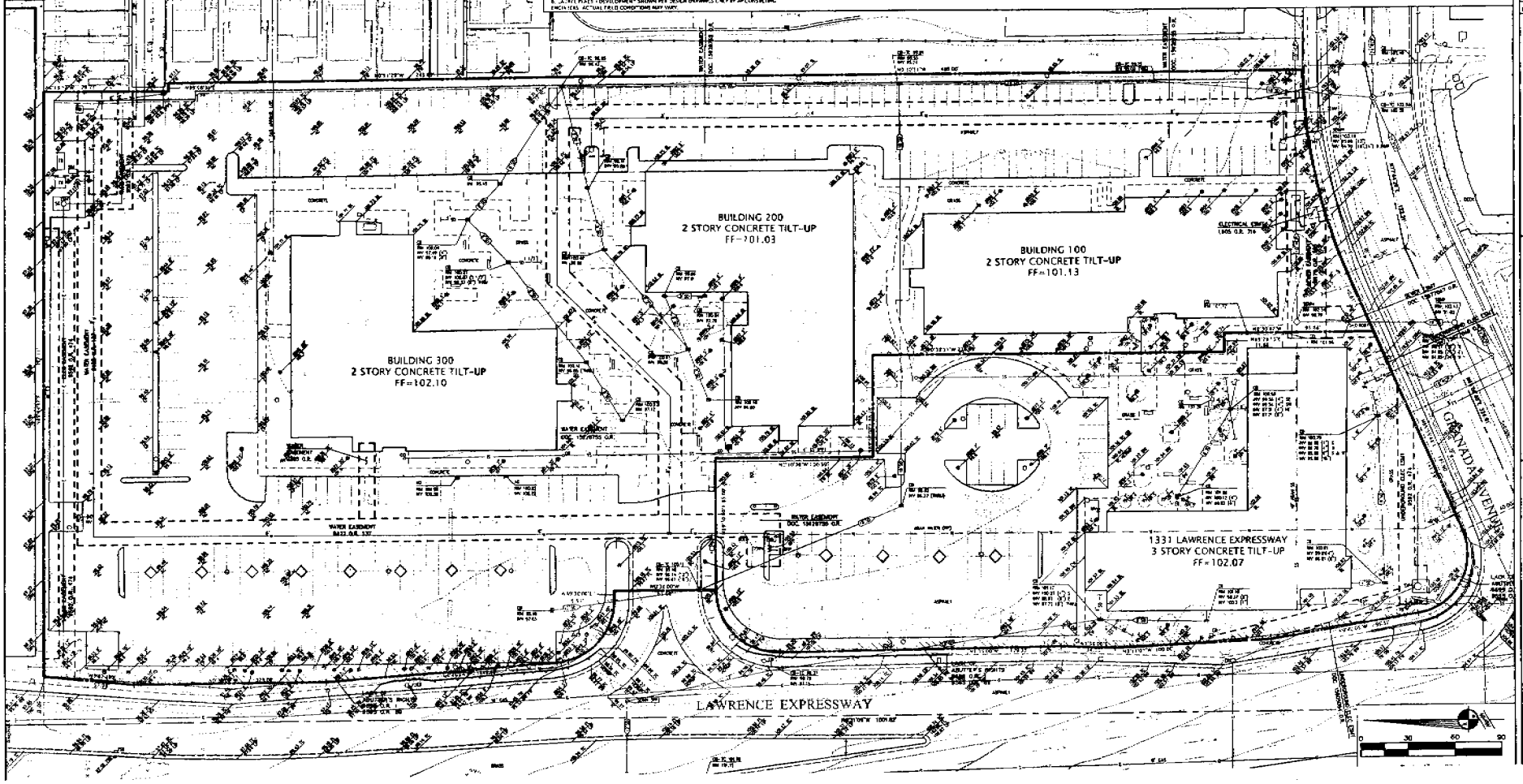
ABBREVIATIONS

AC	ASPHALTIC CONCRETE	GB	GRADE BREAK
AD	AREA DRAIN	HW	INVERT ELEVATION
BC	BACK OF CURB	M-M	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BL	BUILDING	NE	NORTHEAST
BOL	BOLLARD	O.R.	OFFICIAL RECORDS
BW	BACK OF WALK	RC	RADIAL
CB	CATCH BASIN	RIM	RIM ELEVATION
CO	CLEAN OUT TO GRADE	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DOC	DOCUMENT	SE	SOUTHEAST
DWY	DRIVEWAY	SL	STREET LIGHT
E	EAST	SSMH	SANITARY SEWER MANHOLE
EB	ELECTRIC BOX	SW	SOUTHWEST
ELEC	ELECTRICAL	TB	TELEPHONE BOX
EMH	ELECTRICAL MANHOLE	TC	TOP OF CURB
EP	EDGE OF PAVEMENT	TRN	TRANSFORMER
ESMT	EASEMENT	TSB	TRAFFIC SIGNAL BOX
EW	EDGE OF WALK	TW	TOP OF WALL
FF	FINISH FLOOR	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FL	FLOW LINE	WM	WATER METER
FNC	FENCE	WV	WATER VALVE
FW	FACE OF WALK		

LEGEND

PROPERTY LINE
ADJACENT PROPERTY LINE
CENTERLINE
EASEMENT
FND. BTO. CITY MONUMENT
ELECTROLIER
FIRE HYDRANT
STORM DRAIN MANHOLE
MANHOLE
UTILITY POLE
VALVE
CATCH BASIN
FIRE DEPT. CONNECTION
BACK FLOW PREVENTER
POST INDICATOR VALVE
SIGN
TREE w/ SIZE AND ELEVATION
SPOT ELEVATION

CONTOUR
INDEX CONTOUR
CURB & GUTTER
CONCRETE
FENCE
TREES
SANITARY SEWER
STORM DRAIN
WATER
GAS
JOINT TRENCH
UNDERGROUND ELECTRIC
BUILDING
EDGE OF PAVEMENT
WALL



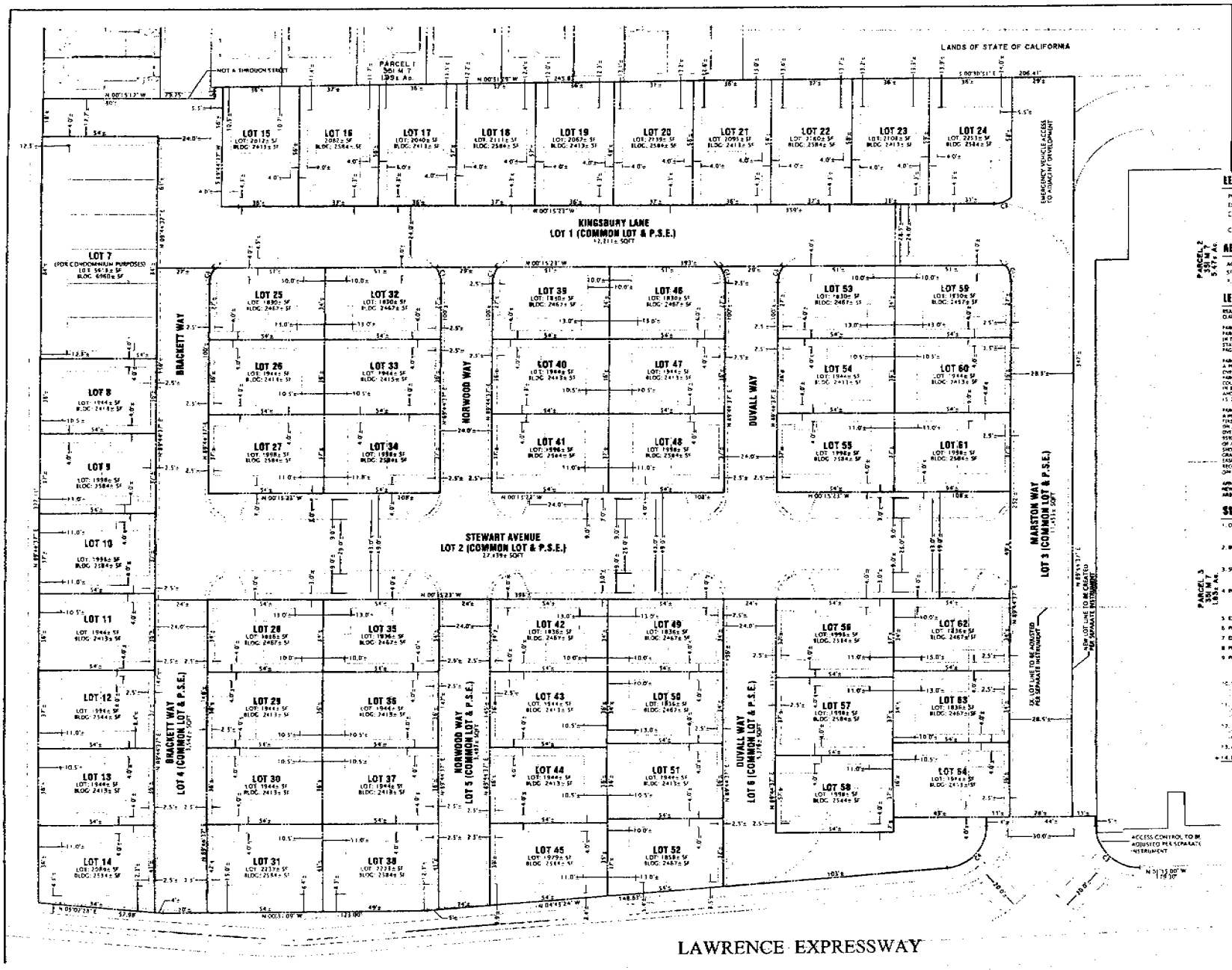
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3159 North Bayshore, Building 22 • (408) 727-1665
Santa Clara, California 95054 • (408) 727-5665

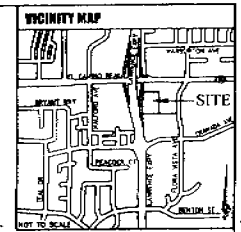
LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAWN BY	JH
JOB	405/66
SHEET	C3.1





LEGEND

- PROPOSED PROPERTY LINE
- EXISTING PROPERTY LINE
- CENTERLINE
- COMMON LOT & P.S.E.

ABBREVIATIONS

AC.	ACRES
SF	SQUARE FOOTAGE
P.S.E.	PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF SANTA CLARA, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL ONE:
PARCELS 2 AND 3 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 790 OF MAPS, PAGES 44 AND 45.

PARCEL TWO:
A PRIVATE RECIPROCAL EASEMENT FOR EXISTING PRIVATE UTILITIES OVER THAT PORTION OF PARCEL 1 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 790 OF MAPS PAGES 44 AND 45, AND AS REFERRED IN THAT CERTAIN GRANT DEED RECORDED JULY 15, 2004 AS DOCUMENT NO. 17961177 OF OFFICIAL RECORDS.

PARCEL THREE:
A NON-EXCLUSIVE STORM DRAIN EASEMENT, APPURTENANT TO THE FIRST ABOVE SHOWN PARCEL 3 OF THAT CERTAIN PARCEL MAP FILED ON JUNE 7, 2004, IN BOOK 790 OF MAPS AT PAGES 44 AND 45, OVER AND ACROSS THAT PORTION OF COMMON LOT 4 OF TRACT NO. 9592, WHICH MAP WAS FILED ON SEPTEMBER 3, 2004 IN BOOK 124 OF MAPS AT PAGES 42, 43 AND 44 SANTA CLARA COUNTY RECORDS, SHOWN AS "P.S.E.(PRIVATE STORM DRAIN EASEMENT)" AS GRANTED IN THAT CERTAIN DOCUMENT ENTITLED "STORM DRAIN EASEMENT AND JOINT USE AND MAINTENANCE AGREEMENT" RECORDED NOVEMBER 3, 2004 AS DOCUMENT NO. 18078997 OF OFFICIAL RECORDS.

APN: OLD APN: 290-01-132
NEW APN: 290-01-44, 290-01-145
APB: 291-17-026, 17-01-01

SUBDIVISION STATEMENT

1. OWNER: MARINA PLAZA ASSOCIATES, LLC
   30 E. 4TH AVENUE
   SAN MATEO, CA 94401
2. BUYER: BRE PROPERTIES, INC.
   525 MARKET STREET, 4TH FLOOR
   SAN FRANCISCO, CA 94105
3. SUBDIVIDER: TAYLOR MORRISON HOMES, INC.
   2100 CAMINO RAMON
   SAN RAMON, CA 94583
4. PREPARER: KIER & WRIGHT CIVIL ENGINEERS
   3116 SCOTT BLVD #12
   SANTA CLARA, CA 95054
   CONTACT: COLONEL - ACE 630441
5. EXISTING USE: COMMERCIAL OFFICE
6. PROPOSED USE: SINGLE-FAMILY RESIDENTIAL
7. EXISTING ZONING: PD - PLANNED DEVELOPMENT
8. PROPOSED ZONING: NO CHANGE
9. PROPOSED LOTS: 57 SINGLE-FAMILY RESIDENTIAL
   01 MULTI-FAMILY RESIDENTIAL
   6 COMMON LOTS
   64 LOT SUBDIVISION

*2. SITE SUMMARY
- TOTAL LOT SF: 181,146± SF (4.16± AC)
- TOTAL BUILDING SF: 148,848± SF

*3. SITE COVERAGE
- PERVIOUS: 23%
- IMPERVIOUS: 27%

*4. PARKING SUMMARY
- PRIVATE (GARAGES): REQUIRED: 120 PROVIDED: 128
- PUBLIC (GUEST): REQUIRED: 7 PROVIDED: 16

*5. ALL PROPOSED DISTANCES SHOWN ARE APPROXIMATE ONLY

*6. LOT 7 IS SOLELY FOR CONDOMINIUM PURPOSES

CURVE TABLE:

CURVE	RADIUS	DELTA	LENGTH
C1	12.00'	38°41'15"	8'±
C2	12.00'	41°48'37"	9'±
C3	20.00'	90°59'37"	32'±
C4	20.00'	85°29'59"	30'±

LINE TABLE:

LINE	BEARING	DISTANCE
L1	N 89°59'24" E	5.38'

0 20 40 60

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3116 SCOTT BLVD, SUITE 12
SANTA CLARA, CALIFORNIA 95054
(408) 727-1848

LAUREL PLACE II

TENTATIVE MAP APPLICATION

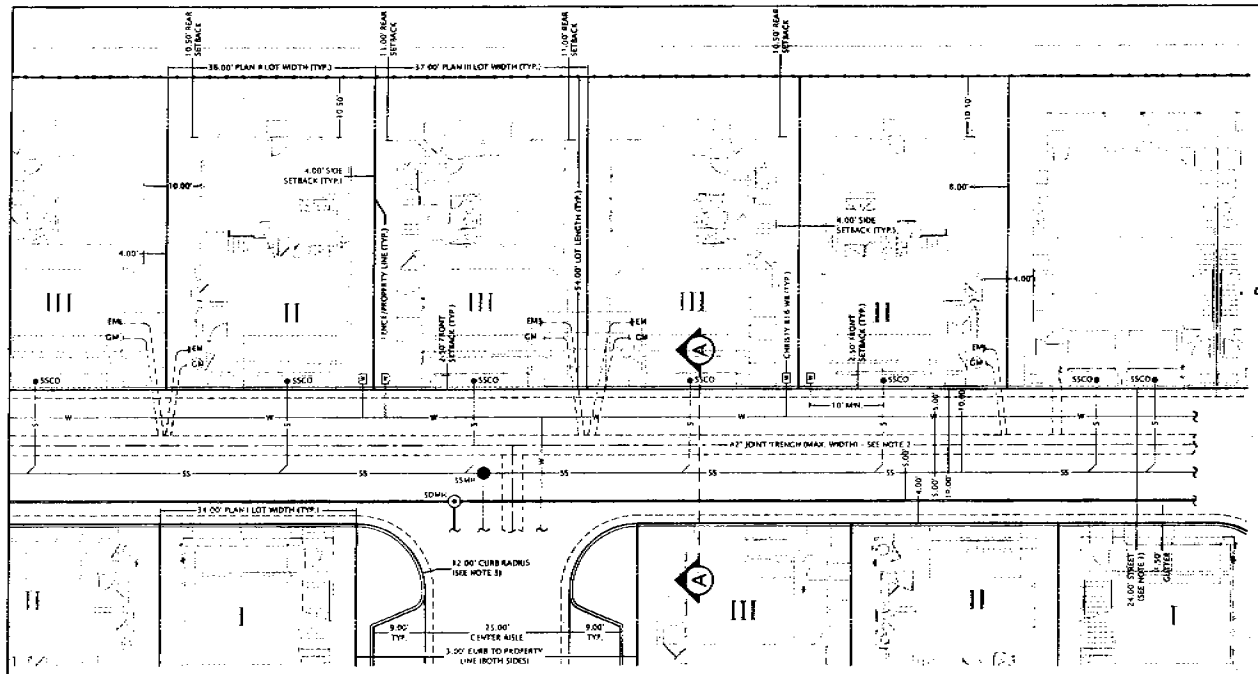
SANTA CLARA, CALIFORNIA

1331-1333 LAWRENCE EXPRESSWAY

TAYLOR MORRISON HOMES

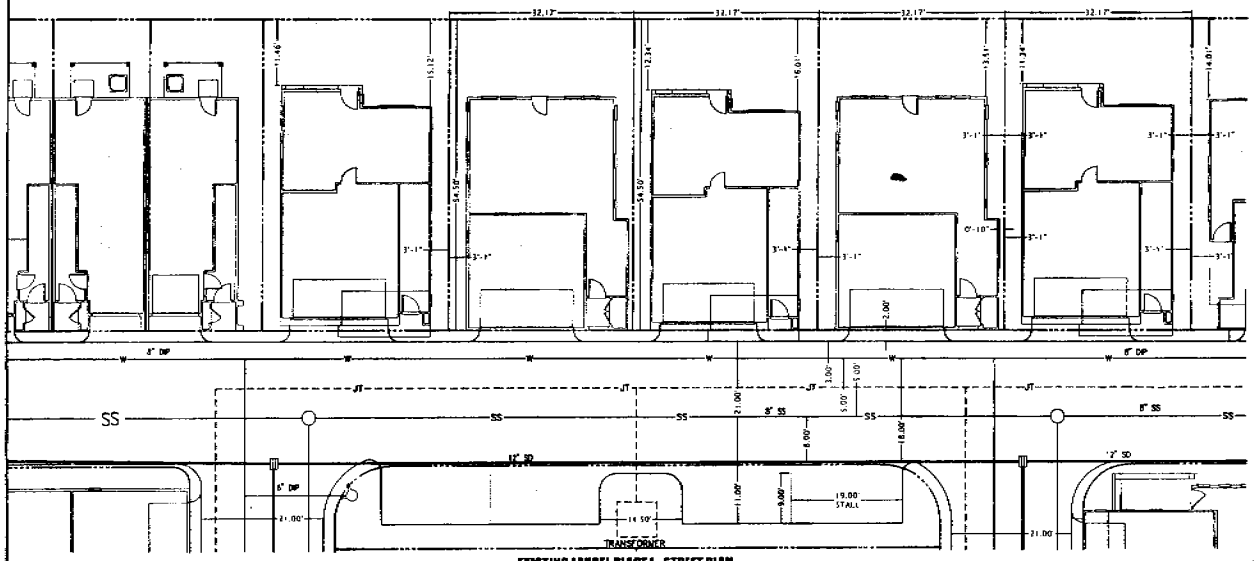
TENTATIVE MAP FOR A 64 LOT SUBDIVISION

DATE	MAR 2005
SCALE	AS SHOWN
DESIGNED	JK
DRAFTED	JK
JOB	10046
SHEET	C3.2



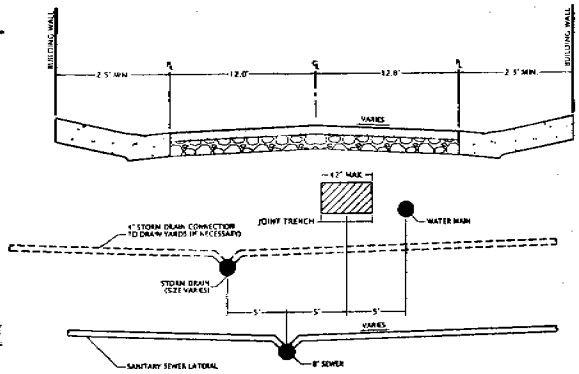
PROPOSED LAUREL PLACE II - STREET PLAN

1"=10'



EXISTING LAUREL PLACE I - STREET PLAN

1"=10'



NOTES:

1. SECTION IS NOT TO SCALE AND MAY NOT BE REPRESENTATIVE OF ACTUAL DEPTHS/LOCATIONS OF UTILITIES. SECTION SHOWN FOR EXAMPLE ONLY.
2. SEE SHEET C7.0 FOR PRELIMINARY UTILITY PLAN SHOWING PROPOSED UTILITY LOCATIONS AND EASEMENT FACILITIES.
3. ALL STORM AND SEWER PIPES HAVE 4'-6" VERTICAL CLEARANCE BETWEEN PIPES.

PROPOSED STANDARD STREET SECTION (A-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES ON-SITE:
   - CENTER DRIVE AISLE TO BE 25' WIDE PLUS 9' WIDE X 24' DEEP PARALLEL PARKING STALLS
   - AISLE OF E LAWRENCE EXPRESSWAY TO BE 28' WIDE TO COUNTY STD. 30' WIDE ENTRANCE
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE
2. JOINT TRENCH SHOWN INCLUDES SILICON VALLEY POWER TRENCH WIDTH. MAXIMUM TRENCH WIDTH TO BE 42" WIDE. EXACT TRENCH DIMENSIONS WILL VARY BASED ON TRENCH OCCUPANCY, AND WILL BE DETERMINED DURING CONSTRUCTION LEVEL DESIGN. ALL PROPOSED TREES TO BE A MINIMUM OF 5' FROM PROPOSED ELECTRIC FACILITIES.
3. CURB RADIUS TO BE 12' TO ACCOMODATE FIRE TRUCK INSIDE TURNING RADIUS OF 36'. SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING EXHIBITS.
4. ALL UTILITY STRUCTURES (MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
5. THIS UTILITY LAYOUT IS AN EXAMPLE ONLY. FOR ACTUAL UTILITY DESIGN INTENT SEE SHEET C6.0 FOR PRELIMINARY UTILITY PLAN.

LEGEND

- WATER MAIN — W
- METER
- JOINT TRENCH
- SANITARY SEWER MAIN — SSMH — SS
- SANITARY SEWER LATERAL — SSCO — S
- STORM DRAIN — SDMH

ABBREVIATIONS

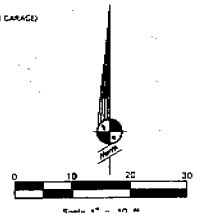
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEAN OUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXISTING LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.99 ACRES (86,684 S.F.)	4.16± ACRES (181,348± SQFT)
TOTAL UNITS	34 UNITS	63 UNITS (57 SINGLE-FAMILY, 6 MULTI-FAMILY)
AVERAGE LOT SIZE	1,845 S.F.	3,872 S.F.
TOTAL LOT COVERAGE	62,730 S.F. (72%)	117,934 S.F. (65%)
COMMON LOT SIZE	23,954 S.F. (28%)	063,214 S.F. (35%)
PRIVATE PARKING PROVIDED	68 STALLS (2-CAR GARAGE)	120 STALLS (2-CAR GARAGE)
GUEST PARKING PROVIDED	8 STALLS	18 STALLS
GUEST PARKING RATIO	1:4	1:3.5
AVERAGE FLOOR AREA RATIO	1:35	1:24
FRONT SETBACK	0'-8' (SEE NOTE "A")	2'-8"
SIDE SETBACK	3'-1"	4'-8"
REAR SETBACK	11' - 14'	10'-13'
STREET WIDTH	21'-23'	24'-28'

NOTE

A. LAUREL PLACE I - SOME UNITS WERE DESIGNED WITH FRONT BUILDING WALLS ON THE PROPERTY LINE WITH 2' OVERHANG INTO COMMON LOT



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3470 BUCHANAN STREET, SUITE 212
SANTA CLARA, CALIFORNIA 95054
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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A05168
SHEET	C3.3

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

STORM WATER TREATMENT DEVICE (CDS 8 IN 1).

MEDIA FILTRATION UNIT & HYDRODYNAMIC SEPARATOR TO BE INSTALLED ON ADJACENT 400MM PROJECT AND MAINTAINED THROUGH A COMMON MAINTENANCE AGREEMENT AS DELINEATED IN THE FUTURE CC&R'S FOR BOTH DEVELOPMENTS.

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

LAWRENCE EXPRESSWAY

0 20 40 80

Scale 1" = 20 ft

TREATMENT CHART

TREATMENT METHOD	AREA TREATED	% OF SITE
SELF-TREATING (SEE NOTE 1)	126,943 S.F.	70%
PAVEMENT AREA (TO CDS UNIT)	48,093 S.F.	26%
PERMEABLE AREA (PAVERS)	6,508 S.F.	04%
TOTAL AREA	181,144 S.F.	100%

PLAN NOTES

1. SELF-TREATING AREA INCLUDES BACKYARD & SIDEYARD LANDSCAPING, AND ALL ROOF AREAS WHICH ARE TO DISCHARGE DIRECTLY ONTO LANDSCAPING.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING - FLOWS TO BAY".

PAVING LEGEND

SELF-TREATING AREA

PAVEMENT AREA

PERMEABLE PAVERS

DIRECTION OF PIPE FLOW

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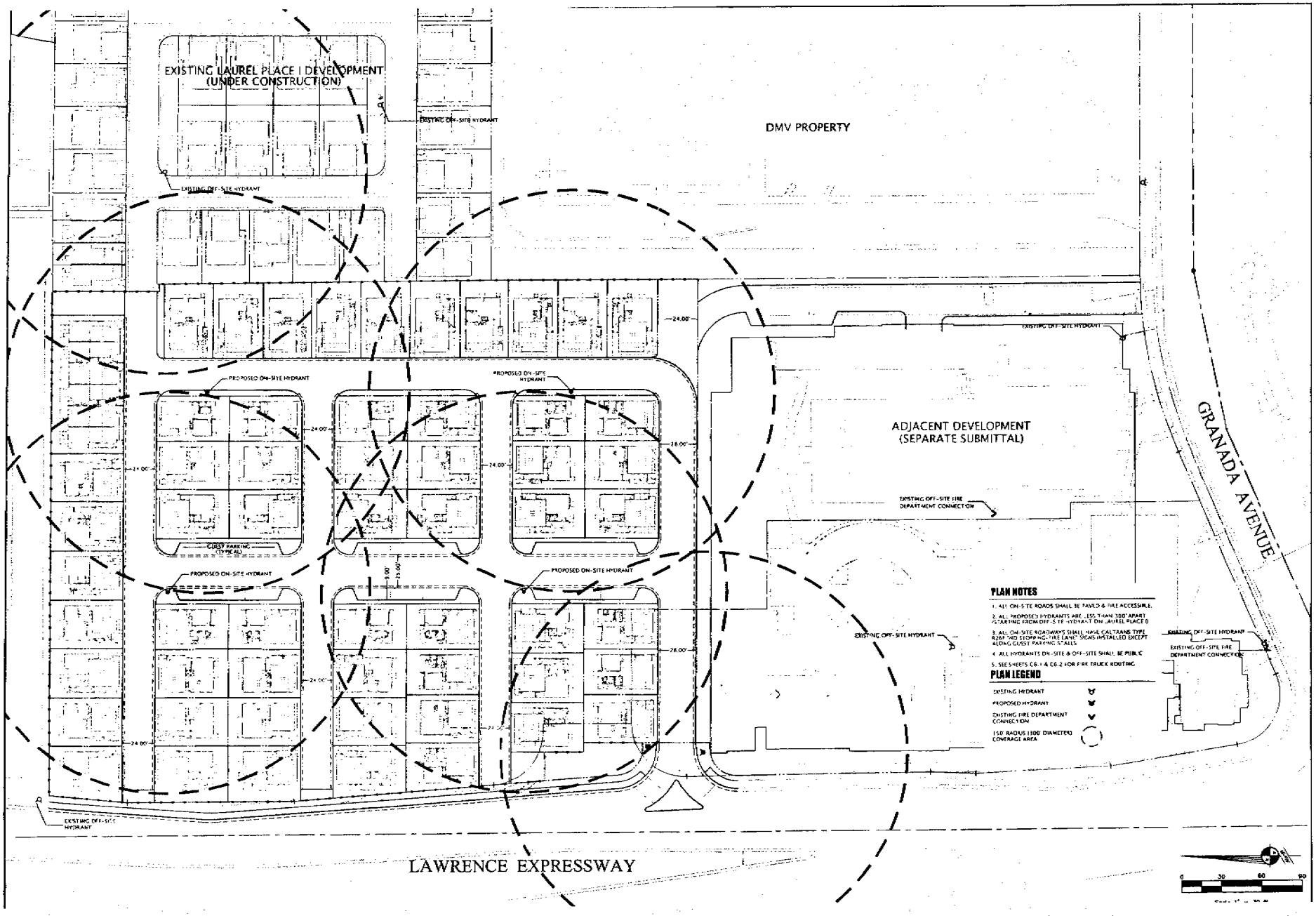
Santa Clara, California 95054

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331, 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY STORM WATER MANAGEMENT PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	2001168
SHEET	C3.4



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3470 Buskirk Avenue, Suite 100
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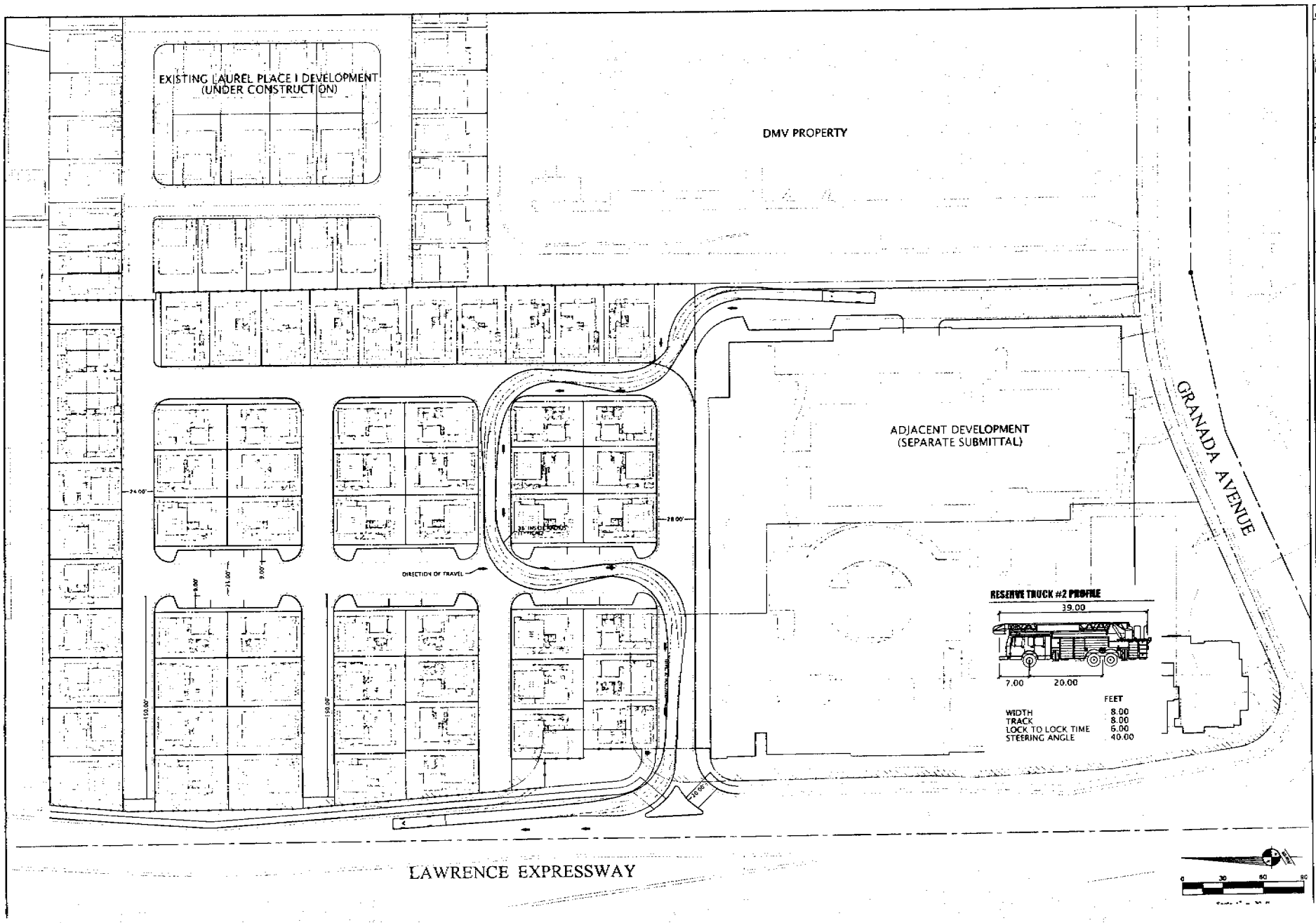
(408) 727-1661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1333-1353 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE SAFETY PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	405188
SHEET	C4.0

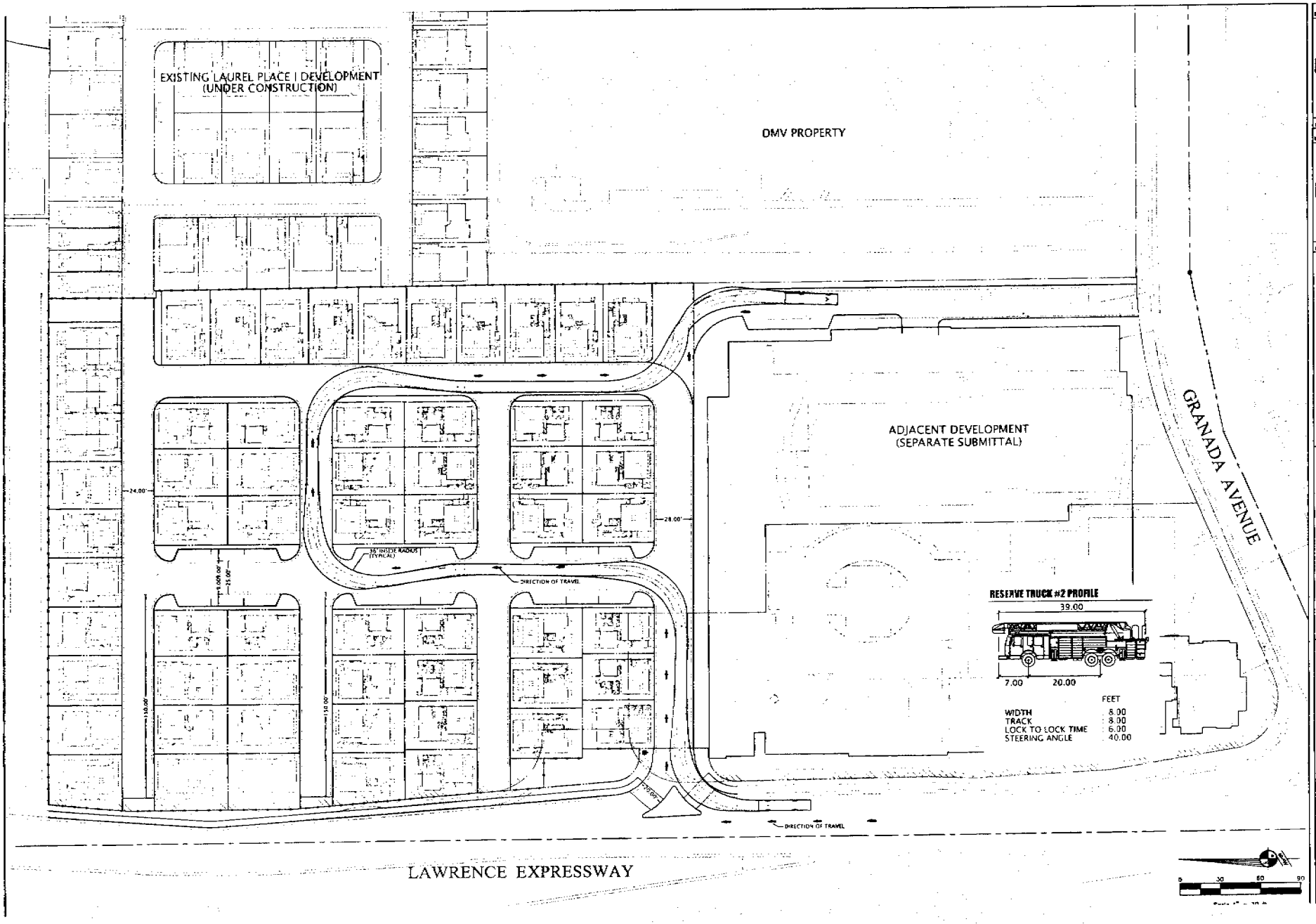


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2855 Stevens Creek Blvd, Suite 200
Santa Clara, California 95050
(408) 727-1122 FAX (408) 727-1544

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	408168
SHEET	C4.1



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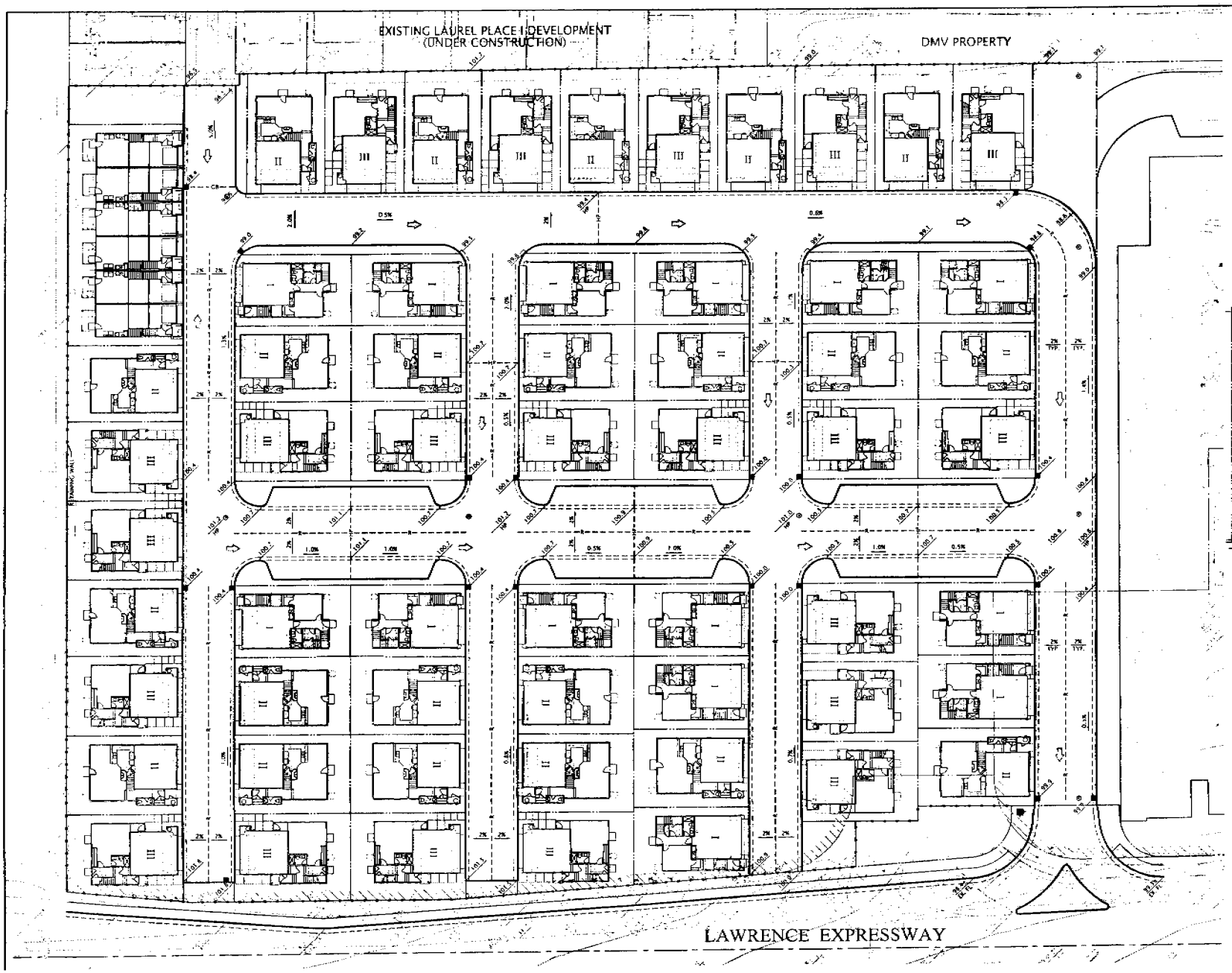
CIVIL ENGINEERS & SURVEYORS, INC.
3159 Scott Boulevard, Building 2 • (408) 727-1665
Santa Clara, California 95054 • (408) 727-5941

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE

DATE	NOV 2002
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	A05-98
SHEET	C4.2



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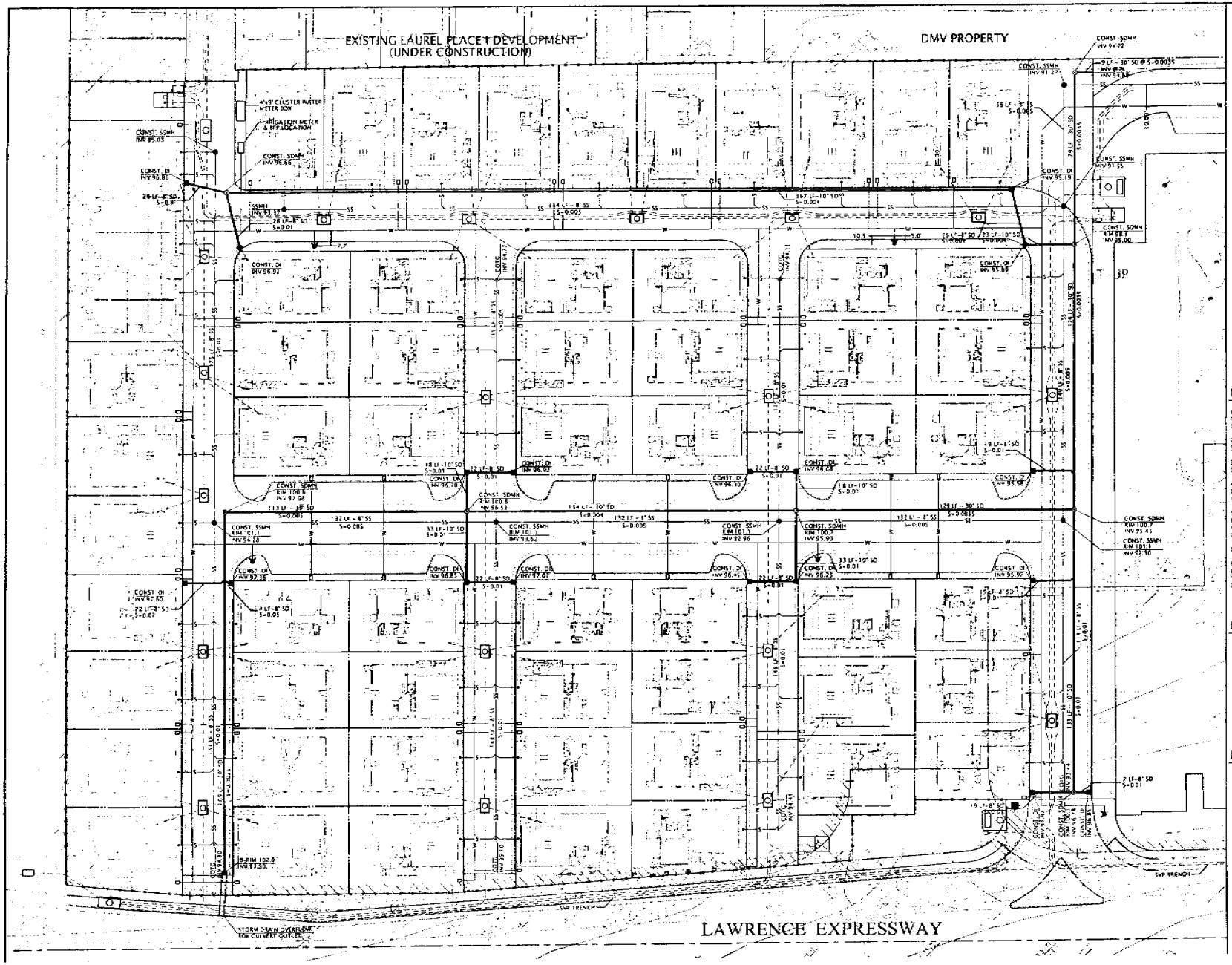
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 44 • (408) 727-6665
Santa Clara, California 95054 • (408) 727-5641

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY GRADING PLAN

DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	A0048
SHEET	C5.0



UTILITY PLAN NOTES

1. ALL WATER & SEWER LATERALS MAINTAIN 10 FEET HORIZONTAL SEPARATION EXCEPT WHERE CONFLICTS REQUIRE A SHORTER DISTANCE.

2. SANITARY SEWER CONNECTION TO EL CAMINO SHOWN PENDING OUTCOME OF FULL SEWER STUDY.

3. SEE SHEET C3.3 FOR UTILITY SEPARATION DETAILS & TYPICAL STREET SECTION.

4. WATER METERS, SVP STRUCTURES, MANHOLES, CLEAN OUTS ETC. SHOWN TO ACTUAL DIMENSIONS.

5. SWITCHGEAR & TRANSFORMER AREAS SHOWN AS 17'X 17' CLEAR AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARD SPECIFICATIONS. FINAL LANDSCAPE DESIGN SURROUNDING THESE AREAS TO BE DETERMINED PRIOR TO SUBMITTAL OF CONSTRUCTION DOCUMENTS.

6. STORM LATERALS MAY BE NEEDED IN SOME LOTS BUT ARE NOT SHOWN ON THIS PLAN. FINE GRADING TO BE DONE AS PART OF CONSTRUCTION DOCUMENTS.

LEGEND

WATER MAIN — METER, F-4, W

JOINT TRENCH

SANITARY SEWER MAIN — SSMH, SS

SANITARY SEWER LATERAL — SSCO, S

STORM DRAIN — SDMH

ABBREVIATIONS

CONST	CONSTRUCT
COTC	CLEAN OUT TO GRADE
DI	DROP INLET
EX	EXISTING
INV	INVERT ELEVATION
LF	LINEAR FEET
MH	MANHOLE
RIM	RIM ELEVATION
SDMH	STORM DRAIN MANHOLE
SG	SWITCHGEAR
SSMH	SANITARY SEWER MANHOLE
SVP	SILICON VALLEY POWER
TX	TRANSFORMER

0 20 40 60

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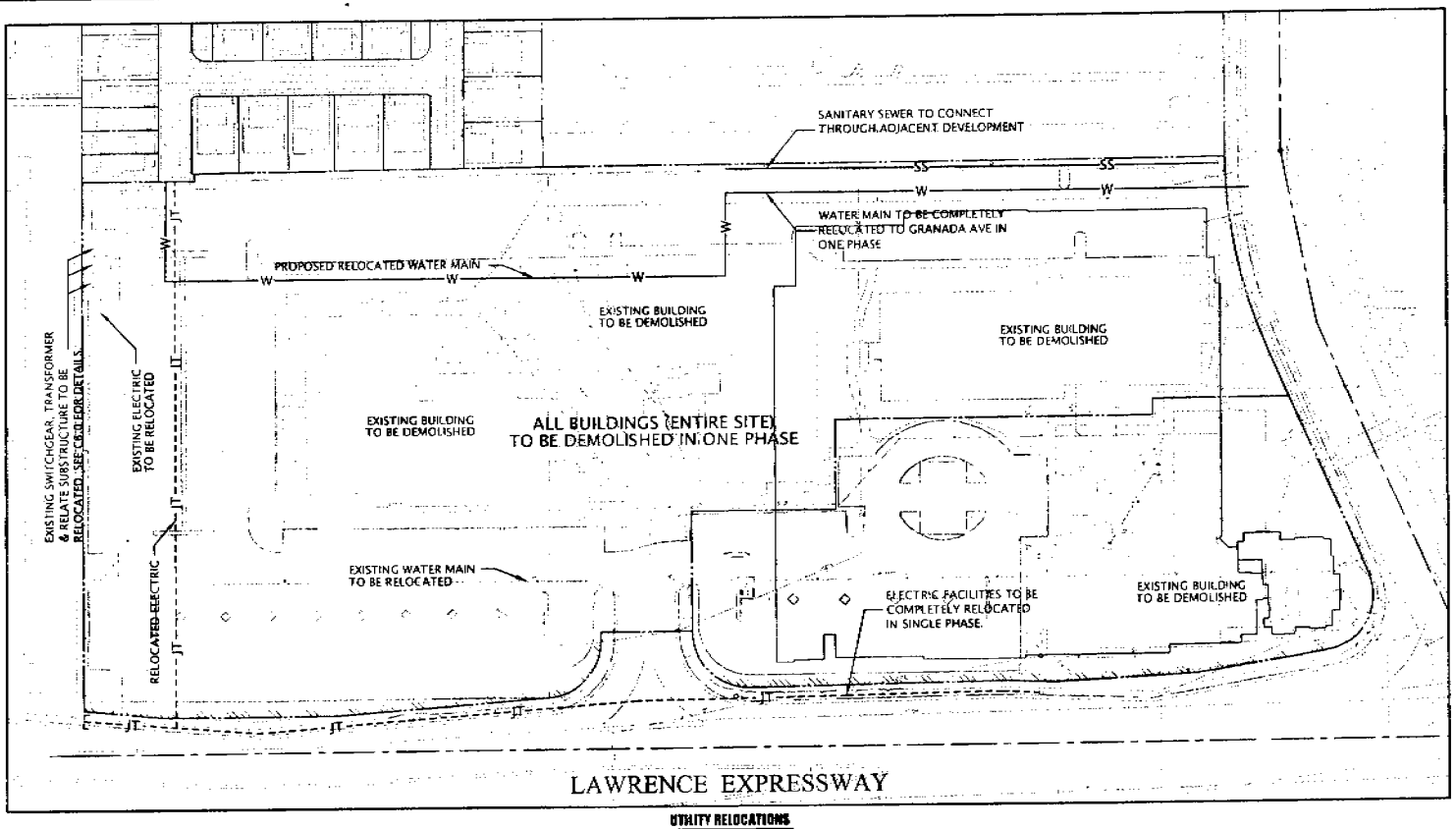
Santa Clara, California 95054 • (408) 727-5941

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1335 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNER	JH
DRAFTER	JH
JOB	400156
SHEET	C6.0



UTILITY RELOCATIONS

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CIVIL ENGINEERS & SURVEYORS, INC.
3159 Corporate Place
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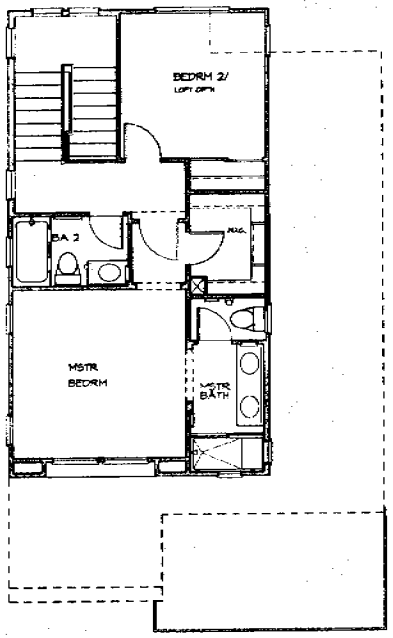
(408) 727-1061

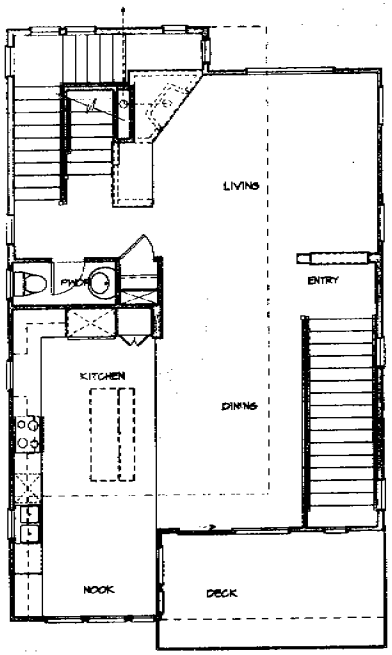
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

UTILITY RELOCATION
& IMPROVEMENT PLAN

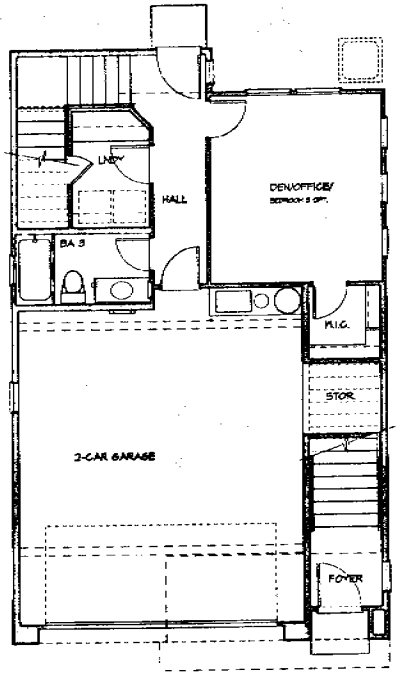
DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	408-186
SHEET	C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

0 4 8 16

AUGUST 3, 2005

Project No.: 529.024

DAHLIN GROUP
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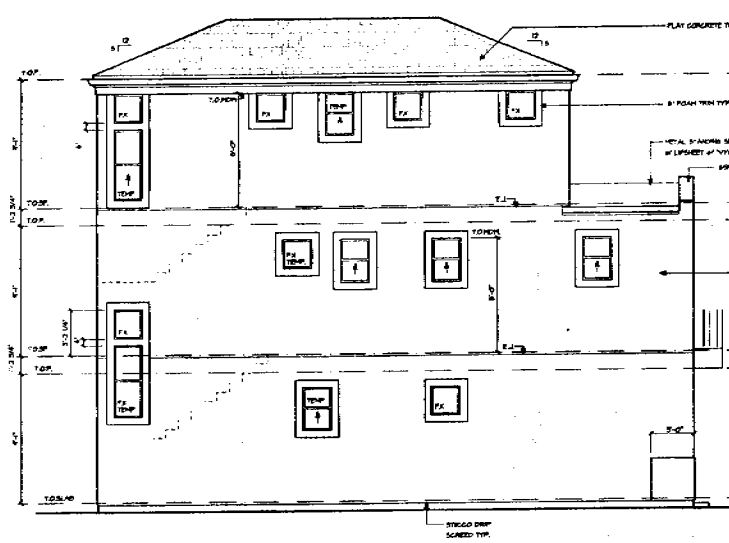
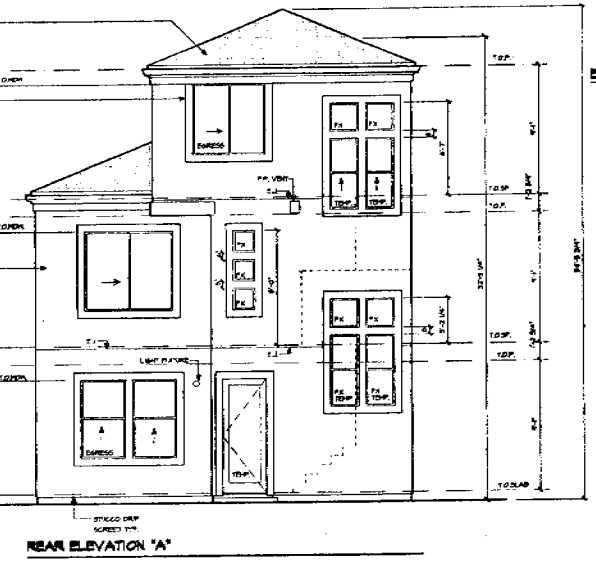
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1333 & 1335 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 – FLOOR PLANS

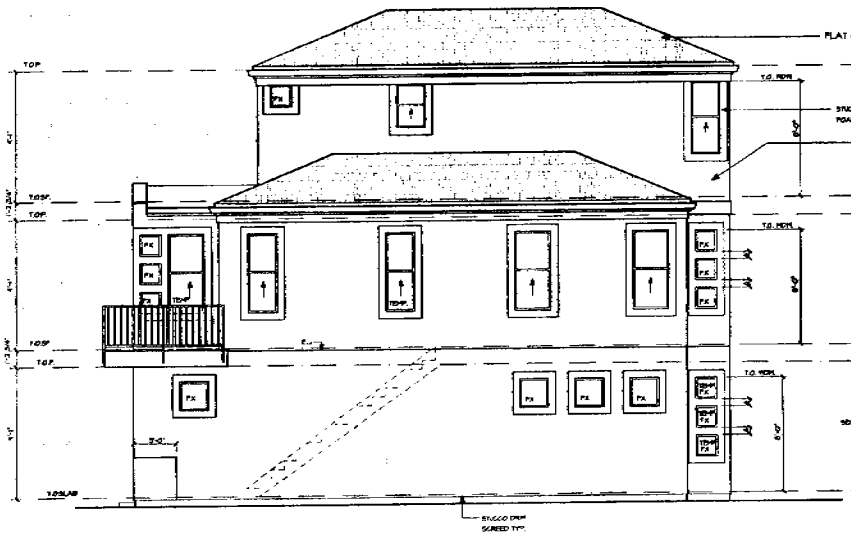
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A1.0



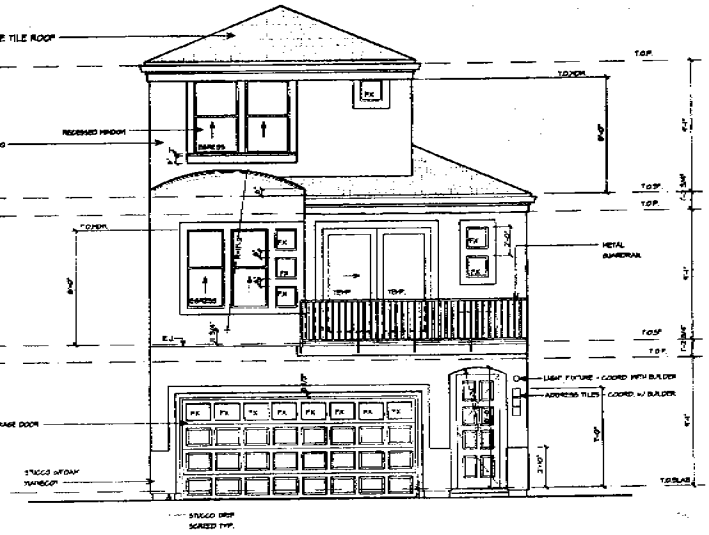
LEFT ELEVATION "A"



REAR ELEVATION "A"



RIGHT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF MTRL (2) 30# FELT (2) SOLID SHTG. SHALL BE ALL ELEVATIONS - MONIER LIFETILE FLAT "SHADOW SHAKE" TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS
   FIRST FLOOR 8'-0" (U.O.N.)
   SECOND FLOOR 8'-0" (U.O.N.)
   THIRD FLOOR 7'-0" & 7'-6" (U.O.N.)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. 1/A0.5 FOR TYPICAL FLASHING AT WALL OPENINGS
5. SEE DET. 4 & 5/A0.5 FOR TYPICAL WALL PENETRATIONS.
6. EXTERIOR FINISH SHALL BE 7/8" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER (2) SOLID WOOD SHEATHING

SCALE: 1/4" = 1'-0"

PLOTTED: 11/13/2003

PATH/NAME: J:\B2H-G\DRAWINGS\BASIC\PLAN1.DWG

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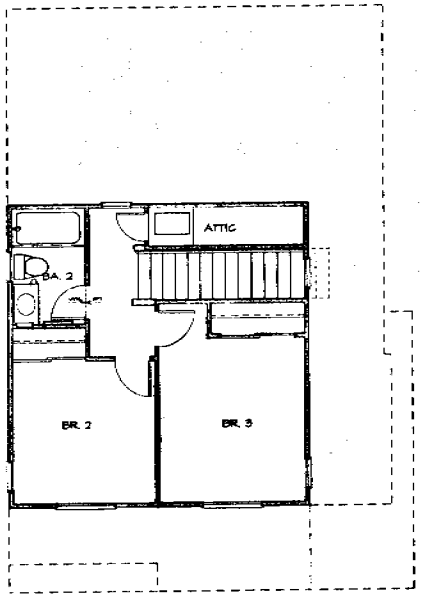
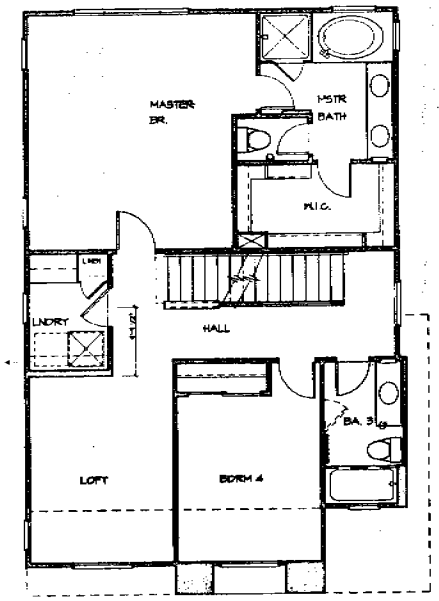
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
131 - 133 - 135 - 137 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

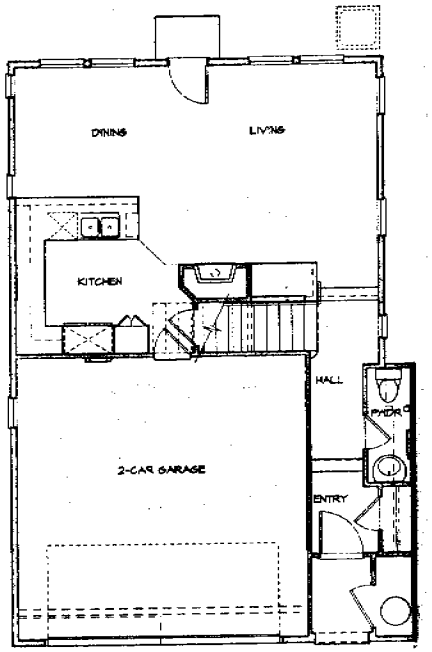
DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 16

AUGUST 3, 2005

Project No.: 520.024

DAHLIN GROUP
ARCHITECTURE PLANNING
2671 Crow Canyon Rd
San Ramon, CA 94583
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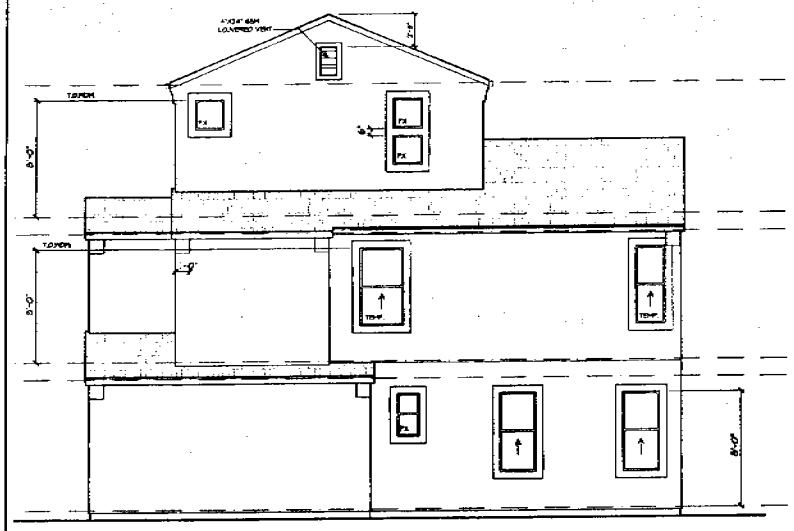
925.837.2543 Fax

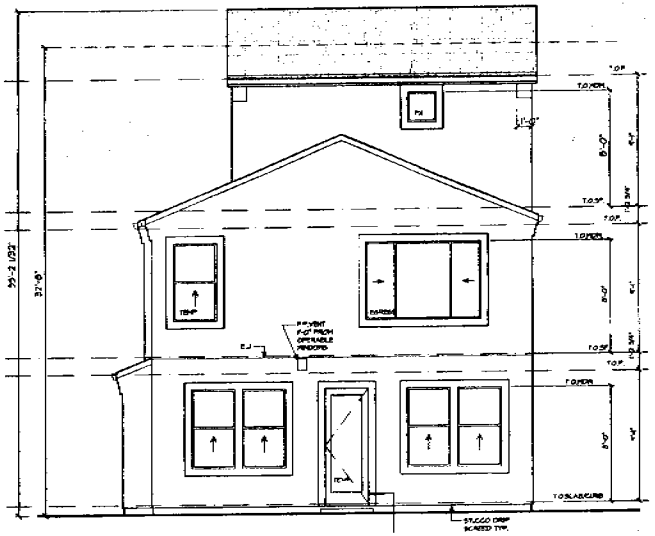
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1333 - 1345 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

DATE NOV. 2005
SCALE AS SHOWN
DESIGNER
DRAFTER
JOB
SHEET A2.0



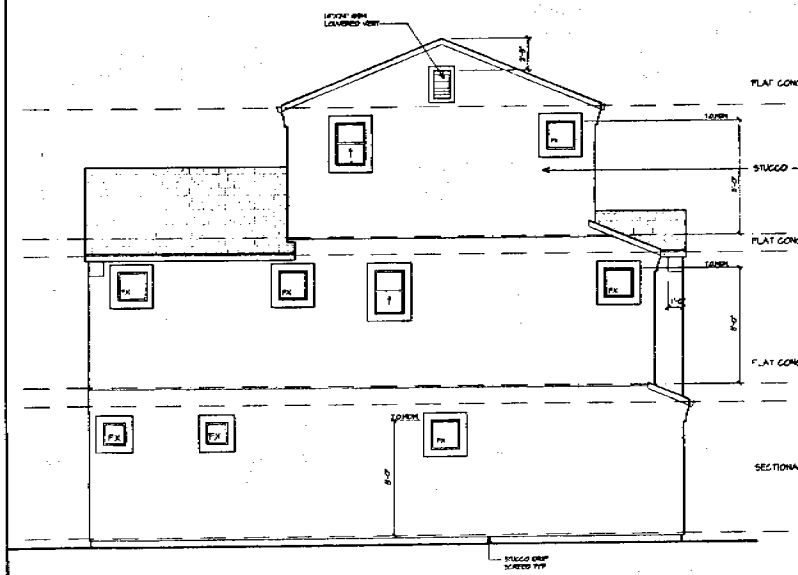
RIGHT ELEVATION "A"



REAR ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. GLASS A ROOF HTR. OF NON FELT OR SOLID SHTG. SHALL BE ALL ELEVATIONS - HONEYCLAY TILE FLAT "SANDRY" MAKE TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 8'-0" (2.0 M)
   SECOND FLOOR: 8'-0" (2.0 M)
   THIRD FLOOR: 7'-0" & 1'-6" (2.0 M)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. U4C.3 FOR TYPICAL FLASHING AT WALL OPENINGS.
5. SEE DET. 4.1 & 8/A0.5 FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE 7/8" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE 'D' PAPER ON SOLID ROOF SHEATHING



LEFT ELEVATION "A"

FRONT ELEVATION "A"

SCALE: 1/4" = 1'-0"
PLOTTED: 11-6-2005
PLOT-NAME: 329.03\GRANNISS\A2.1.DWG

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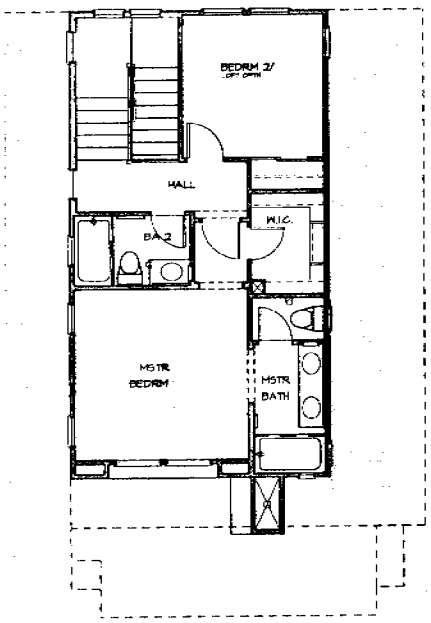
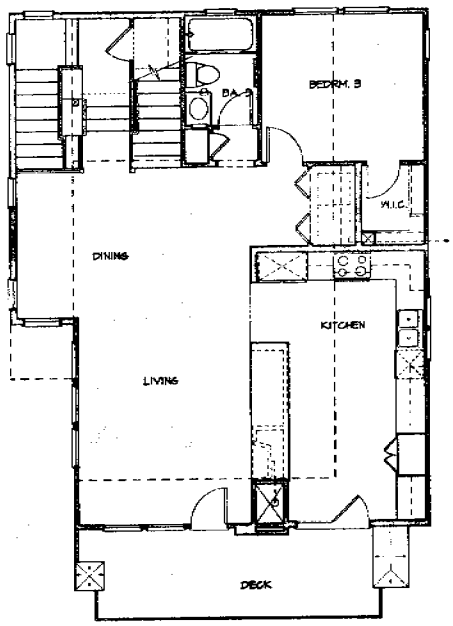
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

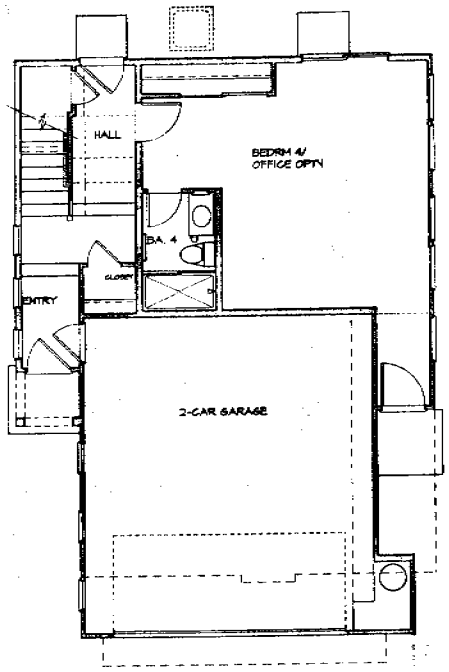
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

Project No.: 529.02

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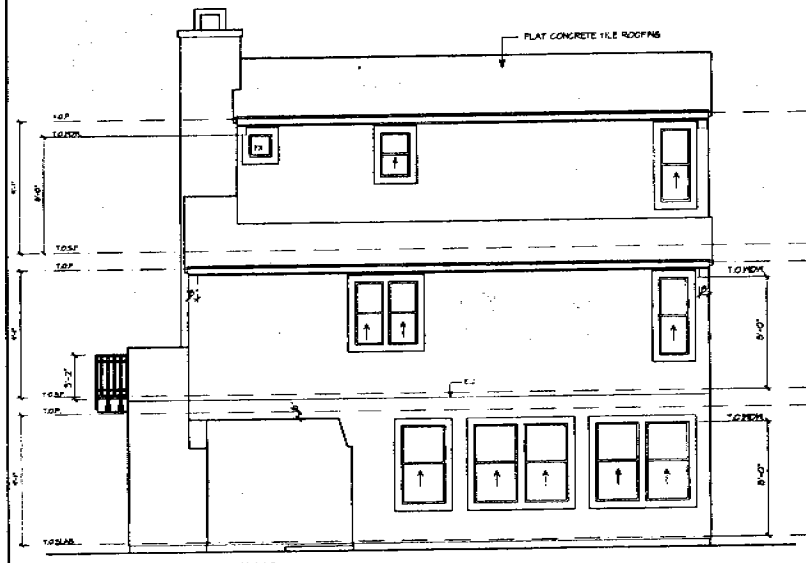
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - FLOOR PLANS

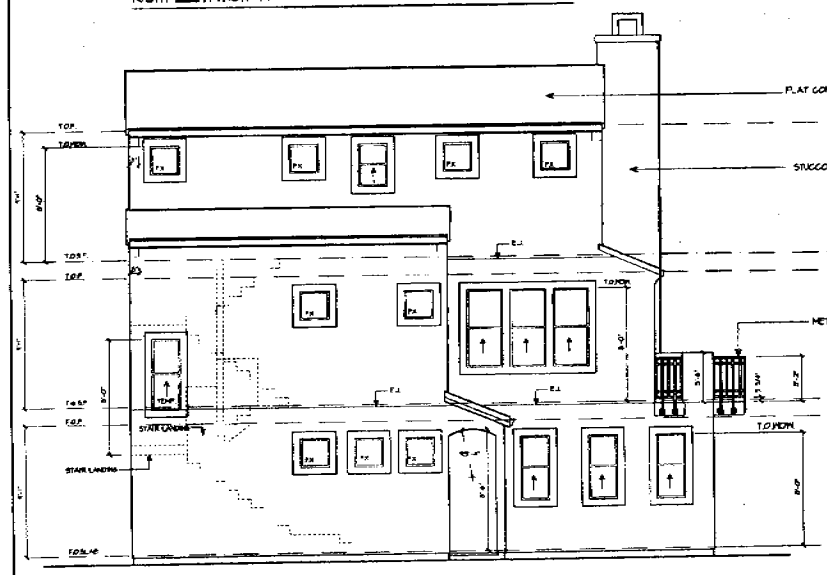
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAWN BY	---
JOB	---
SHEET	A3.0



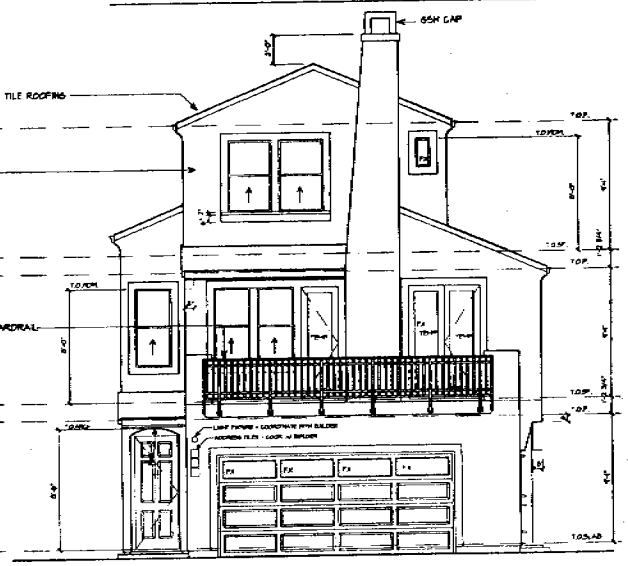
RIGHT ELEVATION "A"

REAR ELEVATION "A"

PLAN 3A



LEFT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF MTRL. ON 30# FELT ON SOLID SHTG. SHALL BE ALL ELEVATIONS - HOMERUP STILE FLAT "SHADOW SHADE" TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR 8'-0" (101N)
   SECOND FLOOR 8'-0" (101N)
   THIRD FLOOR 7'-0" + 7'-8" (101N)
3. SEE FLOOR PLANS FOR GLAZING INFORMATION
4. SEE DET. 1A/D3 FOR TYPICAL FLASHING AT WALL OPENINGS
5. SEE DET. 4 + 5/A/D3 FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE 7/8" 3-COAT STUCCO OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER ON SOLID WOOD SHEATHING.

SCALE: 1/4" = 1'-0"

#:\PTCO. 10/2005

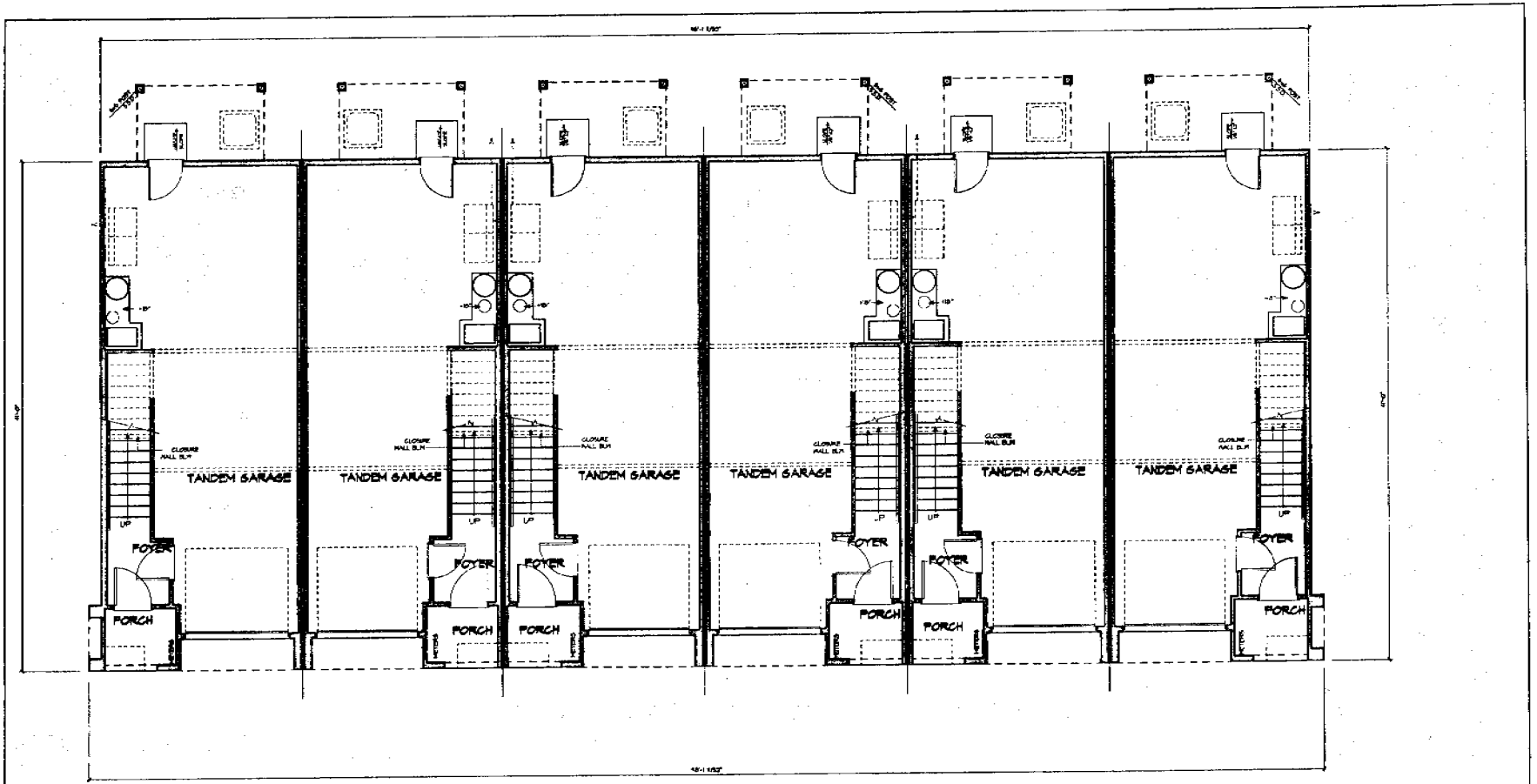
PATHNAME: J:\3PTO S:\DRAWINGS\3-4940.DWG

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
7471 Green Valley Rd
San Ramon, CA 94583
925.837.8286
925.837.2343 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.

TOTAL: 1,160 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

Project No.: 529.024

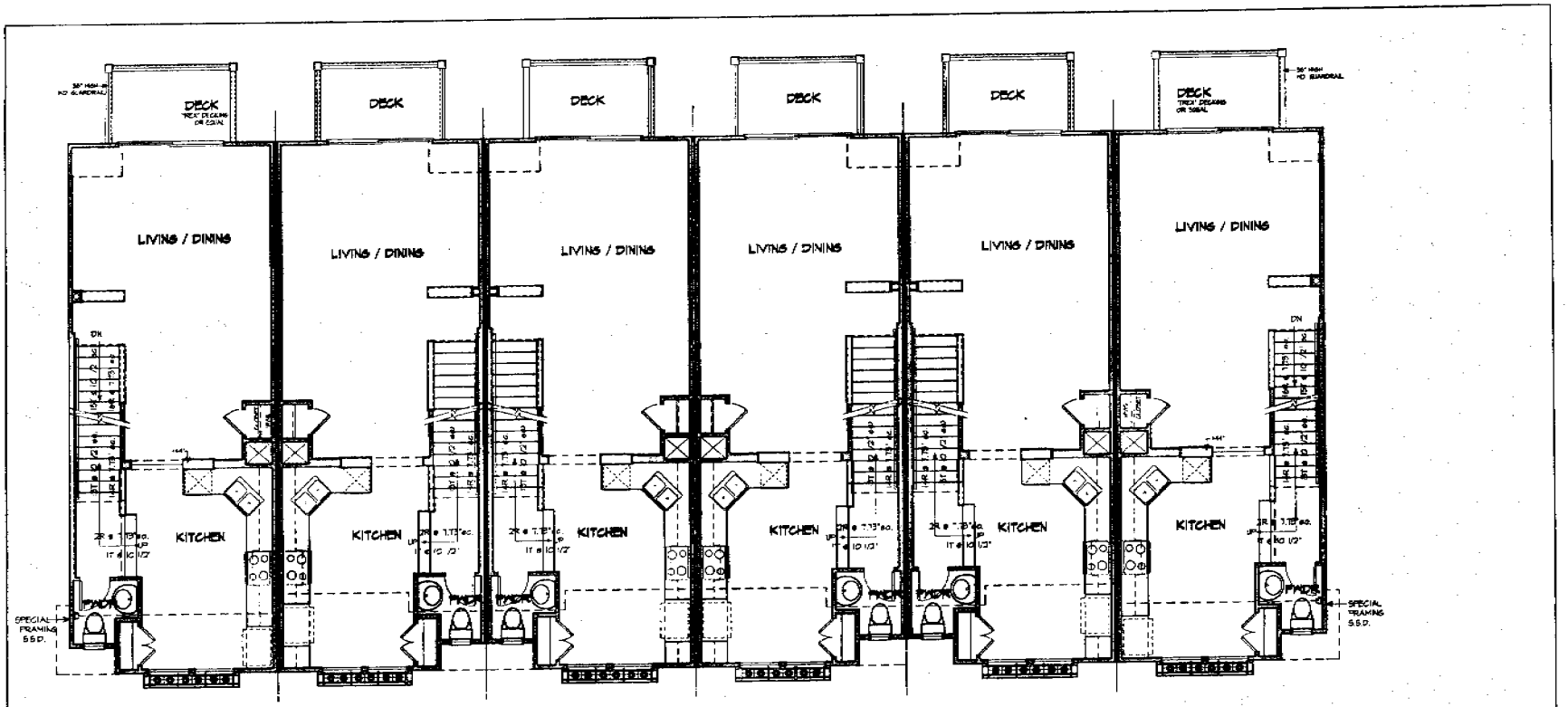
DAHLIN GROUP
ARCHITECTURE PLANNING

7671 Crow Canyon Rd
San Ramon, CA 94583
925.837.9786
925.837.2345 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133 - 173 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.0



SECOND FLOOR PLAN

567 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2004

Project No.: 529.034

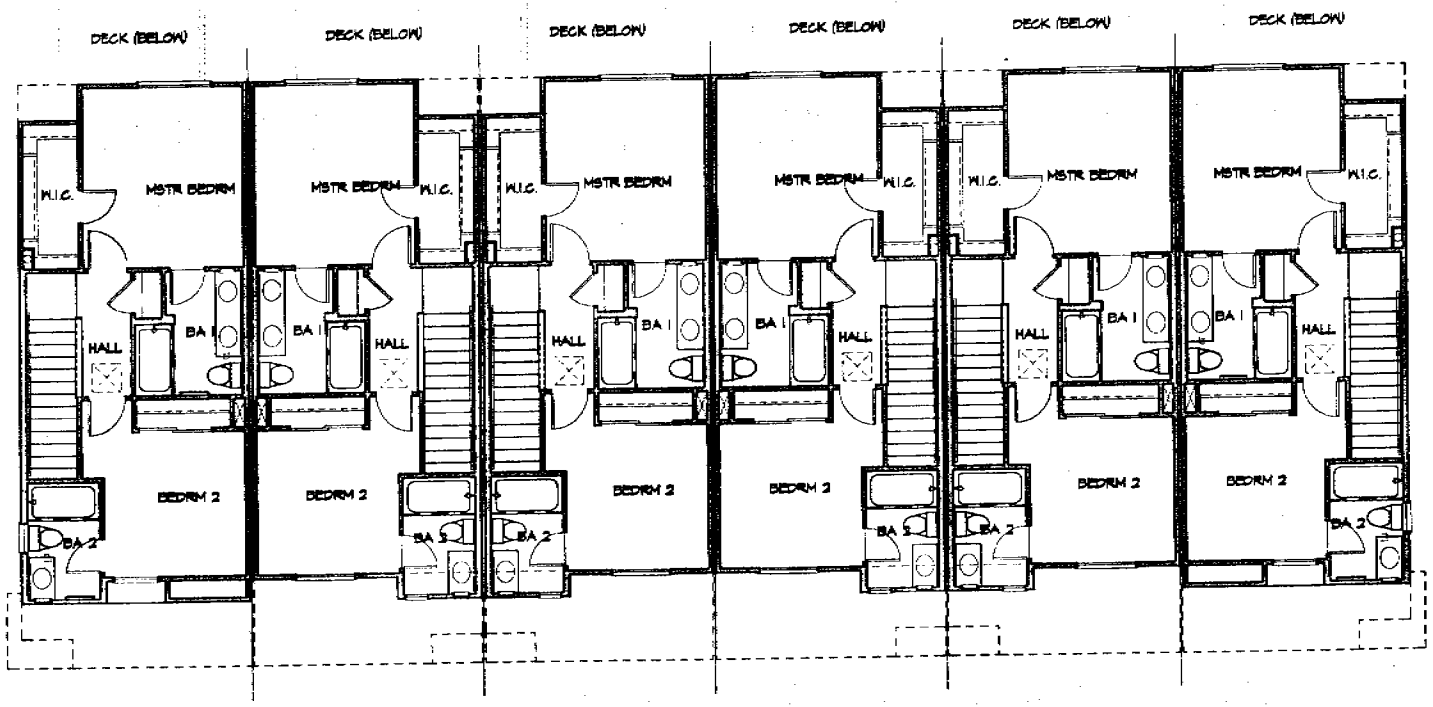
DAHLIN GROUP

2671 Crow Canyon Rd.
San Ramon, CA 94583
925 837 2345
925 837 2435 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1255 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

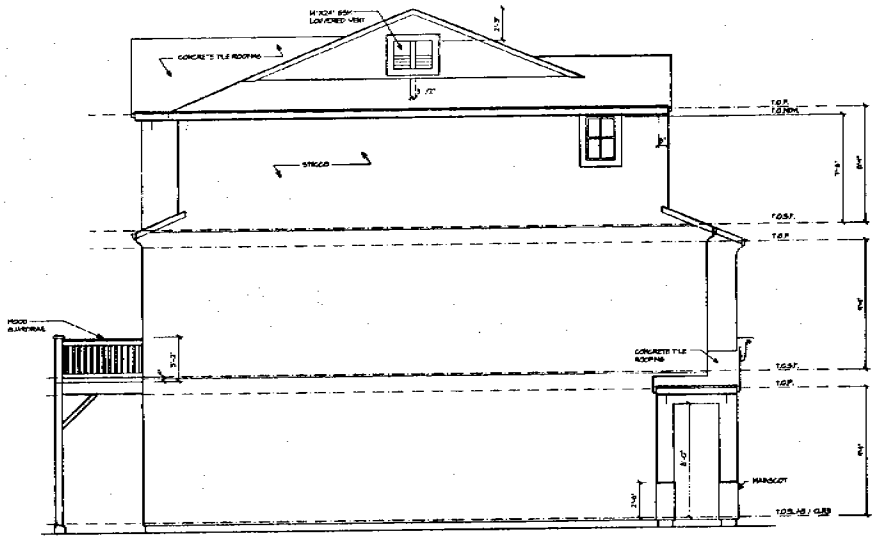
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE
PLANNING
2671 Crow Canyon Rd
San Ramon, CA 94583
925.837.9400
925.837.2343 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1,11,13,15 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

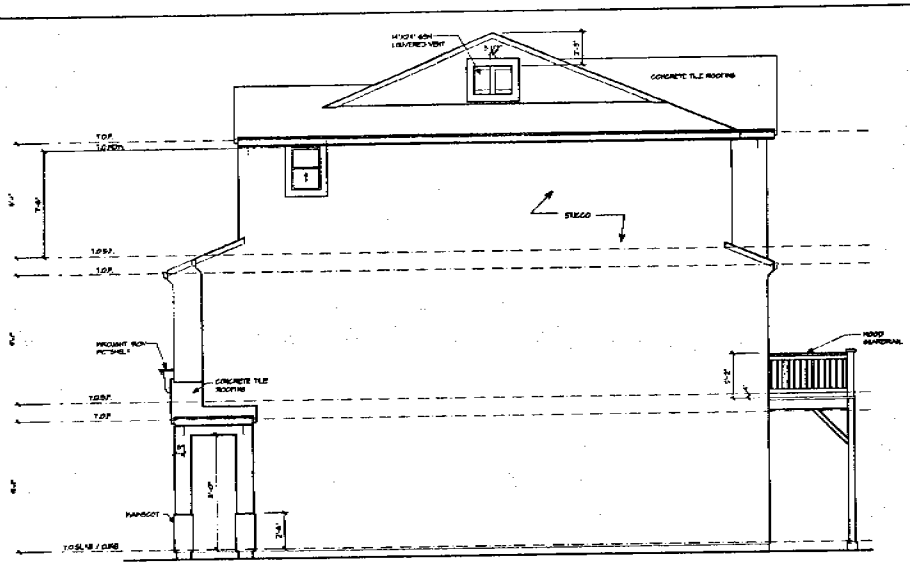
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9296
925.837.2544 Fax

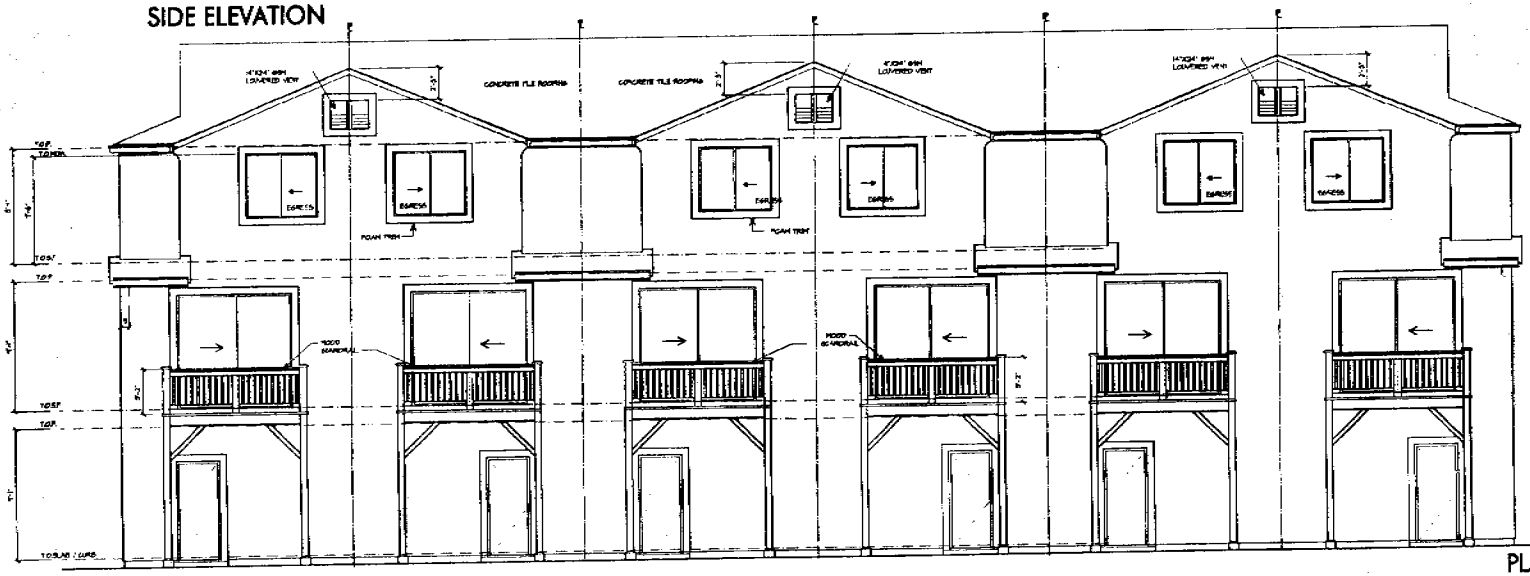
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.3



SIDE ELEVATION



REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

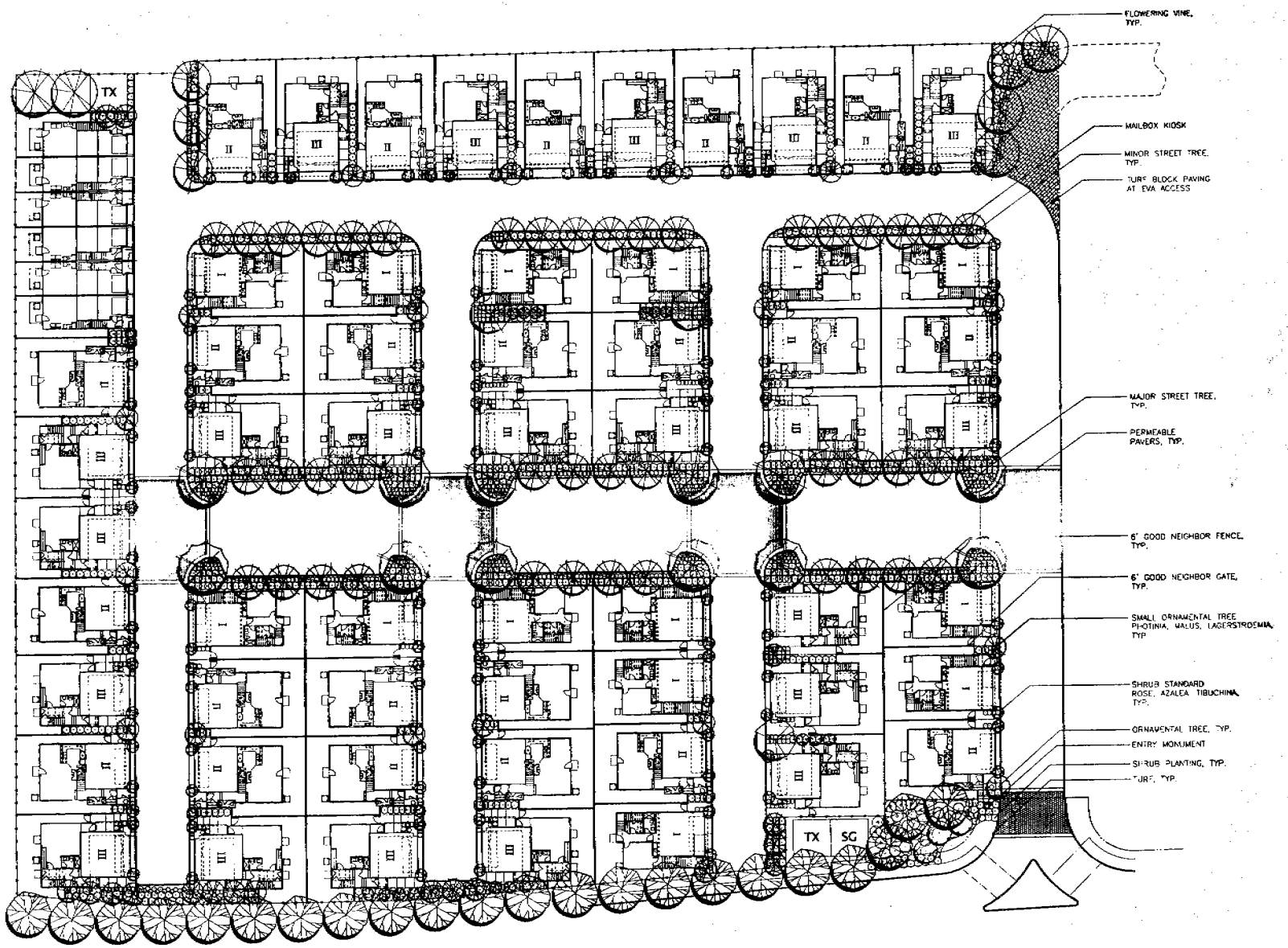
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
7671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.8286
925.837.7543 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1131 - 1133 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES – ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	--
DRAFTER	--
JOB	--
SHEET	A4.4

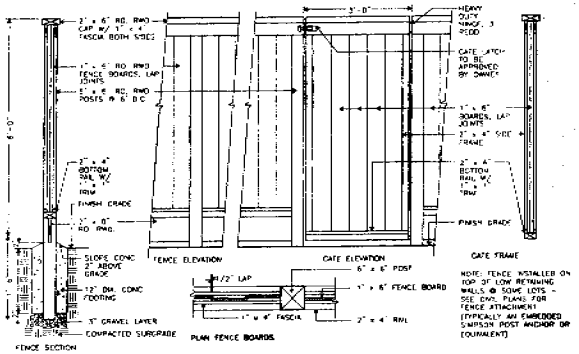


VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
505 HOWARD ST., SUITE 3, SAN FRANCISCO, CA
TEL (415) 543-3033 FAX (415) 975-9108

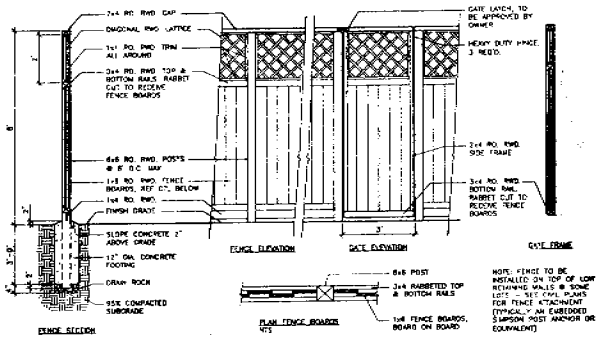
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

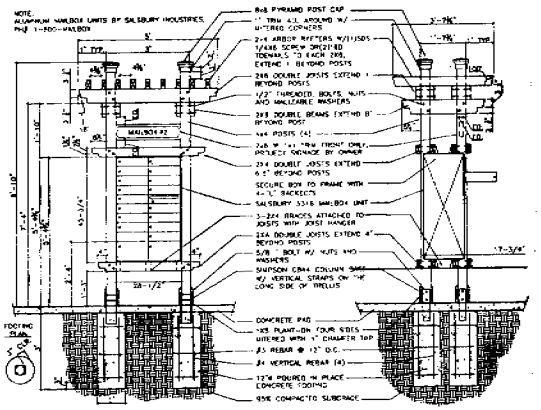
DATE	APR 2006
SCALE	1" = 20'-0"
DESIGNER	MW
DRAWER	MW
JOB	1055.06
SHEET	L1.1
OF	SHEETS



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS



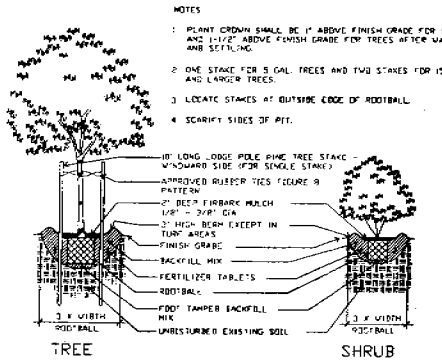
MAILBOX KIOSK
NTS

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
591 HOWARD ST. SUITE 3, SAN FRANCISCO, CA
TEL (415) 979-9900 FAX (415) 979-9908

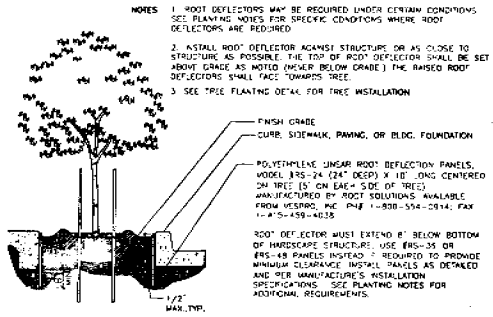
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

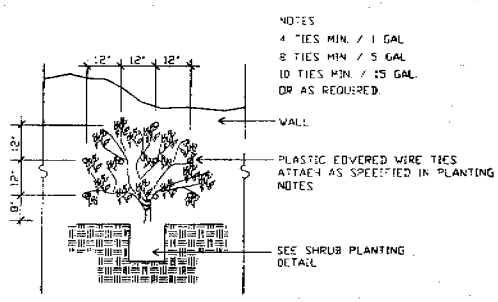
DATE	NOV 2005
SCALE	1" = 20'-0"
DESIGNER	MB
DRAFTER	MB
JOB	4031HB
SHEET	L1.2
OF	SHEETS



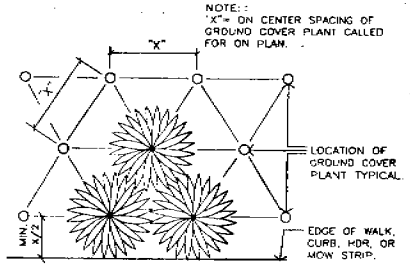
TREE AND SHRUB PLANTING
NTS



ROOT DELECTOR
NTS



VINE TYING PLANTING
NTS



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Chitalpa Tashkentensis	Chitalpa
Chionanthus Retusus	Chinese Fringe Tree
Cupaniopsis Anacardioides	Carrot Wood
Hymenosporum Flavum	Sweetshade
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia Yarwood	Yarwood Sycamore
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Faueri "Cherokee	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Blireana	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis "Majestic Beauty"	India Hawthorn Standard
SHRUBS	
Abelia 'Edward Goucher'	Glossy Abelia
Abelia Floribunda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hybiscus
Anisodontea Capensis	Cape Mallow
Artemisia 'Powis Castle'	Non
Clivia Miniata	Kaffir Lily
Coleonema Puchrum	Breath Of Heaven
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Dodonea Viscosa	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum 'Bowles Mauve'	Wallflower
Escallonia Terri	Escallonia
Escallonia Fredesii	Escallonia
Euryops Pectinatus 'Veridis'	Shrub Daisy
Fatsia Japonica 'Variegata'	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosemarinifolia	Rosemary Grevillea
Grevillea 'Noellii'	Non
Hebe 'Coed'	Non
Hemerocallis Hybrid Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lantana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavendar
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalatum Chinensis'rubrum'	Razzleberry
Loropetalum Chinense	Non
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Neohrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly-Leaf Osmanthus
Phormium Tenax Spp	New Zealand Flax
Phormium 'Jack Spratt'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Rhaphiolepis Indica Spp.	India Hawthorn
Rosmarinus O. 'Tuscan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Non
Tulbaghia Violaceae	Society Garlic
Viburnum Davidii	Non
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Aptenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Clytostoma Callistegiodes	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfadenya Ungis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Faassenii	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Solya Heterophyllus	Australian Bluebell Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion, dwarf tall fescue

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
29 NEWHALL STREET, SAN FRANCISCO, CA
P 415.433.1111 F 415.433.1112

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1313-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE NOV 2005
SCALE 1" = 20'-0"
DESIGNED VAN
DRAWN VAN
JOB A05168
SHEET L1.3
OF SHEETS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTA CLARA AND BRE PROPERTIES, INC. AND TAYLOR MORRISON OF CALIFORNIA, LLC FOR THE MARINA PLAYA PROJECT LOCATED AT 1331-1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, California Government Code sections 65864 through 65869.51 ("Development Agreement Act") authorize cities to enter into binding development agreements with owners of real property and these agreements govern the development of the property; and

WHEREAS, BRE Properties, Inc. ("BRE") and Taylor Morrison of California, LLC ("TM") have requested that the City of Santa Clara ("City") enter into the type of agreement contemplated by the Development Agreement Act; and

WHEREAS, City staff have negotiated and recommended for approval a Development Agreement with BRE and TM in connection with the proposed development located at 1331-1333 Lawrence Expressway, commonly known as the Marina Playa Project ("Project"), subject to specific conditions of approval, all attached as Exhibit A and incorporated by this reference ("Development Agreement"); and

WHEREAS, the Project entitlements include City Council Resolution No. _____ ("FEIR Resolution"); Resolution No. _____ ("Rezoning Resolution") which rezoned the Project site from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use); and Resolution No. _____ ("Tentative Map Resolution") which approved the Tentative Map, along with this Development Agreement Ordinance (collectively, "Entitlements"); and

WHEREAS, the City Council has reviewed the Development Agreement, conducted a public hearing, duly noticed according to the Development Agreement Act and local ordinance, and has considered all available facts related to the Development Agreement; and

WHEREAS, before considering the Development Agreement, the City Council reviewed and considered the information contained in the Final Environmental Impact Report for the Project (SCH # 2007102131) ("FEIR"); and

WHEREAS, the City Council finds that the mitigation measures identified in the FEIR have been incorporated into the FEIR and imposed on the Project, sufficient to mitigate or avoid the significant environmental effects; and

WHEREAS, the City Council has declared that, despite the occurrence of significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social or other considerations for approving the Project the City believes justify the occurrence of those impacts; and

WHEREAS, the Development Agreement complies with all requirements of Government Code section 65865.2; and

WHEREAS, it is necessary and appropriate that this ordinance be adopted to approve the Development Agreement.

NOW THEREFORE, BE IT FURTHER ORDAINED BY THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

SECTION 1: The Ordinance.

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. The City Council hereby finds and determines that the provisions of the Development Agreement are consistent with the General Plan of the City, as may be amended.
3. The City Council hereby finds and determines that the Development Agreement complies with all requirements of Government Code section 65865.2.
4. The Development Agreement is hereby approved in substantially the form presented to the City Council, a copy of which is on file with the City Clerk and can be reviewed by members of the public at the City Clerk's Office, 1500 Warburton Avenue, Santa Clara, California.
5. The City Manager, or designee, is hereby authorized to execute the Development Agreement on behalf of the City, upon adoption of this ordinance, together with such non-substantive changes and amendments as may be approved by the City Manager and City Attorney. The City Manager, or designee, is authorized to take any action and execute any and all documents and agreements necessary to implement the Development Agreement.
6. Within ten (10) days after the City Manager, or designee, executes the Development Agreement, the City Clerk shall cause the Development Agreement to be recorded with the Santa Clara County Clerk-Recorder's Office.

SECTION 2: Constitutionality, severability.

If any section, subsection, sentence, clause, phrase, or word of this ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

SECTION 3: Effective Date.

This ordinance shall take effect thirty (30) days after its final adoption; however, prior to its final adoption it shall be published in accordance with the requirement of Sections 808 and 812 of the Charter of the City of Santa Clara, California.

PASSED FOR THE PURPOSE OF PUBLICATION this _____ day of _____, 2008, by the following vote:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Agreement
I:\DATA\WP\ORDINANCES\Marina Playa Dev Agmt Ord 05-07-08.doc

EXHIBIT A

DEVELOPMENT AGREEMENT

DRAFT

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Santa Clara
City Hall
1500 Warburton Avenue
Santa Clara, California 95050

SPACE ABOVE LINE FOR RECORDER'S USE ONLY

DEVELOPMENT AGREEMENT

AMONG

THE CITY OF SANTA CLARA,
a municipal corporation

AND

BRE PROPERTIES, INC.,
a California corporation

AND

TAYLOR MORRISON OF CALIFORNIA, LLC,
a California limited liability company

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EXHIBITS

A. Legal Description of Property
- A-1. BRE Property
- A-2. TM Property

B. Development Plan
- B-1. BRE Development Plan
- B-2. TM Development Plan

C. Conditions of Approval

D. Insurance Requirements

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("**Agreement**") is entered by and among THE CITY OF SANTA CLARA ("**City**"), a California municipal corporation, and BRE PROPERTIES, INC., a California corporation ("**BRE**") and TAYLOR MORRISON OF CALIFORNIA, LLC, a California limited liability company ("**TM**"; BRE and TM are collectively referred to as "**Developer**") and is effective on the date set forth in Recital K.

Recitals

Developer and City enter this Agreement on the basis of the following facts, understandings and intentions and the following recitals are a substantive part of this Agreement:

A. Sections 65864 through 65869.5 of the California Government Code authorizes City to establish procedures to enter into binding development agreements with persons having legal or equitable interests in real property located within the City for development of property.

B. The Municipal Code of the City of Santa Clara, California ("**Code**") Section 17.10.010 et seq., adopted by the City Council ("**City Council**") of the City, establishes the authority and procedure for review and approval of proposed development agreements.

C. Developer is the legal or equitable owner of the property ("**Property**") governed by this Agreement, comprising an approximately 7.3 acre site, sometimes known or referred to as "Marina Playa" located at Lawrence Expressway and Granada Avenue, in the City of Santa Clara, further described in **Exhibit A**, attached hereto and incorporated by this reference. References to Developer include Developer's assignees and all successors in interest to any portion of the Property. BRE owns the Property, but has entered into a contract to convey the northerly 4.1 acres to TM. The portion of the Property to be retained by BRE ("**BRE Property**") is more particularly described in **Exhibit A-1**, attached hereto and incorporated by

this reference. The portion to be conveyed to TM ("**TM Property**") is more particularly described in **Exhibit A-2**, attached hereto and incorporated by this reference.

D. BRE and TM each filed applications with the City for the development of the BRE Property and TM Property respectively. Because the BRE Property and TM Property are adjacent to each other and were originally part of the same site for planning purposes and because they involve common development issues, the City has processed and considered the two development applications together.

E. The City has granted certain land use approvals, including a rezoning ("**Rezoning**") of the Property to Planned Development ("PD") (PD #_____), a lot line adjustment and a tentative subdivision map ("**Approvals**"). The Rezoning was enacted after a focused Environmental Impact Report ("**EIR**") was prepared, certified and considered in compliance with the California Environmental Quality Act ("**CEQA**"). The Rezoning authorizes BRE to improve the BRE Property by building a residential development, including the buildings, access and parking facilities, landscaping and infrastructure improvements shown on the BRE Development Plan ("**BRE Development Plan**"), which consists of ___ sheets of plans submitted by _____ Architects dated _____ ("**BRE Project**"). Sheets___ of the BRE Development Plan are attached hereto as **Exhibit B-1** and incorporated by this reference. The BRE Project is a proposed development of up to 277 apartment units with at least 10% being classified as "affordable" for lower income households under City ordinances or guidelines at prices and rents set at the time of sale or lease of such units. The Rezoning also authorizes TM to improve the TM Property by building a residential development, including the buildings, access and parking facilities, landscaping and infrastructure improvements shown on the TM Development Plan ("**TM Development Plan**"), which consists of ___ sheets of plans submitted by _____

Architects dated _____ ("**TM Project**"). The TM Project is a proposed development of up to 57 single-family detached houses and, 6 attached townhouses which will be available for "moderate" income households under City ordinances or guidelines at prices and rents set at the time of sale or lease of such units. Sheets___ of the TM Development Plan are attached hereto as **Exhibit B-2** and incorporated by this reference. The BRE Project and TM Project are collectively referred to as "**Project**" and the BRE Development Plan and the TM Development Plan are collectively referred to as "**Development Plan**".

F. City and Developer acknowledge that development and construction of the Project is a large-scale undertaking involving major investments by Developer and City. Certainty that the Project can be developed and used in accordance with the Rezoning during the term of this Agreement will benefit Developer and City.

G. City is willing to enter this Agreement for the reasons enumerated in Code Section 17.10.010 to (i) eliminate uncertainty in the comprehensive development planning of large-scale projects in the City, such as the Project; (ii) to secure orderly development and fiscal benefits for public services, improvements and facilities planning in the City; (iii) to meet the goals of the General Plan, such as to encourage transit-oriented housing development on in-fill sites; and, (iv) to plan for and concentrate, for the mutual benefit of Developer and City, the development of a residential project consisting of apartments, single-family detached houses and attached townhouses and associated parking areas.

H. City's willingness to enter into this Agreement is a material inducement to Developer to implement the Project, and Developer proposes to enter this Agreement in order (i) to obtain assurance from City that the Property may be developed, constructed, completed and used pursuant to the Rezoning and in accordance with existing policies, rules and regulations of the

City, subject to the limitations expressed herein and the term of this Agreement; and, (ii) to provide for a coordinated and systematic approach to funding the cost of certain public improvements and facilities planned by the City, and to establish the timing and extent of contributions required from Developer for these purposes.

I. On _____, 2008, City's Planning Commission held a duly noticed public hearing on this Agreement and (i) determined that consideration of this Agreement based on the EIR complies in all respects with CEQA; (ii) determined that this Agreement is consistent with the City's General Plan; and (iii) recommended that the City Council approve this Agreement.

J. On _____, 2008, the City Council held a duly noticed public hearing on this Agreement and determined that consideration of this Agreement complies in all respects with CEQA; found this Agreement to be consistent with the City's General Plan; and, introduced Ordinance No. _____, approving this Agreement.

K. On _____, 2008, the City Council adopted Ordinance No. _____, enacting this Agreement and the Ordinance became effective thirty (30) days later on _____, 2008 ("**Effective Date**").

L. Developer has requested City consider entering into a development agreement and proceedings have been taken in accordance with state law.

M. Certain improvements to the City's sewer system ("**Westside Sewer Improvements**"), as set forth in the conditions of approval adopted by City as part of the Rezoning ("**Conditions of Approval**") which are attached hereto as **Exhibit C** and incorporated herein by this reference, are necessary to provide the sanitary sewer capacity for several planned construction projects in the westerly area of City, including Developer's Project.

N. Developer plans to develop the Project in several phases which are outlined in more detail in the Conditions of Approval. BRE and TM will each implement their portion of the Project separately in phases applicable only to that portion of the Project.

Agreement

NOW, THEREFORE, pursuant to the authority contained in Section 65864 et seq., of the California Government Code and Code Section 17.10.010 et seq., and in consideration of the mutual covenants and promises of the parties, the parties hereto agree as follows:

1. Development of the Property

1.1 Property and Binding Covenants. The Property that is the subject of this Agreement is that certain real property described in **Exhibit A** attached hereto. It is intended and determined that the provisions of this Agreement shall constitute covenants that shall run with the Property and the benefits and burdens hereof shall bind and inure to all successors in interest to the parties hereto.

1.2 Term. The term ("**Term**") of this Agreement shall commence on the Effective Date set forth above, or on the effective date of Ordinance No. ____ approving this Agreement if said ordinance becomes effective later, and shall extend for a period of five (5) years, subject to one or more extensions under Section 21 for Force Majeure, unless sooner terminated or extended as hereinafter provided. Furthermore, Developer may request, and the City may grant an additional five (5) year term, upon written request by Developer not less than ninety (90) days prior to the expiration of the initial five (5) year term. Following expiration of the Term or any extension, or if sooner terminated, this Agreement shall have no force and effect, subject, however, to post-termination obligations of Developer and City. As the Term relates to all of the Property, the Term may be altered to any date mutually agreed to in writing by the parties. Alternatively, the Term may be extended only as to the

BRE Property upon written agreement of BRE and City, and the Term may be extended only as to the TM Property upon written agreement of TM and City.

1.3 Life of Approvals. Pursuant to Government Code Section 66452.6(a) and this Agreement, the term of any of the Approvals, and any Subsequent Approval (as defined in Section 1.4), shall automatically be extended to and until the later of the following: (1) the end of the Term of this Agreement; or (2) the end of the term or life of any such Approval. Notwithstanding the foregoing, the vested rights secured by Developer under this Agreement shall have a life no greater than the Term of this Agreement (as it may be extended).

1.4 Vested Elements. The permitted uses of the Property, the maximum density and intensity of use, the maximum heights, locations, numbers and gross square footage of the proposed buildings, the provisions for vehicular access and parking, reservation or dedication of land for public purposes or fees in-lieu thereof, provision for construction of public improvements and/or fees in-lieu thereof, other terms and conditions of development applicable to the Property and referred to as vested elements ("**Vested Elements**") are set forth in the following documents as they exist as of the Effective Date:

(a) The General Plan of the City of Santa Clara, current as of the Effective Date;

(b) The Code, current as of the Effective Date, including the Rezoning;

(c) All other applicable City plans, policies, programs, regulations, ordinances, and resolutions of the City in effect as of the Effective Date which regulate development of the Property and implementation of the Project, and which are not inconsistent with the terms of this Agreement ("**Other Regulations**").

(d) The Planned Development Zoning District PD _____.

(e) The lot line adjustment and tentative map.

(f) Permits and approvals issued after the Effective Date which are needed for the implementation and development of the Project ("**Subsequent Approvals**"), including but not limited to additional subdivision maps or lot line adjustments, if any, final maps, site and architectural review, demolition permits, building permits, grading permits, and infrastructure improvement plans processed in accordance with the Approvals. Upon approval, Subsequent Approvals shall be incorporated into this Agreement and vested hereby.

1.5 Permitted Uses. The permitted uses for the Property are as follows: the development of up to 277 residential apartment units, 57 single-family residential detached houses, and 6 attached residential townhouses, and all improvements appurtenant thereto, a minimum of 520 parking spaces, and public and private infrastructure, all of which must be implemented in accordance with the Development Plan and the Conditions of Approval.

1.6 Present Right to Develop. Subject to Developer's fulfillment of the provisions of this Agreement and the Development Plan, City hereby grants to Developer the present vested right to develop and construct on the Property all the improvements authorized by, and in accordance with the Vested Elements, including in particular the terms of the Development Plan and the Rezoning. To the extent permitted by law, no future modification (including by later-adopted initiative) of the City's General Plan, Code, ordinances, policies or regulations that purport to (i) limit the rate or amount of development of the portions of the Project to be built; or (ii) impose fees, exactions or conditions upon development, pricing, occupancy or use of the Property other than as provided in the Development Plan or Conditions of Approval or pursuant to this Agreement, shall apply to the Property; provided, however, that nothing in this Agreement shall prevent or preclude City from adopting any land use regulations or amendments expressly permitted herein.

1.7 Timing of Improvements. Developer may implement the Development Plan in phases, as described herein or as outlined in the Development Plan or as otherwise approved by the City. It is the parties' specific intent that this Agreement shall prevail over any later-adopted initiative or moratorium that might otherwise have the effect of restricting or limiting the timing of development of the Project and that Developer shall have the right to develop the Project at such time as Developer deems appropriate within the exercise of its subjective business judgment and no annual (or other) limit, moratoria, or other limitation upon the number of, or phasing or pacing of, units which may be constructed on, or building permits which may be obtained for lots, or the like shall apply to the Project. Therefore, subject to the terms of this Agreement, the Development Plan and the Conditions of Approval, Developer shall have the vested right (without obligation) to develop the Property in such order and at such rate and at such times as Developer deems appropriate within the exercise of its subjective business judgment, and such order, rate and time selected by Developer shall in no way affect or impair Developer's vested rights under this Agreement. Consistent with the City's General Plan, the BRE Project and the TM Project will be implemented separately and each of the BRE Project and the TM Project may be implemented in phases applicable only to that Project.

1.8 Agreement and Comprehensive Development Plan. The parties acknowledge that, except as specifically set forth herein, this Agreement, the Development Plan and the Conditions of Approval set forth a comprehensive schedule of all development terms and conditions, development mitigation measures and fees, special assessments, special taxes, exactions, fees in-lieu, charges and dedications required in the public interest to be contributed, paid or constructed due to development of the Property as defined in the Development Plan. All fees referred to herein, may be subject to an annual increase until paid, but only if such increase is applied equally to similarly situated projects

on a city-wide basis, and any such annual increase shall be limited in the manner specified in Section 3.

1.9 Design of On-Site and Off-Site Improvements. Development of the Property shall be subject to final architectural and design review by City pursuant to the policies, regulations and ordinances in effect as of the Effective Date, and subject to the Development Plan, the Conditions of Approval and this Agreement. No such architectural and design review shall, without Developer's consent, prevent development of the Property in accordance with the Development Plan, the Conditions of Approval and this Agreement, unless City determines it is necessary to protect against conditions which create a risk to the physical health or safety of residents or users of the Project or the affected surrounding region. The Development Plan and Conditions of Approval, and all improvement plans prepared in accordance with the Conditions of Approval, shall govern the design and scope of all on-site and off-site improvements benefiting or to be constructed on the Property, including all street widths and dedications. In no event shall final architectural and design approval by City be conditioned on or require any change in the Development Plan or Conditions of Approval.

1.10 Development of the Site. Nothing in this Agreement obligates the Developer to proceed with the Project or proceed at a certain time with the Project. However, if and when the Developer proceeds with the Project, Developer agrees to perform all of its obligations contained in this Agreement in the time and manner set out in this Agreement and the Conditions of Approval. However, the TM Project and BRE Project may be processed separately and independently and may be developed separately and independently.

2. Effect of Agreement

2.1 Subsequent State or Federal Laws or Regulations. As provided in California Government Code Section 65869.5, this Agreement shall not preclude the application to the Project of changes in

laws, regulations, plans or policies, to the extent that such changes are specifically mandated and required by changes in county, regional, state or federal laws or regulations ("**Changes in the Law**"). In the event Changes in the Law prevent or preclude compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended, or performance delayed, as may be necessary to comply with Changes in the Law, and City and Developer shall take such action as may be required to be consistent with the intent of this Agreement.

2.2 Changes to Existing Regulations. Except as otherwise specifically provided, only the following changes to the Vested Elements, including such changes adopted by the electorate through the powers of initiative, referendum or otherwise, shall apply to the development of the Property:

(a) Subject to Section 3 herein, citywide regulations, ordinances, policies, programs, resolutions or fees adopted after the Effective Date that are not in conflict with the terms and conditions for development of the Property established by this Agreement, or otherwise applicable regulations existing as of the Effective Date . Any change to the General Plan, City Code or Other Regulations shall be deemed to conflict with the Approvals and this Agreement ("**Conflicting City Law**") if it prevents development of the Property in accordance with the Approvals, requires changes in the development of the Property from what is contemplated by the Approvals, delays, rations or imposes a moratorium on development of the Property, dictates permitted occupancy of the Project, requires the issuance of discretionary or nondiscretionary permits or approvals by the City other than those required as of the Effective Date. A fee shall be deemed to conflict with this Agreement if it is (i) an increase in an existing fee by more than the amount permitted pursuant to Section 3 below or (ii) a fee not in effect on the Effective Date.

(b) Any law, regulation or policy which would otherwise be Conflicting City Law, but through this Agreement or by later separate document, application to the Property has been

consented to in writing by the Developer. Consent of BRE shall apply only to the BRE Project and BRE Property and consent of TM shall apply only to the TM Project and TM Property.

2.3 Further Reviews. Developer acknowledges that the existing land use regulations contemplate further reviews of elements or portions of the Project by the City, including potential CEQA analysis. Nothing in this Agreement shall be deemed to limit the legal authority of City with respect to these reviews as provided by and otherwise consistent with this Agreement. In no event shall such further review by City revisit the Development Plan, Conditions of Approval, or other Approvals or be conditioned on or require any change in the Project as contemplated by the Development Plan, Conditions of Approval or this Agreement.

2.4 Local Rules. Future development on the Property shall be subject to all the officially-enacted written rules, regulations and policies (collectively "**Local Rules**") of the City which govern uses, architectural design, landscaping, public improvements and construction standards, and which are contained in the Development Plan or are in effect as of the Effective Date, with the exception that revisions or amendments to the Local Rules necessitated by public health or fire and life safety considerations shall apply as though the rules were in effect as of the Effective Date. Notwithstanding any other provision of this Agreement, and without limitation as to any other exceptions contained in this Agreement, City shall retain the authority to take the following actions, so long as such action is applied on a citywide basis to similarly situated projects:

(a) adopt and apply property transfer taxes and/or excise taxes;

(b) adopt and apply utility charges;

(c) maintain the right of voters to act by initiative or referendum, but only to the extent that the initiative or referendum does not affect or interfere with any vested rights acquired by the Developer; except that this Agreement itself is subject to referendum;

(d) impose a traffic mitigation fee that may be adopted by the regional transportation agency; and

(e) take other actions not expressly prohibited by the terms or provisions of this Agreement.

2.5 Future Exercise of Discretion by City. This Agreement shall not be construed to limit the authority or obligation of City to hold necessary public hearings, or, except as provided herein, to limit discretion of the City or any of its officers or officials with regard to rules, regulations, ordinances or laws which require the exercise of discretion by City or any of its officers or officials. Except as provided herein, this Agreement shall not prevent City from applying new rules, regulations and policies, or from conditioning future Project development approval applications on new rules, regulations and policies that do not conflict with the terms of the Development Plan or this Agreement.

3. Development Fees, Exactions and Dedications.

The fees, special assessments, special taxes, exactions and dedications (collectively "**Fees**") payable due to the development, build out, occupancy and use of the Property pursuant to this Agreement shall be exclusively those set forth in the Conditions of Approval and the Development Plan or as specified in this Agreement. Notwithstanding any amendments to the Fees or imposition of any new City fees, taxes, special assessments or other exactions after the Effective Date, the Fees set forth in the Conditions of Approval shall be the only fees, charges, special assessments, special taxes, dedications and exactions payable to City due to development of the Property.

3.1 Processing Fees. Processing fees ("**Processing Fees**"), including without limitation, building permit fees, may be increased if the increase is applicable citywide and reflects the reasonable cost to City of performing the administrative processing or other service for which the particular Processing

Fee is charged. New Processing Fees may be imposed if the new Processing Fees apply to all similarly situated projects or works within the City and if the application of these Processing Fees to the Property is prospective only. Processing Fees shall be due and payable on a phase by phase basis, so that only those fees applying to the actual construction of each phase shall be paid upon the issuance of the appropriate approvals for that phase. Notwithstanding the foregoing limitations on Processing Fees, Developer agrees to reimburse City for expenses over and above Processing Fees paid by Developer as an applicant for reasonable and actual costs incurred by City relating to this Agreement. The cumulative amount of any reimbursement paid to the City pursuant to this Section 3.1, if any, shall not exceed $20,000, which shall be split evenly between BRE and TM. Developer shall pay the costs associated with the planning, processing and environmental review process for the Project, provided that such costs shall be limited to (i) reasonable costs directly associated with the preparation of the EIR; (ii) fees ordinarily charged by City for processing land use applications and permits in effect as of the Effective Date, provided that such fees and costs are applied to Developer in the same manner as other similarly situated applicants seeking similar land use approvals and are not limited in applicability to the Project or to related uses; and (iii) fees associated with permit plan checking, above those normally charged by the City. Developer shall reimburse City for reasonable staff overtime expenses incurred by City in processing review, approval, inspection and completion of the Project provided that such overtime expenses are (a) reasonably necessary for the completion of the Project in accordance with Developer's schedule; and (b) applied to Developer in the same manner as similarly situated project applicants.

3.2 Dedications. Developer shall offer to dedicate to City, upon request by City, all portions of the Property designated in the Conditions of Approval for public easements, streets or public areas.

3.3 Exactions. Developer agrees to contribute to the costs of public facilities and services in the amounts set forth in the Development Plan and Conditions of Approval, as required to mitigate impacts of the development of the Property ("**Exactions**"), and City agrees to assure that Developer may proceed and complete development of the Property in accordance with the terms of this Agreement. City and Developer recognize and agree that but for Developer's contributions to mitigate the impacts arising as a result of the entitlements granted pursuant to this Agreement, City would not and could not approve the development of the Property as provided by this Agreement. City's approval of development of the Property is in reliance upon and in consideration of Developer's agreement to make contributions toward the cost of public improvements and public services as provided to mitigate the impacts of development of the Property. In-lieu of dedicating and/or improving on-site land for recreational park purposes, Developer shall contribute a total of $200,000 to the City for off-site park improvements. The payment of $100,000 by TM shall be made upon the City's approval of the final map for the TM Project and the payment of $100,000 by BRE shall be made prior to the issuance of the first building permit for the super structure for the BRE Project. This payment shall constitute Developer's sole obligation to the City for the Project with respect to parkland dedication or payment of fees for park or recreational purposes.

3.4 Affordable Housing. The parties acknowledge that the Approvals require that the TM Project and the BRE Project make ten percent (10%) of the units in each Project affordable to lower income households, pursuant to Program 16 in the Housing Element of the General Plan as implemented by (i) the "City of Santa Clara Below-Market Price Purchase Program Policies and Procedures approved on January 9, 2007" as to for-sale units and (ii) the "City's Inclusionary Housing Policy, Below-Market Rate Rental" as to rental units (collectively "**Affordable Housing Regulations**"). These affordability requirements shall apply separately to the BRE Project and the

TM Project. No failure of the BRE Project to meet any affordability requirements shall result in imposition of additional or more stringent affordability requirements on the TM Project, and no failure of the TM Project to meet any affordability requirements shall result in imposition of additional or more stringent affordability requirements on the BRE Project. The parties will each enter into an Affordable Housing Agreement consistent with this Section 3.4 and the Conditions of Approval. City agrees that TM will fully satisfy its obligations under this Section by making the 6 townhouses in the TM Project available for sale to eligible "moderate" income households and by paying the City an in lieu fee as calculated pursuant to the City of Santa Clara Below-Market Price Purchase Program Policies and Procedures for any fractional unit remaining.

4. Standard of Review of Permits.

All permits ("**Permits**") required by Developer to develop the Property, excepting the Rezoning, but including (i) road construction permits, (ii) grading permits, (iii) building permits, (iv) fire permits, and (v) certificates of occupancy, shall be issued by City after City's review and approval of Developer's applications, provided that City's review of the applications is limited to determining whether the following conditions are met:

(a) The application is complete; and,

(b) The application demonstrates that Developer has complied with the Development Plan and the applicable Local Rules defined in Section 2.4 of this Agreement.

5. Priority.

In the event of conflict between the General Plan, this Agreement, the Code, Other Regulations and Local Rules as defined in Section 2.4 herein, all as they exist on the Effective Date, the parties agree that the following sequence establishing the relative priority of each item: (1) the General Plan, as

existing on the Effective Date; (2) this Agreement; and (3) the Code, Other Regulations and Local Rules.

6. Cooperation in Implementation.

Upon Developer's satisfactory completion of all required preliminary actions provided in the Development Plan, and payment of required processing fees, if any, City shall proceed in a reasonable and expeditious manner, in compliance with the deadlines mandated by applicable agreements, statutes or ordinances, to complete all steps necessary for implementation of this Agreement and development of the Property in accordance with the Development Plan, including the following actions:

(a) Scheduling all required public hearings by the Planning Commission and City Council; and,

(b) Processing and checking all maps, plans, land use and architectural review permits, permits, building plans and specifications and other plans relating to development of the Property filed by Developer as necessary for complete development of the Property. Developer, in a timely manner, shall provide City with all documents, applications, plans and other information necessary for the City to carry out its obligations hereunder and to cause City's planners, engineers and all other consultants to submit in a timely manner all necessary materials and documents. It is the parties' express intent to cooperate with one another and diligently work to implement all land use and building approvals for development of the Property in accordance with the Development Plan and the terms hereof. Notwithstanding the foregoing, the TM Project and BRE Project may be processed separately and independently and may be developed separately and independently. At Developer's request, City shall retain outside building consultants to review plans or otherwise assist City's efforts in order to expedite City processing and approval work, at Developer's sole expense.

City shall cooperate with Developer, and assist Developer in obtaining any third-party governmental or private party permits, approvals, consents, rights of entry, or encroachment permits, needed for development of the Project, the Westside Sewer Improvements or any other on or offsite improvements.

7. Periodic Review.

7.1 Annual Review. City and Developer shall review all actions taken pursuant to the terms of this Agreement once annually during each year of the Term, within sixty (60) days prior to each anniversary of the Effective Date, unless the City and Developer agree in writing to conduct the review at another time. The review shall be conducted separately for the BRE Property and the TM Property and for the obligations of BRE and TM under this Agreement.

7.2 Developer's Submittal. Within ninety (90) days before each anniversary of the Effective Date, BRE and TM shall each submit a letter ("**Compliance Letter**") to the City's Director of Planning and Inspection ("**Director**") describing compliance with the terms of the Conditions of Approval and this Agreement during the preceding year, to the extent applicable to BRE or TM. The Compliance Letter shall include a statement that the Compliance Letter is submitted to the City pursuant to the requirements of Government Code Section 65865.1 and City Code.

7.3 City's Findings. Within sixty (60) days after receipt of the Compliance Letter, the Director shall determine whether, for the year under review, BRE or TM, as the case may be, has demonstrated good faith substantial compliance with the terms of this Agreement. If the Director finds and determines that BRE or TM has complied substantially with the terms of this Agreement, or does not determine otherwise within sixty (60) days after delivery of the Compliance Letter, the annual review shall be deemed concluded and this Agreement shall remain in full force and effect. Upon a determination of compliance, the Director shall, if requested by BRE or TM, as the case may

be, issue a recordable certificate confirming compliance through the year under review. Developer may record the certificate with the Santa Clara County Recorder's Office. If the Director initially determines the Compliance Letter to be inadequate in any respect, he/she shall provide notice to that effect to BRE or TM as provided in Code Section 17.10.220. If, after a duly noticed public hearing thereon, the City Council finds and determines based on substantial evidence that BRE or TM, as the case may be, has not complied substantially in good faith with the terms of this Agreement for the year under review, the City Council shall give written notice thereof to BRE or TM, as the case may be, specifying the noncompliance and such notice shall serve as a notice of default under Section 10.1. If BRE or TM, as the case may be, fails to cure the noncompliance within a reasonable period of time as established by the City Council, the City Council, in its discretion, may (i) grant additional time for compliance by Developer, or, following the hearing described in Code Section 17.10.250, modify this Agreement to the extent necessary to remedy or mitigate the non-compliance, or (ii) terminate this Agreement, provided, however, if the noncompliance relates only to the BRE Property or the TM Property and not to the entire Property, the modification or termination of this Agreement shall relate only to the BRE Property if the noncompliance is with respect to the BRE Property, or only to the TM Property if the noncompliance is with respect to the TM Property. Except as affected by the terms hereof, the terms of Code Section 17.10.240(b)(2), et seq. shall govern the City's compliance review process. During any review, BRE or TM, as the case may be, shall bear the burden of proof to demonstrate good faith compliance with the terms of this Agreement. If the City Council does not hold a hearing and make its determination within 120 days after delivery of the Compliance Letter for a given year, then it shall be deemed conclusive that BRE or TM, as the case may be, has complied in good faith with the terms and conditions of this Agreement during the period under review.

8. Reimbursements.

The parties agree that Developer shall not be entitled to any reimbursement for the construction of any public improvement required by this Agreement unless explicitly provided by this Agreement or the Conditions of Approval. In accordance with Code Section 17.15.250, the first of Developer or other planned construction project to be served by the Westside Sewer Improvements shall design and construct, prior to occupancy, the Westside Sewer Improvements and be reimbursed by the City, after the City has recovered its costs arising from the Calabazas Creek siphon upgrade and the El Camino Real diversion to the Calabazas trunk sanitary sewer system, the amount noted herein towards the total cost of the Westside Sewer Improvements as the Sanitary Sewer Outlet Charge – Conveyance Fee ("**Conveyance Fee**") is collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements. After City has recovered its costs arising from the Calabazas Creek siphon upgrade and the El Camino Real diversion to the Calabazas trunk sanitary sewer system, City shall pay Developer the Conveyance Fees collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements until Developer has received the full reimbursement amount to which Developer is entitled under the terms of this Agreement, less the 10% administrative fee in Code Section 17.15.250. If and only if Developer designs and constructs the Westside Sewer Improvements, as set forth in Section 9 and the Conditions of Approval, the City will reimburse Developer for the total cost of the Westside Sewer Improvements in an amount not to exceed ~~$1,276,000.00~~ $1,429,120.00. In accordance with Code Section 17.15.250, reimbursement will continue for a ten (10) year term regardless of the Term of this Agreement. City will not charge Developer the 10% administrative fee in Code Section 17.15.250 for reimbursing Developer the Conveyance Fee paid by Developer. Reimbursement to Developer shall commence after the City has accepted the Westside Sewer

Improvements and Developer has submitted to the City complete detailed documentation evidencing the total cost of the Westside Sewer Improvements. BRE and TM may establish an escrow account with a title company and request the City deposit the reimbursement for the Westside Sewer Improvements into that escrow account. City shall have no liability to Developer arising from how reimbursement payments are distributed from the escrow account.

9. Westside Sewer Improvements.

9.1 Design and Construction. Developer shall complete the Westside Sewer Improvements in accordance with either (a) or (b) below, as determined by the Director of Public Works:

(a) (1) Replace the existing 10" VCP with a new 12" VCP on the south side of El Camino Real from Flora Vista Avenue to Pomeroy Avenue; (2) replace the existing 10" VCP with a new 15" VCP on the south side of El Camino Real from Pomeroy Avenue to Calabazas Creek; and (3) reconnect the existing sanitary sewer laterals to the new 12" VCP and 15" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

(b) (1) Construct a new 12" VCP in El Camino Real from Flora Vista to Pomeroy Avenue; (2) construct a new 15" VCP in El Camino Real from Pomeroy Avenue to Calabazas Creek; (3) rehabilitate (i.e. use "slipline", "cured-in-place", etc.) the existing 10" VCP on the south side of El Camino Real from Flora Vista to Calabazas Creek; and (4) reconnect the existing sanitary sewer laterals to the rehabilitated 10" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

9.2 Fee Credit. If and only if Developer designs and constructs the Westside Sewer Improvements, the following shall apply:

(a) The Conveyance Fee to be paid by Developer shall be $2,700 per dwelling unit.

(b) Developer shall receive an advance reimbursement for the Westside Sewer

Improvements from the City in the amount of $2,700 per dwelling unit at the time development fees are paid.

If, however, the Westside Sewer Improvements are designed and constructed by another planned construction project, upon the City's written demand and prior to being issued another permit, Developer shall pay, within thirty (30) days of the City's written demand, the Conveyance Fee per dwelling unit at the current amount at the time the Conveyance Fee is paid. In no case shall Developer receive occupancy permits prior to paying the Conveyance Fee.

10. Default and Remedies.

10.1 Default. Failure by either party to perform any material term or provision of this Agreement shall constitute a default, provided that the party alleging the default gave the other party advance written notice of the default and thirty (30) days to cure the condition, or, if the nature of the default is such that it cannot be cured within thirty (30) days, the party receiving notice shall not be in default if the party commences performance of its obligations within the thirty (30) day period and diligently completes that performance. Written notice shall specify in detail the nature of the obligation to be performed by the party receiving notice. The provisions of this Section 10 shall be subject to the qualification that if the failure or default relates only to BRE on the one hand or TM on the other hand, and not to BRE and TM together or the entire Project or the entire Property, then the procedures and remedies described in this Agreement shall apply only to the defaulting member of Developer and shall not apply to the non-defaulting member of Developer or its portion of the Project or of the Property.

10.2 Remedies. It is acknowledged by the parties that City and Developer would not have entered into this Agreement if City or Developer were to be liable in damages under or with respect to this Agreement or the application thereof. City and Developer shall not be liable in damages to each

other, or to any assignee, transferee or any other person, and Developer and City covenant not to sue for or claim damages. Notwithstanding the foregoing, City shall be liable to Developer for any unpaid claim for reimbursement for the Westside Sewer Improvements, pursuant to Section 8 above, which claim shall survive termination of this Agreement pursuant to Code Section 17.15.250. Upon Developer's or City's material default, and failure to cure within a reasonable time depending on the nature of the default after demand by the City or Developer, City or Developer shall be entitled to terminate this Agreement. City or Developer may terminate this Agreement due to default without legal action. Except as otherwise specifically provided in this Section upon the occurrence of a default, each party shall have the right, in addition to all other rights and remedies available under this Agreement, to (i) bring any proceeding in the nature of specific performance, injunctive relief or mandamus, and/or (ii) bring any action at law or in equity as may be permitted by law or this Agreement. The parties acknowledge that monetary damages and remedies at law generally are inadequate upon the occurrence of a default. Therefore, specific performance or other extraordinary equitable relief (such as injunction) is an appropriate remedy for the enforcement of this Agreement, other remedies at law being inadequate under all the circumstances pertaining as of the date of this Agreement and any such equitable remedy shall be available to the parties. Notwithstanding the foregoing, City shall not seek specific performance requiring either BRE or TM to construct the Project or any portion thereof, except that City may seek specific performance to compel compliance with the Development Plan or Conditions of Approval to the extent that Developer's exercise of its rights under the Development Plan or Conditions of Approval warrants such compliance. Further, in no event may the City terminate this Agreement with respect to the BRE Property or the BRE Project if the default giving rise to the termination relates only to the TM Property or the TM Project, or vice versa.

10.3 Default by Developer/Withholding of Building Permit. City may, at its discretion, refuse to issue a building permit for any structure within the Property, if Developer has materially failed and refused to complete any requirement that is a Condition of Approval or applicable to the building permit. In addition, where City has determined that Developer is in default as described above, City may also refuse to issue the defaulting party any permit or entitlement for any structure or property located within the Project. This remedy shall be in addition to any other remedies provided for by this Agreement. Notwithstanding the foregoing, in no event may the City withhold or refuse to issue a permit or entitlement with respect to the BRE Property or the BRE Project if the default or failure giving rise to the withholding or refusal relates only to the TM Property or the TM Project or TM's obligations, or vice versa.

11. Amendment or Termination.

11.1 Agreement to Amend or Terminate. Subject to Section 22 regarding operating memoranda and Section 11.2 regarding future actions and minor changes, City and Developer, by mutual agreement, may terminate or amend the terms of this Agreement, and the amendment or termination shall be accomplished in the manner provided under California law for the enactment of Development Agreement Amendments. An amendment affecting only the TM Property or the TM Project may be accomplished by mutual agreement of the City and TM, but BRE shall be given written notice of the proposed amendment and its substance at least thirty (30) days prior to its execution by the City and TM. An amendment affecting only the BRE Property or the BRE Project may be accomplished by mutual agreement of the City and BRE, but TM shall be given written notice of the proposed amendment and its substance at least thirty (30) days prior to its execution by the City and BRE. If public notice is required to be given in connection with the City's consideration or approval of an amendment referred to in the previous two sentences, the notice

required to be given pursuant to either of those two sentences shall be given at least thirty (30) days prior to the date of the first public hearing on the amendment.

11.2 Development Plan. City and Developer anticipate that the Project will be implemented by the following future actions: (i) subdivision of the Property; (ii) architectural review of precise design plans and elevation; (iii) issuance of Subsequent Approvals; and, (iv) installation of future public improvements to serve the Property. The foregoing actions and other necessary or convenient implementation actions shall not require an amendment to this Agreement. Upon City approval, these actions shall become part of the approved Development Plan and this Agreement, and shall be deemed a Vested Element. Upon the written request of Developer, City may make a substantive amendment or modification to the Development Plan (or any of the individual approvals or documents comprising the Development Plan) in compliance with procedural provisions of the zoning or other land use ordinances and regulations in effect on the date of application for amendment or modification. The amendment or modification of the Development Plan shall be done pursuant to a Development Agreement Amendment pursuant to Government Code provisions and Section 11.1 above, unless treated as a minor change as described below. The remaining portions of this Agreement shall remain in full force and effect subsequent to the Amendment. For the purposes of this section, minor changes to the Development Plan that, under the City Code, may be approved by the Director shall not be considered amendments to the Development Plan and shall not require a Development Agreement Amendment.

11.3 Enforceability of Agreement. The City and Developer agree that unless this Agreement is amended or terminated pursuant to its terms, this Agreement shall be enforceable by either party notwithstanding any subsequent change in any applicable General Plan, Redevelopment Plan,

Specific Plan, City Code, Other Regulation or Local Rule adopted by City, with the exceptions listed in this Agreement.

12. Mortgagee Protection: Certain Rights of Cure

12.1 Mortgagee Protection. This Agreement shall be superior and senior to all liens placed upon the Property or portion after the date on which a memorandum of this Agreement is recorded, including the lien of any deed of trust or mortgage ("**Mortgage**"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against all persons and entities, including all deed of trust beneficiaries or mortgagees ("**Mortgagees**") who acquire title to the Property or any portion thereof by foreclosure, trustee's sale, deed in-lieu-of foreclosure or otherwise.

12.2 Mortgagee Obligations. City, upon receipt of a written request from a foreclosing Mortgagee, shall permit the Mortgagee to succeed to the rights and obligations of Developer under this Agreement, provided that all defaults by Developer hereunder that are reasonably susceptible of being cured are cured by the Mortgagee as soon as reasonably possible, provided, however, that in no event shall such Mortgagee personally be liable for any defaults or monetary obligations of Developer arising prior to acquisition of possession of such property by such Mortgagee. The foreclosing Mortgagee shall have the right to find a substitute developer to assume the obligations of Developer, but shall not, itself, be required to comply with all of the provisions of this Agreement.

12.3 Notice of Default to Mortgagee. If City receives notice from a Mortgagee requesting a copy of any notice of default given to Developer and specifying the address for service thereof, City shall endeavor to deliver to the Mortgagee, concurrently with service thereof to Developer, all notices given to Developer describing all claims by the City that Developer has defaulted hereunder. If City

determines that Developer is not in compliance with this Agreement, City also shall endeavor to serve notice of noncompliance on the Mortgagee concurrently with service on Developer. Each Mortgagee shall have the right, but not the obligation, during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the condition of default claimed or the areas of noncompliance set forth in City's notice.

13. Assignability.

13.1 Assignment. Neither BRE nor TM shall convey, assign or transfer ("**Transfer**") any of its interests, rights or obligations under this Agreement without the prior written consent of the City, not to be unreasonably withheld or delayed, not to be conditioned, not to be used as an opportunity by City to reopen this Agreement or add to or revise its terms, City's discretion being limited to confirming that the proposed transferee has sufficient financial ability to satisfy its obligations under this Agreement; provided, however, in no event shall the obligations conferred upon Developer under this Agreement be transferred except through a transfer of all or a portion of the Property. Should Developer Transfer any of its interests, rights or obligations under this Agreement, it shall nonetheless remain liable for performance of the obligations for installation of public improvements and payment of fees, unless the transferee executes an assumption agreement in a form reasonably acceptable to the City whereby the transferee agrees to be bound by the relevant terms of the Agreement, including the obligations for installation of public improvements and payment of fees. During the Term, Developer shall provide City with written notice of a request to Transfer any interest in this Agreement ninety (90) days prior to any such contemplated Transfer. Any such request for a Transfer shall be accompanied by quantitative and qualitative information that substantiates that the proposed transferee has the capability to fulfill the rights and obligations of this Agreement. Within forty-five (45) days of such a request, the City's Director shall make a

recommendation to the City Council and the City Council shall hold a public hearing and determine whether the Transfer shall be permitted. Each successor in interest to Developer shall be bound by all of the terms and provisions applicable to the portion of the Property acquired. This Agreement shall be binding upon and inure to the benefit of the parties' successors, assigns and legal representatives. Notwithstanding the above, if BRE assigns any of its interests, rights or obligations under this Agreement with respect to the BRE Property, TM shall continue to be bound by this Agreement with respect to the TM Property, and vice versa. Failure of the City to respond within sixty (60) days of receiving such a request shall be deemed approval of the Transfer.

13.2 Covenants Run With The Land. The terms of this Agreement and the Development Plan are legislative in nature, and apply to the Property as regulatory ordinances. All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall run with the land and shall be binding upon the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns, devisees, administrators, representatives, lessees and all other persons or entities acquiring the Property, any lot, parcel or any portion thereof and any interest therein, whether by sale, operation of law or other manner, and shall inure to the benefit of the parties and their respective successors.

13.3 Pre-Approved Transfers. The following transfers shall not require approval by the City Council, and shall automatically, upon the satisfaction of the other conditions in Section 13.1, above, result in the release of Developer of its obligations hereunder as they may relate specifically to the specific property or asset sold or transferred: (a) sale or lease of a subdivided parcel of the Property or of one or more completed buildings or portions thereof by Developer; and (b) transfer of any interest in the Project or the Property by Developer to an affiliated or related company or entity.

13.4 Non-Assuming Transferees. Except as otherwise required by a transferor, the burdens, obligations and duties of such transferor under this Agreement shall not apply to any purchaser of:

(1) any single residential lot that will not require any further on-site or off-site infrastructure; or

(2) any individual condominium offered for sale as a part of the BRE Project.

The transferee in a transaction described above and the successors and assigns of such a transferee shall be deemed to have no obligations under this Agreement, but shall continue to benefit from the vested rights provided by this Agreement for the duration of the Term hereof. Nothing in this section shall exempt any property transferred to a non-assuming transferee from payment of applicable fees, taxes and assessments or compliance with applicable conditions of approval.

13.5 Foreclosure. Nothing contained in this Section 13 shall prevent a transfer of the Property, or any portion thereof, to a lender as a result of a foreclosure or deed in lieu of foreclosure, and any lender acquiring the Property, or any portion thereof, as a result of foreclosure or a deed in lieu of foreclosure shall take such Property subject to the rights and obligations of Developer under this Agreement; provided, however, in no event shall such lender be liable for any defaults or monetary obligations of Developer arising prior to acquisition of title to the Property by such lender, and provided further, in no event shall any such lender or its successors or assigns be entitled to a building permit or occupancy certificate until all fees due under this Agreement (relating to the portion of the Property acquired by such lender) have been paid to City.

14. General.

14.1 Construction of Agreement. The language in this Agreement in all cases shall be construed as a whole and in accordance with its fair meaning. The laws of the State of California shall govern this Agreement and all actions concerning this Agreement shall be brought in the Superior Court of the County of Santa Clara.

14.2 No Waiver. No delay or omission by either party in exercising any right or power accruing upon the other party's noncompliance or failure to perform under the provisions of this Agreement shall impair or be construed to waive any right or power. A waiver by either party of any of the covenants or conditions to be performed by Developer or City shall not be construed as a waiver of any succeeding breach of the same or other covenants and conditions.

14.3 Agreement is Entire Agreement. This Agreement and all exhibits attached hereto or incorporated herein, together with the Development Plan, contain the sole and entire Agreement between the parties concerning the Property. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this Agreement or any representations inducing the execution and delivery, except representations set forth herein, and each party acknowledges that it has relied on its own judgment in entering this Agreement. The parties further acknowledge that all statements or representations that heretofore may have been made by either of them to the other are void and of no effect, and that neither of them has relied thereon in its dealings with the other. To the extent that there is any conflict between the approved Development Plan and this Agreement, the approved Development Plan shall govern the parties' respective rights and obligations.

14.4 Estoppel Certificate. Either party from time to time may deliver written notice to the other party requesting written certification that, to the knowledge of the certifying party, (i) this Agreement is in full force and effect and constitutes a binding obligation of the parties, (ii) this Agreement has not been amended or modified either orally or in writing, or, if it has been amended or modified, specifying the nature of the amendments or modifications, and, (iii) the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, describing therein the nature and monetary amount, if any, of the default. A party receiving a

request shall execute and return the certificate within thirty (30) days after receipt thereof. The Director shall have the right to execute the certificates requested by Developer. At the request of Developer, the certificates provided by City establishing the status of this Agreement with respect to any lot or parcel shall be in recordable form, and Developer shall have the right to record the certificate for the affected portion of the Property at its cost. In the event that TM is in default when BRE or its Mortgagee requests such a certificate, or BRE is in default when TM or its Mortgagee requests such a certificate, and such default by the defaulting party does not affect the rights of the nondefaulting party under this Agreement, City nevertheless shall provide such certificates to the nondefaulting party.

14.5 Severability. Each provision of this Agreement which shall be adjudged to be invalid, void or illegal in no way shall affect, impair or invalidate any other provisions hereof and the other provisions shall remain in full force and effect, unless the main purpose of this Agreement cannot be accomplished.

14.6 Further Documents. Each party shall execute and deliver to the other all other instruments and documents as may be reasonably necessary to carry out this Agreement in order to provide and secure to the other party the rights and privileges granted by this Agreement.

14.7 Time of Essence. Subject to Force Majeure, time is of the essence in the performance of each and every covenant and obligation to be performed by the parties hereunder.

14.8 Indemnification Provisions. Developer hereby releases and agrees to protect, defend, hold harmless and indemnify City, its City Council, its officers, employees, agents and assigns from and against all claims, injury, liability, loss, cost and expense or damage, however same may be caused, including all costs and reasonable attorney's fees in providing the defense to any claim arising from the performance of this Agreement by Developer, its agents, subcontractors and/or assigns, provided,

however, this indemnity shall not extend to claims arising from the gross negligence or willful misconduct of the City or its officers, employees, agents or contractors. This provision is intended to be broadly construed and extends to, among other things, any challenge to the validity of this Agreement or anything related to its passage, as further described in Section 23.2. 14.9

Construction. This Agreement has been reviewed and revised by legal counsel for both the City and Developer and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

15. Termination.

15.1 Termination upon Completion of Development. This Agreement with respect to the BRE Property shall terminate upon the earlier of (i) expiration of the Term, or (ii) when the BRE Property and BRE Project have been fully developed and all of BRE's obligations are satisfied as reasonably determined by City. This Agreement with respect to the TM Property shall terminate upon the earlier of (i) expiration of the Term, or (ii) when the TM Property and TM Project have been fully developed and all of TM's obligations are satisfied as reasonably determined by City. Upon termination of this Agreement as to BRE and the BRE Project or as to TM and the TM Project, at the request of BRE or TM, the City shall record a *Notice of Termination* in a form satisfactory to the City Attorney on title to the BRE Property or the TM Property, as the case may be.

15.2 Effect Upon Termination on Developer Obligations. Termination of this Agreement as to the Developer shall not affect any of the Developer's obligations to comply with the City General Plan, Municipal Code, Conditions of Approval or any terms and conditions of any subdivision map or other land use entitlement approved with respect to the Project, nor shall it affect any other covenants or development requirements in this Agreement specified to continue after the termination of this Agreement, or obligations to pay assessments, liens, fees or taxes.

15.3 Effect Upon Termination on City. Upon any termination of this Agreement as to the Developer, the entitlements, Development Plan conditions of approval, limitations on fees and all other terms and conditions of this Agreement shall no longer be vested with respect to the Property and the City shall no longer be limited by this Agreement, to make any changes or modifications to the entitlement, conditions or fees applicable to the Property. Any such termination may apply separately to BRE and TM. Notwithstanding the preceding, City shall have an ongoing obligation to reimburse Developer for the Westside Sewer Improvements after termination of the Agreement, as described in Section 8, above.

15.4 Elements of Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

(a) Expiration of the five (5) year term, or the extended additional five (5) year term if the Term is so extended, subject to extension for Force Majeure;

(b) Entry after all appeals have been exhausted of a final court judgment or issuance of a final court order directed to the City to set aside, withdraw, or abrogate the City's approval of this Agreement or any material part thereof; or

(c) The effective date of City's or Developer's decision to terminate the Agreement as provided in this Agreement.

16. Notices.

Except as otherwise expressly provided herein, all notices and demands pursuant to this Agreement shall be in writing and delivered in person, by commercial courier or by first-class certified mail, postage prepaid. Except as otherwise expressly provided herein, notices shall be considered delivered when personally served, upon delivery if delivered by commercial courier, or two (2) days after mailing if sent by mail. Notices shall be sent to the addresses below for the respective parties;

provided, however, that either party may change its address for purposes of this Section by giving written notice to the other party. These addresses may be used for service of process:

City:	City Clerk City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050
With copy to:	City Attorney City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050
BRE:	BRE Properties, Inc. 525 Market St., 4th Floor San Francisco, CA 94105 Attn: Donald Reber, Development Director Kerry Fanwick, General Counsel
With copy to:	Morrison Foerster 101 Ygnacio Valley Road, Suite 450 Walnut Creek, CA 94583 Attn: David Gold
TM:	Taylor Morrison of California, LLC 3000 Executive Parkway Building Q, Suite 100 San Ramon, CA 94583 Attn: Laurel Place II Project Manager
With copy to:	Archer Norris 2033 North Main Street, Suite 800 Walnut Creek, CA 94596 Attn: Edward Shaffer

16.1 Effect of Notice. The provisions of this Section shall be deemed directive only and shall not detract from the validity of any notice given in a manner that would be legally effective in the absence of this Section.

17. Developer is an Independent Contractor.

Developer is not an agent or employee of City, but is an independent contractor with full rights to

manage its employees subject to the requirements of the law. All persons employed or utilized by Developer in connection with this Agreement are employees of Developer and shall not be considered employees of City in any respect. Developer is responsible for obtaining statutory workers' compensation coverage, if any is required, for its employees, if any.

18. Project as a Private Undertaking.

It is specifically understood and agreed that the Project is a private development. No partnership, joint venture or other association of any kind is formed by this Agreement.

19. Nondiscrimination.

Developer shall not discriminate, in any way, against any person on the basis of race, color, national origin, sex, marital status, sexual orientation, age, creed, religion or condition of physical disability in connection with or related to the performance of this Agreement.

20. Insurance.

During the term of this Agreement, Developer shall purchase and maintain in full force and effect, at least the following insurance policies:

(a) Commercial general liability insurance;

(b) Comprehensive automobile injury insurance (bodily injury and property damage) with respect to employees and vehicles assigned to performance of work under this Agreement;

(c) Workers' compensation, employer's liability, if required by law, and, Developer shall, during the term of this Agreement, and at no expense to City, maintain the insurance policies, with limits of coverage, endorsements and with the required certificates as set forth in the attached **Exhibit D** entitled "Insurance Requirements." The scope and form of each respective insurance coverage shall be subject to approval of the City Attorney's Office. City must approve all insurance coverages and carriers prior to Developer's commencement of work under this Agreement.

21. Force Majeure.

In addition to any specific provisions of this Agreement, performance of obligations hereunder shall be excused and the term of this Agreement shall be similarly extended during any period of delay caused at any time by reason of: floods, earthquakes, fires, or similar catastrophes; wars, riots or similar hostilities; strikes and other labor difficulties beyond the party's control; shortage of materials; the enactment of new laws or restrictions imposed or mandated by other governmental or quasi-governmental entities preventing this Agreement from being implemented or litigation involving this Agreement or the Approvals or the Subsequent Approvals, which delays any activity contemplated hereunder. City and Developer shall promptly notify the other party of any delay hereunder as soon as possible after the same has been ascertained.

22. Operating Memoranda.

The provisions of this Agreement require a close degree of cooperation between City and Developer, and refinements and further development of the Project may demonstrate that clarifications with respect to the details of performance of City and Developer or minor revisions to the Project are appropriate. If and when, from time to time, during the term of this Agreement, City and Developer agree that such clarifications or minor modifications are necessary or appropriate, they shall effectuate such clarifications through operating memoranda approved by City and Developer, which, after execution, shall be attached hereto. No such operating memoranda shall constitute an amendment to this Agreement requiring public notice or hearing. The City Attorney shall be authorized to make the determination whether a requested clarification may be effectuated pursuant to this Section or whether the requested clarification is of such a character to require an amendment hereof pursuant to Section 11 hereof. The City Manager may execute any operating memoranda hereunder without City Council action.

23. Attorneys' Fees and Costs.

23.1 Attorneys' Fees and Costs. If City or Developer initiates any action at law or in equity to enforce or interpret the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which it may otherwise be entitled. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement. If any person or entity not a party to this Agreement initiates an action at law or in equity to challenge the validity of any provision of this Agreement or the Project Approvals, the parties shall cooperate in defending such action. Developer shall bear its own costs of defense as a real party in interest in any such action, and shall reimburse City for all reasonable court costs and attorneys' fees expended by City in defense of any such action or other proceedings.

24. No Third Party Beneficiary.

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any claim or right of action hereunder for any cause whatsoever.

25. Dispute Resolution.

A. Any controversies between Developer and City regarding the construction or application of this Agreement, and claims arising out of this Agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one party after the service of that request on the other party.

B. The parties may agree on one mediator. If they cannot agree on one mediator, the party demanding mediation shall request the Superior Court of Santa Clara County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The parties may agree to extend the time allowed for mediation under this Agreement.

C. The costs of mediation shall be borne by the parties equally.

D. Mediation under this Section is a condition precedent to filing an action in any court, but it is not a condition precedent to the City's refusal to issue a building permit or any other entitlement.

26. Covenant of Good Faith and Fair Dealing.

Neither party shall do anything which shall have the effect of harming or injuring the right of the other party to receive benefits of this Agreement; each party shall refrain from doing anything which would render its performance under this Agreement impossible; and, each party shall do everything which this Agreement contemplates to accomplish the objectives and purpose of this Agreement.

27. Authority to Execute.

The person or persons executing this Agreement on behalf of Developer warrant and represent that they have the authority to execute this Agreement on behalf of Developer and represent that they have the authority to bind Developer to the performance of its obligations in this Agreement.

The parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the parties that this Agreement shall become operative on the Effective Date.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

City

Approved as to Form:

HELENE L. LEICHTER
City Attorney

JENNIFER SPARACINO
City Manager

1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

Attest:

ROD DIRIDON, JR.
City Clerk

Developer

BRE PROPERTIES, INC
a California corporation

By: _____
Title: Manager
Telephone:
Facsimile:

TAYLOR MORRISON
OF CALIFORNIA, LLC
a California Limited Liability Company

By: _____
Title: Manager
Telephone:
Facsimile:

EXHIBIT A
LEGAL PROPERTY DESCRIPTION

All that certain Real Property in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

PARCEL ONE:

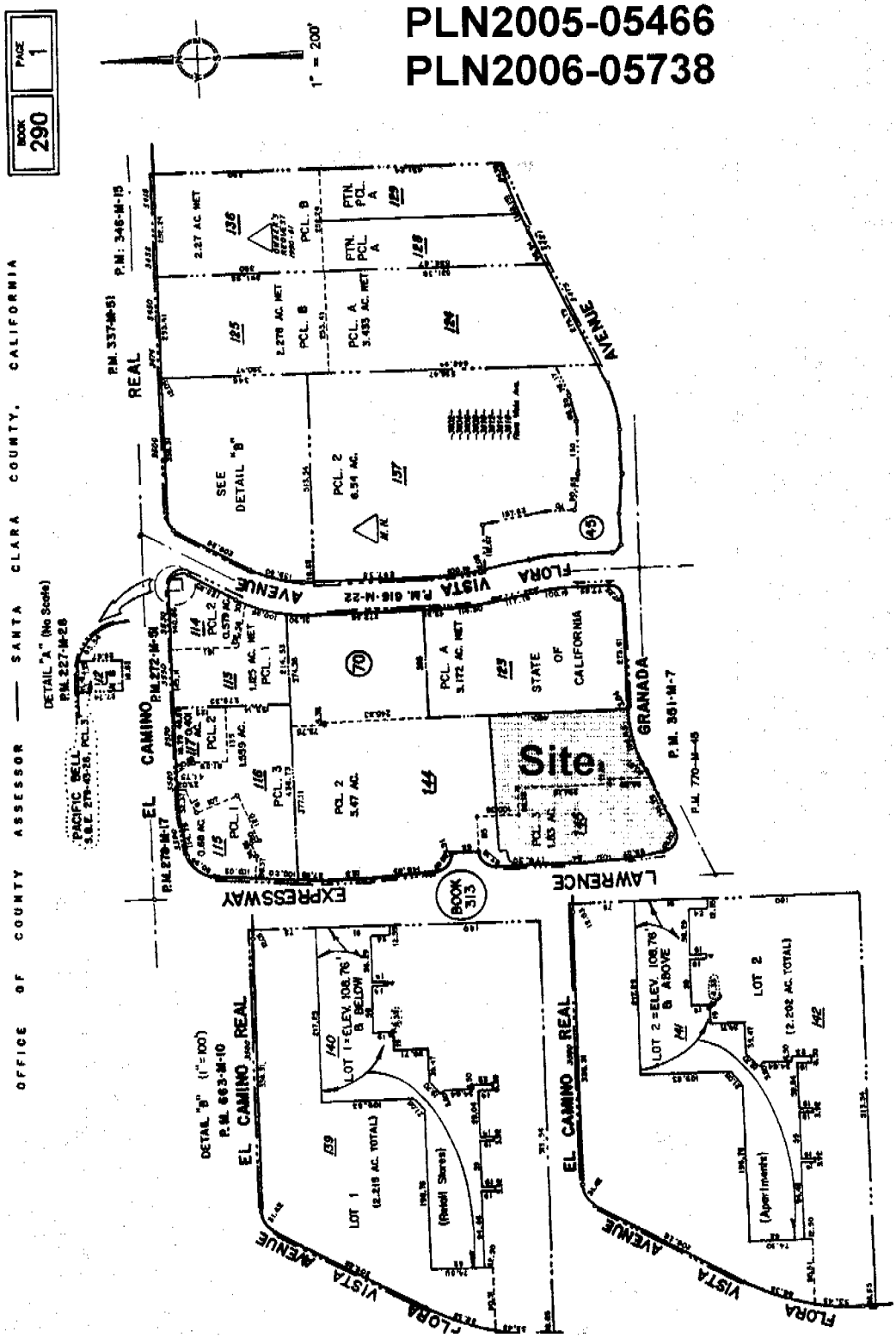
Description

PARCEL TWO:

Description

APN: _____

PLN2005-05466
PLN2006-05738



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PLN2006-05737

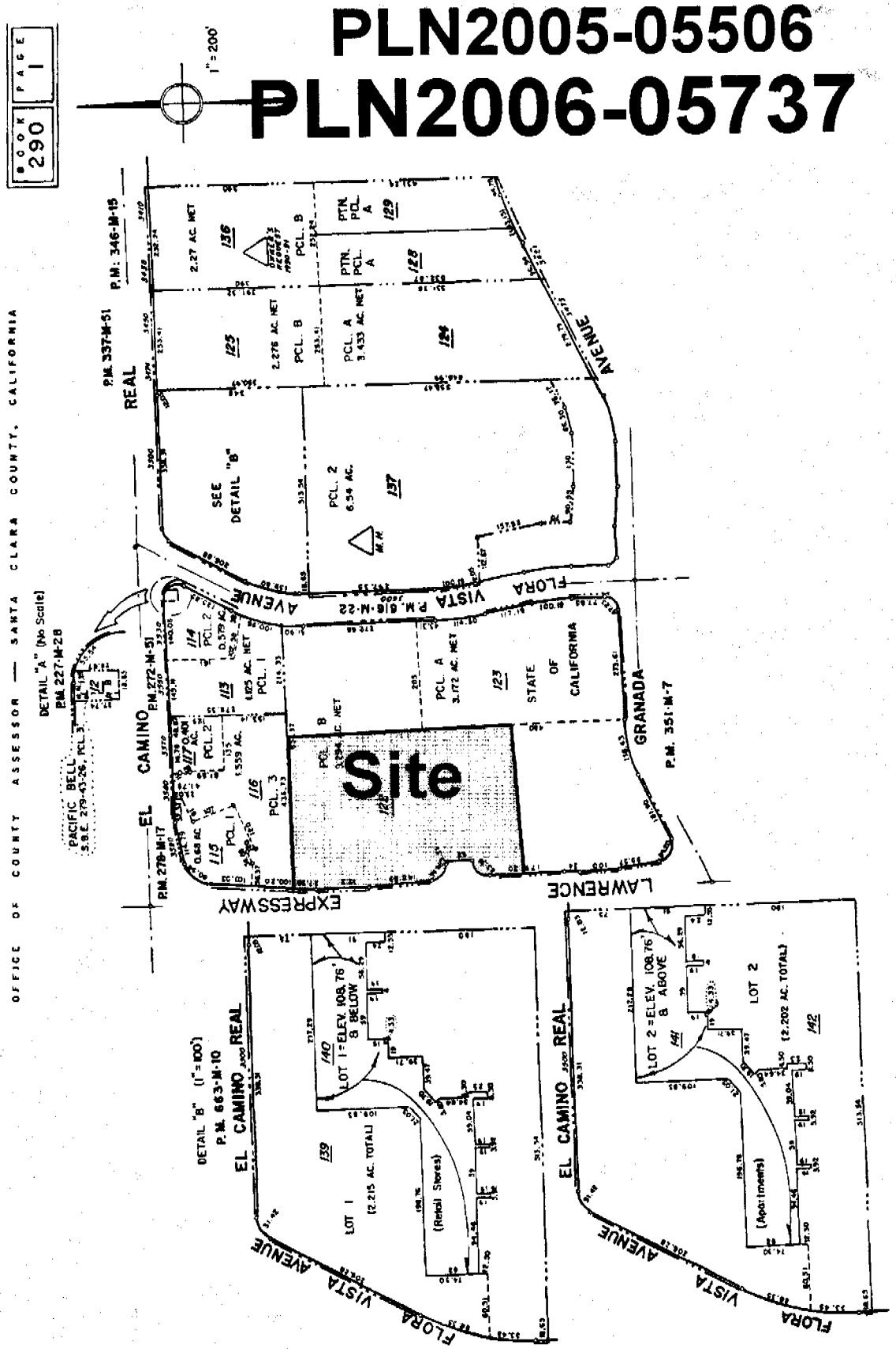


EXHIBIT B
DEVELOPMENT PLAN

Exhibit B-1

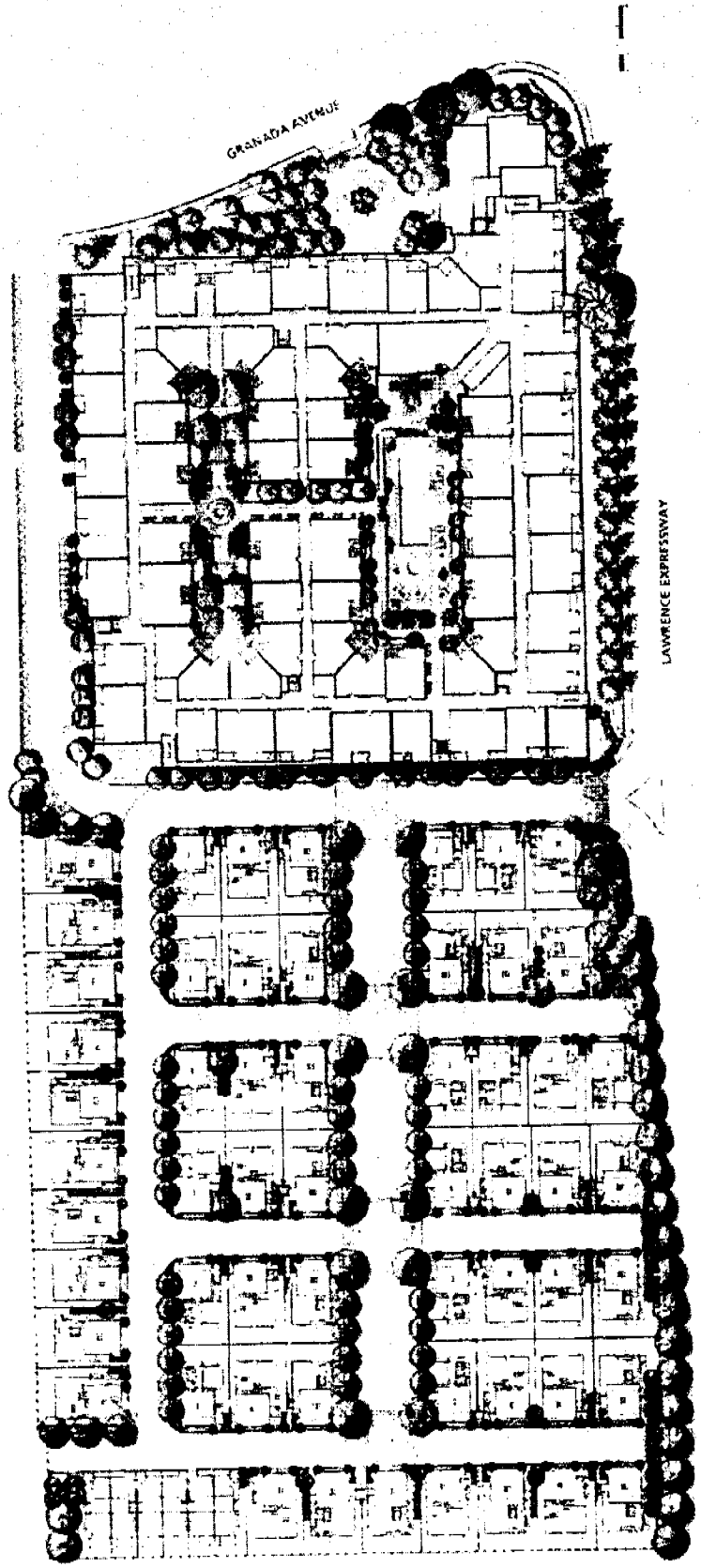


Exhibit B-1

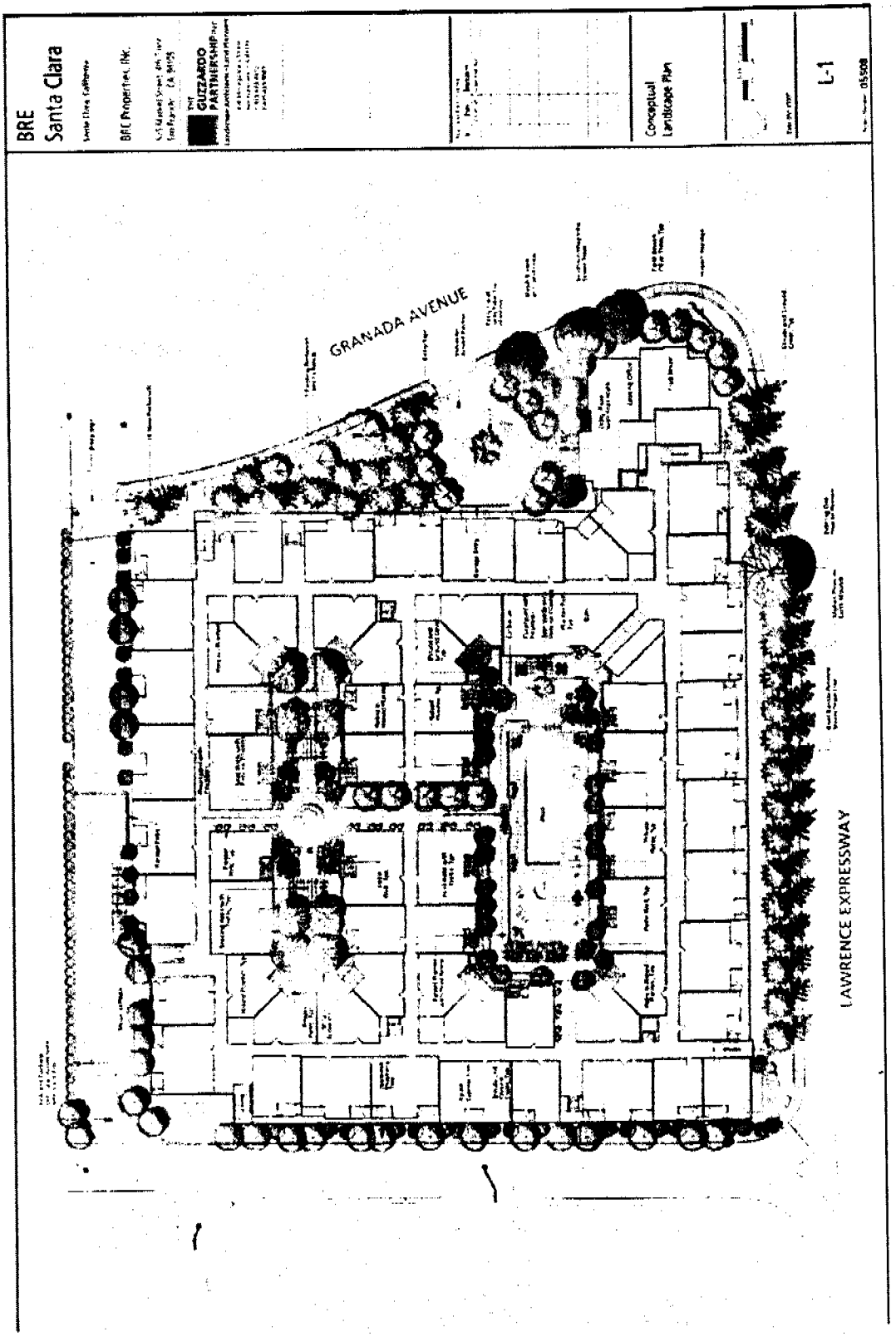

BRE
Santa Clara
BRE Properties, Inc.
GUZZARDO
PARTNERSHIP
Conceptual
Landscape Plan
L-1
GRANADA AVENUE
LAWRENCE EXPRESSWAY

Exhibit B-1

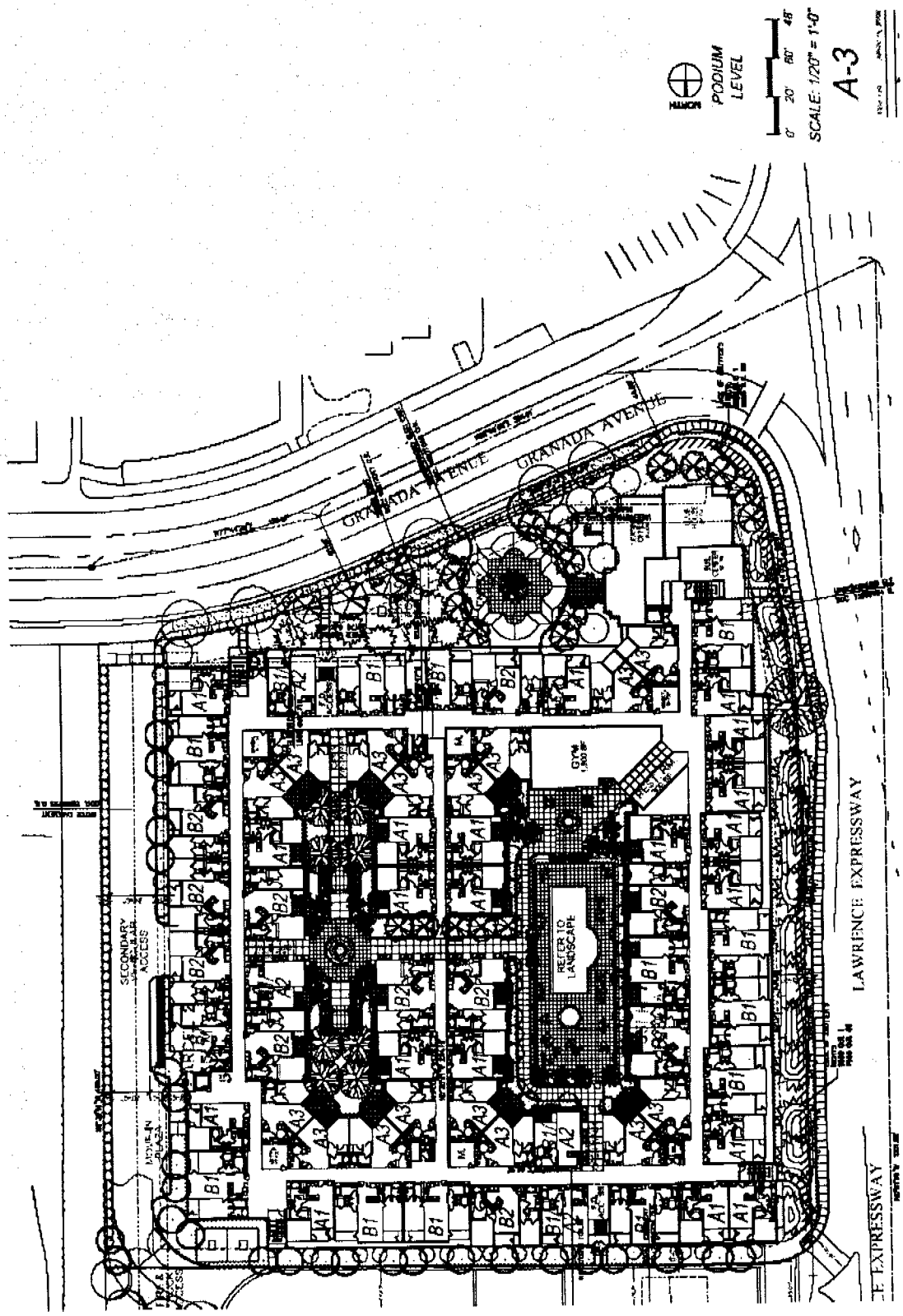

PODIUM LEVEL
SCALE: 1/20" = 1'-0"
A-3
GRANADA AVENUE
GRANADA AVENUE
LAWRENCE EXPRESSWAY
LAWRENCE EXPRESSWAY
SECONDARY ACCESS
REFER TO LANDSCAPE
GYM

Exhibit B-1

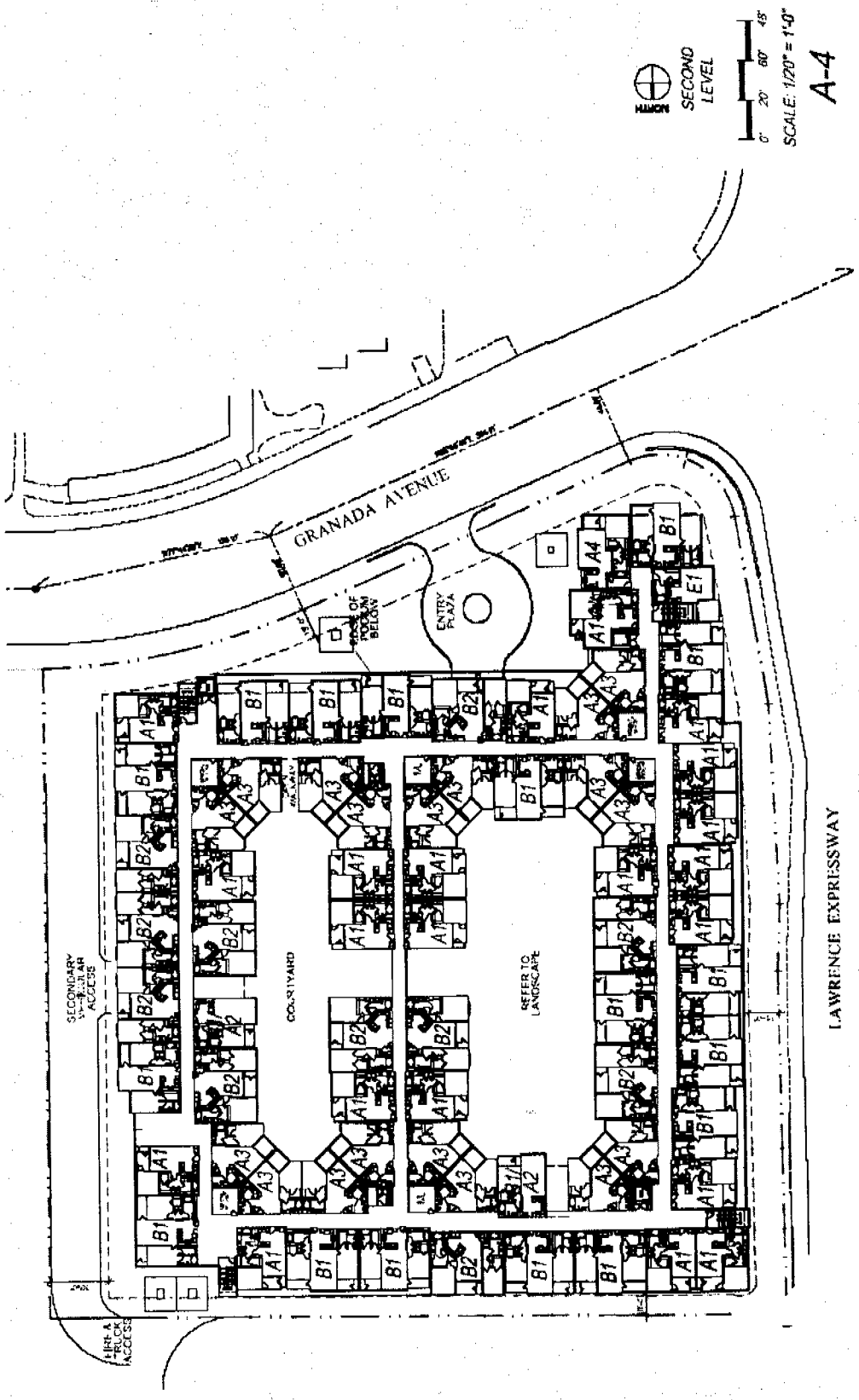

NORTH
SECOND LEVEL
SCALE: 1/20" = 1'-0"
A-4
GRANADA AVENUE
ENTRY PLAZA
ROOF OF POOL BELOW
COURTYARD
REFER TO LANDSCAPE
SECONDARY VEHICULAR ACCESS
FIRE & TRUCK ACCESS
LAWRENCE EXPRESSWAY

Exhibit B-1

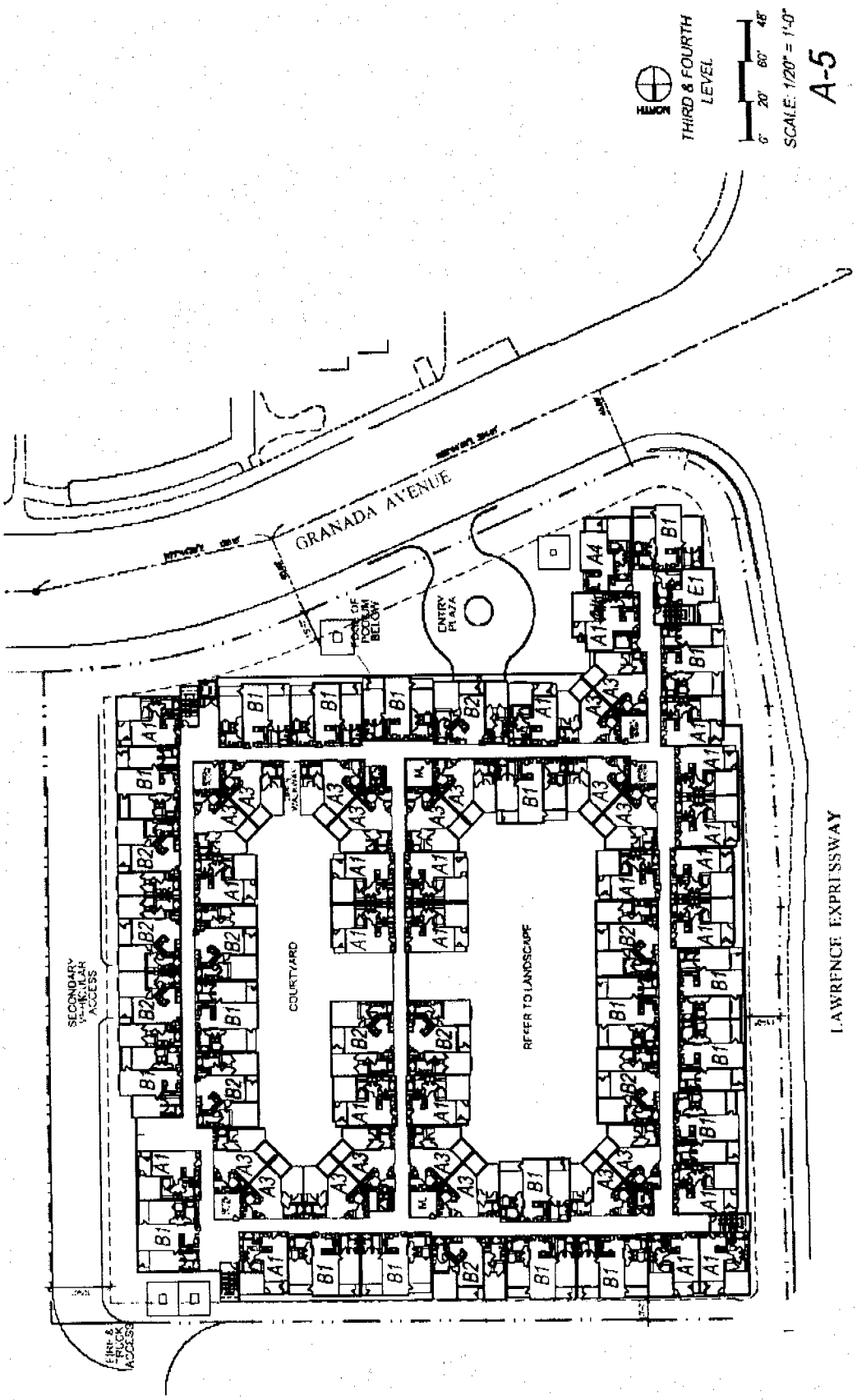

THIRD & FOURTH LEVEL
SCALE: 1/20" = 1'-0"
A-5
GRANADA AVENUE
ENTRY PLAZA
COURTYARD
REFER TO LANDSCAPE
SECONDARY VEHICULAR ACCESS
LAWRENCE EXPRESSWAY

Exhibit B-2

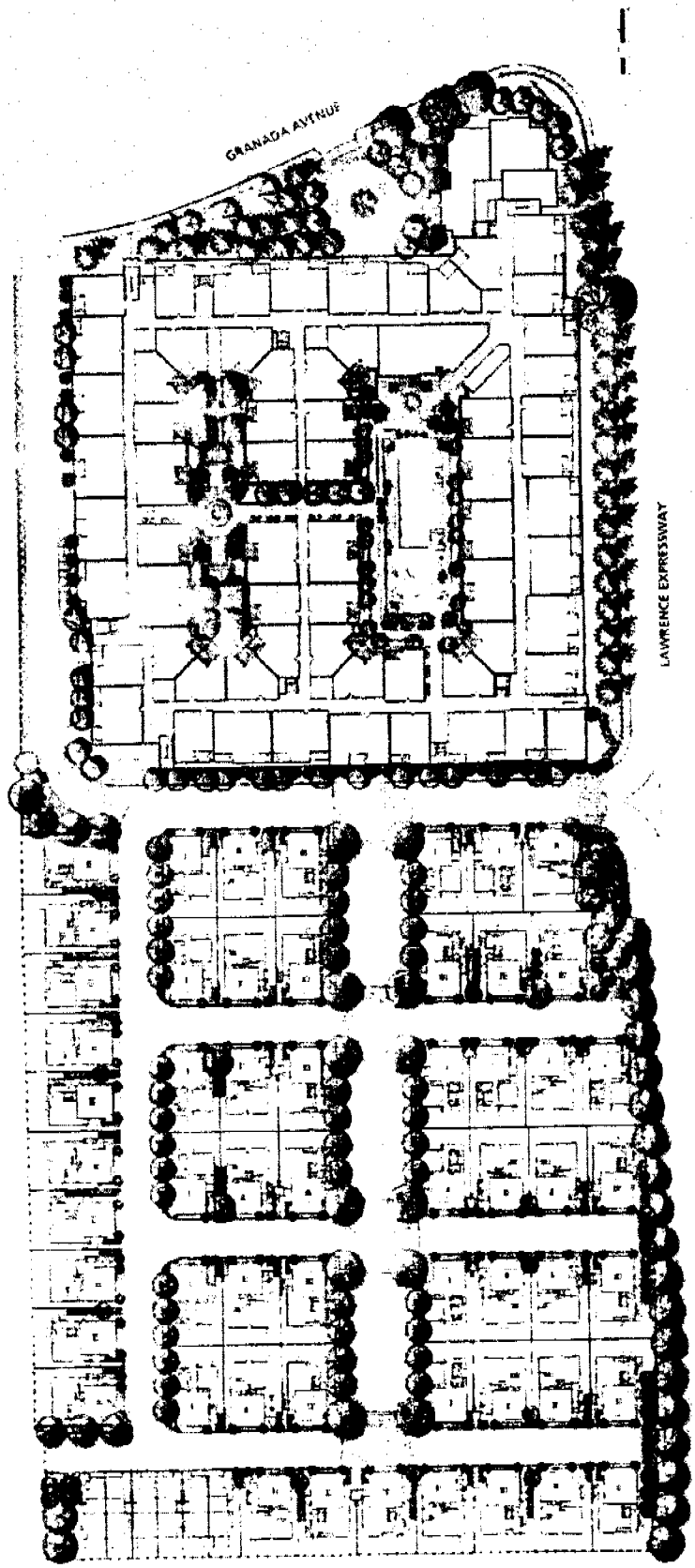
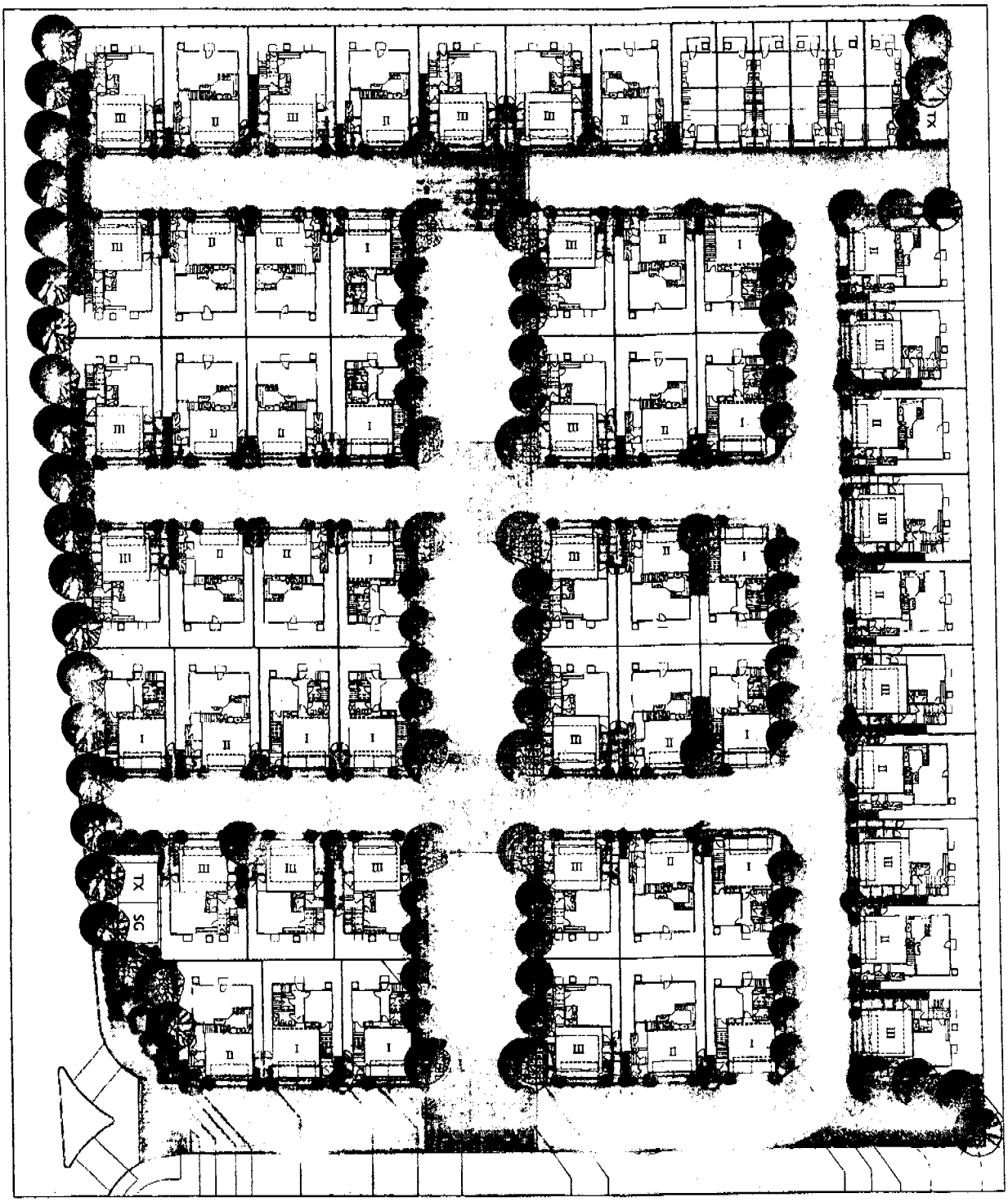


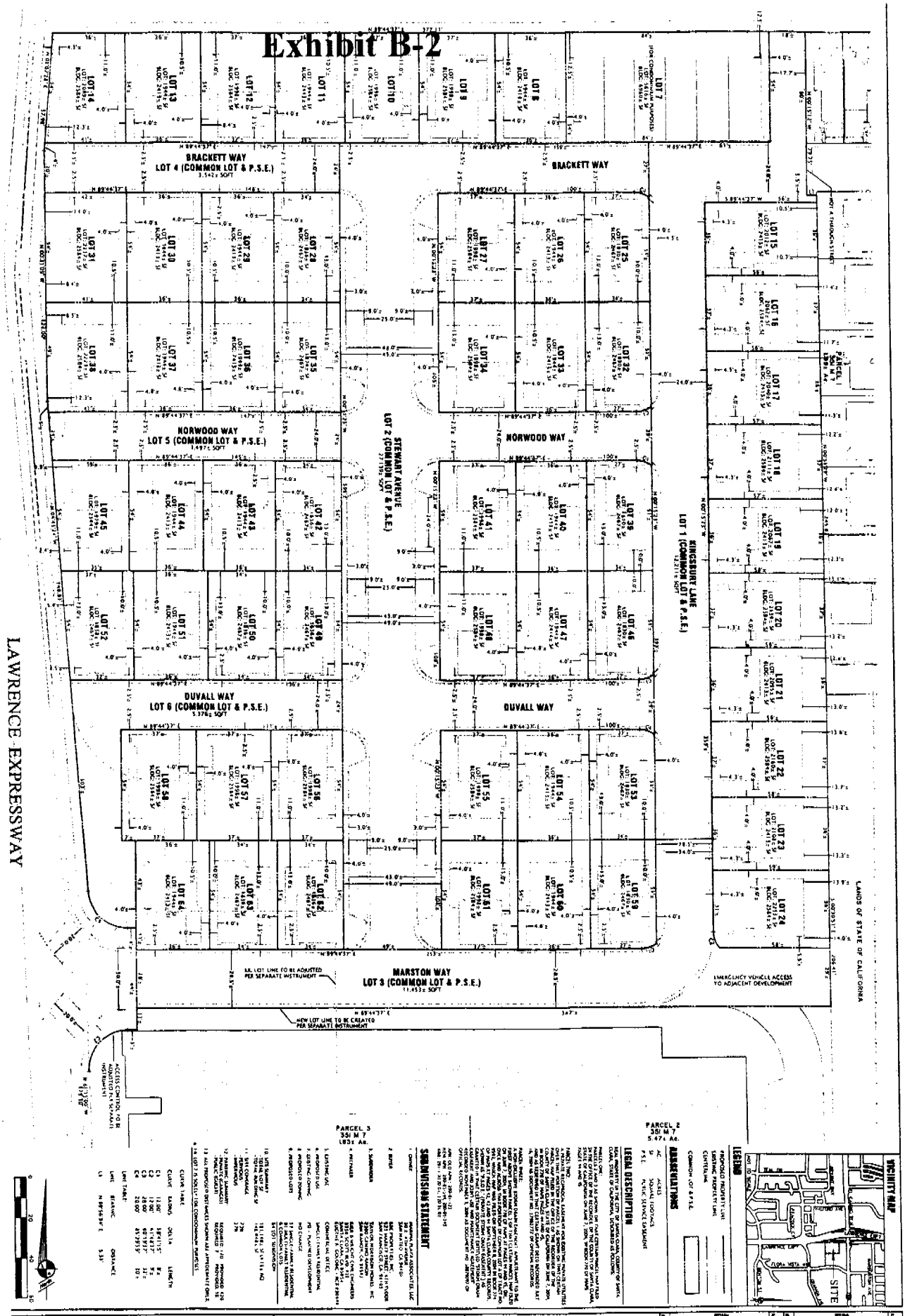
Exhibit B-2



LAUREL PLACE II - SITE PLAN	LAUREL PLACE II PLANNED DEVELOPMENT APPLICATION SANTA CLARA, CALIFORNIA 1331-1333 LAWRENCE EXPRESSWAY TAYLOR WOODROW HOMES	DAHLIN GROUP 2671 Crow Canyon Rd San Ramon, CA 94583 925.837.8286 925.837.2543 Fax	

DATE NOV 2005
SCALE 1" = 30'-0"
DRAWN BY
CHECKED BY
REVISIONS
SHEET C2.0

Exhibit B-2



TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3350 Scott Boulevard, Building 22 • (408) 727-1083
Santa Clara, California 95054 • (408) 727-5441

C3.2

EXHIBIT C
CONDITIONS OF APPROVAL

In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval are recommended:

GENERAL

1. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
2. In accordance with Code Section 17.15.250, the first of Developer or other planned construction project to be served by the Westside Sewer Improvements shall design and construct, prior to occupancy, the Westside Sewer Improvements and be reimbursed by the City the amount noted herein towards the total cost of the Westside Sewer Improvements as the Sanitary Sewer Outlet Charge – Conveyance Fee ("Conveyance Fee") is collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements.

   If and only if Developer designs and constructs the Westside Sewer Improvements, the following shall apply:

   a. In accordance with Code Section 17.15.250, the total reimbursement to the Developer from the City for the total cost of the West Side Sewer Improvements shall not exceed ~~$1,276,000.00~~ $1,429,120.00. The reimbursement to the Developer for the Westside Sewer Improvements shall commence after the City has accepted the Westside Sewer Improvements and the Developer has submitted to the City complete detailed documentation evidencing the total cost of the Westside Sewer Improvements.
   b. The Conveyance Fee to be paid by the Developer shall be $2,700.00 per dwelling unit.
   c. If the parallel sanitary sewer line along with the rehabilitation of the existing sanitary sewer line is the option chosen, the parallel line must be completed and accepted by the City prior to occupancy of the Development (T-M or BRE). Once the City accepts the parallel sanitary sewer line, T-M may start occupancy.

ENGINEERING

3. Obtain site clearance through Engineering Department prior to issuance of building permit. Site clearance will require payment of applicable development fees. Other requirements may be identified for compliance during the site clearance process.

4. All work within the public right-of-way, which is to be performed by the Developer/Owner, the general contractor, and all subcontractors shall be included within a **Single Street Opening Permit** issued by the City Engineering Department. Issuance of the Street Opening Permit and payment of all appropriate fees shall be completed prior to commencement of work, and all work under the permit shall be completed prior to issuance of occupancy permit.

5. Obtain approval and permit from the County for work within Lawrence Expressway. Any

change in access on the Lawrence Expressway off-ramp will require County approvals and permits.

6. Unused driveways in the public right-of-way shall be replaced with City standard curb, gutter, and sidewalk.

7. Damaged curb, gutter, and sidewalk within the public right-of-way along property's frontage shall be repaired or replaced (to the nearest score mark) in a manner acceptable to the City Engineer or his designee. The extents of said repair or replacement within the property frontage shall be at the discretion of the City Engineer or his designee.

8. Visual obstructions over three feet in height will not be allowed within the driver's sight triangle near driveways and corners in order to allow an unobstructed view of oncoming traffic. Contact Traffic Engineering at (408) 615-3000 for further information.

9. Construct driveways in the public right-of-way to City commercial type standards. Any proposed non-standard driveway will require approval of the City Engineer and the Developer's execution of an agreement to maintain the driveway.

10. Parking will be prohibited on Granada Avenue within 25 feet of each of the two driveways on Granada Avenue.

11. Developer shall complete the Westside Sewer Improvements in accordance with either a or b below, as determined by the Director of Public Works:

    a. (1) Replace the existing 10" VCP with a new 12" VCP on the south side of El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) replace the existing 10" VCP with a new 15" VCP on the south side of El Camino Real from Pomeroy Avenue to Calabazas Creek, and (3) reconnect the existing sanitary sewer laterals to the new 12" VCP and 15" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.
    b. (1) Construct a new 12" VCP in El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) construct a new 15" VCP in El Camino Real from Pomeroy Avenue to Calabazas Creek, (3) rehabilitate (i.e. use "slipline", "cured-in-place pipe", etc.) the existing 10" VCP on the south side of El Camino Real from Flora Vista to Calabazas Creek, and (4) reconnect the existing sanitary sewer laterals to the rehabilitated 10" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

12. Obtain approval and permit from the Caltrans for work within El Camino Real.

13. Developer to provide a complete storm drain study for the 10-year and 100-year storm events. The grading plans shall include the overland release for the 100-year storm event and any localized flooding areas. System improvements, if needed, will be at Developer's expense.

14. Drainage water shall be pumped to an on-site (private) storm drain structure (e.g., manhole or

catch basin) and then gravity flow to the City's storm drain system. Storm drain backflow prevention devices are required; these devices shall be placed outside the public right-of-way and shall be maintained by the property owners.

15. All private street signs shall be installed on private property (not in the public right-of-way), be similar in size and shape as shown in the City's Standard Detail TR-1, have a brown background with white lettering, and shall have the wording "Private Street" on the face.

16. Prior to start of construction obtain Council approval of a resolution ordering vacation of easements proposed to be abandoned, through the Engineering Department.

17. Taylor Morrison is to cause a Final Map to be recorded for the Taylor Morrison Homes development.

18. After City Council approval of Tentative Subdivision Map, submit 12 copies of Final Map, prepared by a Licensed Land Surveyor or a Registered Civil Engineer with Land Surveyor privileges to the Engineering Department. The submittal shall include a title report, closure calculations, and all appropriate fees. Final Map must be approved by City Council and recorded by Developer prior to building permit issuance.

ELECTRIC 19. Prior to submitting any project for Electric Department review, applicant shall provide a site plan showing all existing utilities, structures, easements and trees. Applicant shall also include a "Load Survey" form showing all current and proposed electric loads. A new customer with a load of 500KVA or greater or 100 residential units will have to fill out a "Service Investigation Form" and submit this form to the Electric Planning Department for review by the Electric Planning Engineer. Silicon Valley Power will do exact design of required substructures after plans are submitted for building permits.

20. Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.

21. Electric service shall be underground. See Electric Department Rules and Regulations for available services.

22. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter 17.15.050.

23. Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G6 and MS-G7.

24. Developer shall grant to the City, without cost, all easements and/or right of way necessary for serving the property of the Developer and for the installation of utilities (Santa Clara City Code chapter 17.15.110).

25. All electric meters and services disconnects shall be grouped at one location, outside of the

building or in a utility room accessible directly from the outside. A double hasp locking arrangement shall be provided on the main switchboard door(s). Utility room door(s) shall have a double hasp locking arrangement or a lock box shall be provided. Utility room door(s) shall not be alarmed.

26. City Electric Department transformer pads require an area of 17' x 16'-2", which is clear of all utilities, trees, walls, etc. This area includes a 5'-0" area away from the actual transformer pad. This area in front of the transformer may be reduced from a 8'-0" apron to a 3'-0", providing the apron is back of a 5'-0" min. wide sidewalk. Transformer pad must be a minimum of 10'-0 from all doors and windows, and shall be located next to a level, drivable area that will support a large crane or truck.

27. All trees, existing and proposed, shall be a minimum of five (5) feet from any existing or proposed Electric Department facilities. Existing trees in conflict will have to be removed. Trees shall not be planted in PUE's or electric easements.

28. Any relocation of existing electric facilities shall be at Developer's expense.

29. Electric Load Increase fees may be applicable.

30. Developer shall provide the City, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the City shall accept the work. Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect a customer to the electrical supply system of and by the City. After completion of the facilities installed by Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system (Santa Clara City Code chapter 17.15.210 (2)).

31. Electrical improvements (including underground electrical conduits on properties frontage) may be required if any private single improvement valued at $50,000 or more or any series of private improvements made within a three-year period valued at $50,000 or more in conjunction with a use, variance, or moving permit. Also may be required if any single private improvement valued at $80,000 or more or any series of private improvements made within a three-year period valued at $80,000 or more in conjunction with a building permit (Santa Clara City Code Title 17 Appendix A (Table III)).

32. Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering Division. A Generating Facility Interconnection Application must be submitted with building permit plans. Review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written

authorization from SVP Electric Engineering Division.

33. Developer is advised to contact SVP (CSC Electric Department) to obtain specific design and utility requirements that are required for building permit review/approval submittal. Please contact Leonard Buttitta at 408-261-5469 after development of site plan, to facilitate plan review.

WATER 34. All on-site water distribution facilities for the BRE-Properties Development shall be private and shall be maintained by owner or property owner's association. Water needs shall be served by a master meter(s) at the public street right-of-way. A public water distribution main, to be provided, for the Taylor Morrison Homes Development will cross the BRE-Properties Development within either a water easement or a public utility easement.

35. All sanitary sewer lateral(s), either proposed or existing, shall be equipped with a clean-out at the property line.

36. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

37. Landscaping irrigation water needs shall be provided by a separate water services if the total landscaped area exceeds 2,500 square feet.

38. While the City is taking due diligence in maintaining its facilities, the City shall not be held liable for water damages to the property with depressed grade features in the event of public water main breaks. If the Developer elects to proceed with the depressed grade parking feature for the development, adequate hold harmless clause must be provided to the City in the HOA's CC and Rs (or other means deemed necessary) as directed by the City.

39. If multiple fire services are required, backflow prevention is required on any required fire service connection at the Developer's expense.

40. If additional water service(s) is required, backflow prevention will be required on all existing and new water services at the Developer's expense.

FIRE Occupancy Classifications:

41. State the occupancy classification in accordance with the Uniform Building Code for each building or areas.

Fire Department Emergency Access:

42. Approved fire apparatus access roads (public/private) shall be established and maintained to within 150 feet of all exterior walls of any building. Since access to the North and West side of Santa Clara Crossings apartment building will have trees planted along the sides, plans for landscape shall be reviewed and approved by the Fire Dept. prior to permit issuance.

43. Approved fire apparatus access roads shall have a minimum 20-foot width, have a minimum 13 ½-foot vertical clearances and have a minimum 36-foot inside turning radius.

44. Dead-end fire apparatus access roads that exceed 150-feet in length shall be provided with a 75-foot diameter vehicle turnaround or an approved hammerhead turnaround (incorporating the minimum 36-foot inside turning radius).

45. Adjacent private emergency access roads from lands adjoining a property required to have access shall not be considered unless such access is designated as a "shared Emergency Access Easement" (E.A.E.).

46. A Knox box shall be installed for gate at controlled ingress and egress between Laurel Place II and Santa Clara Crossing.

Water Supply:

47. Private fire hydrants and mains capable of supplying the required fire flow shall be installed when any portion of the building protected is in excess of 150 feet from a water supply on a public street. Fire hydrant distribution shall be in accordance with Table IIIA of the California Fire Code. Determine the number and spacing based on floor area and type of building construction.

48. Underground fire service mains are required. Submit separate plans, fees and fire flow calculations to the Fire Department for separate review and permit. Each parcel or building may require separate fire service. NOTE: Stamped and wet signed Civil drawings shall be submitted in conjunction with shop quality drawings by the installing "A" or "C-16" licensed contractor.

49. **Santa Clara Crossings**: **Interior courtyards that limit our accessibility will require horizontal standpipes (wharf hydrants - each shall have two 2-1/2 inch outlets) that are augmented by each building's fire sprinkler/standpipe system FDC to boost the city water pressure via fire apparatus.** Incorporate these criteria with the Underground fire service permit submittal for each building.

50. **Santa Clara Crossings**: Vertical standpipes shall be provided for building four or more stories in height.

51. **Santa Clara Crossings**: FDC and PIV shall be located on the street fronting each building. The FDC shall not supplement/charge/pressurize the private fire service main, but only the building's sprinkler/standpipe/wharf hydrant system it serves. The FDC shall be located within 50 feet of a fire hydrant, plus on the same side of the road as the fire hydrant(s). FDC's shall not be for the private fire service and its private fire hydrants. **NOTE: The FDC and PIV shall be located a minimum of 40 feet from a building.**

52. **Santa Clara Crossings**: In private underground piping systems, any dead end pipe, which supplies both sprinklers and hydrants, shall be not less than eight (8) inches in diameter.

53. **Provide sprinklers for the 6 attached multi family dwelling units at Laurel Place II.**

54. **Laurel Place II: Relocate fire hydrant at lot 56 to lot 49 (Public hydrant).**

Required Fire Protections/ Detection Systems and Equipment:

55. An automatic fire sprinkler system is required for all new buildings where the total floor area exceeds 10,000 square feet (a separate Fire Department permit is required for the sprinkler system). Sprinkler main drain test valves shall discharge to the sanitary sewer system (via an indirect connection) or shall discharge onto a landscape area of sufficient size.

56. A fire alarm system shall be provided in accordance with the Fire Code.

Dumpster Storage:

57. Rubbish containers: Containers that are 1.5 cubic yards (40.5 cubic feet) or more shall not be stored in buildings or placed within 5 feet of combustible walls, openings, property lines or combustible roof eave lines unless protected by approved fire sprinklers (UFC 1103.2.2). If a roof over the trash enclosure is to be provided, then it shall be of non-combustible construction.

Fire Safety During Construction:

58. At the time of permit application, submit a construction "Fire Safety Plan" to the Fire Department for review and approval. The "Fire Safety Plan" shall address fire protection (i.e., access roads, water mains, on-site fire hydrants, fire extinguishers and standpipes) be installed and made serviceable prior to the time of construction. Include in the safety plan the location of fire extinguishers, fire hydrants (public and private), storage of combustible construction materials, propane tanks, and "NO SMOKING" signs. Plus the Safety plan shall address the how the following items will be used: temporary heating devices, temporary electrical wiring, cutting/welding and other open-flame devices (CFC 8703; 901.3; 903.2 & 8700). See "Standards for Construction Site Fire Safety" handout or website at www.unidocs.org/fire

Fire Department Notes (Required on plans/ drawings at the time of application):

59. At the time of Building Permit application, submit Civil Drawings that denote existing and proposed locations of fire hydrants, underground sectional valves, Fire Department connections and post indicator valves for fire department review and approval.

60. Prior to combustible materials being brought onto the site, approved fire apparatus access roads shall be constructed. These shall be capable of supporting the imposed fire apparatus load (70,000 lbs.) and have a FD approved all-weather driving surface.

61. Construction materials shall not obstruct access roads, access to buildings, hydrants or fire appliances.

62. Combustible construction in excess of 100 feet from the street shall not commence until emergency access roads; underground fire service lines and permanent on-site hydrants are in service and have been tested, flushed and approved by the Fire Department.

63. During construction of a building and until permanent fire-extinguishers have been installed, portable fire extinguishers are required within 50 feet travel distance to any part of the building in accordance with section 8704.4.2 of the 2001 California Fire Code and the Santa Clara Municipal Fire and Environmental Code.

64. General Permit through the State shall be adhered to regarding non-point source issues on construction sites (i.e., prevention of paints, debris, etc. from going down storm drains).

65. Internal-combustion-powered construction equipment shall be used as follows:
    a. Equipment shall not be refueled while in operation.
    b. Exhausts shall be piped to the outside of the building.

POLICE 66. Provide a minimum illumination of one-foot candle in carport, parking areas and in all common pedestrian or landscaped areas of the development. The illumination should be deployed in fixtures that are both weather and vandal resistant.

67. Address numbers of the individual units shall be clearly visible from the street and shall be a minimum of six (6) inches in height and of a color contrasting with the background material. Numbers shall be illuminated during the hours of darkness. Individual apartment numbers shall be a minimum of six (6) inches in height and a color contrasting to the background material and either visible from the street or from the center area of the project. Where multiple units/buildings occupy the same property, unit/building address shall be clearly visible. A monument sign, preferably at all dedicated entrances to the property, shall be prominently displayed, showing all unit/building numbers, addresses, etc. A map is recommended for large complexes with multiple streets or walkways.

68. All construction of dwelling units shall conform to the requirements of the Uniform Building Security Code as adopted by the City of Santa Clara City Council.

69. A Knox Box or Coded Entry System is required for Police access to enclosed parking lots and gated communities.

70. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

71. Any required enclosure fencing (trash area, utility equipment, etc.) if not see through, should have a six (6) inches opening along the bottom for clear visibility. Any gates or access doors to these enclosures should be locked.

72. There shall be positioned near the entrance an illustrative diagram of the complex, which shows the location of the viewer and unit designations within the complex including separate building designations. This diagram shall be illuminated and should be protected by vandal resistant covers.

73. The parking structure, including ramps, corners and entrances, should be illuminated at a

minimum of 5-foot candles at all hours.

74. The parking structure/site should be equipped with emergency telephones.

75. All entrances to parking areas (surface, structure, sub-terranean, etc.) should be posted with appropriate signage to discourage trespassing, unauthorized parking, etc. (See California Vehicle Code Section 22658(a) for guidance).

76. The 'Parking Structure & Parking Lot Security' recommendations provided to applicant should be considered, with applicable provisions implemented.

77. The 'Multiresidential Security Guidelines' provided to applicant should be considered, with applicable provisions implemented.

STREET 78. Submit copy of complete landscape and automatic irrigation plans for review and comment by City staff. Plans are to include all existing trees with 4" or larger diameter (measured 30" above ground) on development property and adjacent property if they may be impacted. Trees are to be correctly labeled with specie name and correctly plotted as to exact location on the plans. Trees are to be noted as to whether they are proposed to be saved or removed. City tree preservation specifications are to be included on all plans where existing trees are to be saved during construction. A copy of these specifications can be obtained from the City Arborist at 408-615-3080.

79. Developer is to supply and install City street trees per City specifications; spacing, specie, and size (15 gallon minimum) to be determined by City Arborist.

80. No cutting of any part of City trees, including roots, shall be done without following city tree preservation specifications and securing approval and direct supervision from the City Arborist at 408-615-3080.

81. No cutting of any part of private trees, including roots, shall be done without direct supervision of a certified arborist (Certification of International Society of Arboriculture).

82. Applicant is advised to contact Street Department to obtain required tree removal permits in the event trees are removed. Please contact John Mendoza at 408-615-3080 to facilitate plan review.

83. Identified existing mature trees to be maintained. Prepare a tree protection plan for review and approval by the City prior to any demolition, grading or other earthwork in the vicinity of existing trees on the site. Provide 48-inch box trees for screening adjacent to the existing residential properties, type to be determined by City Arborist.

84. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

85. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

86. Prior to submitting any project for Street Department review, applicant shall provide a site plan showing all existing trees (including size and species), proposed trees (including size and species), existing stormwater drainage facilities, proposed storm water drainage facilities, proposed locations of solid waste containers and, if applicable, a statement on the site plan confirming compliance with Fire Department approved fire apparatus access roads (1998 CFC 902.2.2.1 & 902.2.2.3).

87. All landscaping and irrigation systems shall meet City standard specifications.

88. Application does not provide Street Department with sufficient information regarding existing tree information and/or how trees are to be preserved. Applicant to coordinate with John Mendoza of the Street Department at 408-615-3080 prior to re-submittal.

89. Obtain required permits and inspections from the Building Official and comply with the conditions thereof. If this project involves land area of 15,000 sq. ft. or more, Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any building permit for grading, or construction; a copy of the NOI shall be sent to the City Building Inspection Division. A storm water pollution prevention plan is also required with the NOI.

90. Incorporate Best Management Practices (BMPs) into construction plans and incorporate post construction water runoff measures into project plans in accordance with the City's Urban Runoff Pollution Prevention Program standards prior to the issuance of permits. Proposed BMPs shall be submitted to and thereafter reviewed and approved by the Planning Division and the Building Inspection Division for incorporation into construction drawings and specifications.

91. An erosion control plan shall be prepared and copies provided to the Planning Division and to the Building Inspection Division for review and approval prior to the issuance of grading permits or building permits that involve substantial disturbance of substantial ground area.

92. All proposed storm water treatment vaults shall have a hydrodynamic separator upstream of their installation.

93. All proposed stormwater treatment vaults shall have internal treated distribution plumbing. No external folding racks are permitted.

94. All post construction structural controls shall require property owner to execute with City a Stormwater Treatment Measures Inspection and Maintenance Agreement.

95. Decorative water features such as fountains and ponds shall be designed and constructed to drain to sanitary sewer only. No discharges allowed to storm drain.

96. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Set up meeting with the Street Department to discuss requirements. Contact Roger Lee at 408-615-3080.

97. Application does not provide Street Department with sufficient information to evaluate proposed stormwater pollution prevention improvements. Applicant to coordinate with Roger Lee of the Street Department at 408-615-3080 prior to re-submittal.

98. Applicant to comply with City Development Guidelines for Solid Waste Services as specified by development type.

99. Provide trash enclosure, the location and design of which shall be approved by the Director of Planning and Inspection prior to issuance of any building permits.

100. Commercial, industrial, and multi-family residential buildings must have enclosures for solid waste and recycling containers. The size and shape of the enclosure(s) must be adequate to serve the estimated solid waste and recycling needs and size of the structure, and should be designed and located on the property so as to allow ease of access by collection vehicles. As a general rule, the size of the enclosure(s) for the recycling containers should be similar to the size of the trash enclosure(s) provided onsite. Roofed enclosures with masonry walls and solid gates are the preferred design.

101. To complete the review of the project, Street Department requires applicant to provide site plan showing all proposed locations of solid waste containers, enclosure locations and street/alley widths.

102. Application does not provide Street Department with sufficient information to evaluate Solid Waste requirements. Set up meeting with the Street Department to discuss requirements. Contact Dave Staub at 408-615-3080.

103. Applicant to comply with City Code Section 8.25.285 and recycle or divert at least fifty percent (50%) of materials generated for discards by the project during demolition and construction activities. No building, demolition or site development permit shall be issued unless and until applicant has submitted a construction and demolition debris materials check-off list. After completion of project, applicant shall submit a construction and demolition debris recycling report as stipulated by ordinance, or be subject to monetary, civil, and/or criminal penalties.

PLANNING AND INSPECTION

104. Obtain required permits and inspections from the Building Official and comply with the conditions thereof.

105. Submit plans to the Planning Division for Architectural Committee review and approval prior to issuance of building permits.

106. Prior to issuance of permits, the Developer shall enter into an agreement with the City for the

provision of at least ten percent (10%) of the units in the development as affordable units, at levels commensurate with the City's regional fair share requirements and the City's inclusionary policies (i.e. Very-low or Low income affordability for rental projects and Moderate Income affordability for for-sale projects). The agreement shall provide for prescribed affordability restriction periods and unit distributions consistent with the City's inclusionary policies to the satisfaction of the Director of Planning and Inspection and consistent with the terms of the Development Agreement.

107. The project shall comply with the mitigation measures identified in the Environmental Impact Report for the Marina Playa Residential Project.

108. The project shall comply with the conditions set forth in the Development Agreement for the Marina Playa Residential Project.

109. The multi-family units in the project shall comply with the SCCC 18.22.150 "Additional development standards" section within Regulations for TMU – Transit –Oriented Mixed Use.

EXHIBIT D
INSURANCE REQUIREMENTS

Without limiting the Developer's indemnification of the City, and prior to commencing any of the activities provided for under this Agreement, the Developer shall purchase and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

   $2,000,000 Each occurrence
   $2,000,000 General aggregate
   $2,000,000 Products/Completed Operations aggregate
   $2,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Developer; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Developer to comply with the insurance requirements of this Agreement:

   a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

   b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

   c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars ($1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

In the event that the work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or

regulated materials, Developer and/or its subcontractors involved in such activities shall provide coverage with a limit of two million dollars ($2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars ($1,000,000) policy limit Bodily Injury by disease, one million dollars ($1,000,000) each accident/Bodily Injury and one million dollars ($1,000,000) each employee Bodily Injury by disease.

2. The indemnification and hold harmless obligations of Developer included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Developer or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Developer's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.

2. Primary and non-contributing. Each insurance policy provided by Developer shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Developer's insurance.

3. General Aggregate. The general aggregate limits shall apply separately to Developer's work under this Agreement providing coverage at least as broad as Insurance Services Office (ISO) Endorsement CG 2503, 1985 Edition, or insurer's equivalent (CGL);

4. Cancellation. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

5. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this **Exhibit D**, above.

E. ADDITIONAL INSURANCE RELATED PROVISIONS

Developer and City agree as follows:

1. Developer agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Developer, provide the same minimum insurance coverage required of Developer, except as with respect to limits Developer agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Developer agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

2. Developer agrees to be responsible for ensuring that no contract used by any party involved in any way with the Project reserves the right to charge City or Developer for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Developer in the event of material noncompliance with the insurance requirements set forth in this Agreement.

F. EVIDENCE OF COVERAGE

Prior to commencement of any activities provided for under this Agreement, Developer, and each and every subcontractor (of every tier) shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Developer shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

G. EVIDENCE OF COMPLIANCE

Developer or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Developer shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

City of Santa Clara [insert City department name here]
c/o Insurance Data Services - Insurance Compliance

P.O. 12010-S2	or	151 North Lyon Avenue
Hemet, CA 92546-8010		Hemet, CA 92543
Telephone: (951)766-2280; or		
Fax: (951)766-2299		

H. QUALIFYING INSURERS

All of the insurance companies providing insurance for Developer shall have, and provide written proof of, an A.M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

DEPARTMENT OF TRANSPORTATION
P. O. BOX 23660
OAKLAND, CA 94623-0660
PHONE (510) 622-5491
FAX (510) 286-5559
TTY 711

Flex your power!
Be energy efficient!

April 28, 2008

SCL-082-14.31
SCL0/82394
SCH2007102131

Mr. Yen Han Chen
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Dear Mr. Han Chen:

Marina Playa Residential – Final Environmental Impact Report (FEIR)
Thank you for continuing to include the California Department of Transportation (Department) in the environmental review process for the proposed project. We have reviewed the FEIR and have the following comments to offer.

Highway Operations -
Response to B2, on page 8: The response has not addressed the Department's request. An intersection operational analysis should be performed, as previously requested, in our letter of March 17, 2008. While the proposed project is not expected to generate 100 or more new weekday peak hour trips, the trips generated would reverse from inbound in the morning to outbound in the morning and outbound in the evening to inbound in the evening. This could cause traffic impacts to State Route 82 (El Camino Real). In this intersection operational analysis, include El Camino Real/NB Lawrence Expressway, El Camino Real/SB Lawrence Expressway and El Camino Real/Flora Vista Avenue intersections for existing conditions, background conditions, background plus project conditions and cumulative conditions. Mitigation measures should be identified and implemented or fair share fees collected for project impact mitigation implementation. Please provide this analysis for our review and comment.

Should you require further information or have any questions regarding this letter, please call José L. Olveda of my staff at (510) 286-5535.

Sincerely,

Lisa Carboni

LISA CARBONI
District Branch Chief
IGR/CEQA

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MAY 02 2008
PLANNING DIVISION

c: Scott Morgan (State Clearinghouse)

Yen Chen - FEIR - Marina Playa Residential Project

From: Bill Yeung
To: Yen Chen
Date: 5/5/2008 8:55 AM
Subject: FEIR - Marina Playa Residential Project

Yen Han:

This is to respond to your April 2008 submittal regarding the review of the subject project. Our review is complete and we have the following comments:

1) Provide operational analysis of Lawrence off-ramp including weaving from Granada to El Camino Real.
2) We do not agree with the report indicating a TIA is not needed because of CMA' 's 100 trips threshold. The cumulative impact of this project along with others in the area need to be evaluated.
3) Traffic impact to Lawrence Expressway and fair share contribution of fees is recommended.

If you have any questions, please contact me. Thanks

William K. Yeung, PE
Associate Civil Engineer
Land Development, Survey and Property
County of Santa Clara
Roads and Airports Department
101 Skyport Drive
San Jose , CA 95110
Phone (408)573-2463
Fax (408)441-0276
Email: bill.yeung@rda.sccgov.org

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Correspondence from the Public

Tappan G. Merrick letter dated April 22, 2008

Tappan G. Merrick letter dated May 7, 2008

April 22, 2008

Dear Mayor Mahan and Honorable Santa Clara City Council members,
Let me first say that I have little or no interest in what happens with the Marina Playa development proposed at Granada and Lawrence Expressway.

Having said that, I wonder what in the world the Planning Department and the rest of the Santa Clara City Government is smoking in regards to developments such as the ones at Marina Playa and Santa Clara Square (a development that I do care about). I have read the Final EIR regarding Marina Playa, which talks about declining traffic along both El Camino Real and Lawrence Expressway. Is Santa Clara operating in a vacuum???

Your city plans to build Marina Playa, Santa Clara Square and two more high rise developments at Lawrence Expressway and El Camino over the next 15 years (both on the north side of El Camino, one on the west side and one on the east of Lawrence) adding nearly 2,000 housing units. And both the Santa Clara Square and Marina Playa projects say that traffic is declining. As a previous letter I sent to your Council noted, those traffic studies were flawed from the beginning, using only one day's worth of data, utilizing a Friday as the base date, then using a Thursday and a Tuesday as base dates in subsequent years. Fridays are probably always the busiest days. Likewise, one of the dates, in late October, was more than a month later in the year than the other dates. Due to earlier darkness, people probably spend less time out driving than in the significantly warmer, and lighter September.

Clearly, taking all of these projects into consideration, and having proper, comparable traffic statistics, the traffic along El Camino and Lawrence has increased, and will increase significantly more once these four projects are completed over the next ten to fifteen years.

The north bound direction of Lawrence Expressway at El Camino Real, alone, is the eighth worst intersection along El Camino Real from South San Francisco to San Jose, according to the Grand Boulevard Initiative. These four developments will add traffic, and accidents will increase. Even the California Highway Patrol points this out to you.

Next, this project also talks about Transit Oriented Mixed Use (as does the Santa Clara Square FEIR). Both state there are three bus routes at this intersection. By now you should be aware that the 522/22 is only one route, and the one running along Lawrence ONLY operates once each way each day weekdays, with no weekend service. So, basically this intersection only has one bus route, which would automatically disqualify it for Transit Mixed Use classification.

Finally, Marina Playa's location is unique in that there is no available street parking, should this FEIR's estimate of parking needs end up short. Street parking is already at a premium at night due to existing apartments along Flora Vista, and Saturday street parking is compounded by overflow parking used for those going to the DMV. There is no street parking allowed along Lawrence Expressway, nor along El Camino.

As time permits, I plan to conduct a more thorough review of Santa Clara's Plan, as well as the appropriateness of the Transit Mixed Use label so casually tossed around by these developments. I suspect that none of these project would qualify under current definitions.

Respectfully submitted,
Tappan G. Merrick
1091 Firth Court
Sunnyvale, CA 94087
408-984-2330

RECEIVED
MAY 7 - 2008
PLANNING DIVISION

May 5, 2008

City of Santa Clara
City Council and Planning Commission
General Plan Committee
1500 Warburton Avenue
Santa Clara, CA 95050

Re: Santa Clara Square and the City of Santa Clara's General Plan

Dear Mayor Mahan, Honorable Council Members, Planning Commissioners and General Plan advisory committee members:

As a result of studying the issues behind the three previous letters that I have recently (2008) written/e-mailed you regarding the proposed development on the southwest corner of Lawrence Expressway and El Camino Real (3610-3700 El Camino Real) known as Santa Clara Square, I have uncovered some potentially disturbing new issues that I felt it was important to bring to the Council's and the Commissioners' attention.

I will attempt to do this by first stepping back to review some of the various governmental agencies' policies regarding El Camino Real, bring the City of Santa Clara's own written policies to your attention, then address some other unresolved issues. Any bold faced type is my effort to draw attention to particular sentences or phrases.

TRANSIT

The Association for Bay Area Governments' (ABAG) 4th Revision Draft Regional Housing Needs Allocation (RHNA), Page 10, dated August, 2007, Section C, states: "Each local jurisdiction with an existing transit station should plan for more housing near such stations. ... **Transit is defined as areas with existing fixed-alignment public transit**. The transit services included are: Altamont Commuter Express (ACE), Bay Area Rapid Transit (BART), CalTrain, San Francisco MUNI light rail, and Santa Clara Valley Transportation Authority (VTA) light rail, and ferries.

"Growth near transit is defined as household or employment growth **within one-half mile of an existing transit station**, but eliminating any overlap between stations located within one mile of each other."

"Transit is used as a direct factor, in part due to the expectation that impacts of the policy assumptions in *Projections* will not begin to take effect until 2010. Directing growth to areas with public transit in the allocation methodology would ensure that this regional policy influences development patterns during the 2007-2014 RHNA period."

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CITY OF SANTA CLARA

"Use of these transit factors would address the state RHNA objectives and regional goals of encouraging the use of public transit and the efficient use of transportation infrastructure. Directing housing need to areas near transit would also promote infill development, as existing transit stations are primarily in existing urbanized areas in the region."

The only transit intersections within the City of Santa Clara, as defined by ABAG, are: the several VTA light rail stops along Tasman Drive in north Santa Clara, as well as the two CalTrain stops at Monroe and Lawrence and at Benton and El Camino Real. With BART being considered for some future date development, there may be additional stops along its route that would qualify as transit. The intersection at Lawrence and El Camino Real **does not, and will not qualify** under ABAG's definition of "Transit". There are no plans to bring CalTrain, ACE, BART or VTA Light Rail anywhere within one-half mile of this intersection.

The Grand Boulevard Initiative, designed by 21 local Bay Area governments (19 cities and two counties), and adopted, to date, by ten (excluding the City of Santa Clara), is a planned program of development for the El Camino Real stretching from South San Francisco to San Jose. Mayor Mahan sits on this project's task force, as the City of Santa Clara's representative. The first of its' Guiding Principles is to "Target housing and job growth in strategic areas along the corridor." The first bullet point potential strategy under this first guiding principle is to "Amend General Plans and implement zoning and Specific Plans that facilitate **increases in density, particularly around transit stations** and key intersections." Again, the emphasis is on transit stations, and the intersection of Lawrence and El Camino Real does not qualify for high density growth under this definition, nor does it qualify as part of the Monroe/Lawrence transit station, which lies some 1.25 miles to the north of the Lawrence/El Camino Real intersection.

The City of Santa Clara's General Plan Executive Summary (Chapter 1, paragraph 1.1.1, entitled Major Themes of the General Plan, pages 3 & 4, dated July 23, 2002) states: "New development policies in the Land Use Element support the need to retain diversity in the heavy industrial area east of Lafayette Street and south of the Bayshore Freeway. Other than permitted retail uses, new development will be limited to low intensity industrial uses in this area. Other industrial areas within the City will be redesignated to Light Industrial or Office/Research and Development to better reflect existing and desired uses in these areas. To further retain and encourage the existing largely electronics and related employment base between the Bayshore Freeway and the Southern Pacific Railroad within the Light Industrial area, **building heights will generally be limited to an average of 2-stories with a building coverage of 50%.** Within the Office/Research and Development areas north of the Bayshore Freeway, **there will be a seventy foot height limit for buildings** except where the City allows higher buildings on a future case by case basis in conjunction with a project's environmental review. This change is seen to **encourage the concentration of employment in areas where access to transit such as Light Rail is greatest."**

The same City of Santa Clara General Plan Housing Element (Chapter 3, paragraph 3.3.1 entitled Land Use Controls, Development Standards, Building Codes and Enforcement, subparagraph d, page 30, dated July 20, 2004) states: **"Building height allowed in the Mixed Use Transit Oriented zone districts, if adopted as proposed by staff, will be four stories tall."** Presumably, four years after publication, and still located within the City's General Plan document, this height restriction was approved and is in force.

PUBLIC TRANSPORTATION ALONG El CAMINO REAL IN SANTA CLARA

Intersection & Route	Number of trips/day	Total trips/day
Lawrence & El Camino		
22/522	145	
328	1	146
San Tomas & El Camino		
22/522	145	
330	3	148
Bowers/Kiely & El Camino		
22/522	145	
57	33	
58	15	193
Monroe & El Camino		
22/522	145	
60	56	
32	21	222
Benton & El Camino (Santa Clara Transit Center)		
22/522	145	
10	70	
32	21	
60	56	
CalTrain	33	
BART	Planned	325

Now look in greater detail as to what the actual public transportation available to the commuting public looks like (see chart on page three). A review of the Valley Transportation Agency's (VTA) transportation schedules within the City of Santa Clara, along and across El Camino Real reveals that the Lawrence and El Camino Real intersection is the least likely choice for building high density housing. All transportation figures represent traffic in only one direction, and for regular weekday (24 hours) commuting. The 22 and 522 bus routes are almost identical, and are the only east/west routes available at the intersection in question.

HOUSING DENSITY ALONG El CAMINO IN SANTA CLARA (existing and planned)

A review of the City of Santa Clara's General Plan – Land Use Element map (General Plan Amendment #64, dated March 6, 2007) revealed some interesting disparities related to the above mentioned El Camino Real intersections. Data are percent of total square foot area approximations, based upon details extrapolated from Amendment #64, and include either existing or planned Transit Mixed Use, High Density Residential, and Medium Density Residential classifications, as defined by the City of Santa Clara. Calculations are based upon the area one-half mile from each intersection, representing a ten minute walk.

Intersection & Type Density	Percent Density	Total
Lawrence & El Camino		
Transit Mixed Use (TMU)	12.9%	
Medium Density Residential	3.02	15.9%
San Tomas & El Camino		
TMU	2.87%	2.87%
Bowers/Kiely & El Camino		
TMU	7.0%	7.0%
Monroe & El Camino		
TMU	0.0%	
Medium Density Residential	2.5	2.5%
Benton & El Camino (Santa Clara Transit Center)		
TMU	1.0%	1.0%

There seems to be an inverse relationship between the number of public transportation routes and the percentage of space designated for high and medium density housing within the City of Santa Clara's city limits, contrary to ABAG's and the Grand Boulevard Initiative's published intent.

HOUSING UNITS

According to ABAG's table on the Proposed Final Regional Housing Needs Allocation, as revised March 20, 2008, the City of Santa Clara is expected to add 5,873 housing units by 2014. The City of Santa Clara's General Plan, Chapter Three-Housing Element, pages 54 -61, dated July 20, 2004, identified 8,760 housing units capacity, based, apparently on the City's 2001 General Plan Housing Study. Of this total capacity, 2,680 units (**or 30.6% of all new housing**) are identified as being within the one-half mile circle of Lawrence and El Camino.

TRAFFIC AT LAWRENCE EXPRESSWAY AND EL CAMINO REAL

The second paragraph of my March 3, 2008 letter to you identified the weaknesses of the day long traffic studies which were conducted along El Camino Real in 2002, 2004 and 2006, related to Santa Clara Square's Final EIR. The numbers looked suspicious to me for several reasons. First, it was surprising that the study's base year, also a significant recession year for the technology industry, especially in Santa Clara County, had the highest count of the three years studied. That just wouldn't make sense. So when I looked at each of the dates listed, and then compared them to the calendars for those years, I realized that they were actually conducted on separate days of the week (Friday, Tuesday and Thursday, respectively). The traffic volumes for those particular days of the week better corresponded to the daily sales volumes of the Taco Bell located at this intersection (3610 El Camino Real). I am familiar with these sales as I served as one of this restaurant's managers from mid-1992 to 1994. Saturdays were always the busiest, then working backward with Friday as the second busiest, to Sunday as the least busy day of the week. This is exactly what the traffic study illustrated.

The City of Sunnyvale's General Plan, Land Use and Transportation Element, Chapter 2, Figure 2.22: 1990 and 2010 Projected PM Peak Levels of Service, page 70 (which includes the Kaiser Replacement EIR as a source) expects the level of service all along Lawrence Expressway to decline one level, or more, from a C, D or E to E and F levels of service. You can read that as significantly more traffic along both Lawrence Expressway and El Camino Real.

The previously mentioned Grand Boulevard Initiative, Existing Conditions Report, chapter 4, Table 4-4: Top 30 High Accident Rate Intersections along the Corridor (El Camino Real), page 31, dated October, 2006 identified the ramps on the northbound direction of Lawrence Expressway as the eighth worst intersection along the entire El Camino Real, from South San Francisco to San Jose. This doesn't even include the southbound ramps or the actual intersection at Lawrence along El Camino Real. The addition of up to 2,680 housing units within one-half mile of this intersection will clearly increase traffic in all directions, including proximate side streets such as Lillick, Burnley, Granada, Flora Vista, Halford and Benton, even if the City of Santa Clara were to only allow one car per residence. As pointed out in a recent communication from Mr. John Reagan, a Santa Clara resident, to the City, **most accident reports end up not being filed with the California Highway Patrol** (CHP) as the participating motorists actually request that they not be filed, in an effort to hold down insurance costs and not incur points on their driving records.

ETHICS

The City of Santa Clara's official website, under Code of Ethics & Values raises some serious issues with City staff. Under the Preamble, it states, "The proper operation of democratic government requires that decision-makers be independent, **impartial, and accountable to the people they serve.**" The March 14, 2008 San Jose Business Journal article by Ms. Sharon Simonson stated, "...the Santa Clara planning director says the proposed high-rise development on El Camino Real, which he supports, is just the start of things to come."

"Kevin Riley says all four corners abutting El Camino at the Lawrence Expressway are slated to be transformed into far more urban centers including what he calls 'monumental buildings' and housing density of up to 45 units an acre under the city's master land-use plan."

Under the eight basic value principles identified in this Code of Ethics & Values, there are several which seem to be left wanting regarding development at El Camino Real and Lawrence Expressway.

Value 1, Ethical
"c. **I make impartial decisions**, free of bribes, unlawful gifts, narrow political interests, and financial and other personal interests that impair my independence of judgment or action."
"d. **I am fair, distributing benefits and burdens according to consistent and equitable criteria."**
Value 3, Service-oriented
"b. **I am attuned to, and care about, the needs and issues of citizens**, public officials, and city workers."
Value 5, Organized
"c. **I am respectful of established City processes and guidelines."**
Value 6, Communicative
"a. **I convey the City's care for and commitment to its citizens."**
Value 7, Collaborative
"d. I **consider the broader regional and State-wide implications of the City's decisions and** issues."
Value 8, Progressive
"c. I promote intelligent and thoughtful innovation in order to forward the City's policy agenda and City services."

NOT IN MY BACKYARD (NIMBY)

We are all familiar with this concept, especially as it relates to building nuclear power plants in our communities. Of course, it always seems to apply to other objectionable endeavors, too. This may well explain why the City of Santa Clara is interested in high-rise development at one end of the City, and not where it truly makes sense to build it, at transit centers. The reality is that if growth is allowed to occur at all, the most successful growth is where everyone shares a little bit of the pain by spreading out development, and where growth makes commuting sense. Clearly, if the City Council Members were really in favor of high-rise growth, they would suggest it be built right across the street from each of the Council Members' homes.

CONCLUSIONS

Clearly the City of Santa Clara has not followed any guidelines, State, Regional or City, related to the proposed overdevelopment of the intersection at Lawrence Expressway and El Camino Real. The proposed building heights, at 95 feet, exceeded any City-wide guidelines, let alone those for transit mixed use, as **defined by the City of Santa Clara**.

As this intersection provides the worst commuting option of any major intersection along the El Camino Real in Santa Clara, the addition of over 2,500 housing units within a half mile would seriously impact local and regional commuting options, and not take advantage of any of the existing or future planned fixed transit options.

The City of Santa Clara's Planning Department continued to accept the developer of Santa Clara Square's 95 foot buildings both before and after the City-wide height requirements were published in 2004. It also allowed the same inappropriate arguments related to TMU and traffic studies to be used in the Marina Playa Final EIR that were used in the Santa Clara Square Final EIR arguments made and disproved a month earlier (March, 2008).

At the least, the City of Santa Clara's Planning Department and staff failed to represent the existing Santa Clara citizenry in favor of some future, unknown citizens. Decisions made were not impartial, nor did they respect established City guidelines. Likewise, by ignoring the Transit guidelines established by the State and ABAG, this department failed to consider the broader regional and State-wide implications of locating new developments away from established Transit Centers.

Mr. Kevin Riley's apparent inability to ensure that the City of Santa Clara's Planning Department insist that all developments follow City, regional and State-wide development guidelines, as well as his apparent partiality towards large growth cast huge shadows over the City of Santa Clara's own credibility.

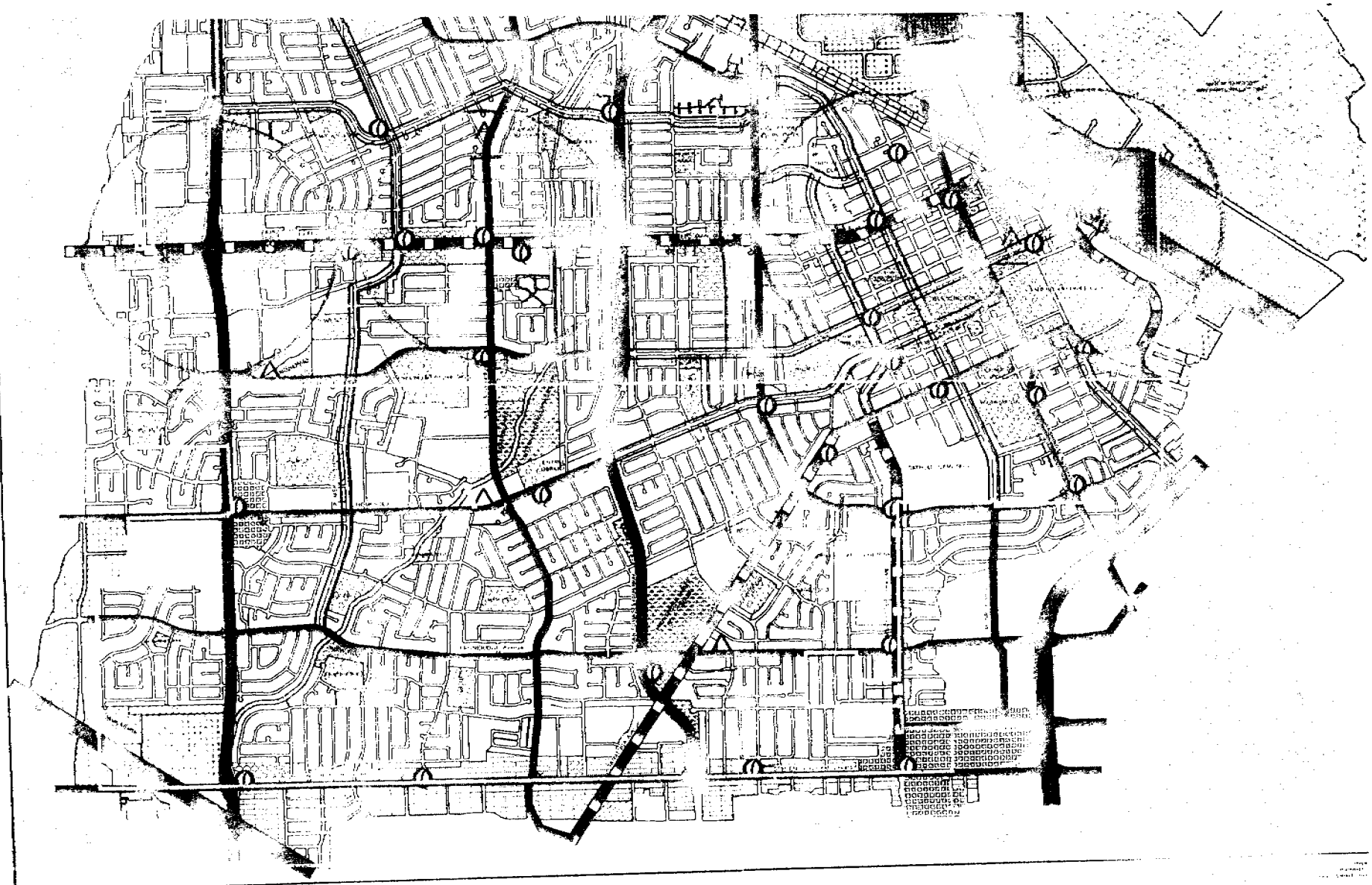
I look forward to working with the Santa Clara City Council and the new General Plan Advisory Committee as you both revisit the development issues not only around the Lawrence Expressway/El Camino intersection, but anywhere else that you may deem appropriate. Please feel free to contact me at any time.

Respectfully yours,

Tappan G. Merrick
1091 Firth Court
Sunnyvale, CA 94087
408-984-2330
tapmerrick@yahoo.com

cc: KNTV Channel 11
San Jose Mercury News
The Sunnyvale Sun
Sharon Simonson, The San Jose Business Journal
Sunnyvale City Council
Various neighborhood e-mail groups and neighbors

Attachment-southern half of Santa Clara City Map with four El Camino intersections



GENERAL PLAN

- MIXED USE
- TRANSIT-ORIENTED MIXED USE
- GATEWAY THOROUGHFARE
- SINGLE FAMILY DETACHED (8 DU/Acre Maximum)
- SINGLE FAMILY ATTACHED (16 DU/Acre Maximum)
- MODERATE DENSITY RESIDENTIAL (25 DU/Acre Maximum)
- MEDIUM DENSITY RESIDENTIAL (36 DU/Acre Maximum)
- HIGH DENSITY RESIDENTIAL
- THOROUGHFARE COMMERCIAL
- COMMUNITY & REGIONAL SHOPPING
- TOURIST COMMERCIAL
- City Limit
- [illegible] AREA DEVELOPMENT
- INDUSTRIAL TRANSITION
- [illegible]
- [illegible]
- [illegible]
- EDUCATION
- PARKS & RECREATION
- OPEN SPACE
- RETENTION BASIN
- MED DENSITY RES. & PARKS & REC. &/OR INST
- TRANSIT/STATION/AIRPORT
- OFFICE

SERVICES

- Convenience Commercial
- Convenience Commercial/Service Station
- Fire
- Transit Station
- Historically Significant Resource

0 1,600 3,200 4,800 6,400 Feet

TRANSPORTATION

- Expressways
- Freeways
- Thoroughfares
- Thoroughfares with Landscaped Median
- Collectors
- Transit
- Hech Hetchy Aqueduct

1/2 mile

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: MAY 13, 2008

SUBJECT: PLANNING COMMISSION RECOMMENDATION TO ADOPT RESOLUTION TO CERTIFY EIR FOR THE MARINA PLAYA RESIDENTIAL PROJECT

CERTIFICATION

The proposed 1331-1333 LAWRENCE EXPWY
Regarding REZONING, FOR, TENTATIVE MAP
has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by Kevin L. Riley
Department Head

2. As to Legality, by Helene Leichtner
City Attorney's Office / CAO Assignment No 08.0648

3. As to Environmental Impact Requirements, by Kevin L. Riley
Director of Planning and Inspection

4. As to Substance, by J Spiraciono
City Manager

Revision Date June 7, 2005

S:\Agenda Report Processing\Forms for Routing of Agenda Report Items\Route Sheet for Agenda Material.doc

PROOF OF PUBLICATION

Santa Clara Weekly

P.O. Box 580, Santa Clara, California 95052

IN THE
City of Santa Clara,
State of California,
County of Santa Clara

CITY OF SANTA CLARA

NOTICE OF PUBLIC HEARING

MARINA PLAYA ...

State of California,
County of Santa Clara } SS.

ON BACK

The undersigned, being first duly sworn, deposes and says: That at all times hereinafter mentioned affiant was and still is a citizen of the United States, over the age of eighteen years, and not a party to nor interested in the above entitled proceeding; and was at and during all said times and still is publisher of the Santa Clara Weekly, a newspaper of general circulation printed and published weekly in the County of Santa Clara, State of California, and said Santa Clara Weekly is and was at all times hereinmentioned a newspaper of general circulation as that term is defined by sections 6000 and following, of the government code of the State of California, and, as provided by said sections, is published for the dissemination of local or telegraphic news and intelligence of a general character, having a bonafide subscription list of paying subscribers, and is not devoted to the interest or published for the entertainment or instruction of a particular class, profession, trade, calling, race or denomination, or for the entertainment and instruction of any number of such classes, professions, trades, callings, races or denominations; that at all times said newspaper has been established, printed and published in the said County of Santa Clara and State of California at regular intervals for more than one year proceeding the first publication of the notice herein mentioned; that said notice was set in type not smaller than non-parell, describing and expessing in general terms the purport and character of the notice intended to be given; that the clipping of which the annexed is a true printed copy, was published and printed in said newspaper on the following dates to wit:

Pub: 4/30/2008

Dated at Santa Clara, California

This _____1ST_____ day of _____MAY_____, 2008

I declared under penalty of perjury that the foregoing is true and correct.

Signed: _____
(Assoc.) Publisher of the Santa Clara Weekly

The Santa Clara Weekly was adjudicated a newspaper of general circulation in and for the County of Santa Clara on September 3, 1974 (Case No. 314617). The Santa Clara Weekly was adjudicated a newspaper of general circulation within the City of Santa Clara on April 2, 1976 (Case No. 347776).

CITY OF SANTA CLARA NOTICE OF HEARING
CITY COUNCIL HEARING
Tuesday, May 13, 2008

Project Name:
Marina Playa Residential Project
– 1331-1333 Lawrence Expressway. You are hereby notified that on Tuesday, **May 13, 2008** at the hour of 7:00 p.m. in the City Council Chambers of City Hall, 1500 Warburton Avenue, Santa Clara, CA, the **City Council** will consider the Planning Commission recommendation for approval of the matter described below. **File Numbers: PLN2005-05466 (Rezone-BRE); PLN2005-05506 (Rezone-TM); PLN2006-05737 (Tentative Map-TM); PLN2006-05736 (Lot Line Adjustment); PLN2006-05676 (DevelopmentAgreement); CEQ2007-01049 (Environmental Impact Report/SCH#20071- 02131) Request: Certify Final Environmental Impact Report (EIR); PD Rezoning** to allow construction of up to 277 rental apartment units; **PD Rezoning and Tentative Subdivision Map** to allow construction of up to 63 residential units (57 single family, 6 multi-family residential lots and one common lot); **Development Agreement** to vest development rights and construct a phased development project; and **a Lot Line Adjustment; Location: 1331-1333 Lawrence Expressway**, a 7.36-acre parcel at the northeast corner of Lawrence Expressway and Granada Avenue (APN 290-01-144 and 145). The project includes the demolition of 141,943 square feet of vacant office space located on the site. **Applicants/Owners:** BRE Properties / Taylor Morrison of California, LLC.

At these meetings you may be heard on this matter if you so desire. If you challenge this land use decision in court, you may be limited to raising only those issues you or someone else raised at these public hearings or in written correspondence delivered to the City at or prior to the close of the public hearings. The City's Project Clearance Committee has evaluated the potential environmental impacts of these projects. The results of this evaluation are a part of the minutes of the Committee and are available in the project file in the Planning Division office. Should you have any questions, please call the Planning Division office at (408) 615-2450. Written comments on this item are encouraged to be submitted to the Planning Division, City Hall, 1500 Warburton Avenue, Santa Clara 95050, by Thursday afternoon of the week prior to the meeting so they can be included in the City Council Members' packets.

AMERICANS WITH DISABILITIES ACT (ADA)

In accordance with the Americans with Disabilities Act of 1990, the City of Santa Clara will ensure that all existing facilities will be made accessible to the maximum extent feasible. Reasonable modifications in policies, procedures and/or practices will be made as necessary to ensure full and equal access and enjoyment of all programs and activities for all individuals with a disability. Individuals with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities should contact the City's ADA office (408) 615-3000, to discuss meeting accessibility. In order to allow participation by such individuals, please do not wear scented products to meetings at City facilities.

Pub.: 4/30/2008

ORDER TO STO... FICTITIOUS BUSINESS

13 May 2008

I am not against higher-density housing. Well-designed developments would benefit not just the immediate neighborhoods, but the entire city. However, when the EIRs and planning staff responses do not make sense, for either new residents or existing residents, we have to question the specific projects.

Project is flawed

We want future residents of Santa Clara to love where they live, not simply bear the transit-isolated, high-density units they inhabit, that even the city acknowledges would be damaging to their health. There are no bus stops on in the area Lawrence, and those directions are not walkable. This proposal will have no mitigation for noise levels that even the EIR states will have "SIGNIFICANT UNAVOIDABLE LONG-TERM NOISE EXPOSURE IMPACT" (20 dba above what experts think is acceptable for residents). All of the street access from the site is on or near the intersection and ramps that CHP has declared to be some of the most accident-prone between San Francisco and San Jose. Yet Santa Clara has refused to perform traffic studies.

Responses are, at best, incorrect and incomplete

EIR Response A1: The basic math is WRONG. CHP calculates 42% additional traffic in the area; the city nitpicks 30%. But a 731 trip increase over 1739 originally is indeed 42%. The planner used the wrong numbers to make the percentages look favorable, which, unfortunately, puts every other calculation in question.

EIR Response B1: It is hard to believe that 731 additional trips per day will not add a minimum of 100 trips during peak hours – harder to accept since Santa Clara refuses to perform a study. That would mean we are adding 632 non-peak hour trips versus 99 peak hour trips – which puts into question the definition the planning staff used for "peak hour." →

over

The last point is very important, because it is used to justify not doing a Traffic Impact Analysis report in every subsequent response.

We know about the Urban Land Institute. I, at least, agree with their concepts (largely).

Our complaint is not about higher-density; it's about bad projects and flawed studies (or no studies). It's about a feeling of "residents versus the City." Tell us about the projects. Invite us to project discussions. Ensure that we can give input and help where we can.

Unfortunately, this project and the Santa Clara Square project are giving our city and staff bad reputations, and they haven't even been approved yet.

KEVIN PARK
Pepper Tree Ct
Santa Clara.

Existing Conditions at Lawrence & El Camino that you won't find in the Santa Clara Square FEIR or the Marina Playa FEIR

- **Since 2002, the California Highway Patrol data shows**
  - An average of 57.5 Accidents / year on Lawrence between Benton & Poinciana (includes El Camino, Buckley, Lillick, Granada) (more than one a week)
  - An average of 40 of these 57.5 accidents involve property damage (~70%)
  - An average of 25 citizens are injured each year at this location

- **Since 2005, the Santa Clara Police Department**
  - Receives an average of 287 service calls per year to Lawrence / El Camino
  - Reports an average of 24 accidents per year (one every other week)
  - Reports an average of 16 disturbance calls per year

- **In the past 12 months, the Santa Clara Fire Department**
  - Has been summoned to Lawrence & El Camino 27 times
  - Has been summoned to Lawrence & Lillick 11 times

- **CHP and SCPD officers readily admit that most times they come to an accident site (especially at Lawrence & El Camino), a report is NOT filed**
  - the true # of accidents is much, much higher

Meeting Date: 5/13/08

AGENDA REPORT

Agenda Item # 8A

Santa Clara All-America City 2001

City of Santa Clara, California

DATE: May 13, 2008

TO: City Council for Information

FROM: Executive Assistant to the Mayor and Council Offices

SUBJECT: Correspondence received regarding Marina Playa Project

From Friday afternoon, May 2, 2008 through Tuesday afternoon, May 13, 2008, the Mayor & Council Offices have received a total of 13 communications regarding the Marina Playa Project Residential proposal.

All communications were against the EIR and the development of housing on the corner of Lawrence & El Camino.

Kimberly Green
Executive Assistant
Mayor and Council Offices

APPROVED:

Jennifer Sparacino
City Manager

Documents Related to this Report:
1) Communications from residents

From: Kimberly Green
To: Kenneth Dirks
CC: Pam Morrison; Yvonne Galletta
Date: 5/13/2008 8:56 AM
Subject: Re: Proposed housing Marina Playa & Santa Clara Square

Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Kenneth Dirks <kmdirks@sbcglobal.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/12/2008 4:54 PM
Subject: Proposed housing Marina Playa & Santa Clara Square

We believe that far too many housing units are proposed, particularly for Santa Clara Square. The intersection of El Camino Real and Flora Vista Ave.is already heavily used by traffic entering El Camino from the DMV and the many apartments to the south. Further this signal is without left turn only controls. Our home is on Flora Vista Ave. north of El Camino Real and we feel this is already a dangerous intersection and feel an impact study is warranted.

Kenneth E. Dirks
3470 Flora Vista Ave.
Santa Clara, CA. 95051

From: Yvonne Galletta
To: Kimberly Green; L.Ac. Anne R. Dugan
CC: Carol Anne Painter; Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/12/2008 9:22 AM
Subject: Re: Marina Playa Project

Your letter has been referred to the Planning Department to be part of the public record in regards to the Marina del Playa project.

Sincerely,

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/12/2008 8:58 AM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: "Anne R. Dugan, L.Ac." <annerduganlac@yahoo.com>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/10/2008 2:15 PM
Subject: Marina Playa Project

Dear Mayor Mahan and Council Members,

I am writing you as a resident and business owner in your neighboring City of Sunnyvale.

Many of us here have serious concerns about the Marina Playa Project as well as apparent plans on the part of The City of Santa Clara to create huge living quarters at the border of Sunnyvale and Santa Clara. Our concerns are for air quality, traffic congestion, and congestion in general of too many people living in too close proximity, not to mention the eyesore that high rise buildings create.

It has come to our attention that some of the Council's decisions regarding Marina Playa are based on faulty

information supplied to the Council. I am sure that Mr. Tappan Merek has contacted you with the particulars of congestion studies that were intentionally or unintentionally skewed by taking readings on different days and comparing them to present a less than factual picture of traffic congestion at Lawrence Expressway and El Camino Real. As someone who drives that particular way on a regular basis, I must tell you that the situation there is already congested and poorly vented, creating a very dangerous entry to and exit from Lawrence Expressway and El Camino Real. I can't imaging rush hour if Marina Playa contributed even 100 extra cars to the present chaos. There would be far more than 100 extra cars should the project continue as planned.

That particular junction would become a traffic clog everyday, several times a day, or constantly. This would drive traffic onto side streets, disrupting the residential neighborhoods. It would harm business in that area because people would go elsewhere to shop to avoid the clog. It would also make living in the area less desirable, reducing the value of existing homes and disrupting the lives of those who have lived there for generations in some cases.

Growth and change must happen, but overcrowding is something that our cities must work together to prevent. Overcrowding taxes schools, parks, streets, water and electric supply and sewers, not to mention the tolerance and patience of those who live in the effected areas.

Another consideration is that, as the neighborhood becomes less desirable over time, people will move away and less desirable people will move in, creating slums - something neither Santa Clara nor Sunnyvale have at present, but can & will create for themselves if they are not prudent. (Be clear: I make NO reference to race or nationality, but to a mindset in people who tend to gather in rundown, inexpensive places because they can't live elsewhere.) Gangs are already tagging in both cities and making themselves known in other ways. Giving them places to congest is imprudent. Of course, this will happen over time, & by then the developers will have their money and will be long gone, leaving our neighboring cities with the problem of how to deal with what has been created.

I ask you, Madam Mayor and Council Members, to please take another look at the situation before allowing this project to move forward. Run another study on congestion that is more accurate. Do some shopping in the area. Drive down around 8:30 AM and 3:30 PM and see for yourselves the congestion and hazardous merges. I believe you are courting disaster for both our cities, and I beg you to reconsider.

Thank you for your attention to this letter.

Sincerely,
Anne R Dugan, L.Ac.

Be a better friend, newshound, and know-it-all with Yahoo! Mobile. Try it now.

From: Yvonne Galletta
To: Kari Koonmen; Kimberly Green
CC: Carol Anne Painter; Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/12/2008 9:35 AM
Subject: Re: Marina Playa Project Concerns

Your letter has been referred to the Planning Department to be part of the public record in regards to the Marina del Playa project.
Sincerely,

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/12/2008 9:29 AM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: "Kari Koonmen" <koonmenfamily@gmail.com>
To: <mayorandcouncil@ci.santa-clara.ca.us>
CC: bentredduck <bentredduck@yahoogroups.com>
Date: 5/11/2008 10:12 PM
Subject: Marina Playa Project Concerns

Dear Mayor Mahan and Honorable Santa Clara City Council Members,

I have concerns with the current Marina Playa Project because it is based on an erroneous Environmental Impact Report (EIR). I would hope that the City of Santa Clara would require thorough, unbiased and scientifically sound EIRs for any project that is presented for approval to the Santa Clara City Council. Students in your Santa Clara Unified School District are trained to use the Scientific Method when they have a scientific question. Shouldn't the Marina Playa project EIR also have to face the same scrutiny?

Respectfully submitted,

Kari Koonmen

3763 Benton St.

Santa Clara, CA 95051

From: Yvonne Galletta
To: Becky Husmann; Kimberly Green
CC: Carol Anne Painter; Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/12/2008 10:31 AM
Subject: Re: Against high density housing

Your letter has been referred to the Planning Department to be part of the public record in regards to the Marina del Playa project that is being proposed at the corner of Lawrence Expressway and El Camino Real.

Sincerely,

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/12/2008 9:43 AM >>>
Thank you for your comments and concerns. Your message has been received In the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: "Becky Husmann" <beckyhusmann@gmail.com>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/11/2008 2:59 PM
Subject: Against high density housing

Dear Santa Clara Mayor and City Council,

I have lived in Santa Clara near the intersection of El Camino and Lawrence Expressway for 21 years. I am not available on Tuesday May 13 to attend your council meeting so I'm sending you this email to tell you that I'm against adding any more high density housing in my area. As it is, I regularly see emergency vehicles attending to accidents on El Camino at the Lawrence Expressway overpass. We don't need the additional traffic that the additional residents would bring! Neither do we need more crime. As Santa Clara's population has increased, it has become a less desirable place to live and raise children. My children are almost grown and out of the

house. My husband and I will leave this area also if it becomes too densely populated.

Sincerely,

Rebecca Husmann
3441 Bella Vista Ave.
Santa Clara, CA 95051
408-296-3326

From: Yvonne Galletta
To: Kimberly Green; Nambi Sankaran
CC: Pam Morrison
Date: 5/12/2008 10:32 AM
Subject: Re: Santa Clara Square EIR

Your letter has been referred to the Planning Department to be part of the public record in regards to the Marina del Playa project.

Sincerely,

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/12/2008 9:50 AM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: "Nambi Sankaran" <snambi@gmail.com>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/12/2008 8:34 AM
Subject: Santa Clara Square EIR

Dear Mayor and council

I have been living in santa clara and sunnyvale area for the past 9 years. The traffic and parking problems has been increasing gradually in the past years.

people who live around lawrence & el camino, use lawrence for commuting, Since most of the jobs are found away from this area.

Take the big employers of the area CISCO, INTEL, ORACLE, SUN, GOOGLE, HP, APPLE, STANFORD, EBAY, PAYPAL, YAHOO, APPLIED MATERIALS and 100s of other companies.

Of these only very small number of companies can be found along el camino.

Adding more housing units will increase the traffic in lawrence even more, which is already congested and dangerous.

Lawrence expressway needs an additional lane in each direction and bridges at the following intersections,
Lawrence & Homestead
Lawrence & Monroe
Lawrence & Kifer

It is better not to add more housing in santa clara city.

thanks,
nambi

From: Yvonne Galletta
To: Kenneth Dirks
CC: Kevin Riley; Kimberly Green; Lillie Ware; Pam Morrison
Date: 5/12/2008 4:36 PM
Subject: Re: Council meeting May 13, 2008

Your email is being forwarded to the Planning Department and will be included with the public record at Tues., May 13, 2008 City Council meeting.

>>> Kimberly Green 5/12/2008 4:13 PM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Kenneth Dirks <kmdirks@sbcglobal.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/12/2008 3:38 PM
Subject: Council meeting May 13, 2008

PLANS FOR HOUSING DEVELOPMENT AT MARINA PLAYA AND SANTA CLARA SQUARE:

The traffic in this proposed area is already too heavy without adding 277 units at Marina Playa and 490 units Santa Clara Square. That is a total of AT LEAST 767 more cars; most of them hurrying to get to or from work.

Traffic going north on Lawrence and exiting at Granada is already heavy and dangerous because of Acapulco Restaurant on the corner, and DMV on the corner of Granada and Flora Vista Ave.

There have been many accidents at the corner of El Camino Real and Flora Vista Ave; some of them non-injury accidents and "not witnessed by police" so no police report made.

A responsible and law-abiding citizen,

Rexa M. Dirks

From: Kimberly Green
To: Kenneth Dirks
CC: Pam Morrison; Yvonne Galletta
Date: 5/13/2008 8:56 AM
Subject: Re: Proposed housing Marina Playa & Santa Clara Square

Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Kenneth Dirks <kmdirks@sbcglobal.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/12/2008 4:54 PM
Subject: Proposed housing Marina Playa & Santa Clara Square

We believe that far too many housing units are proposed, particularly for Santa Clara Square. The intersection of El Camino Real and Flora Vista Ave.is already heavily used by traffic entering El Camino from the DMV and the many apartments to the south. Further this signal is without left turn only controls. Our home is on Flora Vista Ave. north of El Camino Real and we feel this is already a dangerous intersection and feel an impact study is warranted.

Kenneth E. Dirks
3470 Flora Vista Ave.
Santa Clara, CA. 95051

From: Yvonne Galletta
To: Dave Hotlosz; Kimberly Green
CC: Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/13/2008 3:37 PM
Subject: Re: NO MORE HIGH DENSITY HOUSING BY THE DMV ELCAMINO/LAWRENCE (MARINA PLAYA)

Your email is being referred to the Planning Department as part of the public record.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 9:08 AM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full Council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Dave Hotlosz <d_hotlosz@yahoo.com>
To:<mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/13/2008 8:48 AM
Subject: NO MORE HIGH DENSITY HOUSING BY THE DMV ELCAMINO/LAWRENCE (MARINA PLAYA)

I live in the neighbor hood and for the past 5 years there has been nothing but construction of new housing there.
It is already to dense, traffic is bad and the local schools overwhelmed.

DO NOT BUILD ANY MORE HOUSING IN THIS AREA.

YOU ARE RUINING IT AND DESTROYING THE NEIGHBORHOODS AND SCHOOLS.

PLEASE CONTACT ME FOR MORE DETAILS.
Dave Hotlosz
1448 McPherson St
Santa Clara CA 95051
408-247-0708

From: Yvonne Galletta
To: JERRY J CAMPISI; Kimberly Green
CC: Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/13/2008 12:10 PM
Subject: Re: Marina Playa Development

Your email will be referred to the Planning Department for the public record.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 12:03 PM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: JERRY J CAMPISI <shirl32@sbcglobal.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/13/2008 12:01 PM
Subject: Marina Playa Development

To the Mayor and all Council members,

We strongly oppose the plan to add up to 2,680 housing units within 1/2 mile of Lawrence Expressway and the El Camino.

Since the addition of all the new apartment/homes in the vicinity of the DMV on Flora Vista the traffic and congestion in that area is horrendous. Trying to get across Flora Vista going South is a daily accident waiting to happen. Drivers run the red lights daily and the increase of more cars from more development would just add to the problems. We don't even have left turn lights that would allow drivers to safely make left turns onto the El Camino from Flora Vista.

We definitely do not want a high rise nine story building in our area with 408 units. The more density housing in an area, the more crime and problems.

Please act responsibly and keep Santa Clara from becoming a city with crowded housing with no open

space and severe traffic congestion.

Each unit usually has two drivers which would add another 5,360 cars trying to get on to the El Camino and Lawrence Expressway. D we really want that much increase in traffic in our are area?

We live on Flora Vista and the increase in homes brings an increase in traffic on the side streets. As it is not, They use Flora Vista between Warburton and Nobili as a race track short cut to get around the El Camino congestion.

Please ask yourselves, If you lived in the planned additional housing area, would you want the addition of 2.680 units?

Thank you for considering our concerns.

Jerry and shriley Campisi

From: Yvonne Galletta
To: Clarence Garcia; Kimberly Green
CC: Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/13/2008 1:18 PM
Subject: Re: no high rise housing units near el camino and lawrence area.

Your email is being forwarded to the Planning Department as part of the public record.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 12:57 PM >>>
Your message has been received in the Mayor and Council offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Clarence Garcia <cjg3@webtv.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/13/2008 12:51 PM
Subject: no high rise housing units near el camino and lawrence area.

C.J. Garcia 3227 Fowler Av.

From: Yvonne Galletta
To: cknight@pacbell.net; Kimberly Green
CC: Pam Morrison
Date: 5/13/2008 1:20 PM
Subject: Re: Large Developments

Your email is being referred to the Planning Department to be part of the public record on the Marina del Playa development. It will also be part of the Council report for tonight's Council meeting.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 12:56 PM >>>
Thank you for your comments and concerns. your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: cknight@pacbell.net
To: MayorandCouncil
Date: 5/13/2008 12:37 PM
Subject: Large Developments

The following has sent a message:
Name: Curtis Knight
Email: cknight@pacbell.net
Comments: I see you want more housing. But I don't believe that this impact on water have been addressed. For example, Santa Clara Square. I am sure it will use more water than the existing uses. We should be planning for more than just the next 6 months. This development should be stopped until new water resources are available. Alternatively, a restriction could be placed that these new units get water rationing 6 months prior to the rest of the city. We may not be short water this year, but what about next?

From: Yvonne Galletta
To: Kenneth Dirks; Kimberly Green
CC: Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/13/2008 1:58 PM
Subject: Re: Proposed housing Marina Playa & Santa Clara Square

Your email has been received and is being forwarded to the Planning Department for the public record.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 8:56 AM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices, City of Santa Clara and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: Kenneth Dirks <kmdirks@sbcglobal.net>
To: <mayorandcouncil@ci.santa-clara.ca.us>
Date: 5/12/2008 4:54 PM
Subject: Proposed housing Marina Playa & Santa Clara Square

We believe that far too many housing units are proposed, particularly for Santa Clara Square. The intersection of El Camino Real and Flora Vista Ave.is already heavily used by traffic entering El Camino from the DMV and the many apartments to the south. Further this signal is without left turn only controls. Our home is on Flora Vista Ave. north of El Camino Real and we feel this is already a dangerous intersection and feel an impact study is warranted.

Kenneth E. Dirks
3470 Flora Vista Ave.
Santa Clara, CA. 95051

From: Yvonne Galletta
To: Kimberly Green; Sandi Rodrigues
CC: Kevin Riley; Lillie Ware; Pam Morrison
Date: 5/13/2008 3:30 PM
Subject: Re: Concerns regarding the Marian Playa (& other) Development

Your email is being forwarded to the Planning Department for their public record.

Yvonne Felix Galletta
Executive Assistant to the
City Manager
City of Santa Clara
All-America City
(408) 615-2214
email: ygalletta@santaclaraca.gov

>>> Kimberly Green 5/13/2008 3:07 PM >>>
Thank you for your comments and concerns. Your message has been received in the Mayor and Council Offices and will be distributed to the full council as well as the City Manager's Office for review.

Regards,

Kimberly Green
Executive Assistant to the Mayor and Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
408/615-2250
mayorandcouncil@santaclaraca.gov

>>>
From: "Rodrigues, Sandi" <Sandi.Rodrigues@cpii.com>
To: <mayorandcouncil@cl.santa-clara.ca.us>
Date: 5/13/2008 2:26 PM
Subject: Concerns regarding the Marian Playa (& other) Development

Dear Mayor and Council Members,

As a life long Santa Clara resident, I am very concerned about the changing face of our city. It appears that current city planning is leaning very heavily to a higher density, higher raise profile than the Santa Clara that I know and love. These types of housing projects are built to attract a temporary resident, where turnover is a norm and community involvement is not a priority.

This trend, with such a large number of units being jammed into small pockets of land and completely disproportionate to the surrounding neighborhoods, appears to be short sighted. What we are creating is a

city of residents that are "just passing through", making Santa Clara part of their short term housing goals on their way to a community where they will eventually settle to raise their families and retire. This does not look out for the long term welfare of our city.

I'm concerned about school enrollment and use of our parks. I'm concerned about water quality and rationing. I'm concerned about traffic through residential streets and back ups on main streets. I'm concerned about crime and taxing our emergency services. I'm concerned about displacing the definition of the Santa Clara family home, where we want to buy our parents homes because we want our children to experience a neighborhood like we grew up in.

The proposed Maria Playa development is very disconcerting for several reasons. Why has there been no broad release of information on this proposal to the general public? This proposal appears to have several inconsistencies with current city standards (height, noise, parking)? Are there current impact studies in regards to traffic, water, emergency services, etc.? Where will these residents go to school, shop, go to the park? What does this mean in regards to other proposed developments? Will the needs and concerns of Santa Clara's current residents take second place to the high number of units the developers are proposing?

I am seeing more and more vacant store fronts in many of our established shopping areas and there has been much speculation on what the owners of these properties will do. Are business losing there leases because Santa Clara is receptive to allowing Developers to come in, pay top dollar for this land, put in hundreds of units and then leave town? The land owner gets his, the developers gets theirs, the city gets theirs and the residents get to deal with traveling further distances for services, more traffic, less available parking when they get there, and longer lines.

I know that change is necessary. I know that growth is necessary. But development of this magnitude needs to be done responsibly, with full awareness of long term impact. Please don't be short sighted and willing to accept that more is better. As elected officials for the citizens of Santa Clara we are relying on you to make decisions that will stay true to the will of the people you represent.

My Santa Clara is a place where I know the people in my neighborhood. I went to school with them, and I know their families. I see them at the store, the bank, the library and at community events. I stay in Santa Clara because it is a wonderful place to live. I want that for all Santa Clarian's, a city that they are proud to say is their home town,

either by birth or by choice. Please don't let Santa Clara be the city that they passed through on their way to somewhere better. Please don't drive out the long term residents because the city has changed to such a degree that we no longer have a place where we want to live.

Best regards,

Sandi Rodrigues

858 Pepper Tree Lane,

Santa Clara, CA 95051

408-243-2441

slrodrigues@worldnet.att.net <mallto:slrodrigues@worldnet.att.net>

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Project Overview

Santa Clara Crossings & Laurel Place II
1331-1333 Lawrence Expressway
BRE Properties Inc. / Taylor Morrison Homes, Ltd.

bre TaylorMorrison

Project Goals

- Implement General Plan Vision
- Provide a Variety of Housing Types for Wide Range of Households & Incomes
- Minimize Impacts on Neighborhood (Building Placement and No Increase in Peak Hour Traffic)

bre TaylorMorrison

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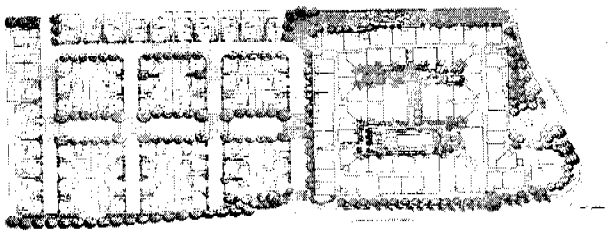


- Total proposed project = 277 apartments, 57 single family homes, 6 townhomes on 7.3 acres = **45.7 du/ac**
- Combined density for BRE, TM, Laurel Place I = 376 units on 9.32 acres = **40.34 du/ac**
- GP TMU density range = **26-45 du/ac**

bre TaylorMorrison

ge

For Rent

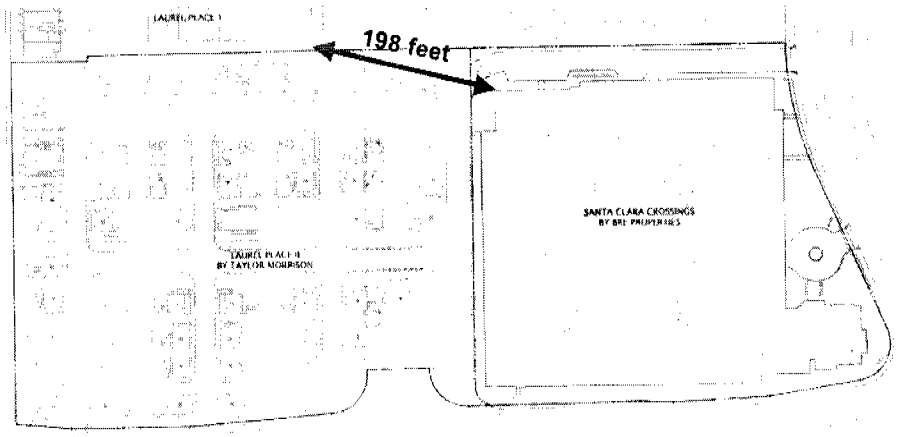
- 277 units
- studios = 3 (677 sq. ft.)
- 1 bedrooms = 162 (718-880 sq. ft.)
- 2 bedrooms = 112 (1015-1125 sq. ft.)
- 28 BMR units

For Sale

- 63 units
- 14 2BR + Den (1839 sq. ft.)
- 43 4BR Plan 2 (1993 sq. ft.)
- 6 2BR 2.5BA BMR Units (1160 sq. ft.) – moderate income

bre TaylorMorrison

bre TaylorMorrison



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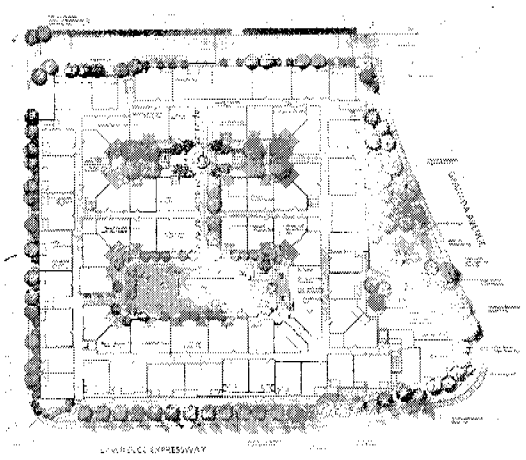
Santa Clara Square Traffic Impact

Project	Net New Daily Trips	Net New AM Peak Trips	Net New PM Peak Trips
Santa Clara Square	3,850	**241**	329
BRE/Taylor Morrison	731	**-56**	**0**

bre TaylorMorrison

Villa Serena Apartments

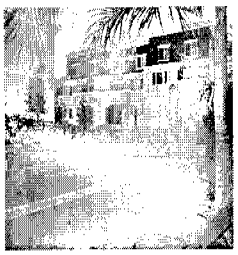
- Total site area= 3.2 acres
- Total # of units = 277
- 28 BMR units
- Project density = 86.5 du/ac
- studios = 3 (677 sq. ft.)
- 1 bedrooms = 162 (718-880 sq. ft.)
- 2 bedrooms = 112 (1015-1125 sq. ft.)
- 502 covered parking spaces (1.8/unit)
- All units for-rent

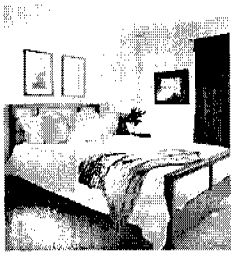


bre TaylorMorrison

West View Along Granada Ave.

bre TaylorMorrison





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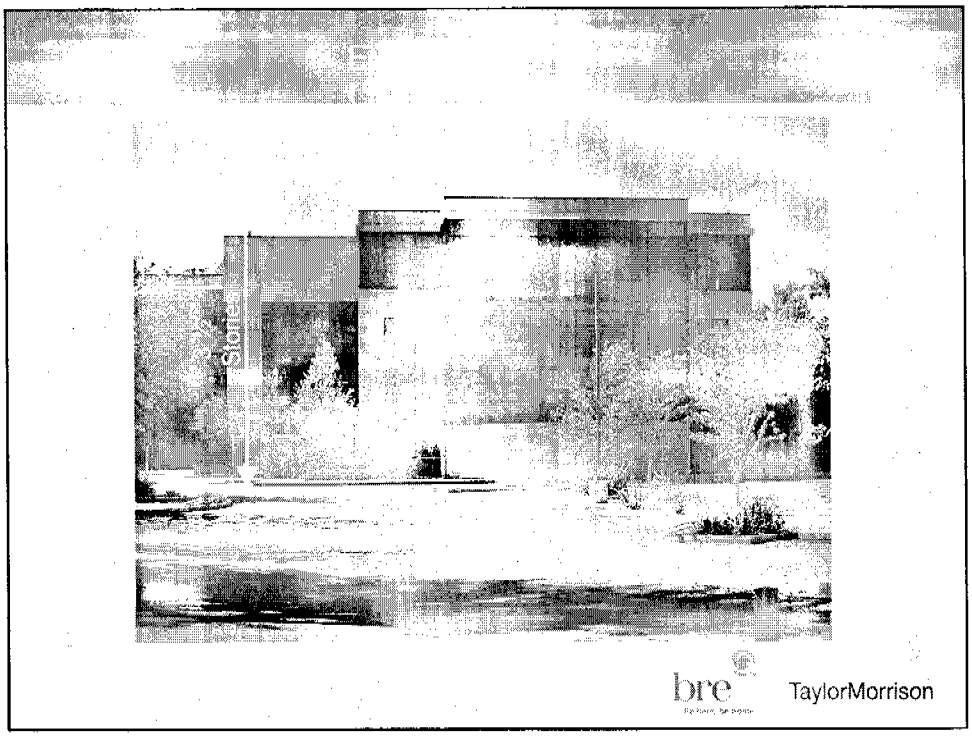
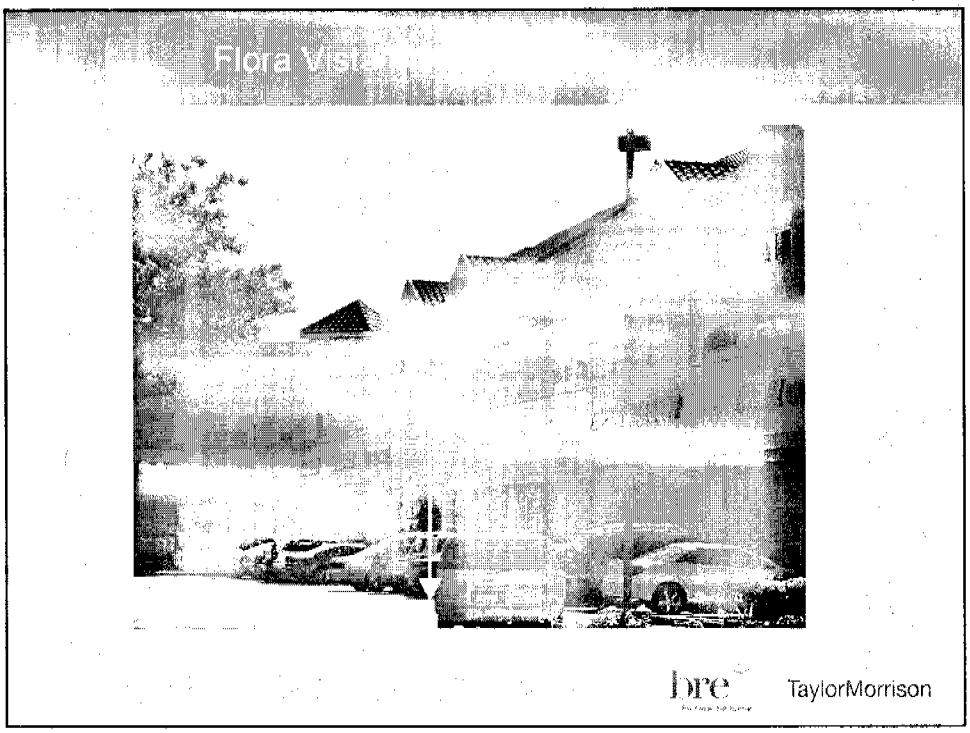

Stone
bre
TaylorMorrison


Flora Vista
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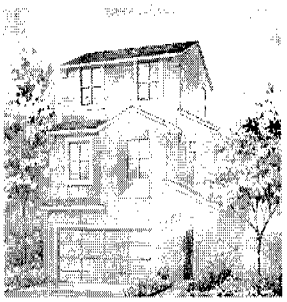
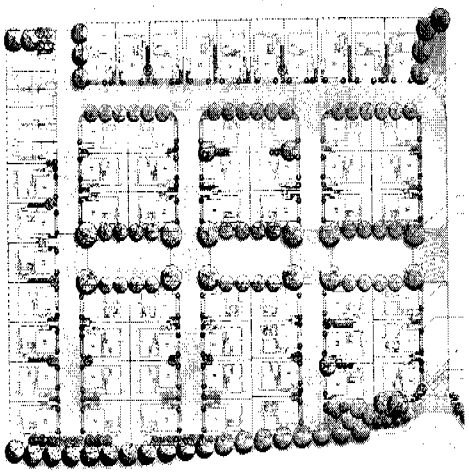
Laurel Place II

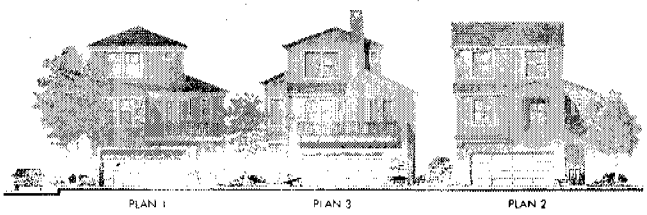




- Total site area= 4.1 acres
- Total # of units = 63 (57 sf/6 th)
- 6 BMR townhome units
- Project density = 15.4 du/ac
- 126 covered & 18 open parking spaces (2.3/unit)
- All units for-sale

bre TaylorMorrison

Laurel Place (TaylorMorrison)



- 57 Single Family Units
  - Plan 1 – 2BR 3.5BA Den (1839 sq. ft.) ~ 14
  - Plan 2 – 4BR 3.5BA (1993 sq. ft.) ~ 22
  - Plan 3 – 4BR 4BA (1990 sq. ft.) ~ 21
- 6 Townhome Units
  - 2BR 2.5BA (1160 sq. ft.)

bre TaylorMorrison

bre TaylorMorrison

Endorsements

Endorsements:

- Silicon Valley Leadership Group (SVLG)
- Housing Action Coalition (HAC)

bre TaylorMorrison

Key Pro

- Implements City General Plan Vision
- Helps Meet City & Regional Housing Needs
- Upgrades City Sewer System
- No Net New Increase in Peak Hour Traffic

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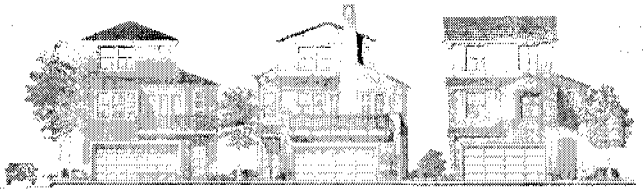


End of Presentation

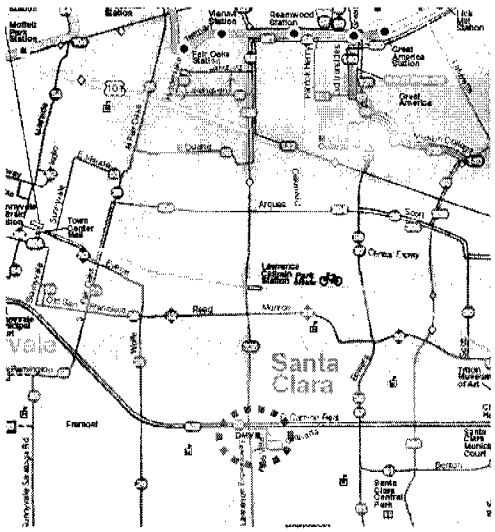
Santa Clara Crossings & Laurel Place II
1331-1333 Lawrence Expressway
BRE Properties Inc. / Taylor Morrison Homes, Ltd.

bre TaylorMorrison

Transit

3 VTA Bus Lines That Service the Project:

- 22 Line – Operates 7 days a week at 10-15 minute intervals
- 522 Line – Operates 6 days a week at 15 minute intervals
- 328 Line – Operates 5 days a week with 1 service each day during commute hour



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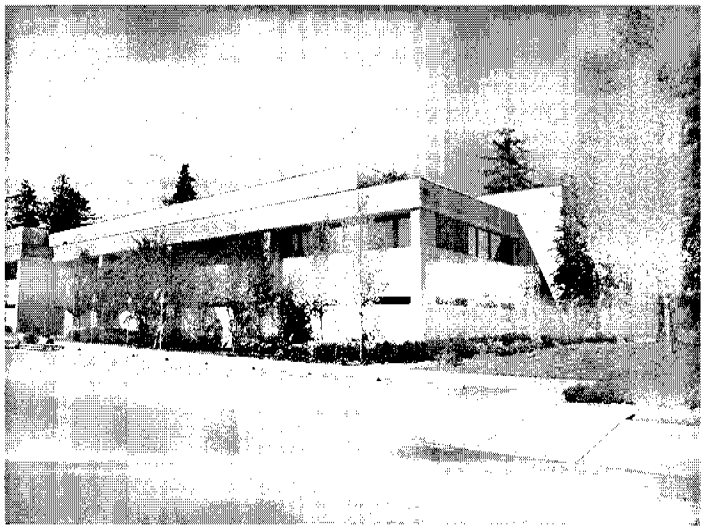
Existing Site



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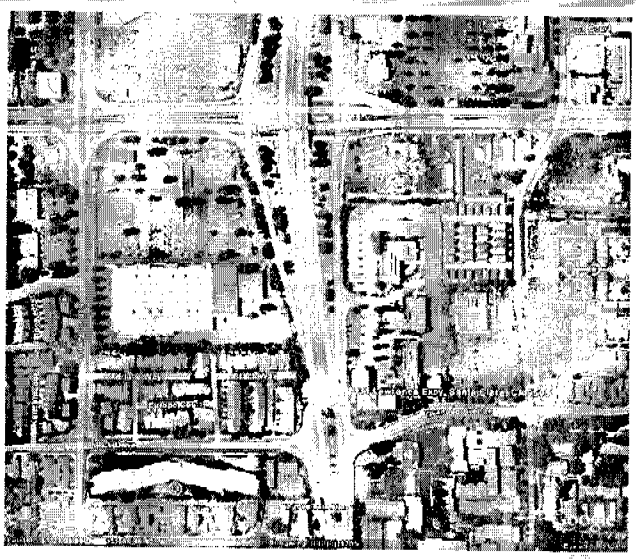


bre TaylorMorrison

Existing Building Surface

bre TaylorMorrison

RESOLUTION NO. 08-7516

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, MAKING FINDINGS WITH RESPECT THERETO AND ADOPTING THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE MARINA PLAYA PROJECT LOCATED AT 1331–1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, on November 18, 2005, BRE Properties, Inc. ("BRE") and Taylor Morrison of California, LLC ("TM") made an application for the development of new single-family and multifamily housing on a site consisting of a 7.36-acre parcel at the northeast corner of Lawrence Expressway and Granada Avenue, Santa Clara, California ("Project"); and

WHEREAS, the Project site has previously been used for general office; and

WHEREAS, an application has been made to rezone the Project site from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use) to allow for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units as shown on the Development Plan, attached as Exhibit A, and incorporated herein by reference ("Development Plan"); and

WHEREAS, the lot lines of the property between the 2 parcels comprising the Project site will be altered through the lot line adjustment process, to accommodate the Project which includes the development proposal by BRE known as "Santa Clara Crossings" (3.20 acres) and the development proposal by TM known as "Laurel Place II" (4.16 acres); and

WHEREAS, TM is proposing a Tentative Map to allow construction of up to 63 residential units (57 single family, 6 multi-family residential lots and one common lot) on the northerly 4.16 acres of the Project site; and,

WHEREAS, the Project entitlements will include Resolution No. 7518 ("Rezoning Resolution"); Resolution No. 7517 ("Tentative Map Resolution") Ordinance No. 1840 ("Development Agreement Ordinance"); and this Resolution (collectively, "Entitlements"); and

WHEREAS, on October 25, 2007, the City of Santa Clara ("City") circulated a Notice of Preparation of a draft Environmental Impact Report ("DEIR") to review and analyze the environmental impacts of the Project; and

WHEREAS, the City distributed copies of the DEIR to the public agencies that have jurisdiction by law with respect to the Project and to other interested persons and agencies and sought the comments of such persons and agencies for forty-five (45) days, beginning on January 31, 2008 ("Comment Period"); and

WHEREAS, the City prepared written responses to the comments received during the Comment Period and included these responses in a separate volume entitled Final Environmental Impact Report for the Project (SCH#2007102131) ("FEIR"). The FEIR consists of: a list of agencies and organizations to whom the DEIR was sent, a list of the comment letters received on the DEIR, revisions to the text of the DEIR, responses to comments received on the DEIR, and copies of comment letters. The FEIR was subsequently circulated for a 10-day review period, in accordance with CEQA, that closed on April 21, 2008; and

WHEREAS, pursuant to Public Resources Code Section 21092.5, the City provided written responses to comments on the DEIR received by all public agencies to such public agencies on April 11, 2008, which responses conformed to the requirements of CEQA; and

WHEREAS, the City Council has reviewed the FEIR prepared for the Project, City Staff reports pertaining to the FEIR and all evidence received at a duly noticed public hearing on May 13, 2008. All of these documents and evidence are herein incorporated by reference into this Resolution; and

WHEREAS, the FEIR identified certain significant and potentially significant adverse effects on the environment caused by the Project. It is the intent of the City Council that the mitigation measures contained in the FEIR are implementation measures for the development of the Project; and

WHEREAS, the City is required whenever possible, pursuant to CEQA, to adopt all feasible mitigation measures or feasible project alternatives that can substantially lessen or avoid any significant environmental effects of the Project; and

WHEREAS, the City Council desires, in accordance with CEQA, to declare that, despite the occurrence of significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social or other considerations for approving the Project the City believes justify the occurrence of those impacts.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.

2. That the City Council hereby finds that the FEIR has been completed in compliance with CEQA.

3. That the City Council hereby finds the FEIR has been presented to the City Council, which reviewed and considered the information and analysis contained therein before making the findings attached hereto. The findings are contained in "The City of Santa Clara Findings Required under the California Environmental Quality Act and Statement of Overriding Considerations for the Approval of the Marina Playa Project Located at 1331 – 1333 Lawrence Expressway, Santa Clara" attached hereto as Exhibit B, and incorporated herein by reference.

4. That the City Council finds, pursuant to Public Resources Code Section 21081 and CEQA Guidelines Section 15091, that the mitigation measures described in the FEIR are feasible, and therefore will become binding upon the City and affected landowners and their assigns or successors in interest when the Project is approved.

5. That, to the extent that these findings conclude that various proposed mitigation measures outlined in the FEIR are feasible and have not been modified, superseded or withdrawn, the City Council hereby binds itself, all landowners within the Project area, and their assigns and successors in interest to implement those measures. These findings are not merely informational but constitute a binding set of obligations that will come into effect when the City Council issues the Project entitlements set forth above. The actual implementation of the mitigation measures hereby adopted shall occur by having them included as conditions of approval on subsequent discretionary entitlements granted within the Project area.

6. That, as set forth in its findings of fact, the City Council hereby finds that none of the proposed project alternatives set forth in the FEIR can feasibly substantially lessen or avoid those significant adverse environmental effects not otherwise lessened or avoided by the adoption of all feasible mitigation measures.

7. That, in order to comply with Public Resources Code Section 21080.6, the City Council hereby adopts the mitigation monitoring and reporting program as set forth in the attached Exhibit C, and incorporated herein by reference. The program is designed to ensure that, during project implementation, the City, affected landowners, their assigns and successors in interest, and any other responsible parties comply with the feasible mitigation measures identified below. The mitigation and monitoring program identifies, for each mitigation measure, the party responsible for implementation.

8. That the FEIR set forth environmental impacts that would be significant or potentially significant in the absence of mitigation measures. As to each such impact, the City Council hereby finds that changes or alterations incorporated into the project mitigate or avoid the significant or potentially significant environmental impacts. Also set forth are impacts that are significant and unavoidable that cannot be mitigated or avoided through the adoption of feasible mitigation measures or feasible alternatives. As to these impacts, the City Council hereby finds that there exist certain overriding economic, social and other considerations for approving the Marina Playa Project that the City Council believes justify the occurrence of those impacts.

9. That the City Council finds that the Project is consistent with the City of Santa Clara General Plan and is the best way to implement the goals and policies of the General Plan.

10. Based on the findings set forth in this Resolution and the evidence in the City Staff Report, the City Council hereby certifies the FEIR, makes findings concerning mitigation measures, adopts a mitigation monitoring program, makes findings concerning alternatives in accordance with CEQA for the Project.

11. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Plan
2. Exhibit B: The City of Santa Clara Findings Required under the California Environmental Quality Act and Statement of Overriding Considerations for the Approval of the Marina Playa Project Located at 1331 1333 Lawrence Expressway, Santa Clara
3. Exhibit C: Mitigation Monitoring and Reporting Program

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: SON RESER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

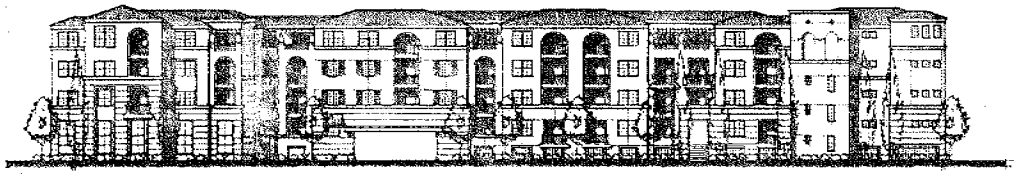
KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-5555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

THE GUZZARDO PARTNERSHIP, INC
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY



SHEET INDEX:

SHEET TITLES	SHEET #
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[illegible]	A1.1
[illegible]	A1.2
[illegible]	A2
[illegible]	A3
[illegible]	A4
[illegible]	A5
[illegible]	A6
[illegible]	A7
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[illegible]	A7.2
[illegible]	A7.3
[illegible]	A8
CIVIL DRAWINGS	
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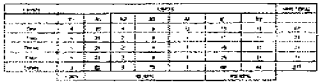
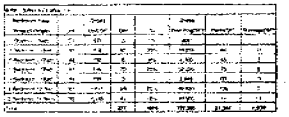
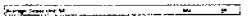
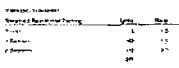
[illegible]	C4
[illegible]	C5
[illegible]	C6
[illegible]	C7
LANDSCAPE DRAWINGS	
[illegible]	L1

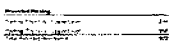
PROJECT SUMMARY:

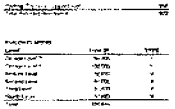










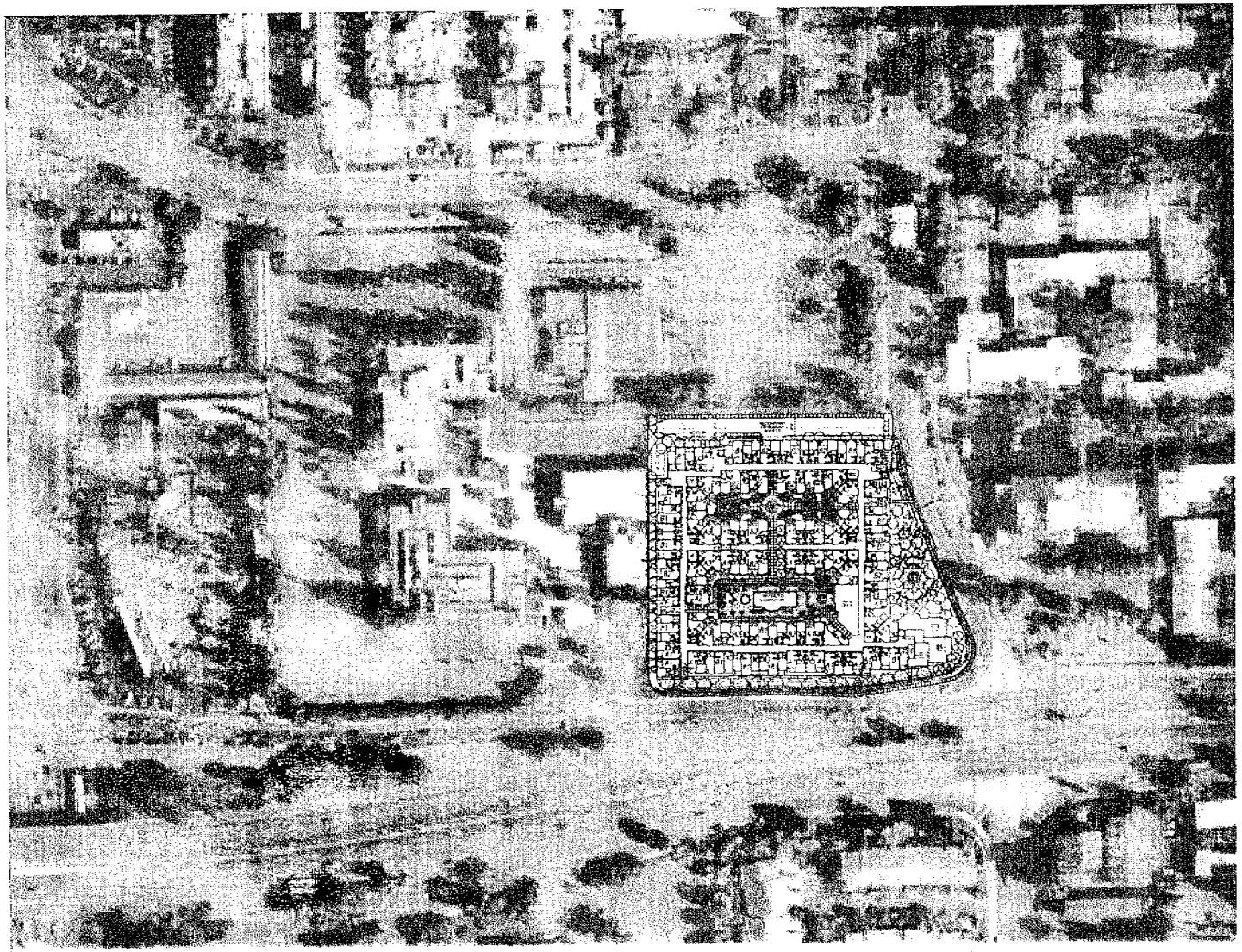


A-0

2004-110 APRIL 15, 2005

STA. CLARA CROSSINGS — STA. CLARA, CALIFORNIA — DESIGN SUBMITTAL

BRE PROPERTIES — ARCHITECTS ORANGE



NORTH

COMPOSITE SITE PLAN

6' 50' 100' 150'

SCALE: 1/50" = 1'-0"

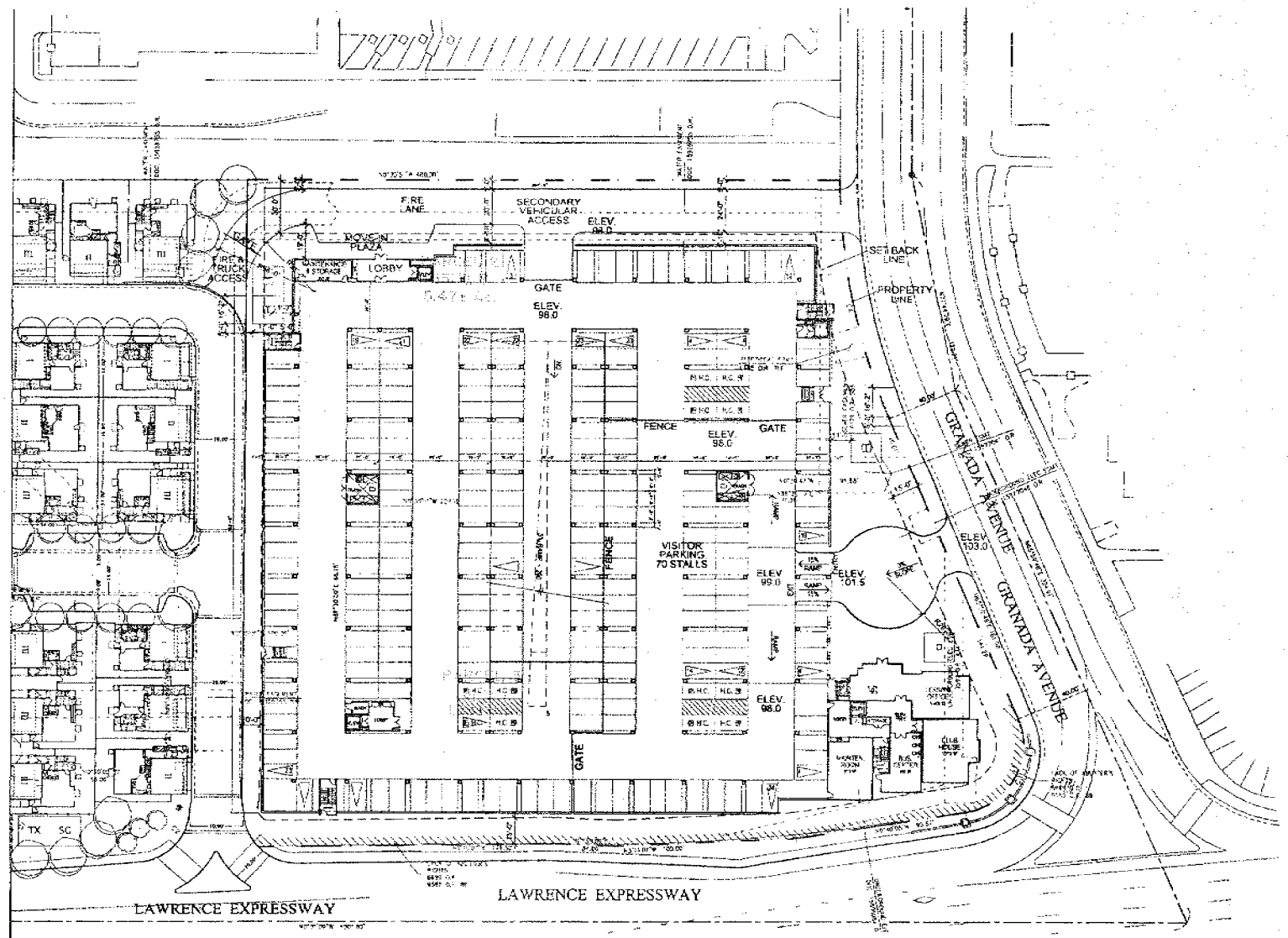
A-1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

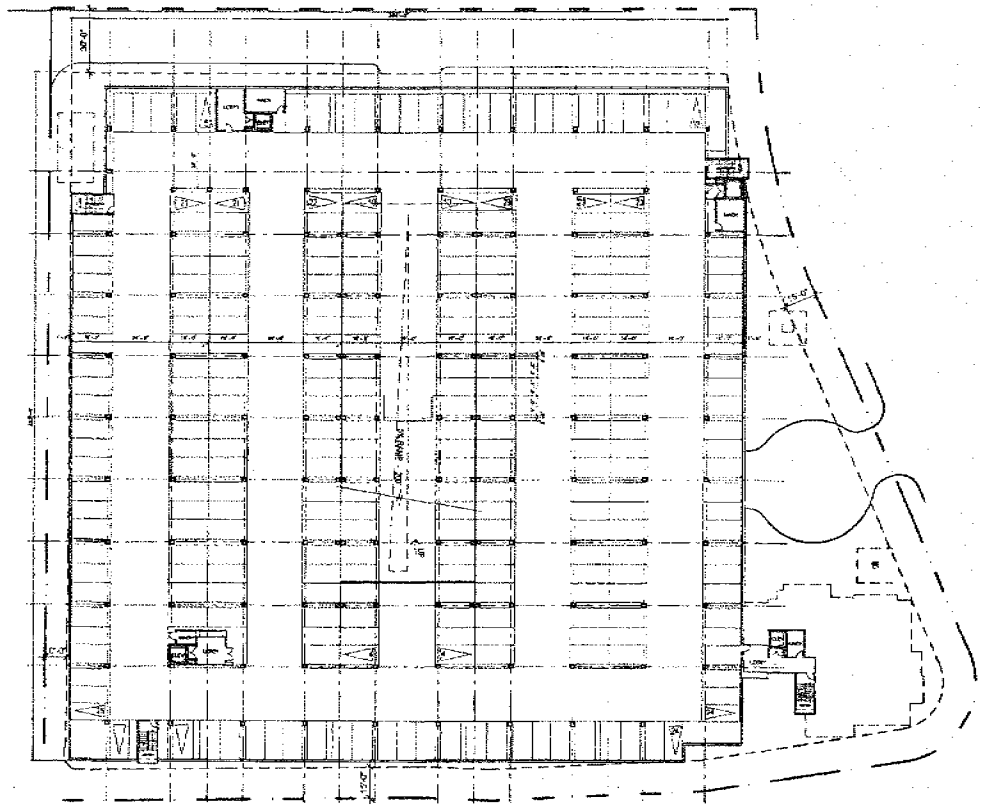
A-1.1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

GARAGE
LEVEL 02

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

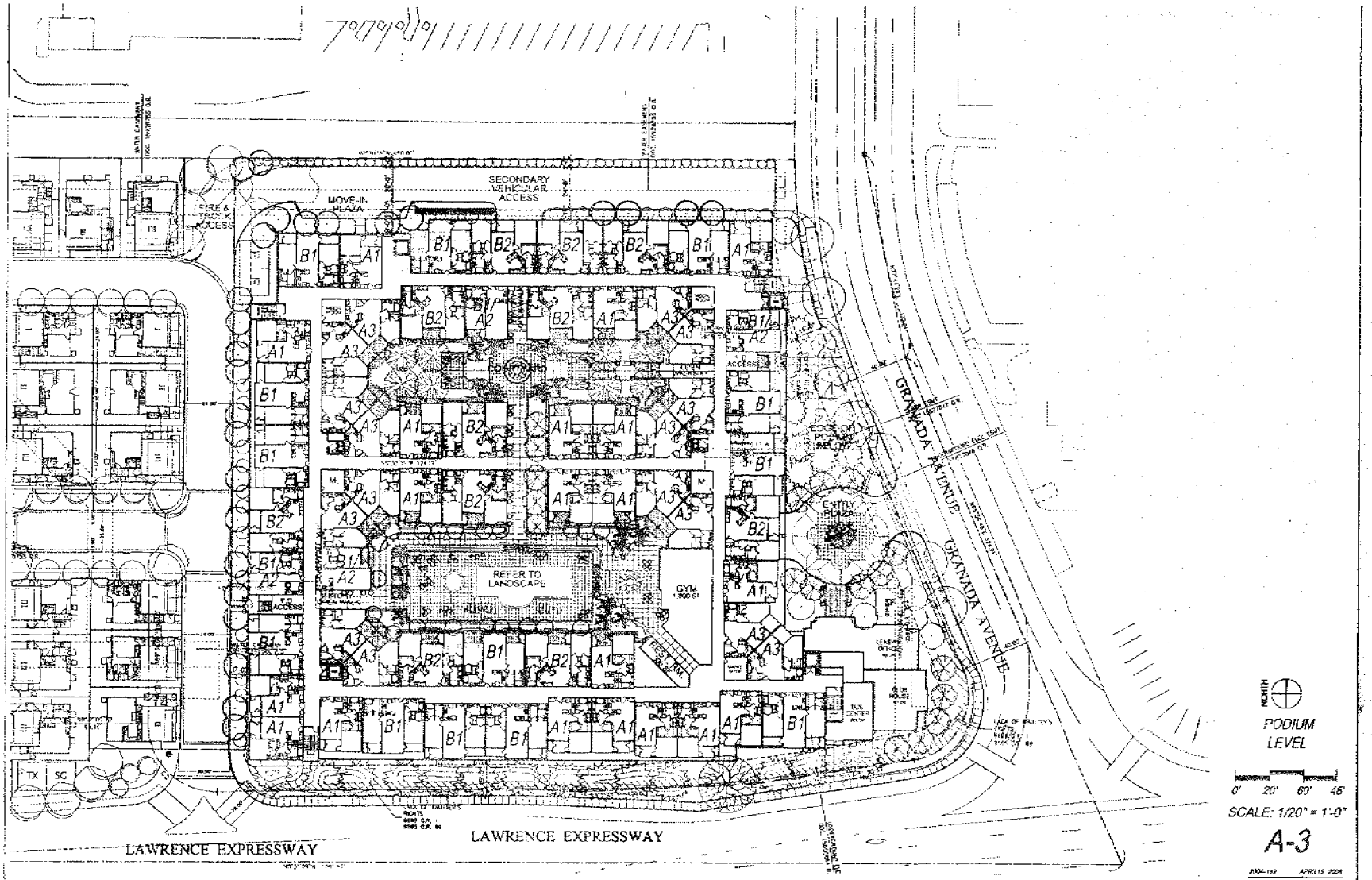
A-2

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

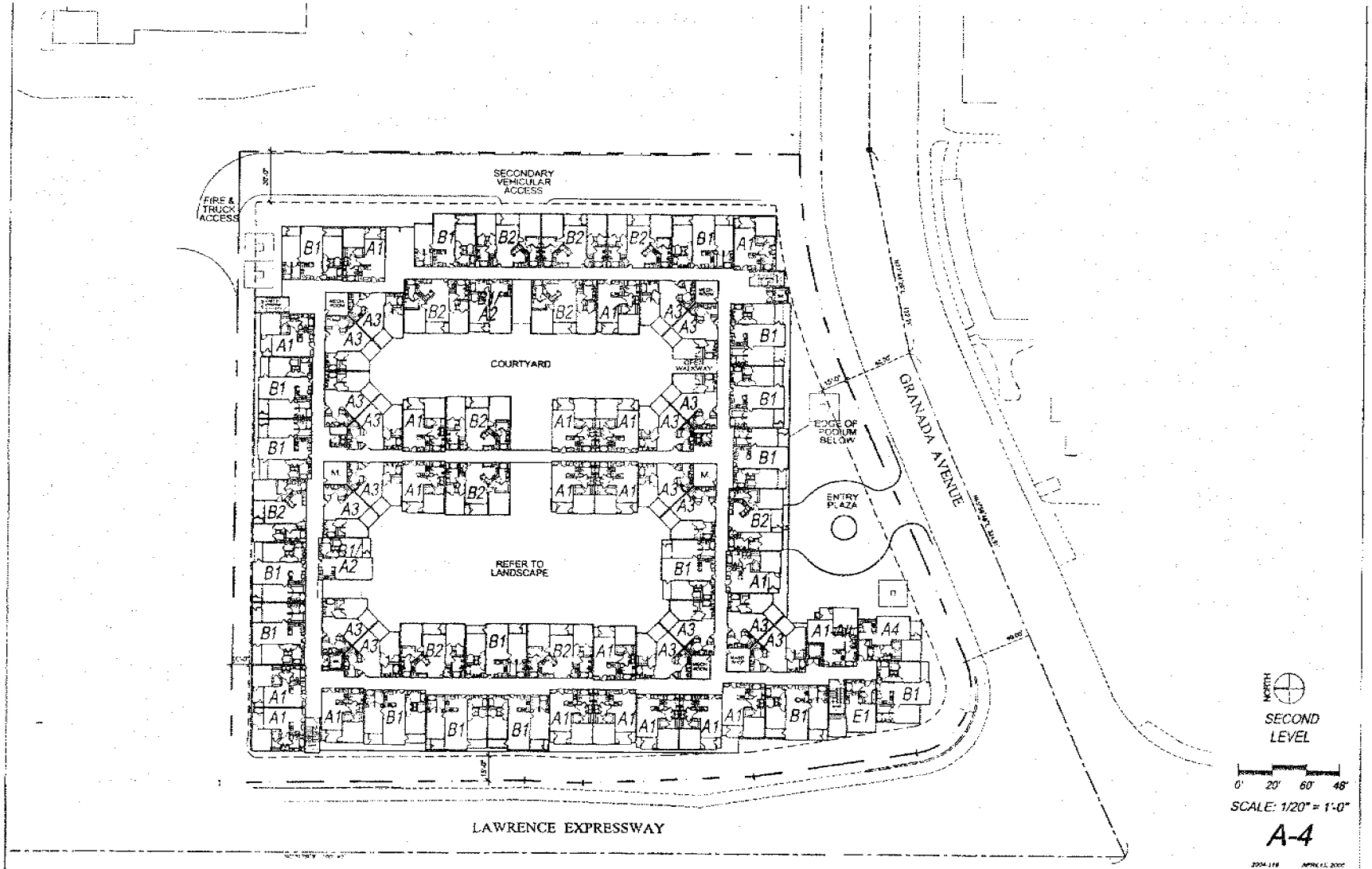


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

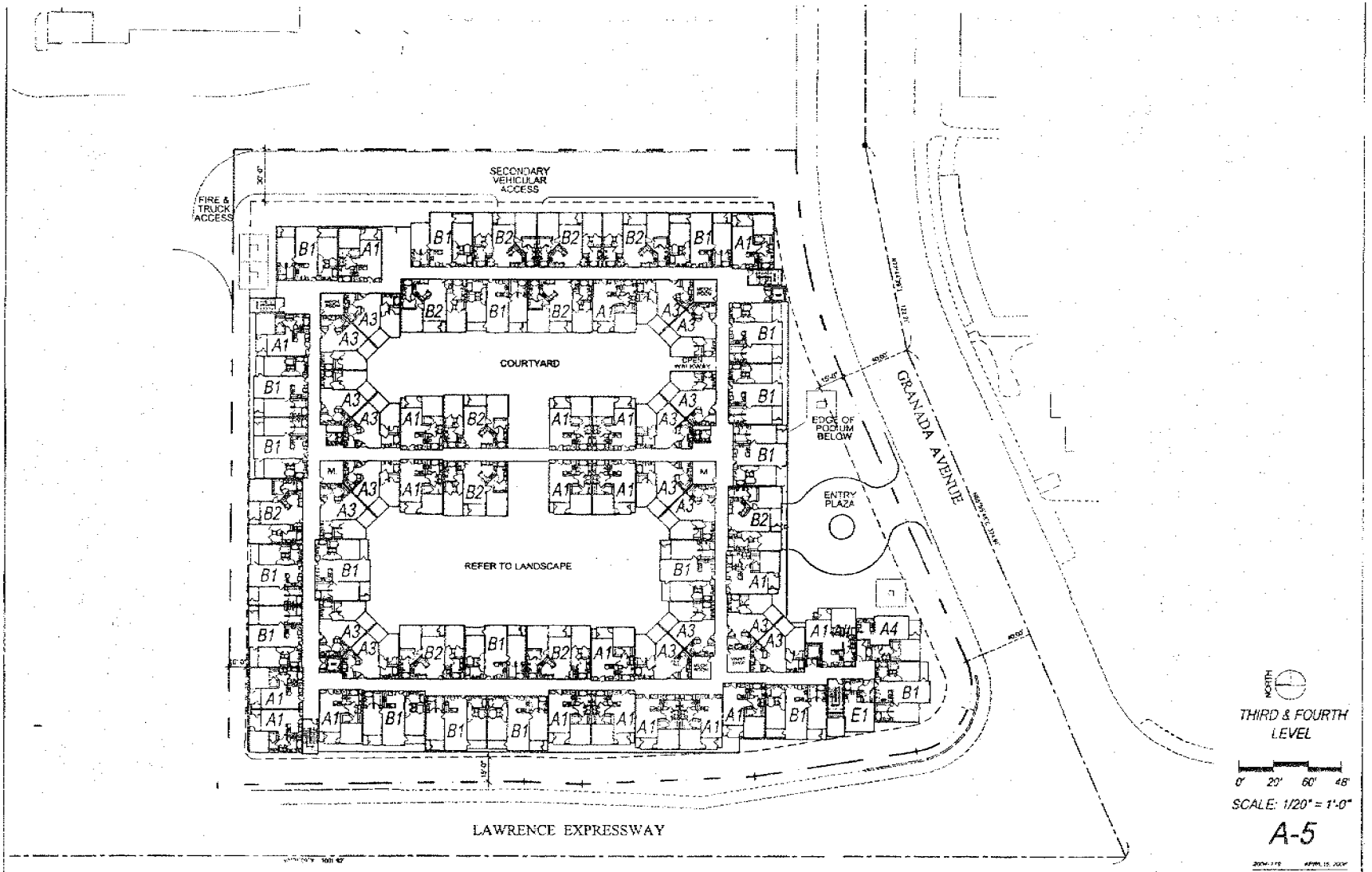


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

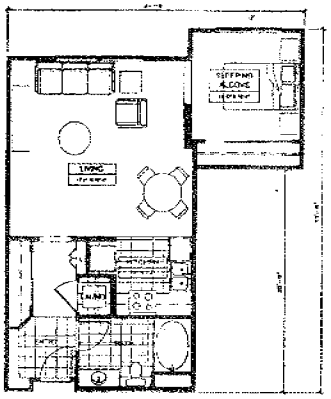


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

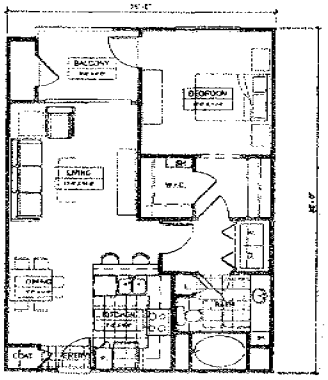
BRE PROPERTIES

ARCHITECTS ORANGE



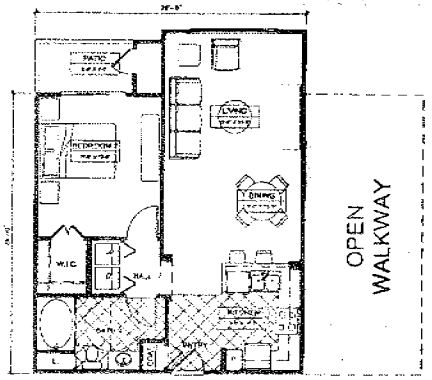
UNIT E1
STUDIO - 1 BATH

LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: – SQ. FT.



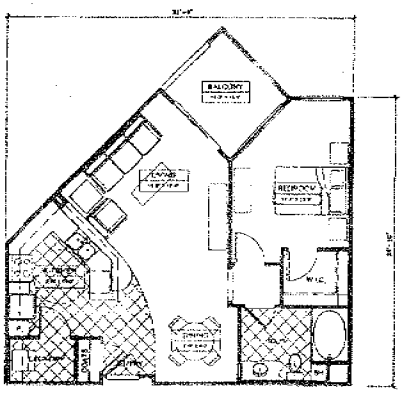
UNIT A1
1 BEDROOM - 1 BATH

LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



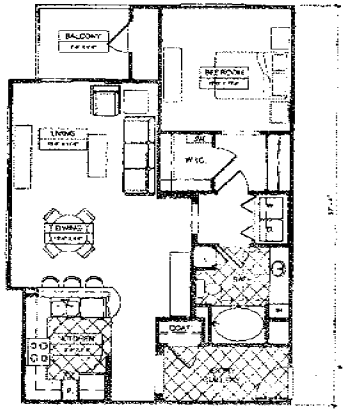
UNIT A2
1 BEDROOM - 1 BATH

LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



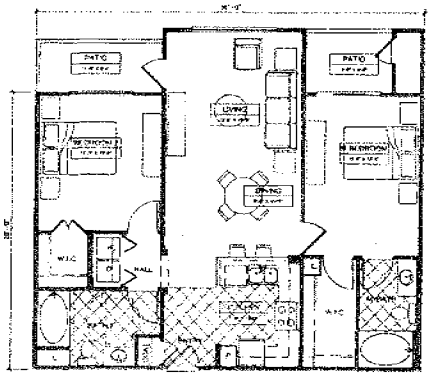
UNIT A3
1 BEDROOM - 1 BATH

LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



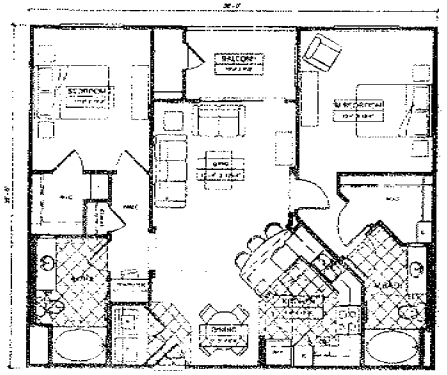
UNIT A4
1 BEDROOM - 1 BATH

LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1
2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2
2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

A-6

2004-113 APRIL 12, 2006

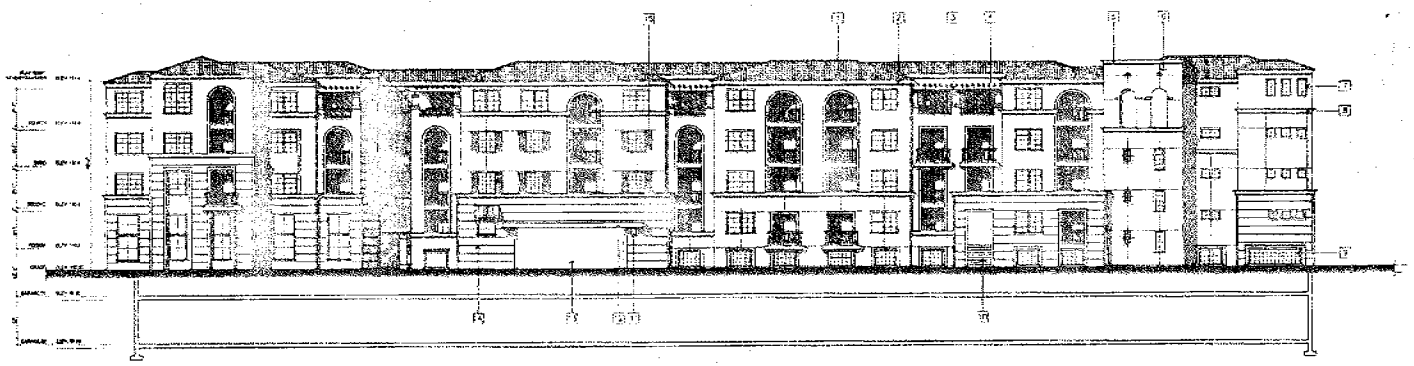
STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES
55 MARKET STREET, 4TH FLOOR, SAN FRANCISCO, CA 94105 (415) 445-6530

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92866 (714) 639-3860

© 2006 Architects Orange



GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

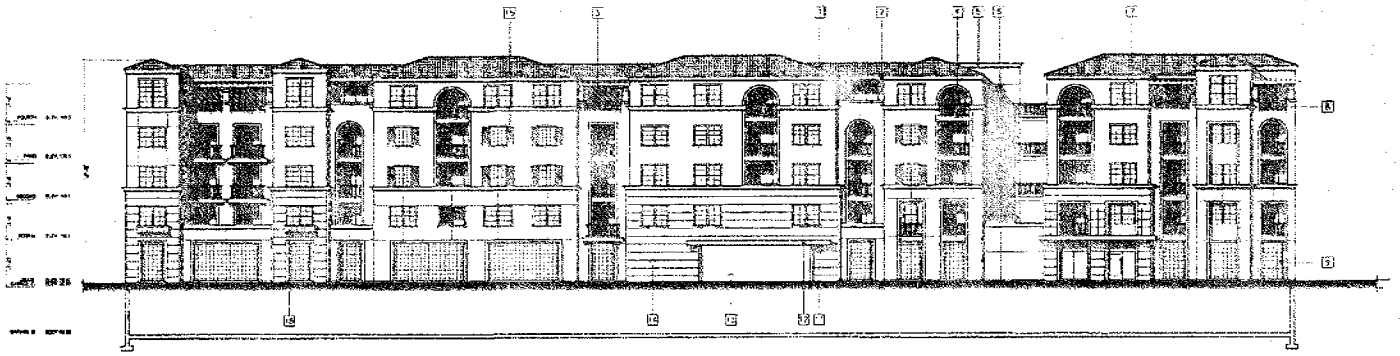
A-7.0

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
EAST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

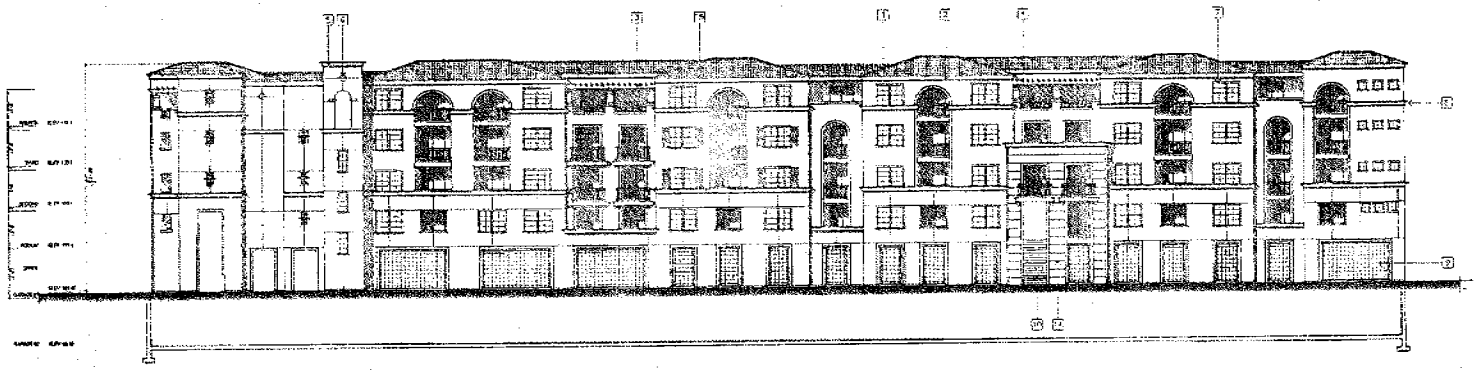
A-7.1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
NORTH ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

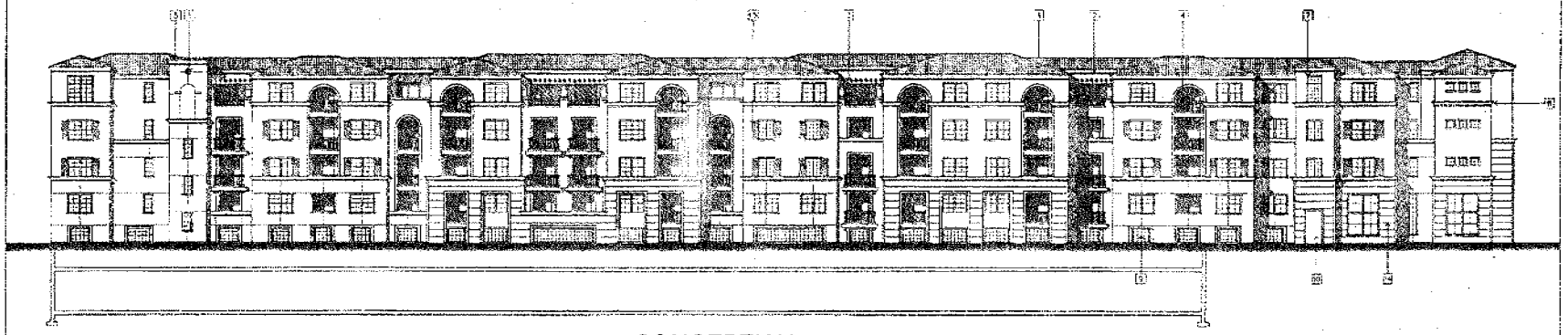
A-7.2

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.3

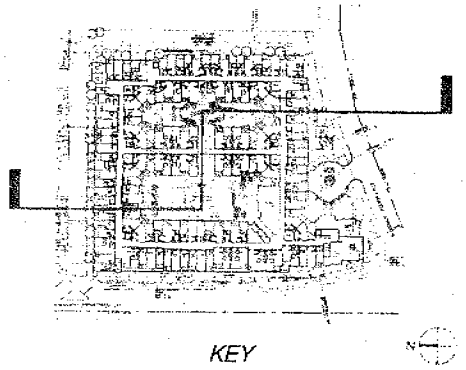
2004-115 APRIL 12, 2004

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



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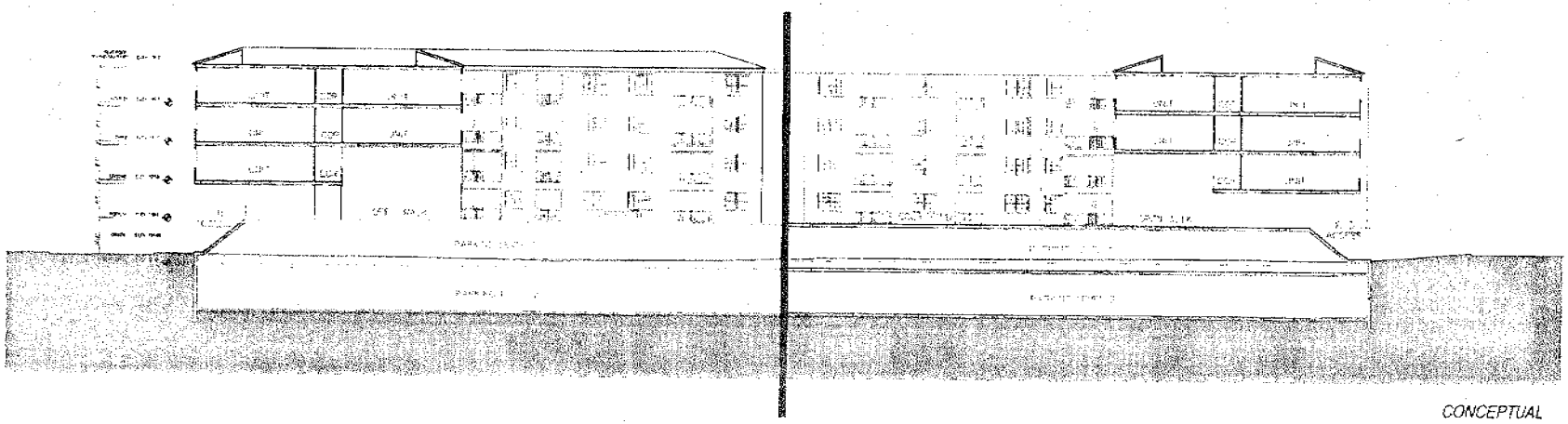


CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

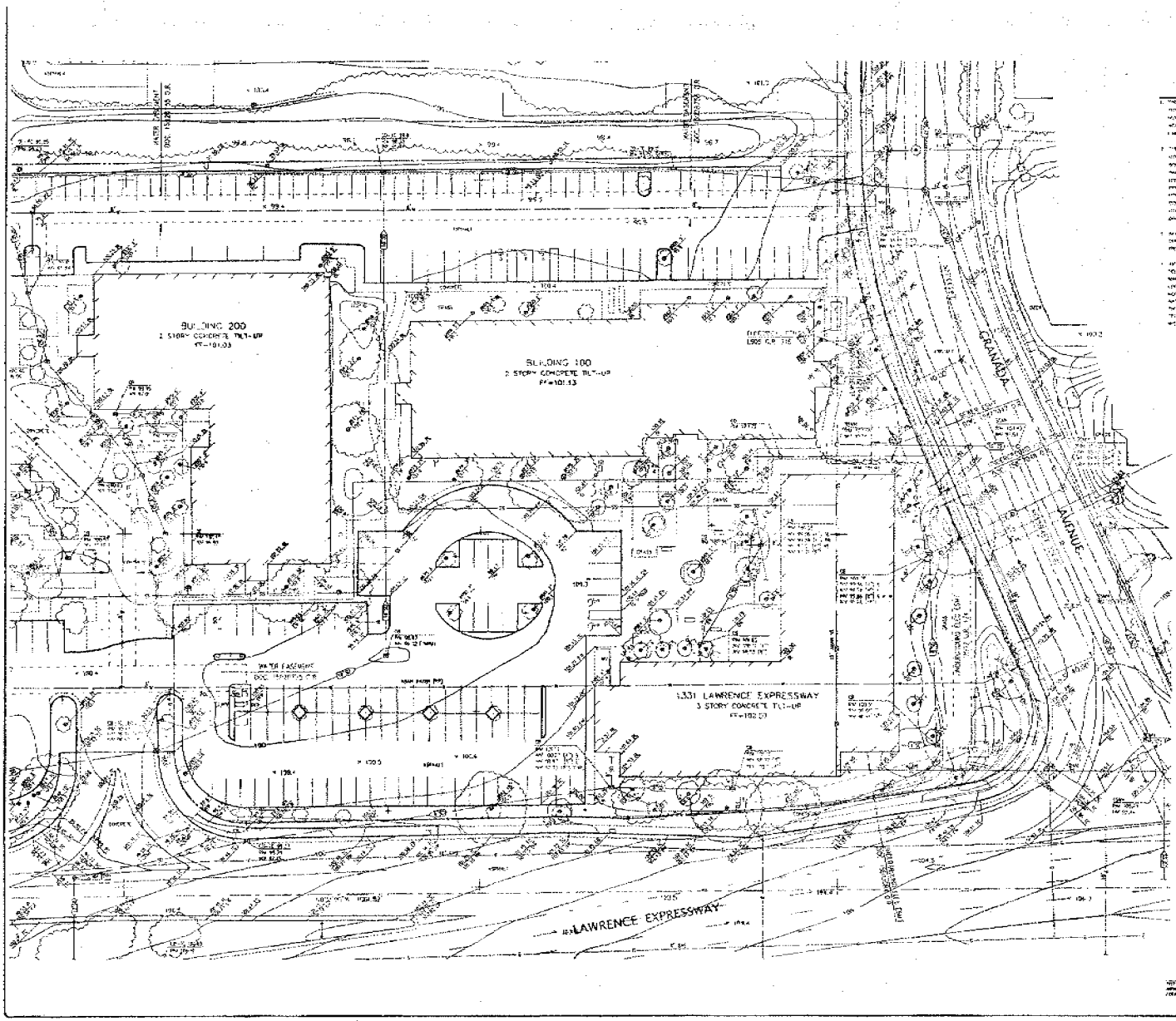
A-8.0

STA. CLARA CROSSINGS

BRE PROPERTIES

STA. CLARA, CALIFORNIA

ARCHITECTS ORANGE



NOTES

LEGEND

ABBREVIATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3177 Bunker Hill Street, Suite 200
San Diego, California 92109
(619) 581-1414
Fax (619) 581-5241

TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

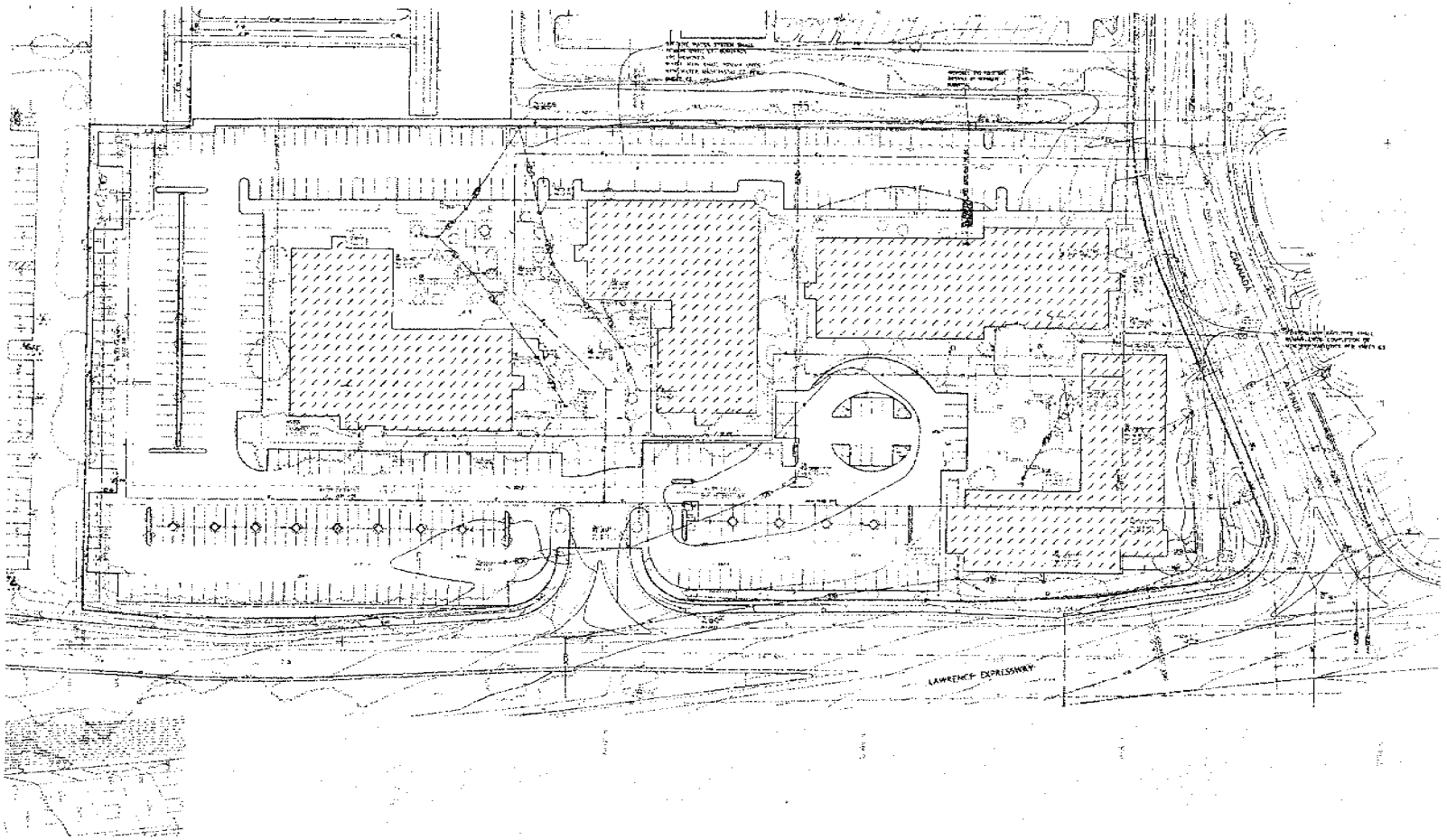
DATE: APRIL 2004
SCALE: 1" = 20'
SURVEYED: AGM
JOB NO.: 99-1713-3
SHEET: C1
OF SHEETS

BUILDING REMOVAL NOTES:

1. [illegible]
2. [illegible]
3. ALL OTHER EXISTING ONSITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

LEGEND

EXISTING BUILDING TO BE REMOVED



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331 - 1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE APRIL 2014
SCALE 1" = 30'
DRAWN BY
JOB NO. [illegible]
SHEET C2
OF SHEETS

ELEC. & WATER MAIN NOTES:

1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE NOTE FOR SANTA CLARA COUNTY PERMIT BY BRE PROPERTIES ONLY. WHICH MAY BE RELATED TO ADJACENT DEVELOPMENT AS SHOWN ON PLANS FROM WALTON WOODBRIDGE HOMES. SEE SHEET C5 FOR DETAILED PRELIMINARY LAYOUT.

2. EXISTING FIRE DISTRICT SHALL REMAIN UNTIL ACTIVATED BY AUTHORITY.

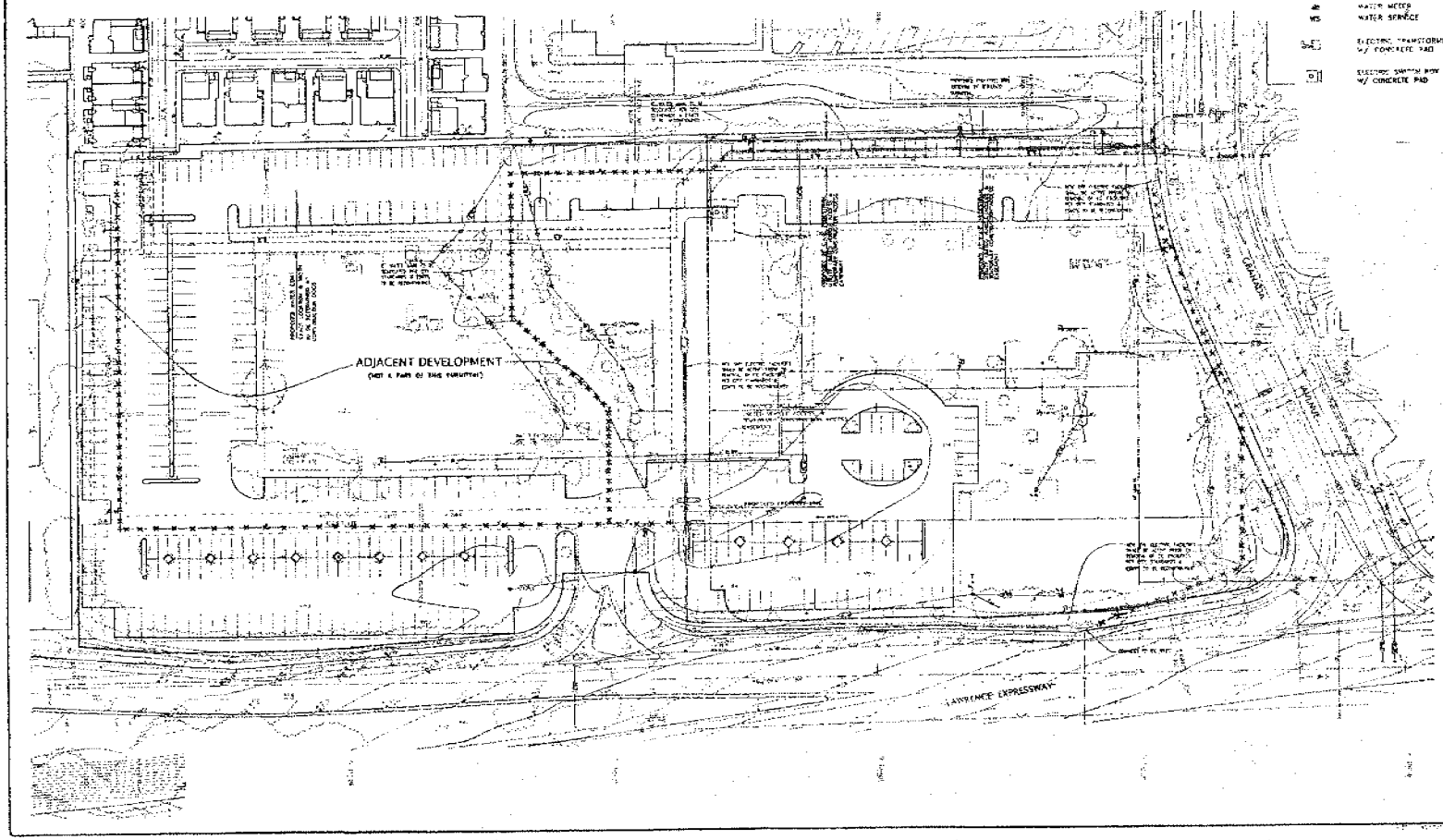
3. DRAINAGE FACILITIES & WATER MAINS SHALL NOT BE REMOVED. NEW CONNECTION TO NEW RELOCATED FACILITIES SHOWN ON SHEET C5 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT MAY VARY. CONTACT CITY REPRESENTATIVE. SEE PLANS BY OTHERS.

4. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

5. THIS SHEET IS FOR CONTROL PURPOSES OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO UNION PACIFIC AND APPROVAL BY CITY OF SANTA CLARA AND THE OTHER COMPETING SERVICE. SEE PLANS BY CITY FOR MODIFICATIONS FOR SPECIFIC CITY INFORMATION. NOT ALL OTHER DEVELOPING

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
	BACK FLOW PREVENTION DEVICE
	EXISTING UTILITY TO BE ABANDONED OR REMOVAL
	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD



KEIR & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

PRELIMINARY ELECTRICAL AND WATER PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA CALIFORNIA

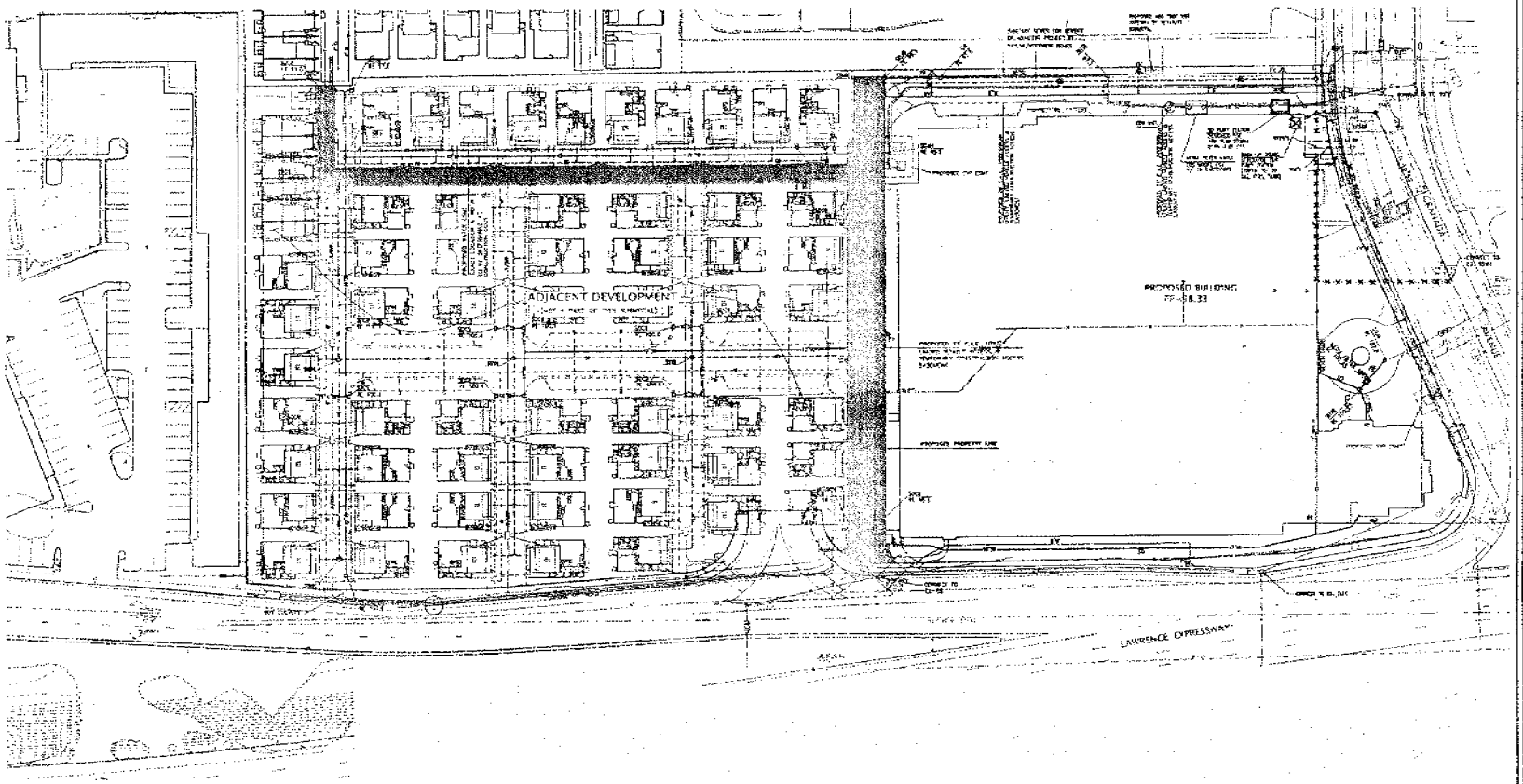
SHEET C3

OVERALL IMPROVEMENT PLAN NOTES:

1. [illegible]

LEGEND

[illegible]



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]

PRELIMINARY OVERALL IMPROVEMENT PLAN

OF

1331-1333 LAWRENCE EXPRESSWAY

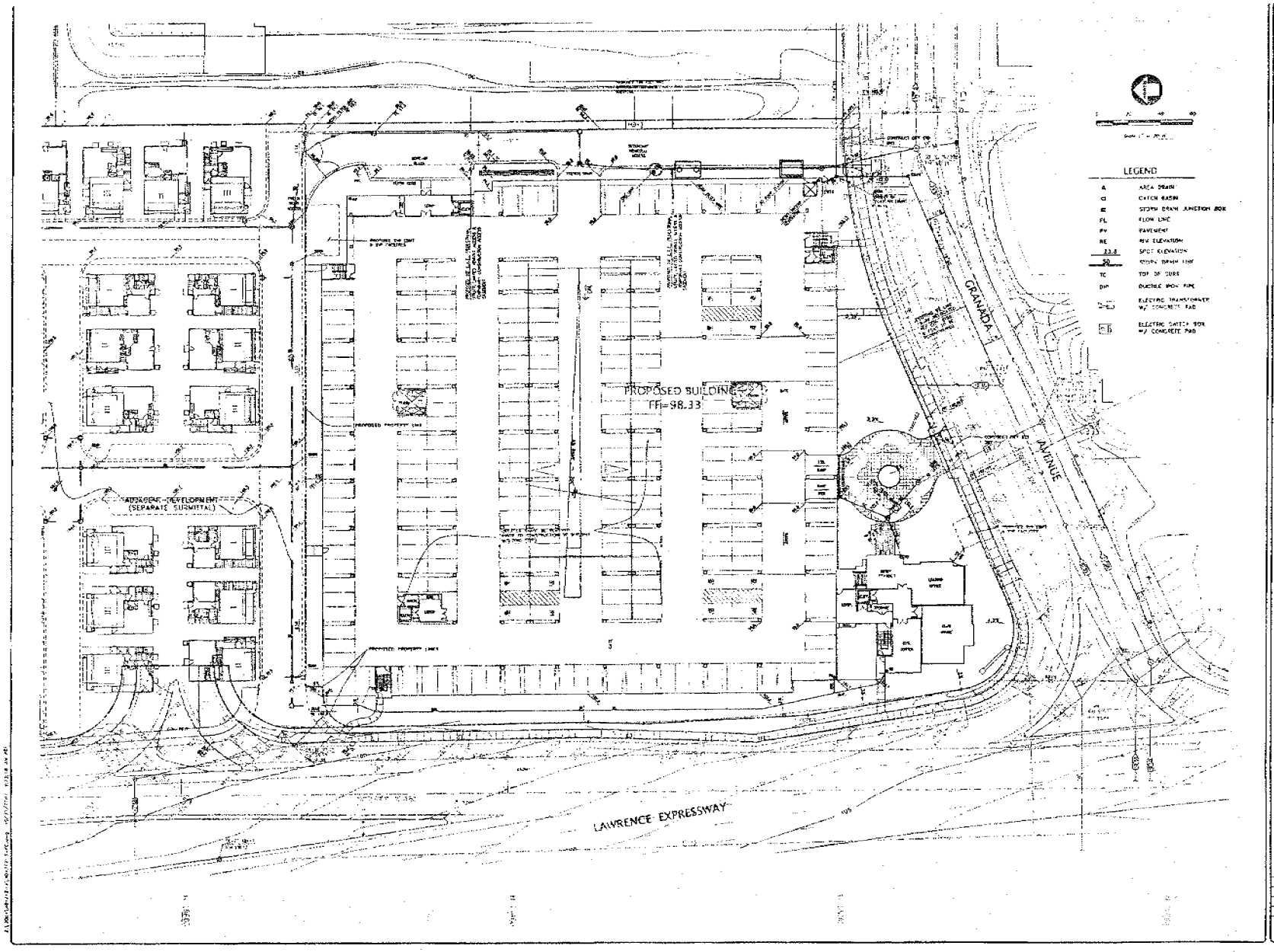
FOR

BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE [illegible]
SCALE [illegible]
DESIGN [illegible]
DRAWN [illegible]

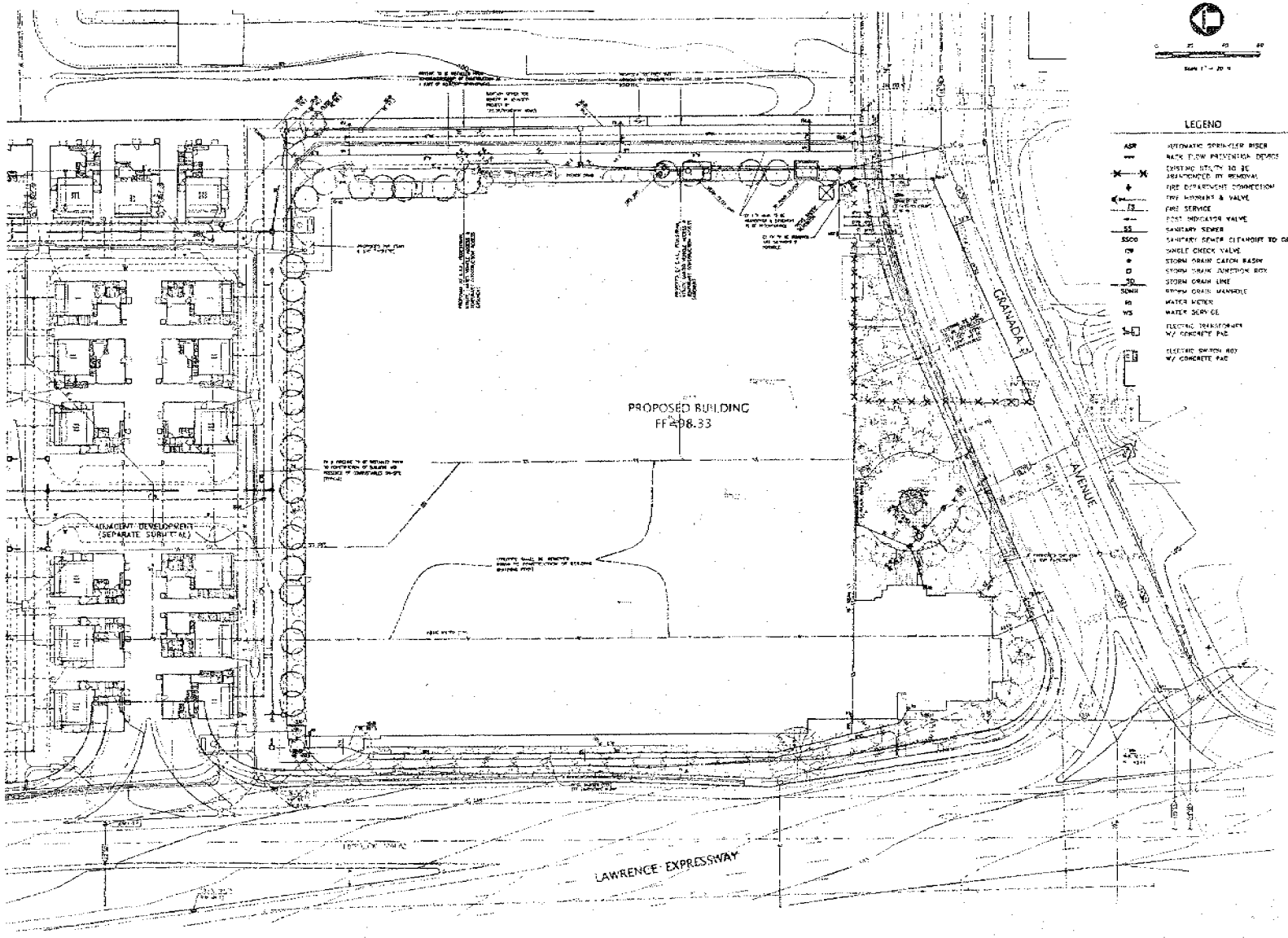
SHEET C4



PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

KILR & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

DATE
SCALE
DESIGNER
JOB NO.
SHEET C5 OF SHEETS



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

PRELIMINARY UTILITY PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

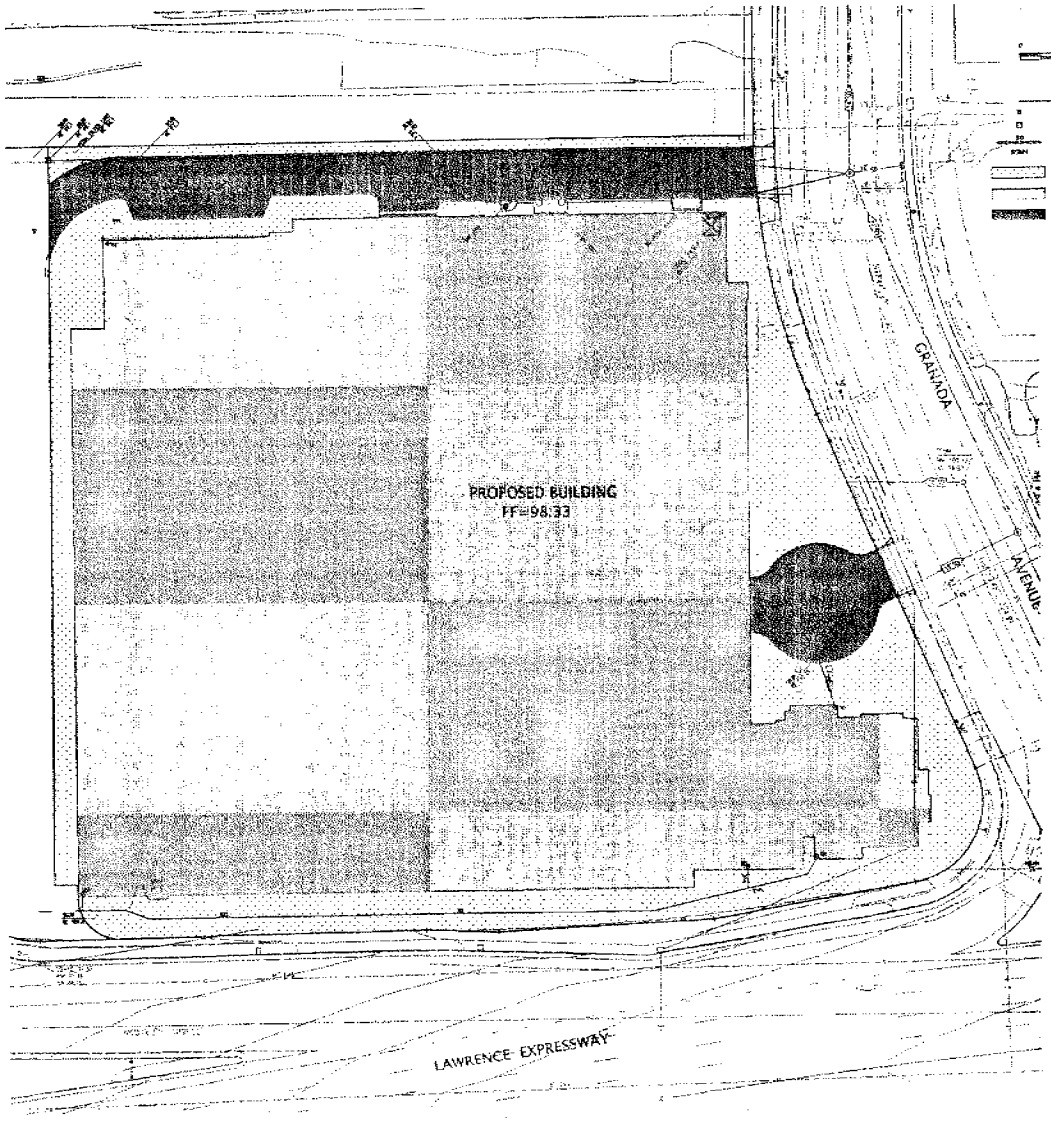
DATE APRIL 2006
SCALE 1" = 20'
DESIGNED SMC
JOB NO. A04112-3
SHEET C6

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (ac)	AREA (S.F.)	% IMP.
TOTAL TREATED AREA	[illegible]	[illegible]	[illegible]
1. ROOF/PLANTS	[illegible]	[illegible]	[illegible]
2. PAVEMENT/HARDSCAPE	[illegible]	[illegible]	[illegible]
3. ROOF AREA TO BIOFILTER	[illegible]	[illegible]	[illegible]
UNTREATED AREA	[illegible]	[illegible]	[illegible]
TOTAL SITE AREA	[illegible]	[illegible]	[illegible]

STORMWATER TREATMENT NOTES

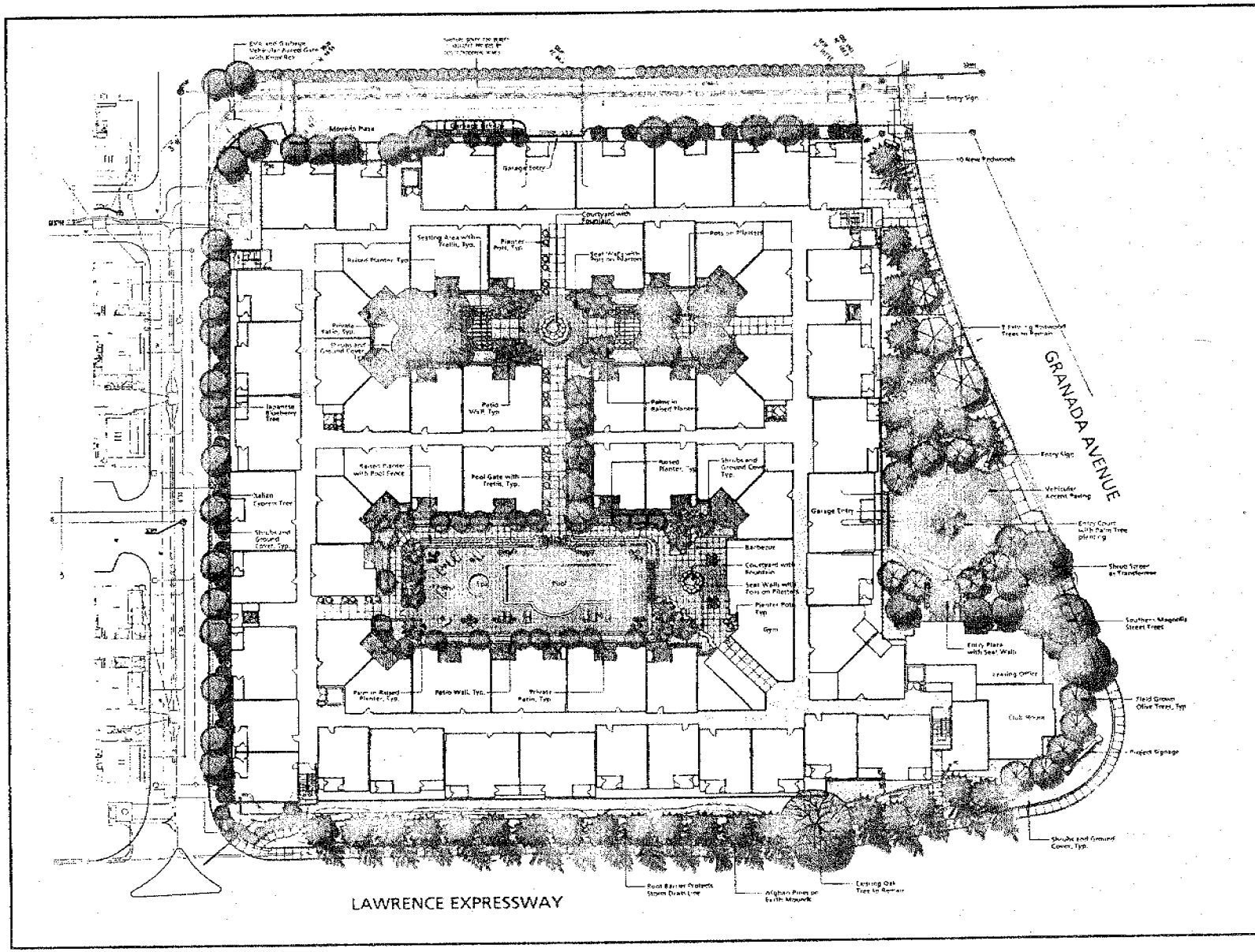
[illegible]



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collegeway, Suite 225
Westlake Village, California 91361
Tel (805) 373-9600
Fax (805) 373-9601

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE APRIL 2009
SCALE 1" = 20'
DRAWN BY SAC
JOB NO. 4944-01-1
SHEET C7
OF SHEETS



BRE
Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC.
Landscape Architects - Land Planners
836 Montgomery Street
San Francisco, CA 94133
T 415 433 4672
F 415 433 5003

No.	Date	Description

Conceptual Landscape Plan

North

Scale: 1" = 20'
0 10 20 40

Date: 05/01/2007

L-1

Project Number: 05508

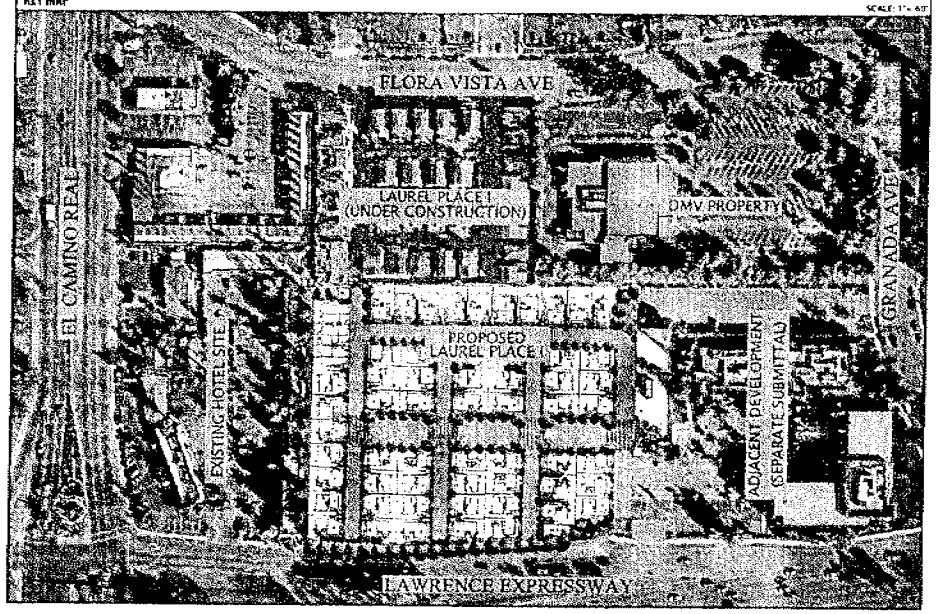
LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

FOR
TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY
SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP

SCALE: 1" = 60'



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

OWNER	ENGINEER
TAYLOR MORRISON HOMES	KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]	[illegible]
CONTACT: [illegible]	CONTACT: [illegible]
(925) 510-[illegible]	(408) 727-1665
BUILDING ARCHITECT	**LANDSCAPE ARCHITECT**
THE DAHLIN GROUP	VAN DORN ABED LANDSCAPE ARCHITECTS
[illegible]	[illegible]
[illegible]	SAN FRANCISCO, CA 94105
CONTACT: [illegible]	CONTACT: SHAN VAN DORN
(925) 351-7200	(415) 543-9915

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
C1.0	PROJECT COVER SHEET	KIER & WRIGHT
C1.1	LAUREL PLACE II - SITE PLAN	VAN DORN ABED
C1.2	ARTISTS RENDERING	THAHLIN GROUP
C1.3	TOPOGRAPHIC SURVEY (EXISTING SITE)	KIER & WRIGHT
C1.4	TENTATIVE MAP	KIER & WRIGHT
C1.5	TYPICAL STREET PLANS & SECTIONS	KIER & WRIGHT
C1.6	[illegible]	KIER & WRIGHT
C2.1	FIRE ACCESS PLAN	KIER & WRIGHT
C2.2	FIRE TRUCK TURNING PLAN - LAWRENCE EXPWY. EXIT	KIER & WRIGHT
C2.3	FIRE TRUCK TURNING PLAN - LAWRENCE EXPWY. ENTRANCE	KIER & WRIGHT
C2.4	FIRE TRUCK TURNING PLAN - LAWRENCE EXPWY. DEPARTURE	KIER & WRIGHT
C3.0	PRELIMINARY GRADING PLAN	KIER & WRIGHT
C3.1	PRELIMINARY UTILITY PLAN	KIER & WRIGHT
C6.1	IDENTIFY MITIGATION & IMPROVEMENTS PLAN	KIER & WRIGHT
C6.2	TREE PLAN	KIER & WRIGHT
A1.0	PLAN 1 - FLOOR PLANS	DAHLIN GROUP
A1.1	PLAN 1 - ELEVATIONS	DAHLIN GROUP
A2.0	PLAN 2 - FLOOR PLANS	DAHLIN GROUP
A2.1	PLAN 2 - ELEVATIONS	DAHLIN GROUP
A3.0	PLAN 3 - FLOOR PLANS	DAHLIN GROUP
A3.1	PLAN 3 - ELEVATIONS	DAHLIN GROUP
A4.0	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.1	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.2	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.3	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
A4.4	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
L1.1	CONCEPTUAL LANDSCAPE PLAN	VAN DORN ABED
L1.2	CONCEPTUAL DETAILS	VAN DORN ABED
L1.3	PLANTING LEGEND AND DETAILS	VAN DORN ABED

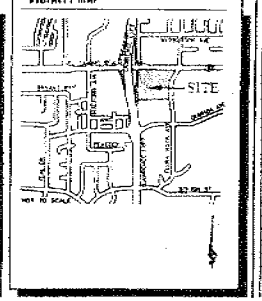
SQUARE FOOTAGE SUMMARY

PLAN 1	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
FIRST CAR GARAGE	[illegible]
TOTAL SQUARE FOOTAGE	[illegible]
PLAN 2	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
THIRD FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
TWO CAR GARAGE	[illegible]
TOTAL SQUARE FOOTAGE	[illegible]
PLAN 3	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
THIRD FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
TWO CAR GARAGE	[illegible]
DECK	[illegible]
TOTAL SQUARE FOOTAGE	[illegible]
TOWNHOMES	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
THIRD FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
TWO CAR GARAGE	[illegible]
DECK	[illegible]
TOTAL SQUARE FOOTAGE	[illegible]

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.18.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.28.06
4	FOURTH SUBMITTAL	10.23.06
5	FIFTH SUBMITTAL	06.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

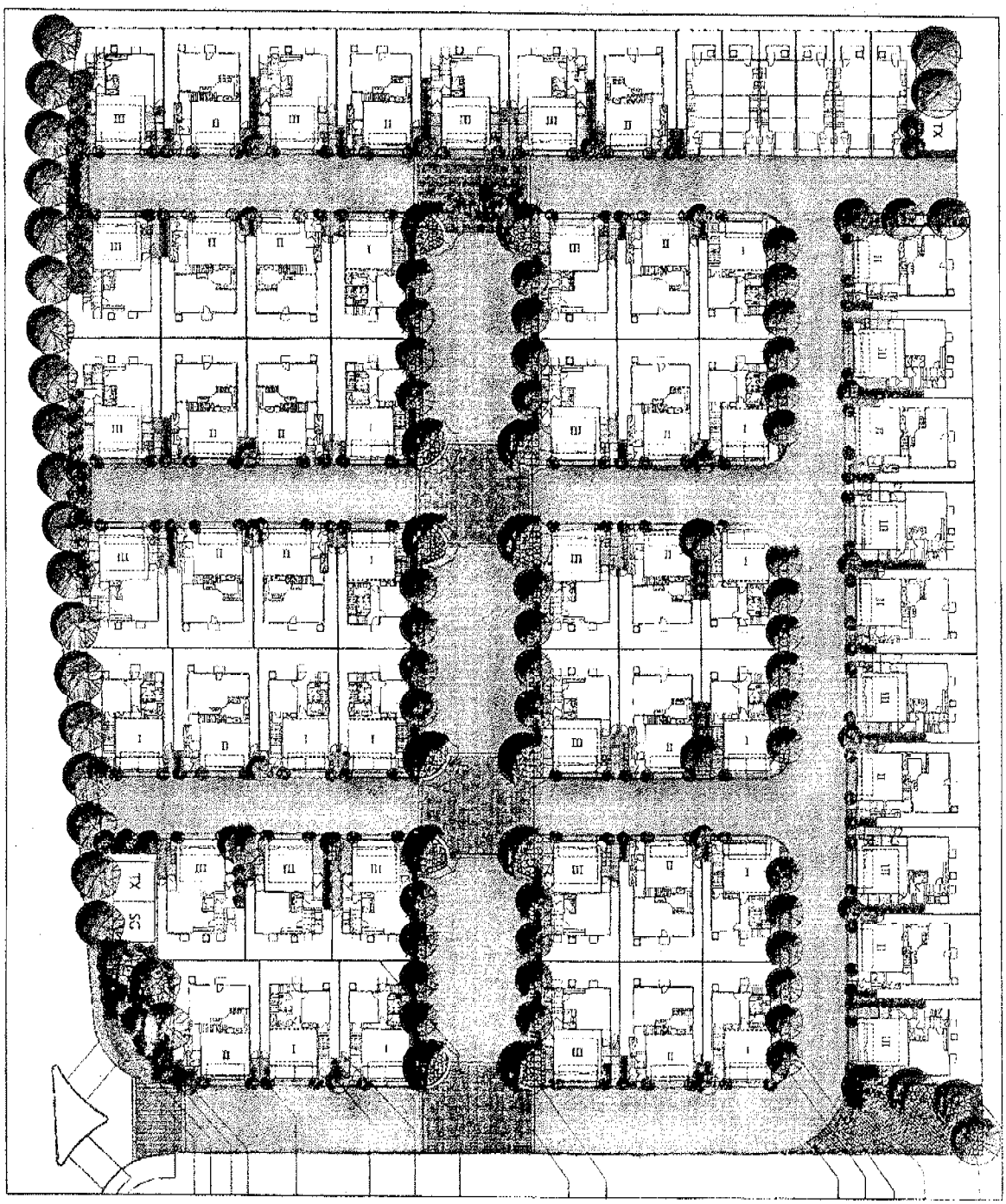


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3776 SOUTH BASCOM AVENUE, SUITE 22
SANTA CLARA, CALIFORNIA 95054
(408) 727-1665

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PROJECT COVER SHEET

DATE	NOV. 2007
SCALE	AS SHOWN
DESIGNED	JV
DRAWN	JV
JOB	[illegible]
SHEET	C1.0

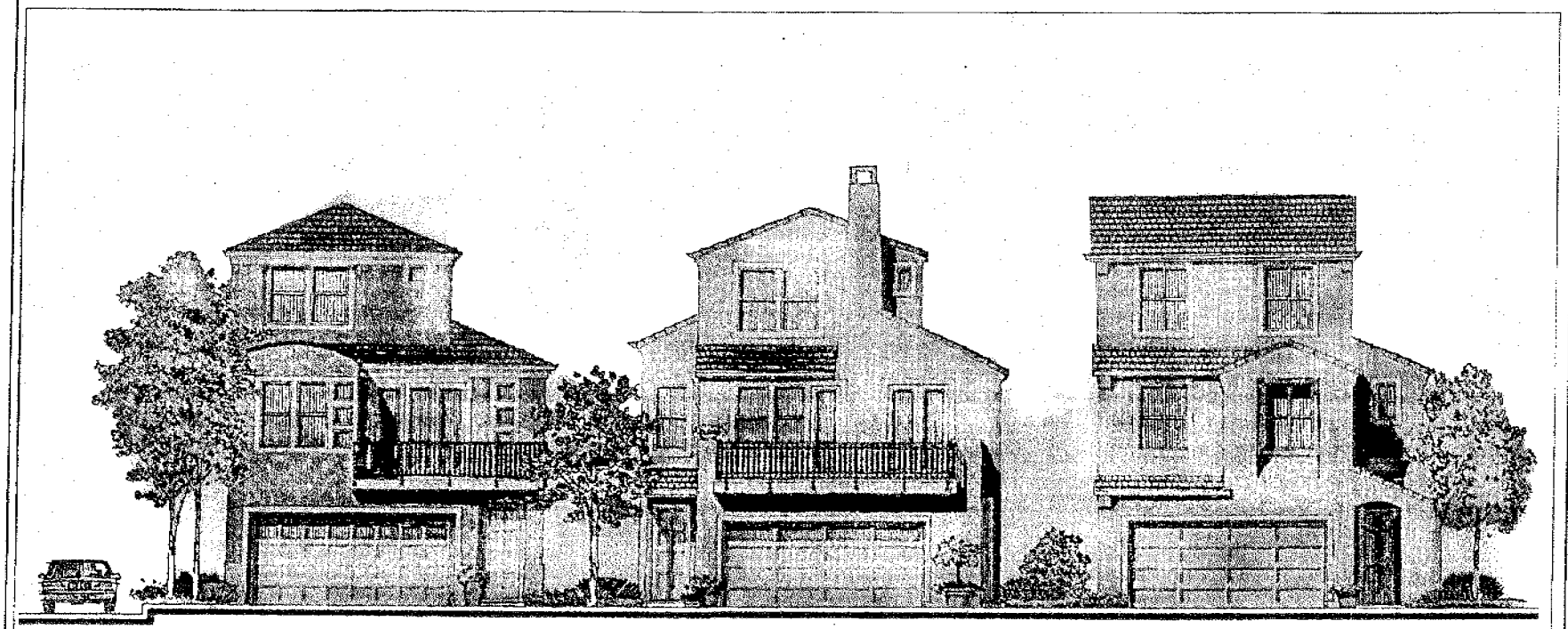


C2.0

LAUREL PLACE II – SITE PLAN

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

DAHLIN GROUP
ARCHITECTURE
PLANNING
INTERIORS
7671 Gleason Road
San Ramon, CA 94583
925.837.9296
925.837.7543 Fax



PLAN 1
END LOT
(STREET CONDITION)

PLAN 3
TYPICAL INTERIOR
LOT CONDITION

PLAN 2
END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No.: 579.074

DAHLIN GROUP
ARCHITECTURE
PLANNING
INTERIORS

2077 E Gran Canyon Rd.
San Antonio, CA 94087
925.837.8786
925.837.3503 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1338 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

DATE NOV. 2005
SCALE AS SHOWN
DESIGNER ---
DRAFTER ---
JOB ---
SHEET C3.0

TOPOGRAPHIC SURVEY NOTES

ABBREVIATIONS

LEGEND

BUILDING 200
2 STORY CONCRETE TILT-UP
FF=101.03

BUILDING 100
2 STORY CONCRETE TILT-UP
FF=101.13

BUILDING 300
2 STORY CONCRETE TILT-UP
FF=102.10

1331 LAWRENCE EXPRESSWAY
3 STORY CONCRETE TILT-UP
FF=102.97

LAWRENCE EXPRESSWAY

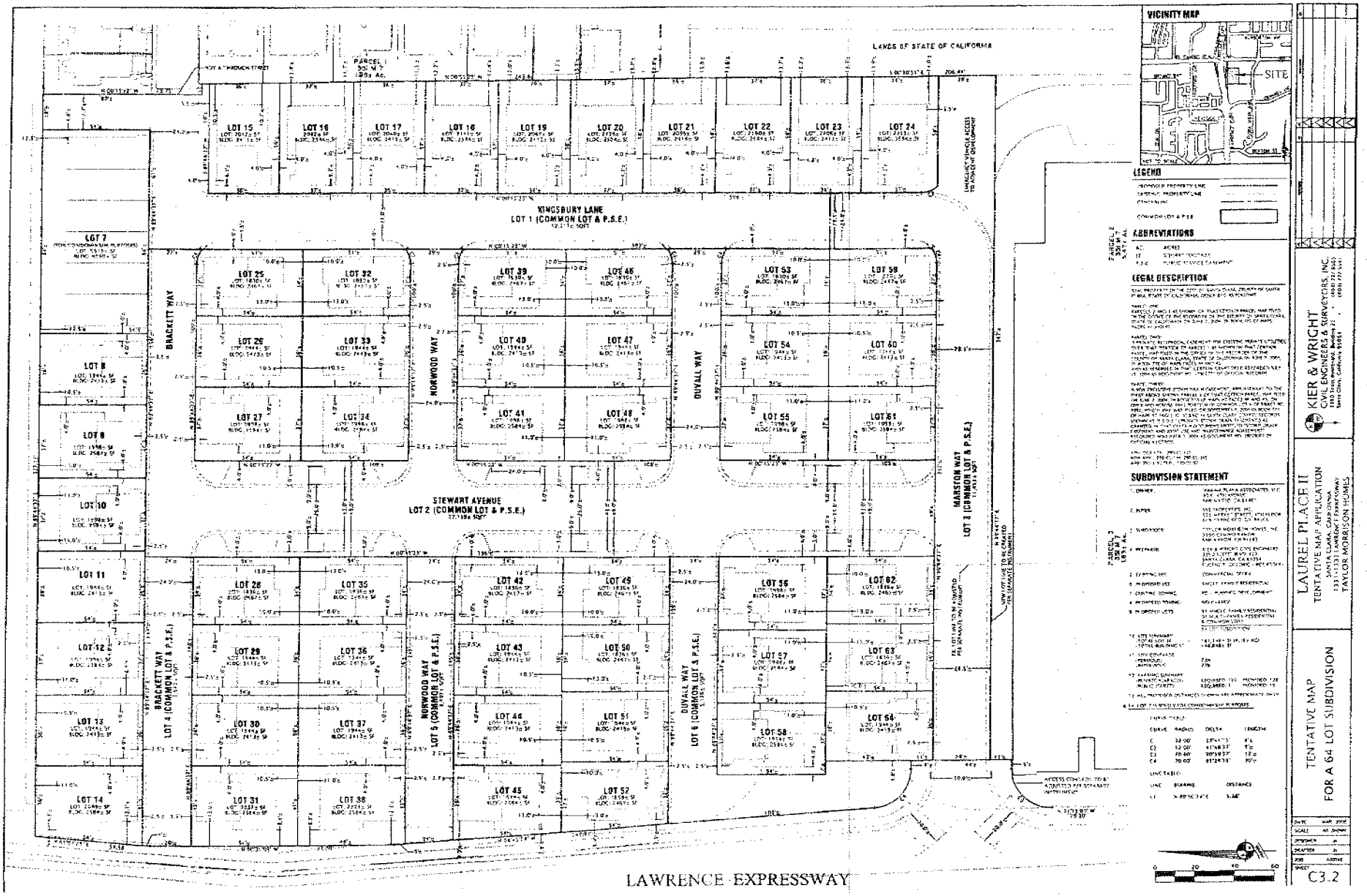
GRENADA AVENUE

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2794 South Bayshore, Building 22
Santa Clara, California 95054
(408) 727-1555
(408) 727-3441

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE NOV. 2008
SCALE AS SHOWN
DESIGNED JK
DRAWN JK
JOB 10-0143
SHEET C3.1

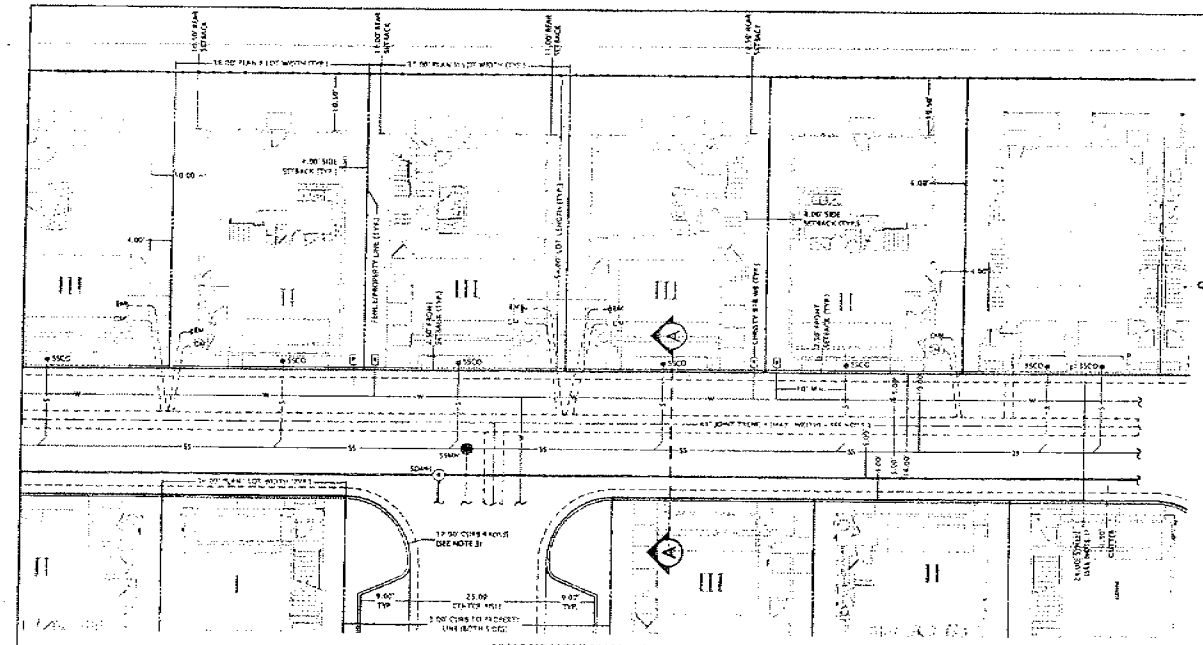


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

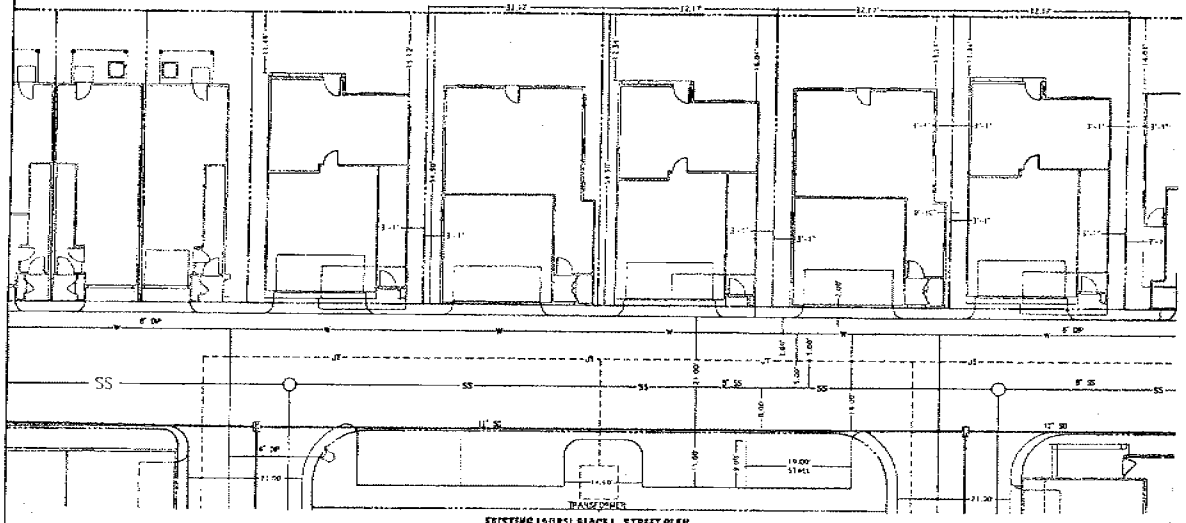
LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

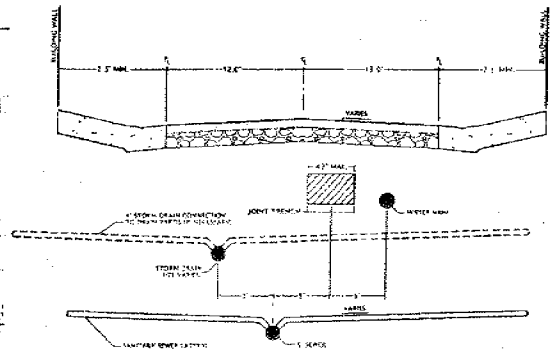
C3.2



PROPOSED LAUREL PLACE II - STREET PLAN



EXISTING LAUREL PLACE I - STREET PLAN



NOTES:

1. SETTOR IS NOT TO SCALE AND MAY NOT BE REPRESENTATIVE OF ACTUAL TRENCH LOCATION IN STREETS. SECTION SHOWN FOR TRENCHES ONLY
2. SEE SHEET C3.0 FOR PRELIMINARY UTILITY PLAN SHOWING PROPOSED UTILITIES AND OVERHEAD FACILITIES
3. ALL STORM AND SEWER PIPES HAVE A 18" VERTICAL CLEARANCE AT CROSSING POINTS

PROPOSED STANDARD STREET SECTION (A-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES ON SITE
   - CENTER DRIVE AISLE TO BE 25' WIDE PLUS 8' WIDE X 24' DEEP PARALLEL PARKING STALLS
   - AISLE OFF LAWRENCE EXPRESSWAY TO BE 28' WIDE TO COUNTY STD. 30' WIDE ENTRANCE
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE
2. JOINT TRENCH SHOWN INCLUDES SECTION VALUES. PRIMER TRENCH WIDTH, MAXIMUM TRENCH WIDTH TO BE NOT MORE. EXACT TRENCH DIMENSIONS WILL VARY BASED ON TRENCH OCCUPANCY, AND WILL BE DETERMINED DURING CONSTRUCTION LEVEL DESIGN. A 1 PROPOSED TRENCH TO BE A MINIMUM OF 27" FOR PROPOSED ELECTRIC FACILITIES
3. CURB RADIUS TO BE 10'-0" TO ACCOMMODATE SUBE TRUCK. MODE TURNING RADIUS IS 35' SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING DETAILS
4. ALL UTILITY STRUCTURES (MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
5. THE UTILITY LAYOUT IS AN EXAMPLE ONLY. FOR ACTUAL SITE DEVELOPMENT SEE SHEET C4.0 FOR PRELIMINARY UTILITY PLAN

LEGEND

WATER MAIN	WM
JOINT TRENCH	
SANITARY SEWER MAIN	SS
SANITARY SEWER LATERAL	SSCO
STORM DRAIN	SDMH

ABBREVIATIONS

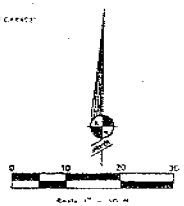
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEANOUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXISTING LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.49 ACRES (65,000 S.F.)	4.38± ACRES (191,142± SQFT)
TOTAL UNITS	34 UNITS	61 UNITS (53 SINGLE FAMILY, 8 MULTI-FAMILY)
AVERAGE LOT SIZE	1,445 S.F.	1,872 S.F.
TOTAL SITE COVERAGE	62,730 S.F. (97%)	117,954 S.F. (61%)
COMMON LOT SIZE	23,954 S.F. (37%)	063,214 S.F. (33%)
PRIVATE PARKING PROVIDED	68 STALLS (2/UNIT GARAGE)	120 STALLS (2/UNIT GARAGE)
GUEST PARKING PROVIDED	8 STALLS	18 STALLS
GUEST PARKING RATIO	0.2	0.3
AVERAGE FLOOR AREA RATIO	1.33	1.33
FRONT SETBACK	15'-0" (SEE NOTE 1A)	21'-6"
SIDE SETBACK	3'-0"	4'-0"
REAR SETBACK	10'-0"	10'-0"
STREET WIDTH	23'-33"	24'-28'

NOTE

1. LAUREL PLACE I - SOME UNITS WERE DESIGNED WITH PARTIAL BUILDING WALLS ON THE PROPERTY LINE WITH 1' OVERHANG INTO COMMON LOT.

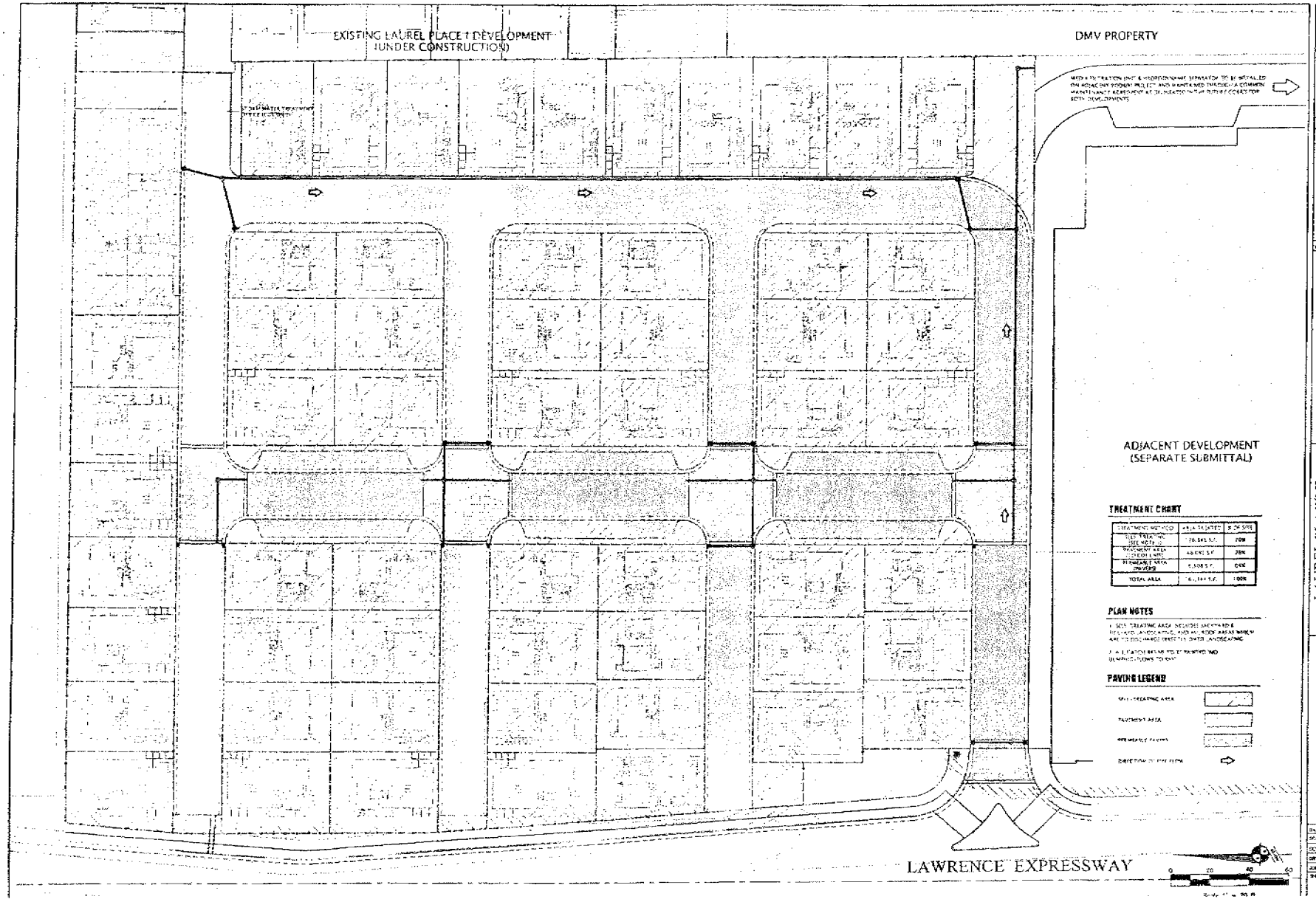


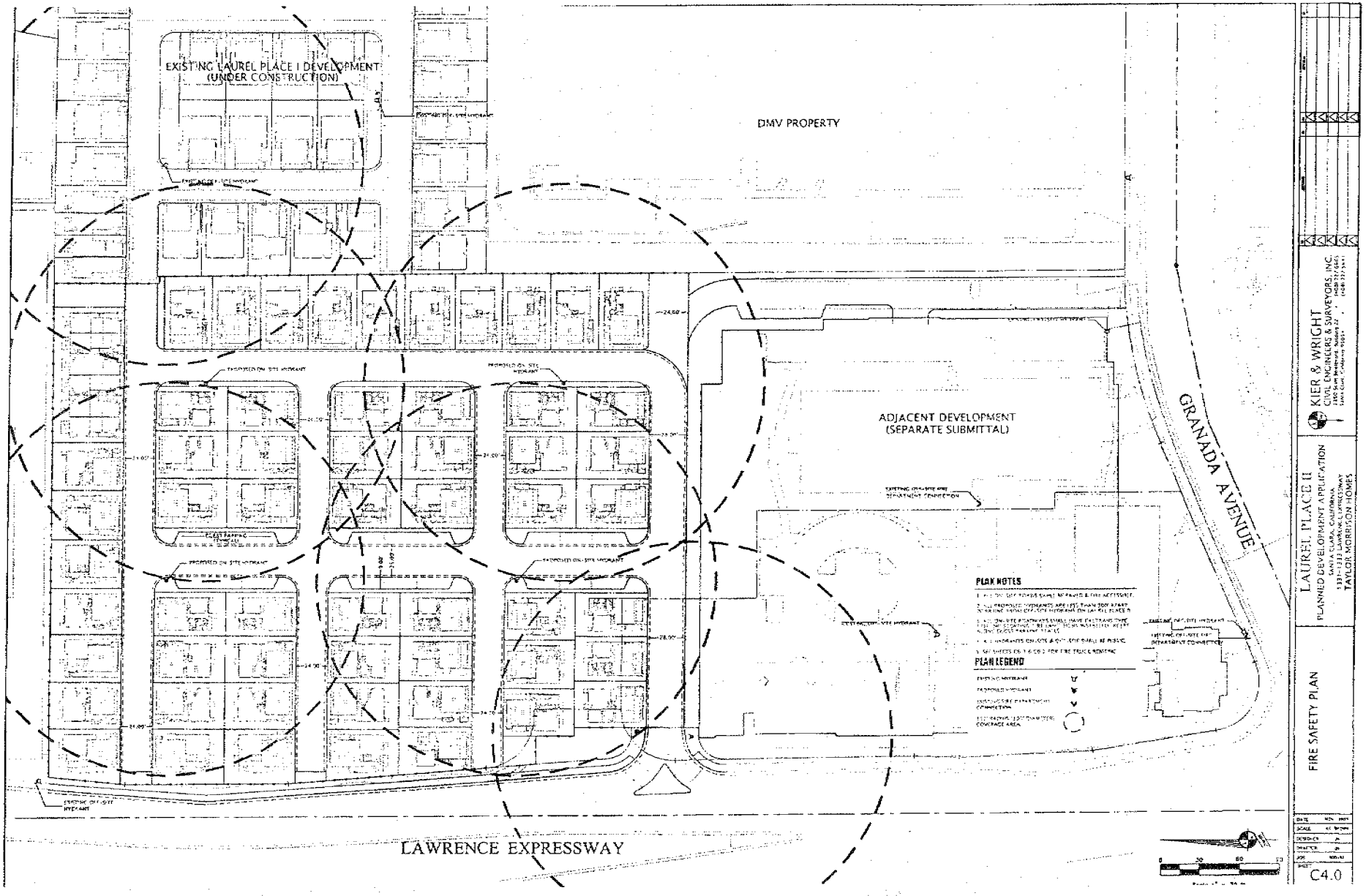
KHER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

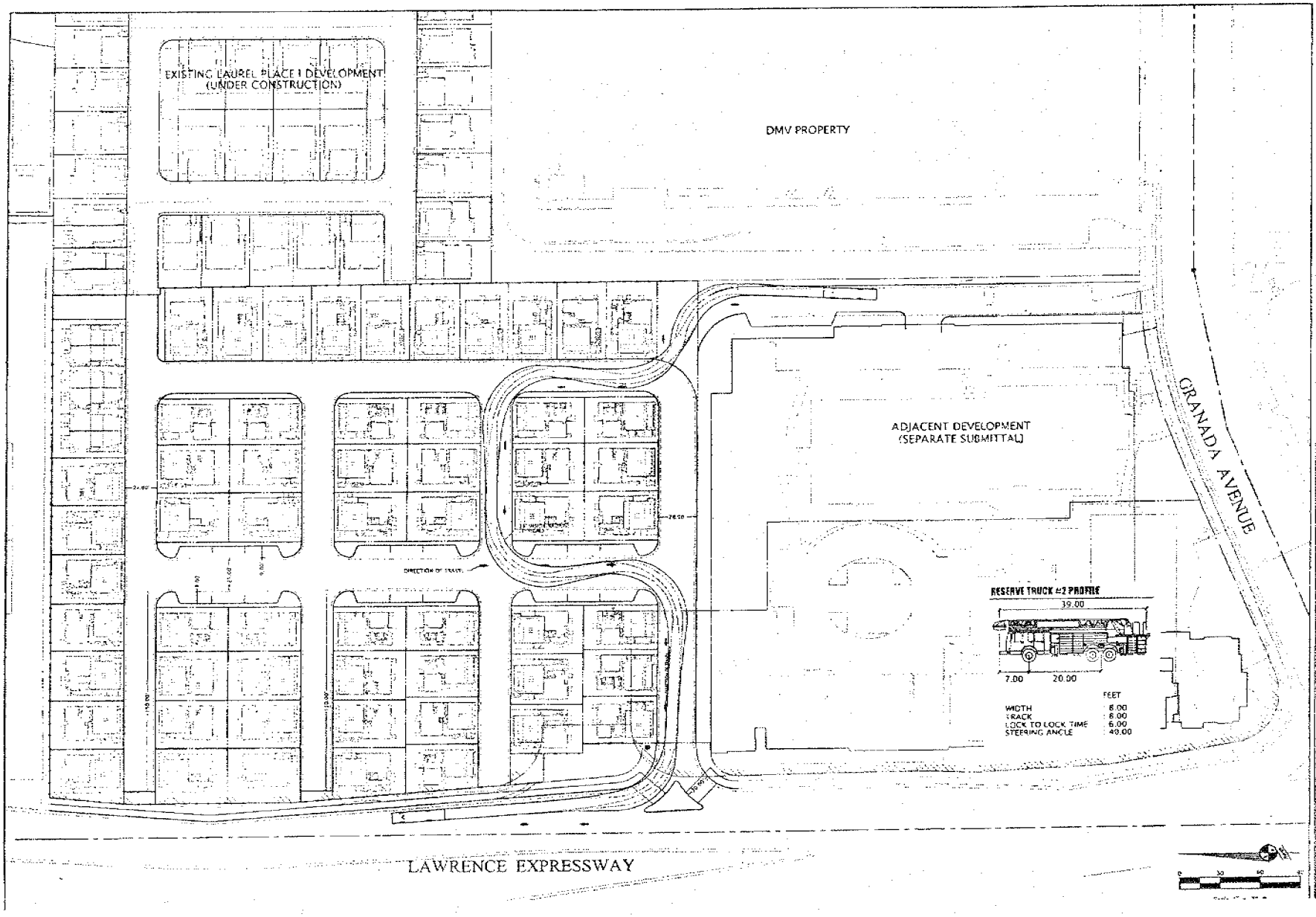
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1111-1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE	MAY 2025
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	4857-03
SHEET	C3.3


EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)
DMV PROPERTY
ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)
TREATMENT CHART
PLAN NOTES
PAVING LEGEND
LAWRENCE EXPRESSWAY
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES
PRELIMINARY STORM WATER
MANAGEMENT PLAN
C3.4


EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)
DMV PROPERTY
ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)
GRANADA AVENUE
LAWRENCE EXPRESSWAY
PLAN NOTES
PLAN LEGEND
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
TAYLOR MORRISON HOMES
FIRE SAFETY PLAN
C4.0

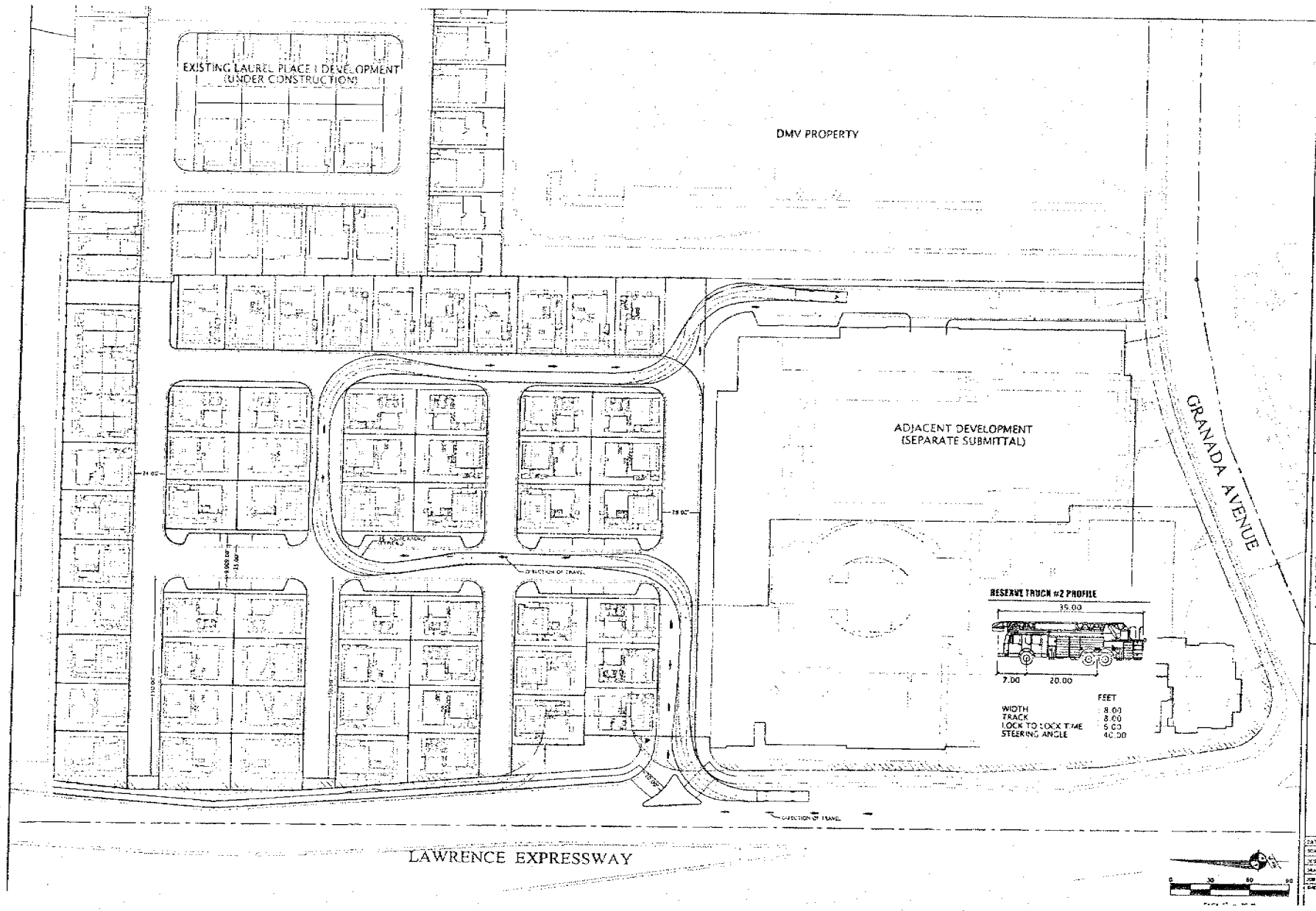


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT

C4.1


EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)
DMV PROPERTY
ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)
GRANADA AVENUE
LAWRENCE EXPRESSWAY
DIRECTION OF TRAVEL
RESERVE TRUCK #2 PROFILE
35.00
7.00
20.00
FEET
WIDTH 8.00
TRACK 8.00
LOCK TO LOCK TIME 5.00
STEERING ANGLE 40.00
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
TAYLOR MORRISON HOMES
FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE
C4.2

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

LAWRENCE EXPRESSWAY

PRIVATE STREET

TYPICAL LOT DRAINAGE

LEGEND

FLOWLINE	
STREET SLOPE	1.0%
SPOT ELEVATION	99.8

ABBREVIATIONS

EX	EXISTING
FL	FLOWLINE
FF	FINISH FLOOR
GB	GRADE BREAK
HP	HIGH POINT
TYP	TYPICAL
TW	TRANSFORMER
SC	SANITARY CLEAN

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

PRELIMINARY GRADING PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNED	JH
DRAWN	JH
JOB	
SHEET	C5.0

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

LAWRENCE EXPRESSWAY

UTILITY PLAN NOTES

1. ALL WATER & SEWER LATERALS MAINTAIN 10' HORIZONTAL SEPARATION EXCEPT WHERE CONDITIONS REQUIRE A SHORTER DISTANCE.
2. SANITARY SEWER CONNECTION TO BE MADE AT MANHOLE, OUTSIDE OF R.O.W. UNLESS OTHERWISE SHOWN.
3. SEE SHEET C3.1 FOR UTILITY SEPARATION DETAILS & TYPICAL STREET SECTION.
4. WATER METERS, SUPPLY VALVES, MANHOLES, CLEANOUTS, ETC. SHOWN TO AVOID CONFLICTS.
5. SWITCHGEAR & TRANSFORMER AREAS SHOWN AS 10' X 10' CLEAR AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARD SPECIFICATIONS. FINAL LANDSCAPE DESIGN SURROUNDING THESE AREAS TO BE DETERMINED PRIOR TO SUBMITTAL OF CONSTRUCTION DOCUMENTS.
6. OTHER LATERALS MAY BE NEEDED TO SERVE LOTS BUT ARE NOT SHOWN ON THIS PLAN. THE CRITERIA SHOWN IS A PART OF CONSTRUCTION DOCUMENTS.

LEGEND

WATER MAIN — METER, FH
JOINT TRENCH
SANITARY SEWER MAIN — SSMH, SS
SANITARY SEWER LATERAL — SSCO, S
STORM DRAIN — SDMH

ABBREVIATIONS

CONST	CONSTRUCT
COTC	CLEAN OUT TO GRADE
DI	DROP INLET
DF	DRYSPOT
HPE	HIGHPOINT ELEVATION
LF	LINEAR FEET
MH	MANHOLE
RIM	RIM ELEVATION
SDMH	STORM DRAIN MANHOLE
SC	SWITCHGEAR
SSMH	SANITARY SEWER MANHOLE
SVP	SILICON VALLEY POWER
TF	TRANSFORMER

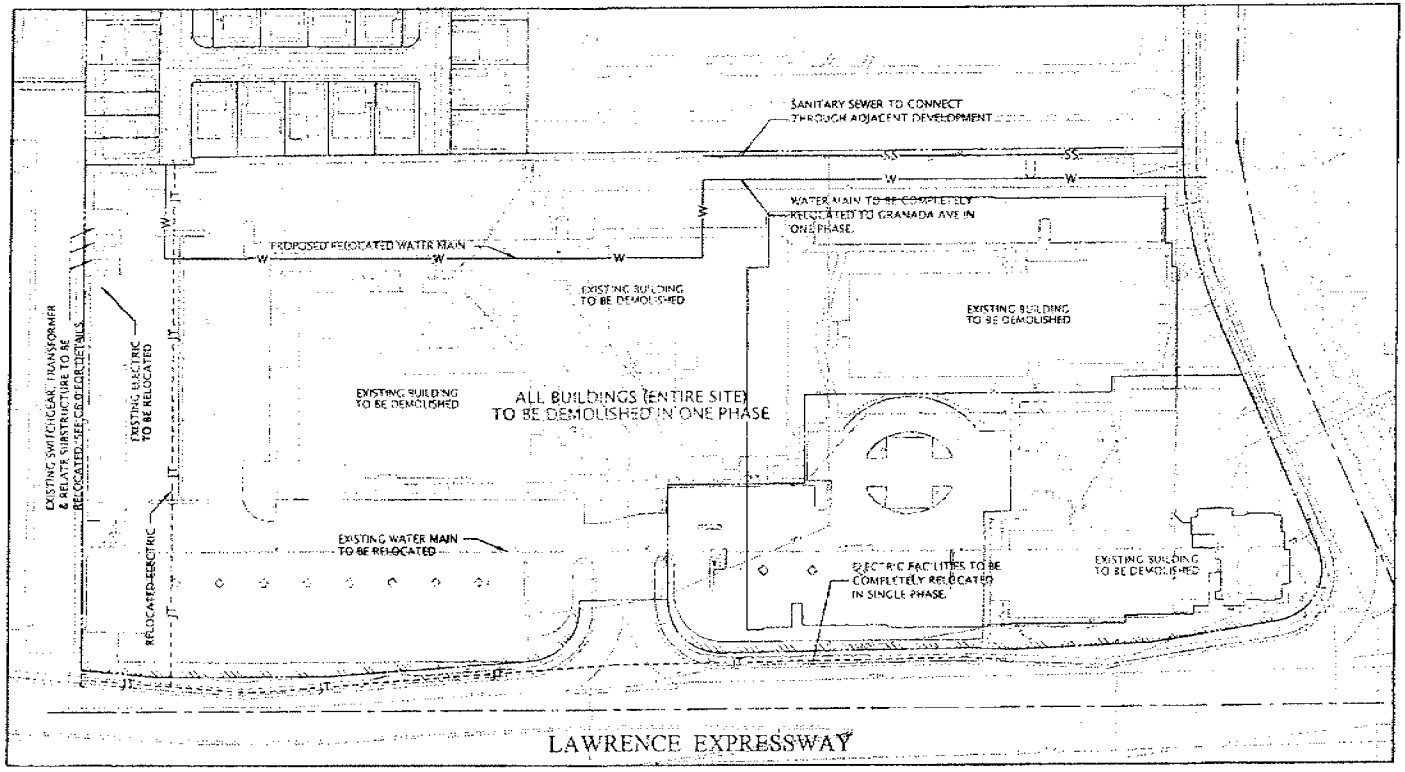
0 20 40 60

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3330 Geary Boulevard, Kindberg Ct. (408) 727-6665
Santa Clara, California 95054 (408) 727-1661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV 2023
SCALE	AS SHOWN
DESIGNED	JF
DRAWN	JF
JOB	20-145
SHEET	C6.0



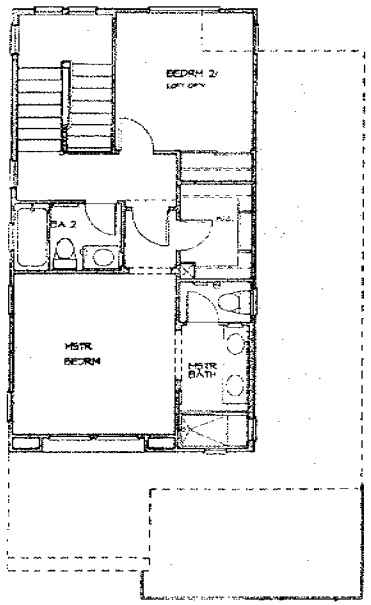
UTILITY RELOCATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

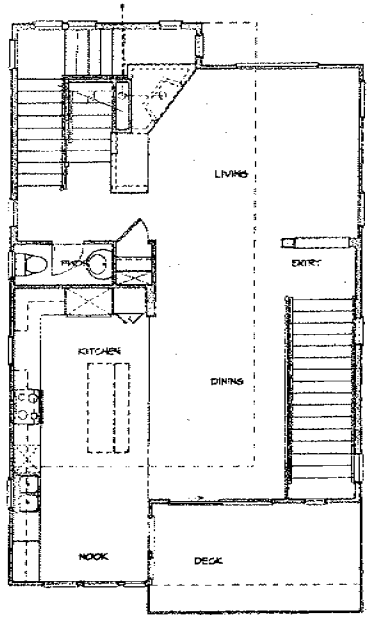
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1315 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

UTILITY RELOCATION
& IMPROVEMENT PLAN

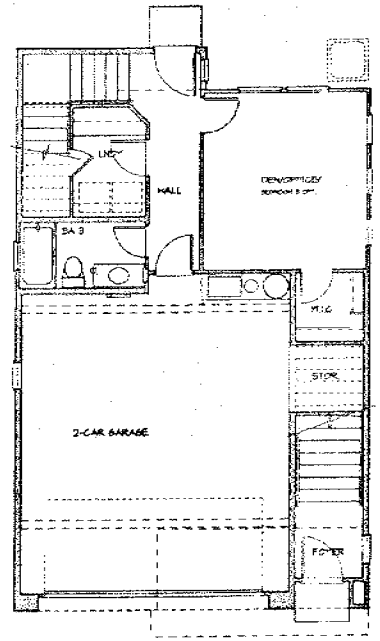
DATE NOV. 2020
SCALE AS SHOWN
DESIGNED
DRAWN
JOB 2020-44
SHEET C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

0 4 8 16

AUGUST 5, 2005

Project No.: 529.024

DAHLIN GROUP

LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION

SANTA CLARA, CALIFORNIA

1111-1133 LAWRENCE EXPRESSWAY

TAYLOR WOODROW HOMES

PLAN 1 - FLOOR PLANS

DATE NOV. 2005

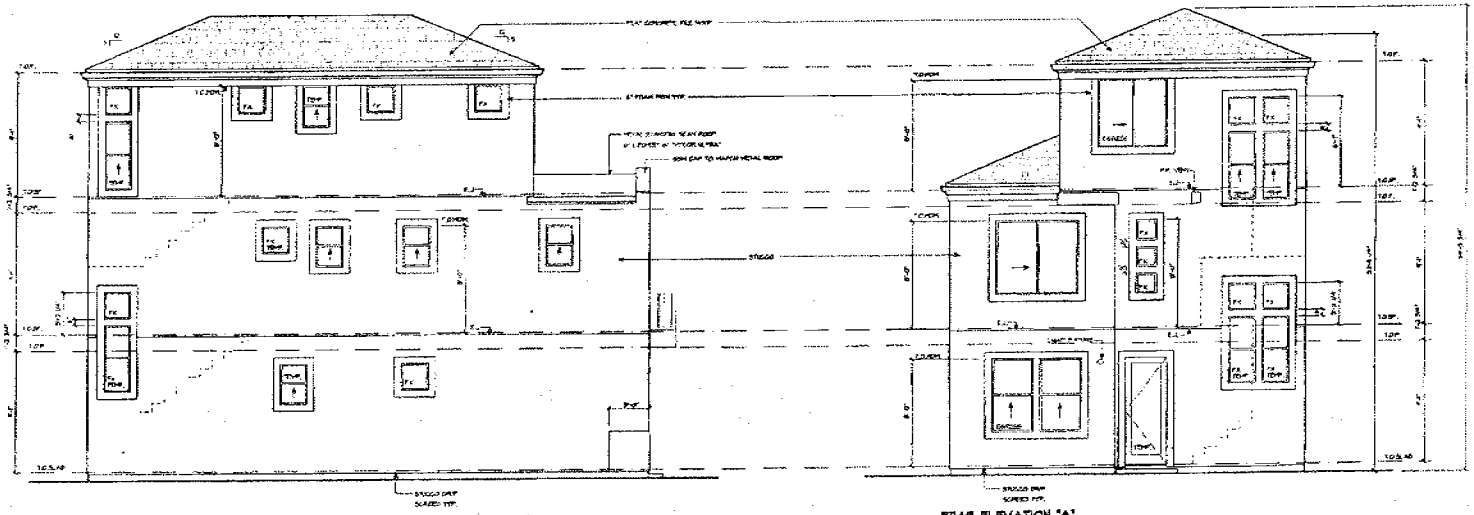
SCALE 1/8"=1'-0"

DESIGNER —

DRAFTER —

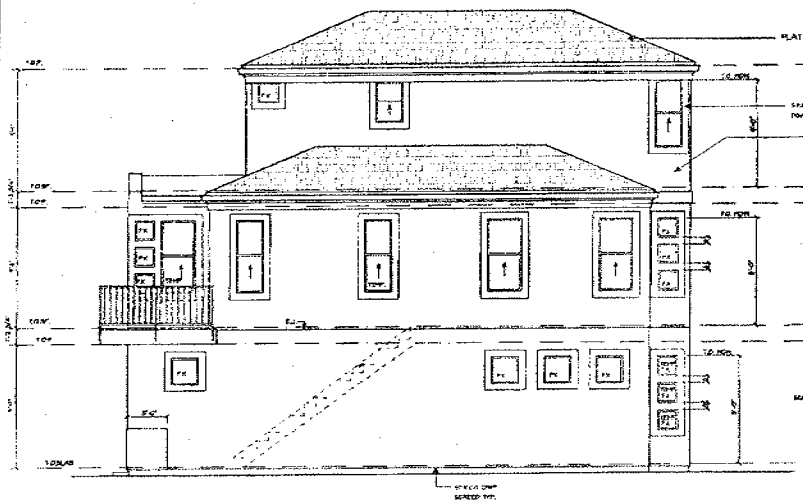
JOB —

SHEET A1.0

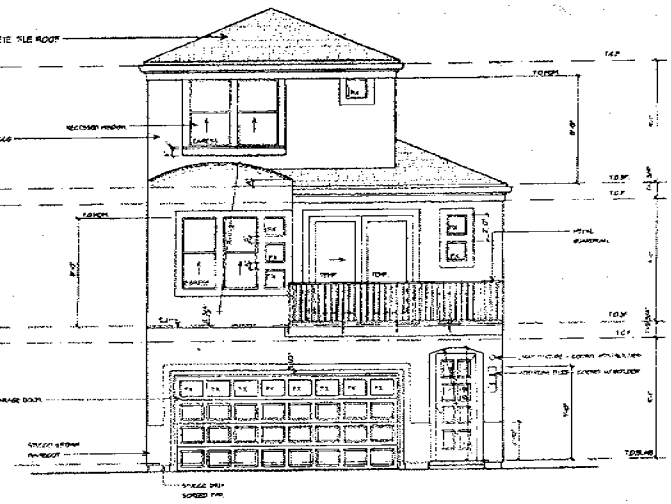


LEFT ELEVATION "A"

REAR ELEVATION "A"



RIGHT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

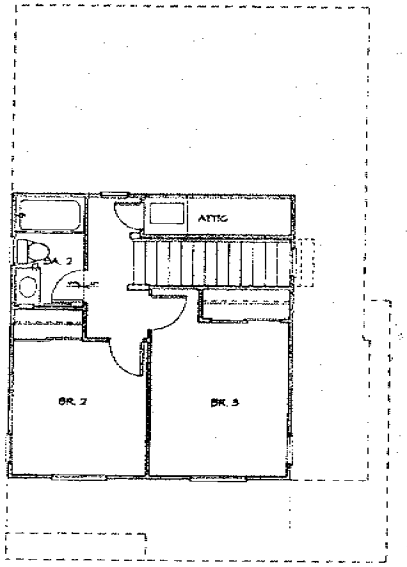
1. GLASS A ROOF HTML, OF SOLID FELT OR SOLID OVER SHALL BE ALL IN ELEVATION, MONTHLY FELT 2-1/2" GLAZED SHAKE TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR: 6'-0" (1829 M)
   SECOND FLOOR: 6'-0" (1829 M)
   THIRD FLOOR: 7'-0" (2134 M) (2.0 M)
3. SEE FLOOR PLANS FOR ELEVATION INFORMATION
4. SEE DET. 1/S3.3 FOR TYPICAL FLASHING AT ROOF OPENINGS
5. SEE DET. 4 & 5 SHEET S1 FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE 7/8" SHAKE STYLE OR PROP. FINISH SHAKED. SEE NEW CHAPTER AN ADDITIONAL CHAPTER OF SHAKE OF PAPER & SOLID WOOD SHEATHING

DAHLIN GROUP ARCHITECTURE PLANNING
2871 Cole Canyon Rd
San Ramon, CA 94583
925.837.2294
925.837.2543 fax

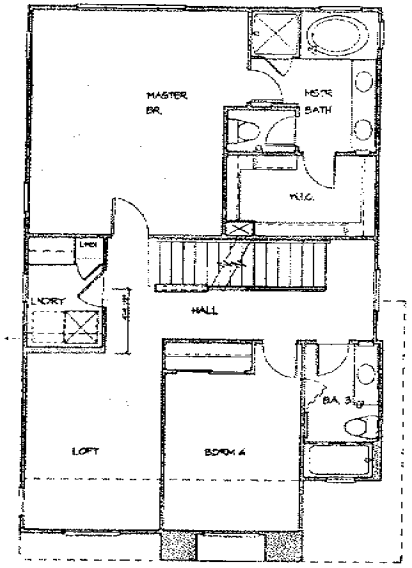
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1.01.1.1 LAUREL PLACE PARKWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

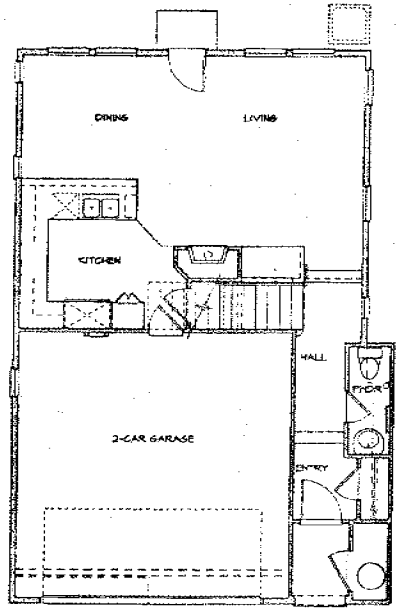
DATE: [illegible]
SCALE: AS SHOWN
DESIGNED:
DRAWN:
JOB:
SHEET: A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 16

AUGUST 3, 2005

Project No.: 320.024

DAHLIN GROUP ARCHITECTURE PLANNING

LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION

SANTA CLARA, CALIFORNIA

TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

DATE AUG. 2005

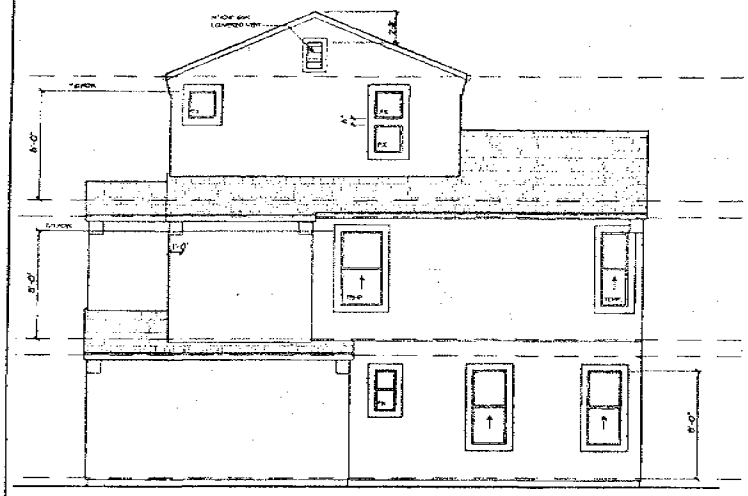
SCALE AS SHOWN

DESIGNER

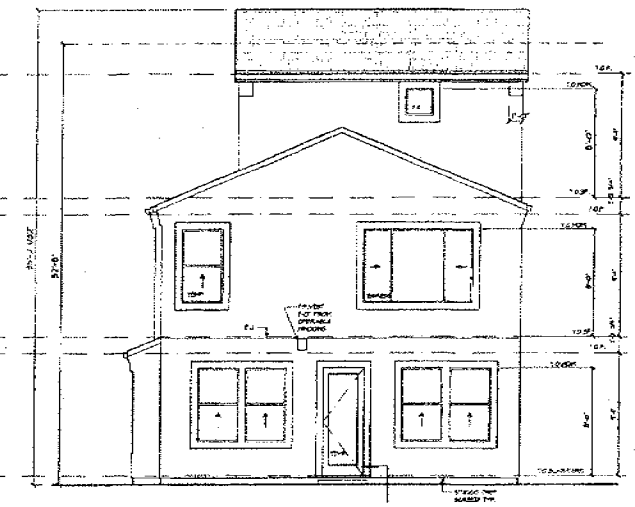
DRAFTER

JOB

SHEET A2.0



RIGHT ELEVATION "A"



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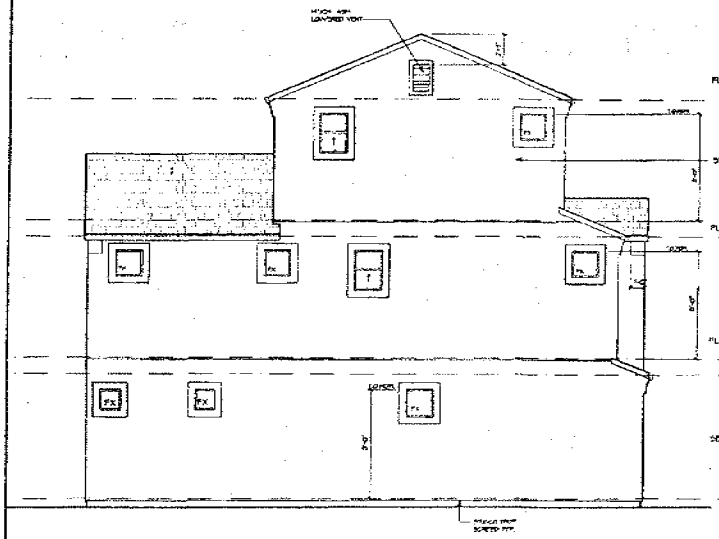


LEFT ELEVATION "A"

FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

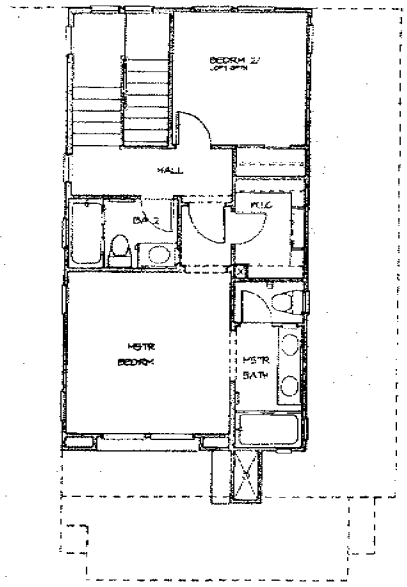
1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]
6. [illegible]

DAHLIN GROUP
2121 Cove Campus Rd
San Ramon, CA 94583
925.837.7000
925.837.7043 Fax

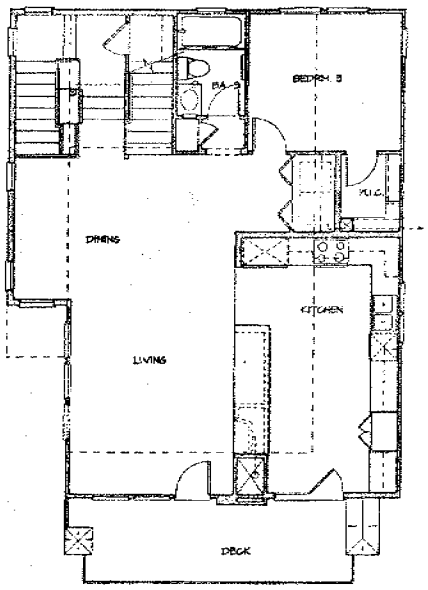
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1337 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

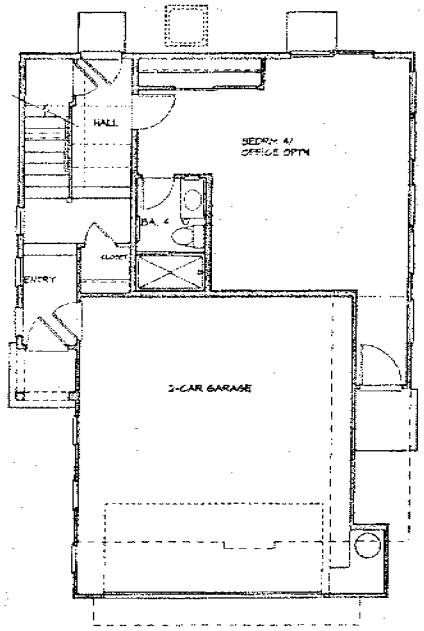
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGN	
DRAFTER	
JOB	
SHEET	A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

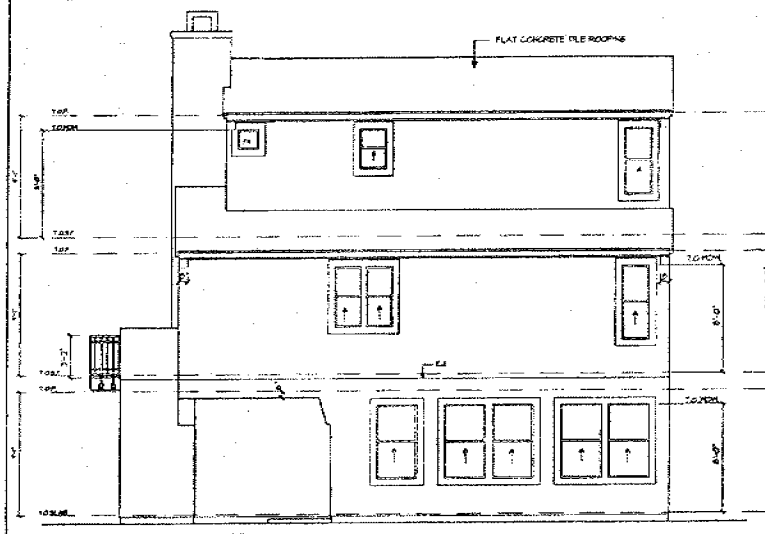
Project No.: 529.07

DAHLIN GROUP

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - FLOOR PLANS

DATE AUG. 2005
SCALE AS SHOWN
DESIGNED ---
DRAWN ---
JOB ---
SHEET A3.0



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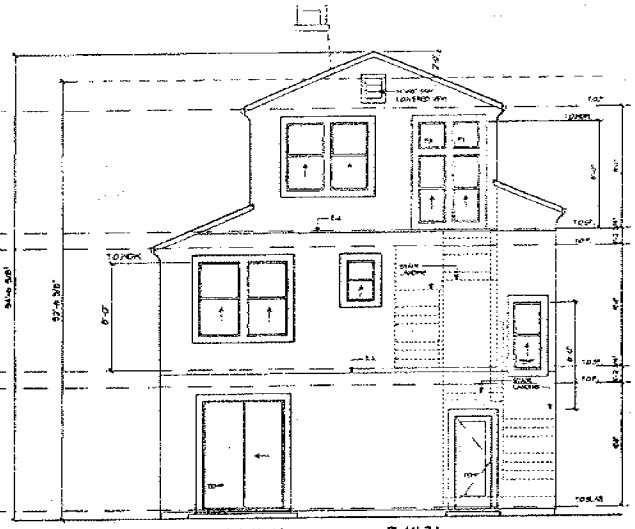
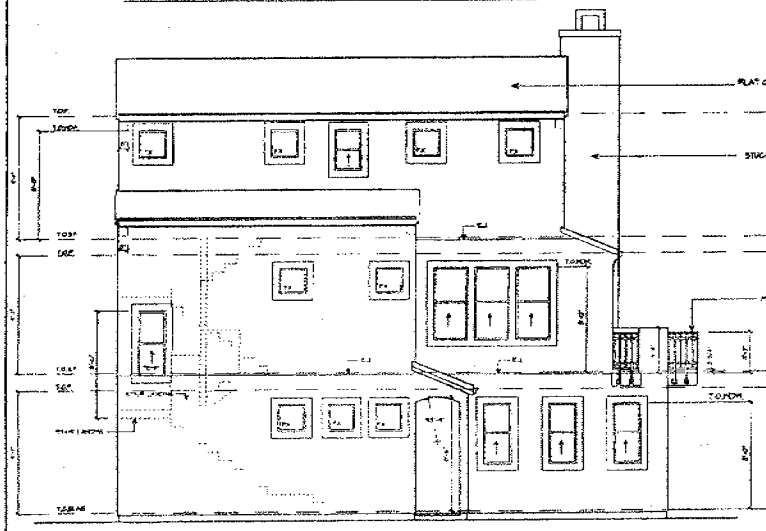
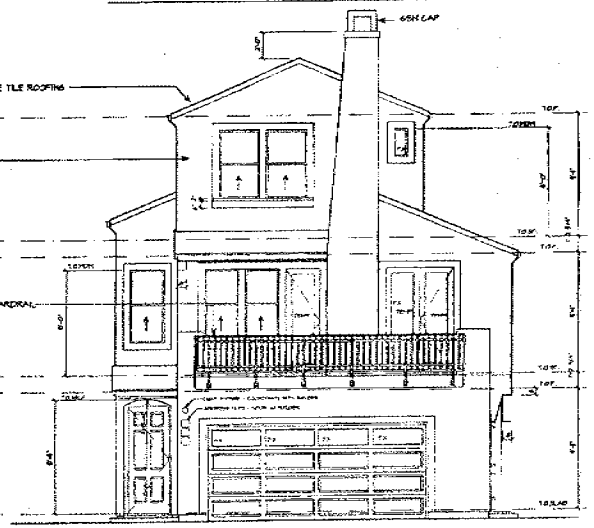


REAR ELEVATION "A"

PLAN 3A



LEFT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF NOTE: ALL ROOF TILE OR SOLID NON-WALL BL
   ALL ELEVATIONS: 1 MONIER/ETILE FLAT "SHADOW SLATE" TILE
2. WINDOW FIELD VENTS: SEE AE FOR COLORS
   FIRST FLOOR: 5'-0" (1.524)
   SECOND FLOOR: 6'-6" (2.134)
   THIRD FLOOR: 7'-0" + 1'-6" (2.134)
3. SEE FLOOR PLANS FOR SHEATHING DESCRIPTION
4. SEE DET. 1/A3.0 FOR TYPICAL FLASHING AT
   WALL OPENINGS
5. SEE DET. 4 & 3/A3.0 FOR TYPICAL WALL INSTALLATION
6. EXTERIOR STUCCO WALL SHALL BE 1/2" SCRATCH BOARDED OVER PAPER BACKED WIRE MESH OVER AN ADDITIONAL LAYER OF GRADE "D" PAPER (2 TOTAL LAYERS)

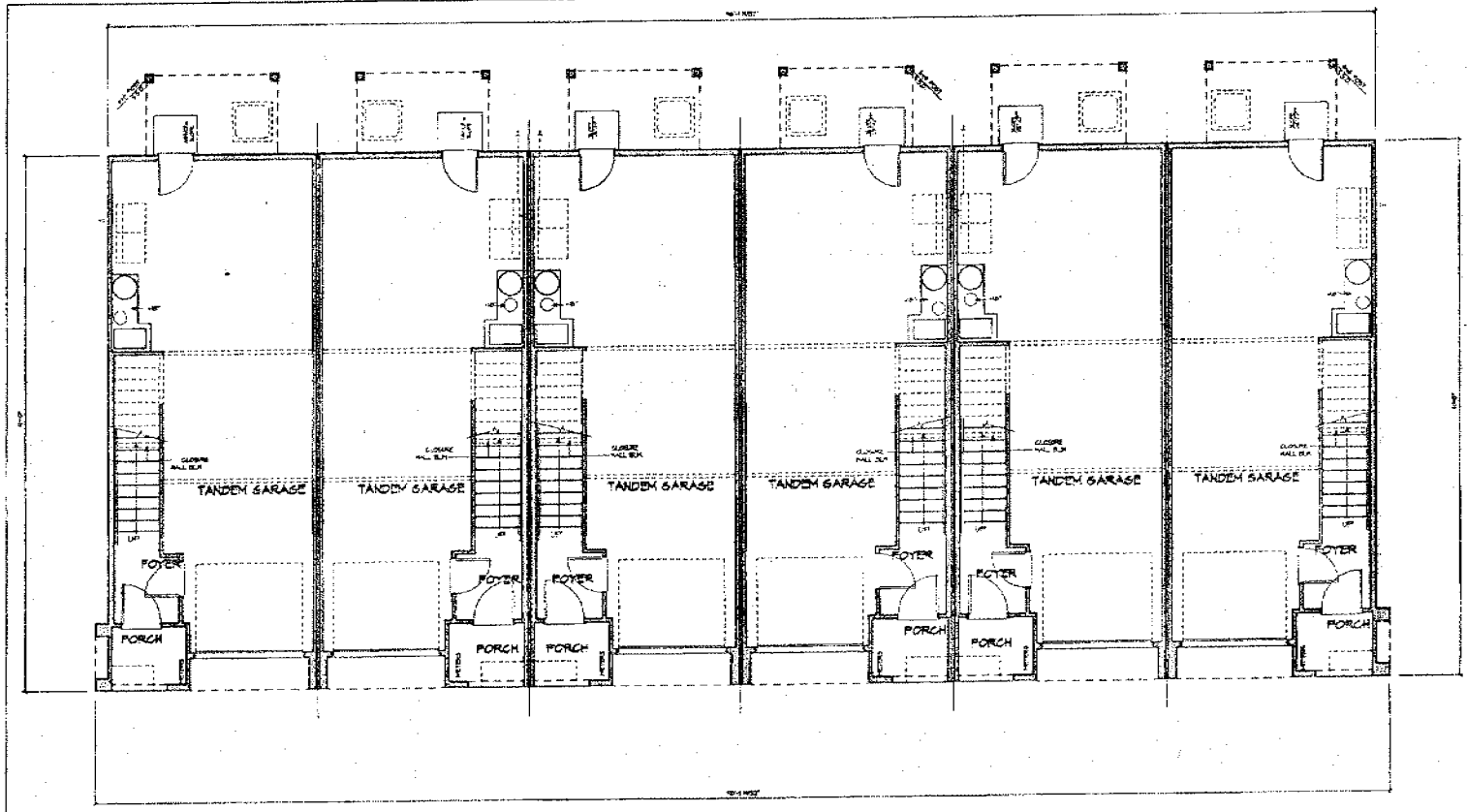
SCALE: 1/4" = 1'-0"
PLOT DATE: 10/3/08
FILENAME: 2 TOWNS SEPARATE FINAL.DWG

DAHLIN GROUP
ARCHITECTURE PLANNING
3671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.9400
925.837.3543 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV. 2008
SCALE	AS SHOWN
DESIGNED	--
DRAWN BY	--
JOB	--
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.
TOTAL: 1,160 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

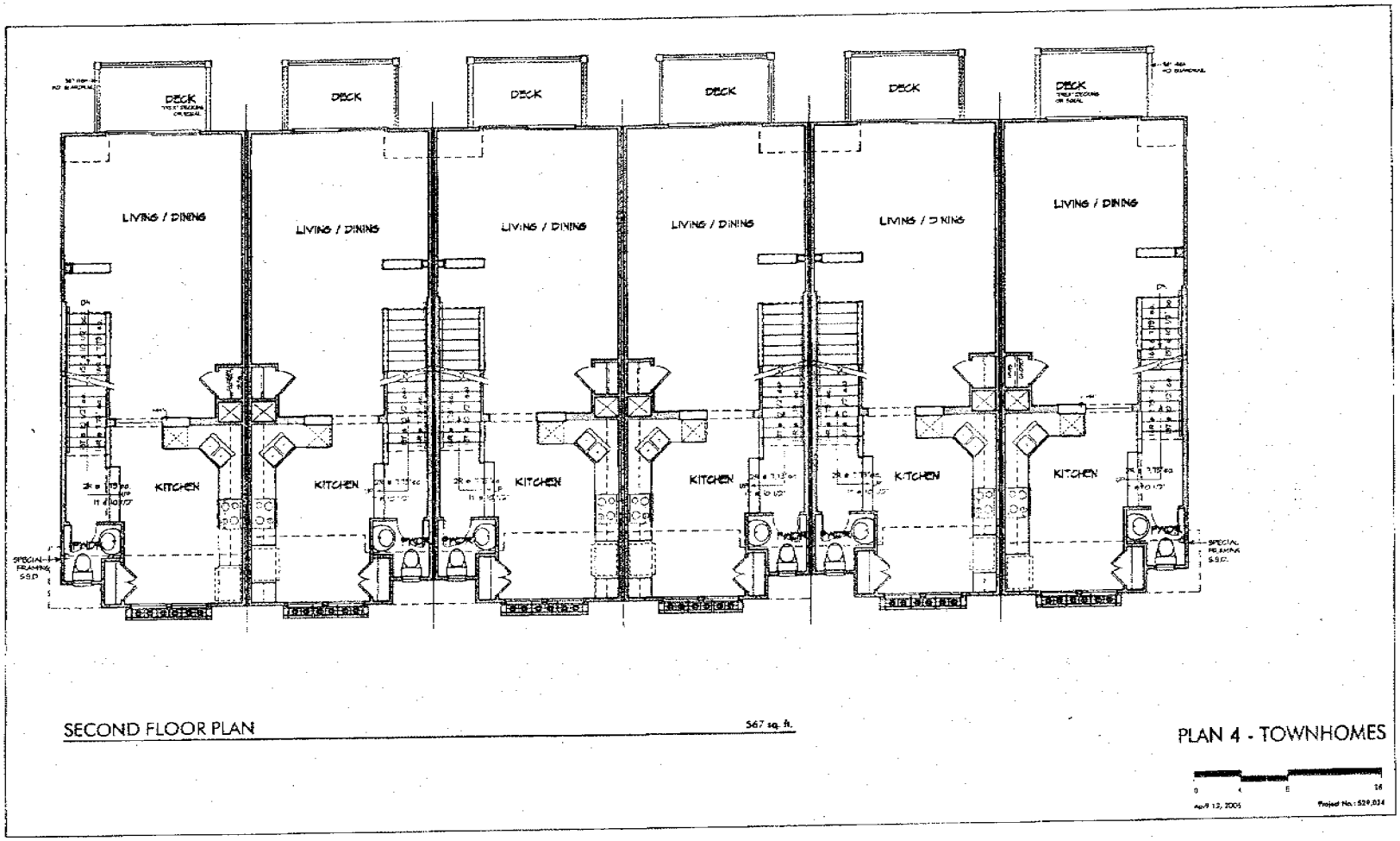
Project No.: 579.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

A4.0

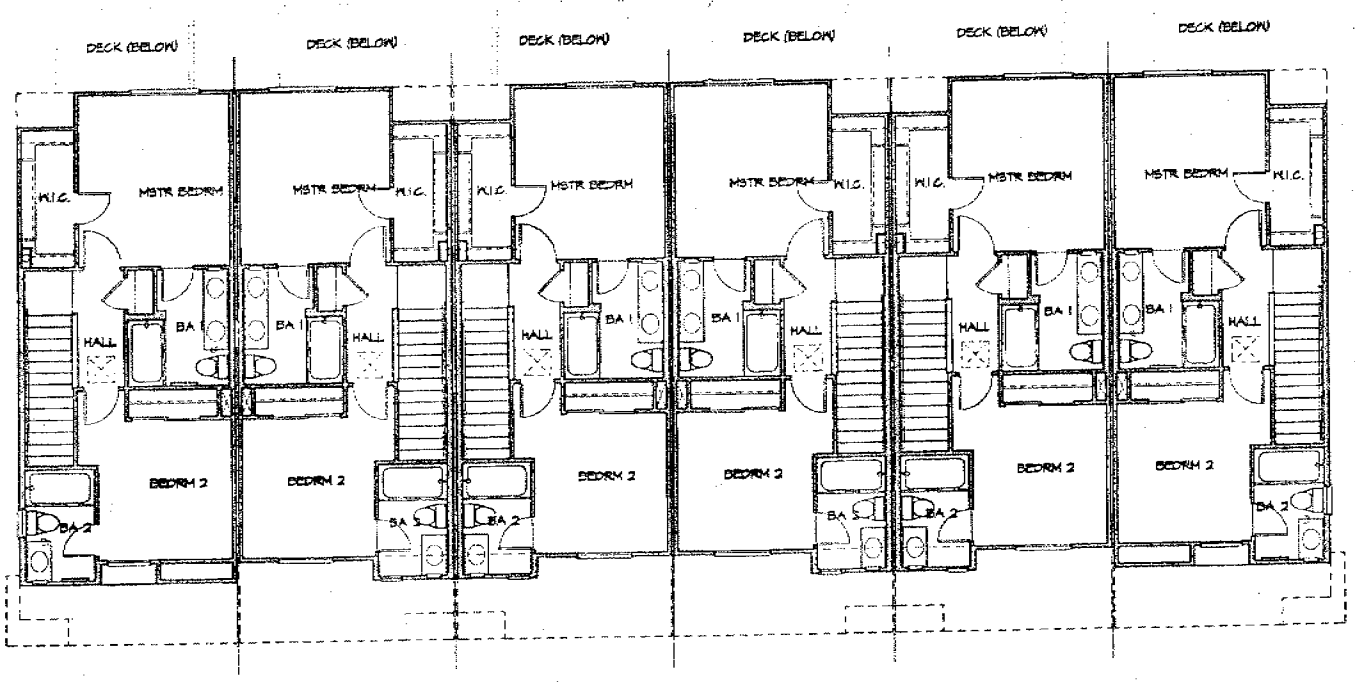


DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1231-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2005
SCALE AS SHOWN
DESIGNED
DRAFTED
JOB
SHEET A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

April 13, 2006

Project No.: 529.074

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

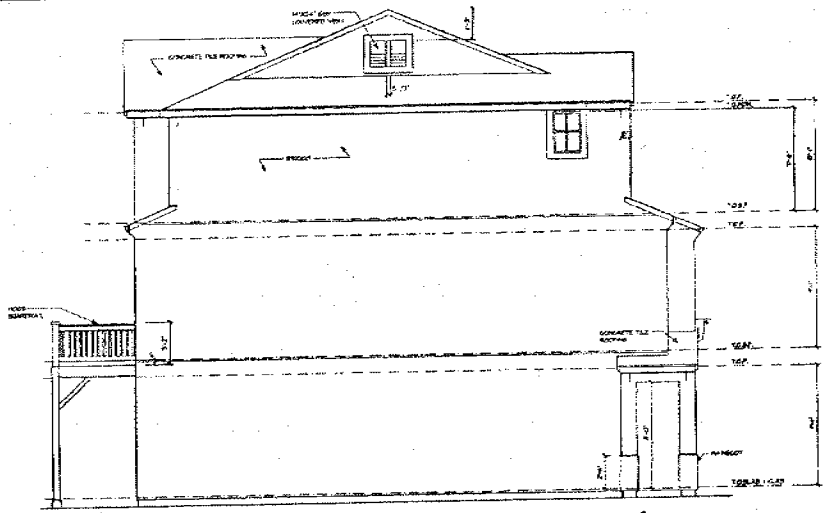
2371 Crow Canyon Rd
San Ramon, CA 94583
925 837 3515
925 837 3515 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1317 - 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE	NOV 2005
SCALE	AS SHOWN
DESIGNED	---
DRAWN	---
CHK	---
PROJ	---

A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 14

Apr-4 13, 2006

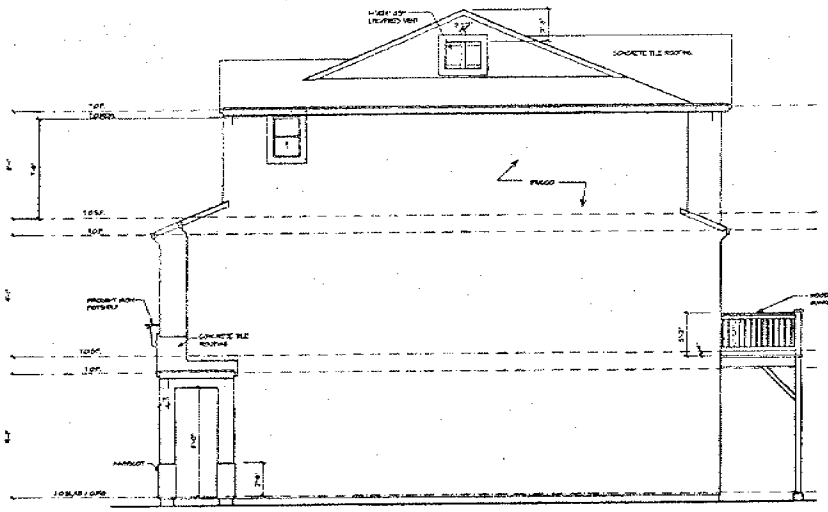
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
5671 Cross Country Rd
San Ramon, Ca 94583
925.837.6586
925.837.2347 fax

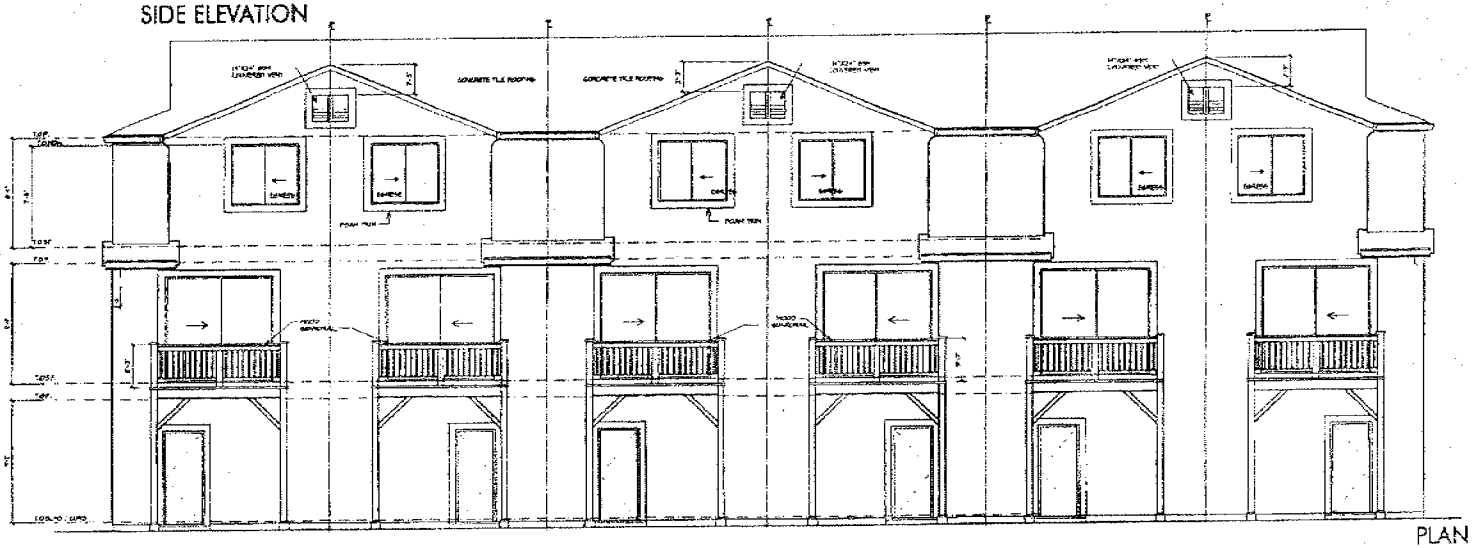
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAUREL PLACE/TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNED	---
DRAFTER	---
JOB	---
SHEET	A4.3



SIDE ELEVATION



REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

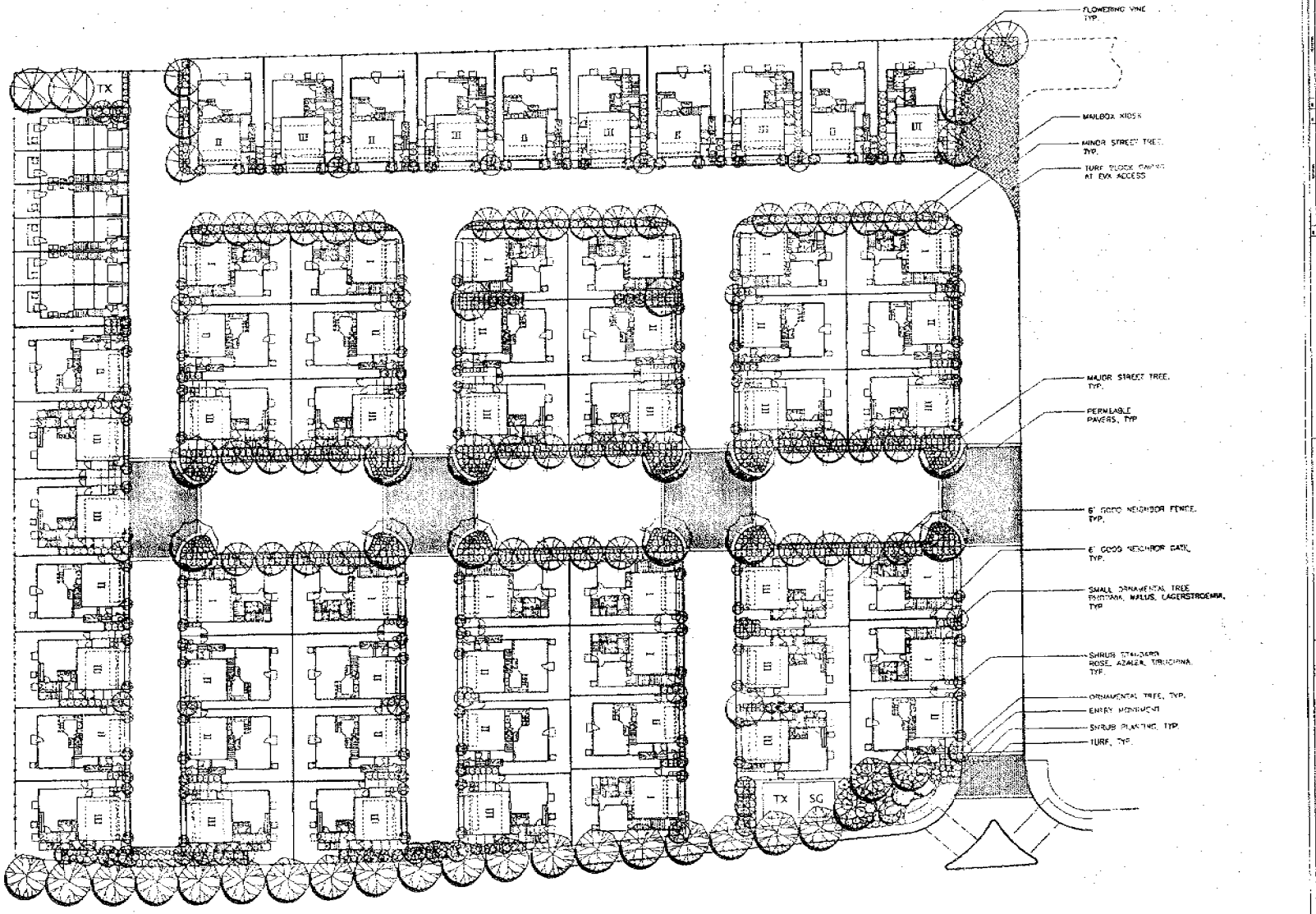
April 13, 2006

DAHLIN GROUP
ARCHITECTURE
PLANNING
2871 Cole Canyon Rd.
San Bernardino, CA 92583
T/F: 877.7.7.5.7 F

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
(33) 1-1/2 STORY TOWNHOMES
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE NOV. 2006
SCALE AS SHOWN
DESIGNED —
DRAWN —
CHECKED —
JOB —
SHEET A4.4

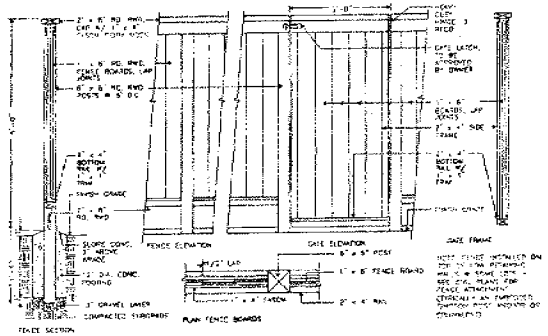


VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
[illegible]

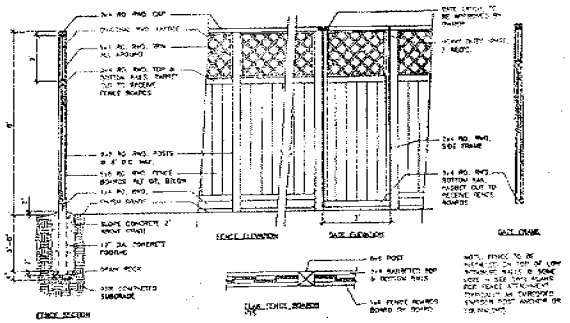
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

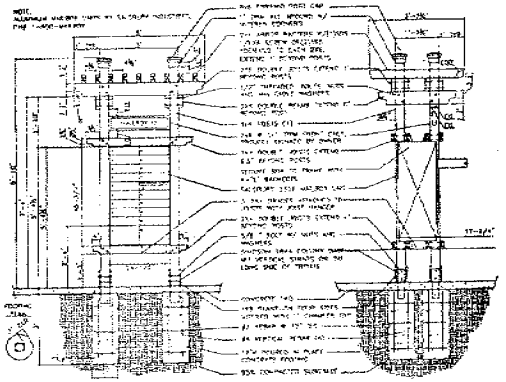
L1.1



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS

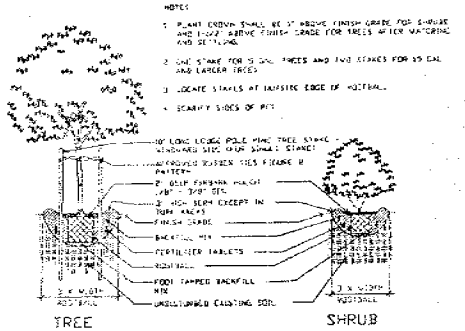


MAILBOX KIOSK
NTS

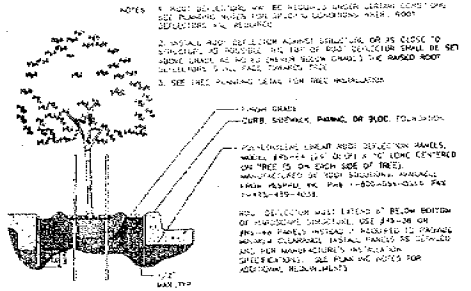
VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

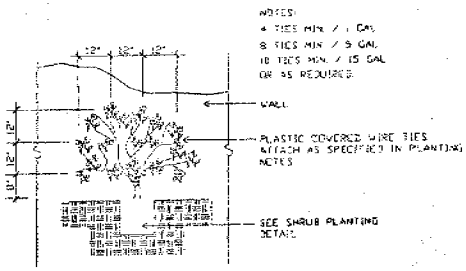
L1.2



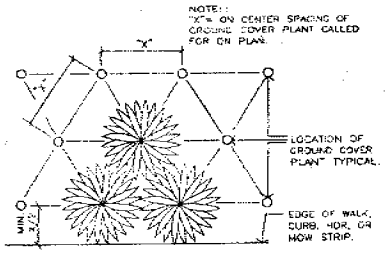
TREE AND SHRUB PLANTING
NTS



ROOT DELECTOR
NTS



VINE TYING PLANTING
NTS



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Chitalpa Tashkentensis	Chitalpa
Chionanthus Retusus	Chinese Fringe Tree
Cupaniopsis Anacardioides	Carrot Wood
Hymenosporum Flavum	Sweetshade
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia Yarwood	Yarwood Sycamore
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Fauri "Cherokee	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Blireana	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis "Majestic Beauty"	India Hawthorn Standard
SHRUBS	
Abelia "Edward Goucher"	Glossy Abelia
Abelia Hondenda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hibiscus
Anisodontea Capensis	Cape Mallow
Artemisia "Powis Castle"	Neat
Clivia Miniata	Kaffir Lily
Coleonema Pulchrum	Breath Of Heaven
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Dodonea Viscosa	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum "Bowles Mauve"	Wallflower
Escallonia Fenji	Escallonia
Escallonia Fradesii	Escallonia
Euryops Pectinatus "Viridis"	Shrub Daisy
Fatsia Japonica "Variegata"	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosemarinifolia	Rosemary Grevillea
Grevillea "Noelii"	Neat
Hebe "Coed"	Neat
Hemerocallis Hybrid Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lantana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavendar
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalum Chinensis 'Rubrum'	Razzleberry
Loropetalum Chinense	Neat
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Nephrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly Leaf Osmanthus
Phormium Tenax Sp.	New Zealand Flax
Phormium 'Jack Spratt'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Rhaphiolepis Indica Spp. India Hawthorn	
Rosmarinus O. 'Tuscan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Neat
Tulbaghia Violacea	Society Garlic
Viburnum Davidii	Neat
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Aptenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Cistostoma Calbaeglodes	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfaderya Unguis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Zeissen	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Solya Heterophyllus	Australian Bluebell Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion dwarf tall fescue

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
28 KOMAND St. Ste 2, SAN RAMONO, CA
P 925 831 9 / 925 979 1 / FAX 925 979 1

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1330 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE
SCALE
DESIGNED
DRAWN
JOB
SHEET L1.3

EXHIBIT B

THE CITY OF SANTA CLARA FINDINGS REQUIRED UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE APPROVAL OF THE MARINA PLAYA PROJECT LOCATED AT 1331–1333 LAWRENCE EXPRESSWAY, SANTA CLARA

(Public Resources Code, Section 21000 et seq.)

I. Introduction

The City of Santa Clara ("City") prepared a Final Environmental Impact Report ("FEIR") for the creation of new single-family and multi-family housing at 1331–1333 Lawrence Expressway consisting of up to 277 rental apartments, 57 single-family detached units and 6 multi-family residential for sale units on a 7.36-acre site located at the northeast corner of Lawrence Expressway and Granada Avenue ("Project"). The proposed Project consists of a development proposal by BRE Properties, Inc. ("BRE") known as "Santa Clara Crossings" (3.20 acres) and the development proposal by Taylor Morrison of California, LLC ("TM") known as "Laurel Place II" (4.16 acres). The Project entitlements from the City include a rezoning from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use), Tentative Map and a Development Agreement.

The findings, recommendations and statement of overriding considerations ("Findings") set forth below are made and adopted by the City Council as the City's findings under the California Environmental Quality Act ("CEQA", Public Resources Code Section 2100 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq.) relating to the Project. The Findings provide the written analysis and conclusions of this City Council regarding the Project's environmental impacts, mitigation measures, alternatives to the

Project, and overriding considerations that, in this City Council's view, justify approval of the Project, despite its environmental effects.

II. General Findings and Overview

A. Procedural Background

A Notice of Preparation ("NOP") of an environmental impact report was circulated to public agencies and the public on October 25, 2007. Thereafter, on January 31, 2008, the Draft Environmental Impact Report ("DEIR") was published for public review and comment and was filed with the State Office of Planning & Research under State Clearinghouse No. 2007102131. The DEIR was made available for review and comment by interested persons and public agencies through March 17, 2008 ("Circulation Period").

The City prepared written responses to the comments received during the Circulation Period for the DEIR. These comments and their related responses are contained in the FEIR. The FEIR consists of: a list of agencies and organizations to whom the DEIR was sent, a list of the comment letters received on the DEIR, revisions to the text of the DEIR, responses to comments received on the DEIR, and copies of comment letters. The FEIR was made available for public review on April 11, 2008.

On April 23, 2008, the City's Planning Commission conducted a public hearing on the Project. At the conclusion of the public hearing, and following consideration of the FEIR, the Planning Commission adopted its Resolution No. 08-004, approving certification of the FEIR and recommending approval of the rezoning, Tentative Map, and Development Agreement for the Project.

B. Record of Proceedings and Custodian of Record

For purposes of CEQA and the Findings set forth herein, the record of proceedings for the City's findings and determinations consists, at a minimum, of the following documents and testimony:

- The FEIR for the Project (SCH#2007102131) and all reports, documents, studies, memoranda, and maps related thereto;
- The NOP and other public notices issued by the City in conjunction with the Project development plan and the DEIR;
- All written and oral comments submitted by agencies or members of the public during the public review period for the DEIR and any public hearings or meeting held on Project approvals;
- All other public reports, documents, studies, memoranda, maps or other planning documents related to the Project or the FEIR and the DEIR, prepared by the City, consultants to the City, or responsible or trustee agencies with respect to the City's compliance with the requirements of CEQA and the Project entitlements;
- The City of Santa Clara General Plan, as amended, and all environmental review documents, findings and statements of overriding considerations made pursuant to Section 21081 of the Public Resources Code related thereto;
- All matters of common knowledge to this City Council, including, but not limited to (1) the Santa Clara General Plan and other applicable policies, (2) the Santa Clara Zoning Ordinance and other applicable ordinances, (3) information regarding the City's fiscal status, (4) applicable City policies and regulations, (5) reports, projections, and documentation regarding development within and

surrounding the City, and (6) federal, state, and county laws, regulations, guidelines, and publications.

The documents described above comprising the record of proceedings are located in the offices of the Planning and Inspection Department, City of Santa Clara, 1500 Warburton Ave., Santa Clara, CA 95050. The custodian of these documents is the Director of Planning and Inspection or his designee.

C. Consideration of the Environmental Impact Report

In making these Findings, this City Council finds that the FEIR was presented to this City Council, which reviewed and considered the information in the FEIR prior to approving the Project. By these findings, this City Council ratifies, adopts and incorporates the analysis, explanation, findings, responses to comments and conclusions of the FEIR. The FEIR represents the independent judgment of the City.

D. Severability

If any term, provision, or portion of these Findings or the application of these Findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these Findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

III. Findings and Recommendations Regarding Significant and Unavoidable Noise Impacts

Implementation of the Project would expose future residents to exterior noise levels in excess of acceptable City standards for residential development. The following mitigation measures are hereby adopted and will be implemented: all noise sensitive, outdoor use areas will be located away from roadways and shielded by buildings wherever possible; and a six-foot

sound wall will be constructed along the western boundary of TM's 4.16-acre portion of the Project site. However, the six-foot sound wall will not be sufficient to reduce the exterior noise level to an acceptable level for the seven (7) houses that will be located along Lawrence Expressway. In addition, no mitigation is proposed to reduce the exterior noise level to an acceptable level for the balconies of the multi-family units with direct line of site or side view of Lawrence Expressway. The economic, social and other benefits of the Project override the remaining significant adverse impact of the Project, as more fully stated in the Statement of Overriding Considerations in Section V, below.

IV. Project Alternatives

A. Background - Legal Requirements

CEQA requires that EIRs assess feasible alternatives or mitigation measures that may substantially lessen the significant effects of projects prior to approval. Public Resources Code Section 21002. With the exception of the "no project" alternative, the specific alternatives or types of alternatives that must be assessed are not specified. CEQA "establishes no categorical legal imperative as to the scope of alternatives to be analyzed in an EIR. Each case must be evaluated on its own facts, which in turn must be reviewed in light of the statutory purpose." *Citizens of Goleta Valley v. Board of Supervisors*, 52 Cal.3d. 553, 556 (1990). The purpose of CEQA is to provide information to decision makers about the potential impacts that projects may have on the environment and to protect public health, welfare and the environment from significant impacts associated with all types of development by ensuring that agencies regulate activities so that major consideration is given to preventing environmental damage while providing a decent home and satisfying living environment for every Californian. Public

Resources Code Section 21000. In short, the objective of CEQA is to avoid or mitigate environmental damage associated with development.

This objective has been largely accomplished in the Project through the inclusion of project modifications and mitigation measures that reduce almost all of the Project's potentially significant impacts to an acceptable level. The courts have held that a public agency "may approve a developer's choice of a project once its significant adverse environment effects have been reduced to an acceptable level - that is, all avoidable significant damage to the environment has been eliminated and that which remains is otherwise acceptable." *Laurel Hills Homeowners Assoc. v. City*, 83 Cal.App.3d 515, 521 (1978). To the extent that significant impacts exist even after the imposition of project modifications and mitigation measures, in Part V of these Findings, the City Council specifically finds, pursuant to Public Resources Code Section 21081(b), that specific overriding economic, legal, social, technological, or other benefits of the Project outweigh the significant effects on the environment.

B. Identification of Project Objectives

The CEQA Guidelines state that the "range of potential alternatives to the proposed project shall include those that could feasibly accomplish most of the basic purposes of the project and could avoid or substantially lessen one of more of the significant effects" of the Project. CEQA Guidelines Section 15126.6(c). Thus, an evaluation of the project objectives is key to determining which alternatives should be assessed in the EIR.

The EIR identifies the two (2) primary objectives of the City for this Project as follows:

1. Provide single-family and multi-family housing at an infill location near major transportation routes in the City in accordance with the City's General Plan;

2. Achieve the City's land use and housing objectives, including: increasing the supply of rental housing and affordable housing, improving the jobs/housing balance, converting the current underutilized commercial use of the site, and encouraging transit-oriented development that reduces dependence of private vehicles.

C. Alternatives Analyzed in the EIR

This section of these Findings discusses the alternatives that were fully analyzed in the EIR and also explains why certain potential alternatives were removed from further consideration after initial evaluation. The EIR fully evaluated the alternatives listed in paragraphs 1 through 4 below.

1. No Project Alternative

The No Project Alternative is rejected as an alternative because it would not attain any of the City's primary Project objectives identified in the EIR and these Findings. The No Project Alternative would result in the continued use of the site as general office which is inconsistent with the City's General Plan, which designates the Project site as transit-oriented mixed use, and is inconsistent with the objective of converting the existing underutilized commercial space into residential transit-oriented development. This alternative would also not meet the City's objectives related to the provision of single-family and multi-family housing at an in-fill location near major transportation routes. Because the No Project Alternative does not accomplish the basic purposes of the Project, the City Council specifically finds this alternative to be infeasible.

2. Reduced Density Alternative

The Reduced Density Alternative is rejected as an alternative because it would not attain one or more the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. The Reduced

Density Alternative would remove the seven (7) single-family homes proposed along the Lawrence Expressway frontage. The Reduced Density Alternative would not fully meet the City's primary objectives for the Project because it would result in fewer single-family units and a reduction in the mix of single-family and high-density residential development on the Project site. Furthermore, even with reduced density, the noise impacts would remain significant. As a result, the City Council specifically finds this alternative to be infeasible.

3. Alternate Sound Wall Design

The Alternate Sound Wall Design is rejected as an alternative because it would not attain one or more of the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. Even if the sound wall height were increased from six (6) feet to 10 feet, residents along the Lawrence Expressway frontage would still experience noise levels in excess of the City threshold. Although a taller sound wall may reduce noise levels to within the City threshold, such a high sound wall is undesirable as its close proximity to the proposed houses could diminish the quality of life on the Project site. Therefore, the City Council specifically finds this alternative to be infeasible.

4. Combined Reduced Density/Sound Wall Design Alternative

The Combined Reduced Density/Sound Wall Design Alternative is rejected as an alternative because it would not attain the City's primary Project objectives identified in the EIR and these Findings and would not avoid or substantially lessen one of more of the significant effects. Even if the sound wall height were increased, residents along the Lawrence Expressway frontage would still experience noise levels in excess of the City threshold. The Combined Reduced Density/Sound Wall Design Alternative would not fully meet the City's primary objectives for the Project because it would result in fewer single-family units and a reduction in

the mix of single-family and high-density residential development on the Project site. As a result, the City Council specifically finds this alternative to be infeasible.

D. Environmentally Superior Alternative

The EIR identifies the Combined Reduced Density/Sound Wall Design Alternative as the environmentally superior alternative. Although that alternative is environmentally superior to the proposed Project, it is rejected as infeasible for the reasons given above in the discussion of that alternative.

V. Statement of Overriding Considerations

The City Council adopts this Statement of Overriding Considerations, finding that this Project includes all feasible measures that would eliminate or substantially lessen the significant impacts of the Project on the environment, and that the remaining significant, unavoidable impacts of the Project are acceptable in light of the environmental, economic, social and other considerations set forth herein because the benefits of the Project outweigh the significant unavoidable adverse impacts of the Project.

The Project will replace underutilized commercial buildings with new single-family and multi-family rental and for-sale housing, including some affordable housing, at an infill location near major transportation routes in the City. The Project site has been identified in the City General Plan for transit-oriented mixed use. The Project would further the City's General plan policies, goals and objectives to encourage new ownership or rental housing in mixed use designations near major transit services, help the City meet its fair share housing obligation, and improve the jobs/housing balance. Specifically, the Project would provide up to 277 rental apartment units, 57 single-family detached units and 6-multi-family residential for sale units on Lawrence Expressway.

This City Council finds that each of the overriding considerations set forth herein constitutes a separate and independent ground for finding that the benefits of the Project outweigh its significant unavoidable adverse environmental impacts and sets forth an overriding consideration warranting approval of the Project.

This City Council has considered the FEIR, the public record of proceedings on the proposed Project and other written materials presented to the City as well as oral and written testimony at all public hearings and meetings related to the Project, and does hereby determine that implementation of the Project as specifically provided in the Project documents would result in substantial public benefits as set forth herein.

The City Council has weighed the benefits of the proposed Project against its unavoidable environmental impacts identified in the FEIR, and hereby determined that those benefits outweigh the risks and adverse environmental effects, and therefore, further determines that these risks and adverse environmental effects are acceptable.

EXHIBIT C

THE CITY OF SANTA CLARA MITIGATION MONITORING AND REPORTING PROGRAM FOR THE APPROVAL OF THE MARINA PLAYA PROJECT LOCATED AT 1331 – 1333 LAWRENCE EXPRESSWAY, SANTA CLARA

MITIGATION MONITORING AND REPORTING PROGRAM

MARINA PLAYA RESIDENTIAL PROJECT

CITY OF SANTA CLARA

APRIL 2008

PREFACE

Section 21081 of the California Environmental Quality Act (CEQA) requires a Lead Agency to adopt a Mitigation Monitoring and Reporting Program whenever it approves a project for which measures have been required to mitigate or avoid significant effects on the environment. The purpose of the monitoring and reporting program is to ensure compliance with the mitigation measures during project implementation.

The Final EIR concluded that the implementation of the project could result in a number of significant effects on the environment and mitigation measures were incorporated into the proposed project or are required as a condition of project approval. This Mitigation Monitoring and Reporting Program addresses those measures in terms of how and when they will be implemented.

This document does *not* discuss those subjects for which the Final EIR concluded that the impacts from implementation of the project would be less-than-significant.

MITIGATION MONITORING AND REPORTING PROGRAM 2585 EL CAMINO REAL MIXED USE PROJECT				
Impact	**Mitigation**	**Timeframe for Implementation**	**Responsibility for Implementation**	**Oversight of Implementation**
AIR QUALITY				
Construction of the proposed project would result in exposing sensitive receptors to temporary air quality impacts associated with dust and particulate matter generation. **(Significant Impact)**	1) Water all active construction areas at least twice daily or as often as needed to control dust emissions; 2) Cover all trucks hauling soil, sand, and other loose materials and/or ensure that all trucks hauling such materials maintain at least two feet of freeboard; 3) Pave, apply water twice daily, or as often as necessary, to control dust, or apply non-toxic soil stabilizers on all unpaved access roads, parking areas and staging areas at construction areas; 4) Sweep daily, or as often as needed, with water sweepers all paved access roads, parking areas and staging areas at construction sites to control dust; 5) Sweep public streets daily, or as often as needed, to keep streets free of visible soil material; 6) Hydroseed or apply non-toxic soil stabilizers to inactive construction areas; 7) Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles (dirt, sand, etc; 8) Limit vehicle traffic speeds on unpaved roads to 15 mph; 9) Replant vegetation in disturbed areas as quickly as possible.	During construction phase.	Project applicant	Director of Planning and Inspection Director of Public Works
BIOLOGICAL RESOURCES				
If breeding raptors are present, demolition and construction activities during the nesting season may result in the disturbance or destruction of nearby breeding raptors or their nests. **(Significant Impact)**	Preconstruction surveys for nesting raptors will be conducted between September and January by a qualified ornithologist or wildlife biologist to ensure that no raptor nests will be disturbed during demolition and construction activities. The survey shall be conducted no more than 14 days prior to initiation of demolition/construction activities during the early part of the breeding season (January to April) and no more than 30 days prior to initiation of these activities during the late part of the breeding season (May to August). During the survey, the ornithologist/biologist will inspect all trees for raptor nests. If an active raptor nest is found close enough to the demolition/construction area to be disturbed, the ornithologist/biologist (in conjunction with the California Department of Fish and Game) will determine the extent of a construction-free buffer zone to be established around the nest. The project will maintain the buffer zone, allowing no intrusion or impacts to the tree(s), until after the breeding season has ended and young birds are functioning free of the nest(s).	Prior to issuance of demolition or grading permits.	Project applicant.	Director of Planning and Inspection California Department of Fish and Game

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
GEOLOGY AND SOILS				
Implementation of the proposed project would increase the potential for erosion and sedimentation until construction is complete and new vegetation is established. **(Significant Impact)**	1) All excavation and grading work will be scheduled in dry weather months, or construction sites will be weatherized to withstand or avoid erosion. 2) Stockpiles and excavated soils will be covered with secured tarps or plastic sheeting. 3) Existing vegetation will be removed only when it is absolutely necessary. 4) Vegetation in disturbed areas will be replanted as quickly as possible. 5) Ditches will be installed, if necessary, to divert runoff around excavations and graded areas.	During construction phase	Project Applicant	Director of Planning and Inspection
HAZARDOUS MATERIALS				
Implementation of the proposed project will result in the demolition of buildings containing ACMs and possibly lead-based paint. Buildings demolished in conformance with federal and state laws and regulations will not expose construction workers and/or the public to airborne contaminants, including lead-based paint and asbestos. **(Significant Impact)**	1) All demolition activities would be undertaken according to OSHA and EPA standards to protect workers, and off-site occupants from exposure to asbestos and lead based paint. Specific measures include air monitoring during demolition of existing buildings and construction activities. 2) Building materials classified as hazardous materials would be disposed of in conformance with federal, state, and local laws.	During demolition phase	Project Applicant	Director of Planning and Inspection OSHA

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
HYDROLOGY				
Implementation of the proposed project would result in increased stormwater pollution during construction. **(Significant Impact)**	*Construction Mitigation* 1) Burlap bags filled with drain rock will be installed around storm drains to route sediment and other debris away from the drains. 2) Earthmoving or other dust-producing activities would be suspended during periods of high winds. 3) All exposed or disturbed soil surfaces would be watered at least twice daily to control dust as necessary. 4) Stockpiles of soil or other materials that can be blown by the wind would be watered or covered. 5) All trucks hauling soil, sand, and other loose materials would be covered and all trucks would be required to maintain at least two feet of freeboard. 6) All paved access roads, parking areas, staging areas and residential streets adjacent to the construction sites would be swept daily (with water sweepers). 7) Vegetation in disturbed areas would be replanted as quickly as possible. 8) Storm Water Permit will be administered by the RWQCB. Prior to construction grading for the proposed land uses, the applicant will file an NOI to comply with the General Permit and prepare a SWPPP which addresses measures that would be included in the project to minimize and control construction and post-construction runoff. The following measures would be included in the SWPPP: – Preclude non-stormwater discharges to the storm water system. – Effective, site-specific Best Management Practices for erosion and sediment control during the construction and post-construction periods. – Cover soil, equipment, and supplies that could contribute non-visible pollution prior to rainfall events or perform monitoring of runoff. – Perform monitoring of discharges to the storm water system. 9) The project will submit a copy of the draft SWPPP to the City of Santa Clara for review and approval prior to construction of the project site. The certified SWPPP will be posted at the project site and will be updated to reflect current site conditions. *Post-Construction Measures* 1) When the construction phase is complete, a Notice of Termination (NOT) for the General Permit for Construction will be filed with the RWQCB and the City of Santa Clara. The NOT will document that all elements of the SWPPP have been executed, construction materials and waste have been properly disposed of, and a post-construction storm water management plan	During construction phase and post-construction	Project applicant	Director of Planning and Inspection Regional Water Quality Control Board

Impact	Mitigation	Timeframe for Implementation	Responsibility for Implementation	Oversight of Implementation
HYDROLOGY *Continued*				
See Previous Page	is in place as described in the SWPPP for the site. 2) As part of the mitigation for post-construction runoff impacts addressed in the SWPPP, the project will implement regular maintenance activities (i.e., sweeping, maintaining vegetative swales, cleaning storm water inlet filters, fossil filters, litter control, and other activities as specified by the City) at the site to prevent soil, grease, and litter from accumulating on the project site and contaminating surface runoff. Storm water catch basins will be stenciled to discourage illegal dumping. 3) Landscape designs for stormwater treatment (including bio-swales and landscape islands in the parking lots) that meets the requirements of Provision C.3. of the City's NPDES permit will be submitted with the development plans and must be approved by the Planning Department prior to issuance of building permits.	*See Previous Page*	*See Previous Page*	*See Previous Page*
NOISE				
Noise generating activities associated with demolition, grading and construction activities on the project site would temporarily elevate noise levels in the area surrounding the project site. **(Significant Temporary Impact)**	1) Construction and demolition activities shall be limited to the period between 7:00 AM and 6:00 PM Monday through Friday and 9:00 AM to 6:00 PM on Saturday. No construction or demolition activities are permitted on Sundays or holidays; 2) The contractor shall be required to use available noise suppression devices and properly maintain and muffle internal combustion engine-driven construction equipment; 3) The contractor shall designate a disturbance coordinator and post the name and phone number of this person at easy reference points for the surrounding land uses. The disturbance coordinator shall respond to and address all complaints about noise.	During Construction	Project Applicant	Director of Planning and Inspection Director of Public Works
Implementation of the proposed project would expose future residents to exterior noise levels in excess of acceptable City standards for residential development. **(Significant Impact)**	1) All noise sensitive, outdoor use areas will be located away from roadways and shielded by buildings whenever possible. 2) A six-foot sound wall will be constructed along the western boundary of the T-M project site. The wall will be constructed of wood or concrete and will not have any gaps or openings except for the driveway entrance.	During design and construction phases	Project Applicant	Planning Department

SOURCE

City of Santa Clara, **Final EIR for the Marina Playa Residential Project,** January 2008.

RESOLUTION NO. 08-7517

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, APPROVING THE TENTATIVE MAP FOR THE TAYLOR MORRISON OF CALIFORNIA, LLC PORTION OF THE MARINA PLAYA PROJECT LOCATED AT 1331-1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, on November 18, 2005, Taylor Morrison of California, LLC ("TM") made an application for a tentative map in connection with the development of the northerly 4.16-acre portion of the 7.36 acre property located at 1331-1333 Lawrence Expressway, Santa Clara, California ("Marina Playa Project"); and

WHEREAS, Section 17.05.210 of "The Code of the City of Santa Clara, California" ("SCCC") requires the approval of a tentative map for the division of land into five or more parcels; and

WHEREAS, SCCC Section 17.05.300(h) requires that the City Council hold a public hearing to consider the approval of a tentative map for the division of land into five or more parcels; and

WHEREAS, in order to create the appropriate parcels for TM's development of up to 57 single-family detached units and 6 multi-family residential units on the northerly 4.16-acre portion of the Marina Playa Project site, all as shown on the Development Plan, attached hereto and incorporated herein by reference, as Exhibit A ("Development Plan"), the lot lines of the property need to be reconfigured and specific easements need to be created, all as shown on the tentative map attached hereto as Exhibit B ("Tentative Map"); and

WHEREAS, notice of the public hearing on the Tentative Map was published in the *Santa Clara Weekly*, a newspaper of general circulation, on April 30, 2008; and

WHEREAS, before considering the Tentative Map, the City Council reviewed and considered the information contained in the Final Environmental Impact Report for the Marina Playa Project (SCH #20071021631) ("FEIR"), and finds that mitigation measures identified in the FEIR have been imposed on and incorporated into the FEIR and this Tentative Map, which mitigate or avoid the significant environmental effects, and that specific economic, social and other considerations make infeasible the project alternatives which would avoid or mitigate the environmental impacts; and

WHEREAS, the Marina Playa Project entitlements will include Resolution No. 7516 ("FEIR Resolution"); Resolution No. 7518 ("Rezoning Resolution"); Ordinance No. 1840 ("Development Agreement Ordinance"); and this Tentative Map Resolution (collectively, "Entitlements"); and

WHEREAS, the City Council has reviewed the Tentative Map and conducted a public hearing.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, THAT IT APPROVES THE TENTATIVE MAP AS FOLLOWS:

1. That this Resolution incorporates, and by this reference makes a part hereof, that certain Tentative Map, attached hereto as Exhibit B.

2. Pursuant to California Government Code Sections 66426 and 66428 and Section 17.05.300(h) of the Code of the City of Santa Clara, the City Council finds and determines that the Tentative Map is consistent with the objectives, policies, general land uses and programs specified in the City's General Plan because the Tentative Map creates tracts of land suitable to support a transit-oriented housing development.

3. That the Tentative Map is subject to the conditions set forth in Exhibit C, attached hereto and incorporated by this reference

4. That, based on the findings set forth in this Tentative Map Resolution, the FEIR Resolution, and the evidence in the Staff Report and such other evidence as received at the public hearings on this matter before the City Council and the Planning Commission, the City Council hereby approves the Tentative Map, substantially in the form on file as shown in Exhibit B, with the Director of Planning and Inspection, subject to the conditions of approval, attached as Exhibit C.

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5. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST:

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Plan
2. Exhibit B: Tentative Map
3. Exhibit C: Conditions of Approval for Tentative Map

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: DON REBER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

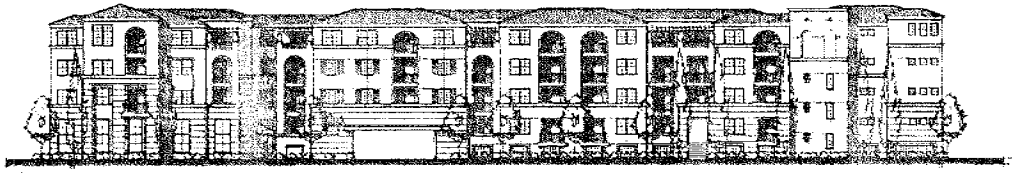
KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-6555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

THE GUZZARDO PARTNERSHIP, INC
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY



SHEET INDEX:

SHEET INDEX	SHEET #
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LANDSCAPE DRAWINGS	
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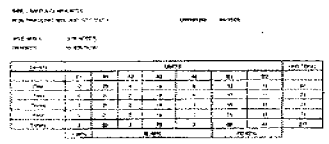

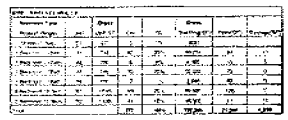

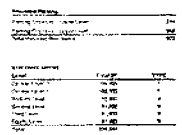

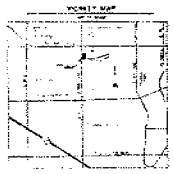

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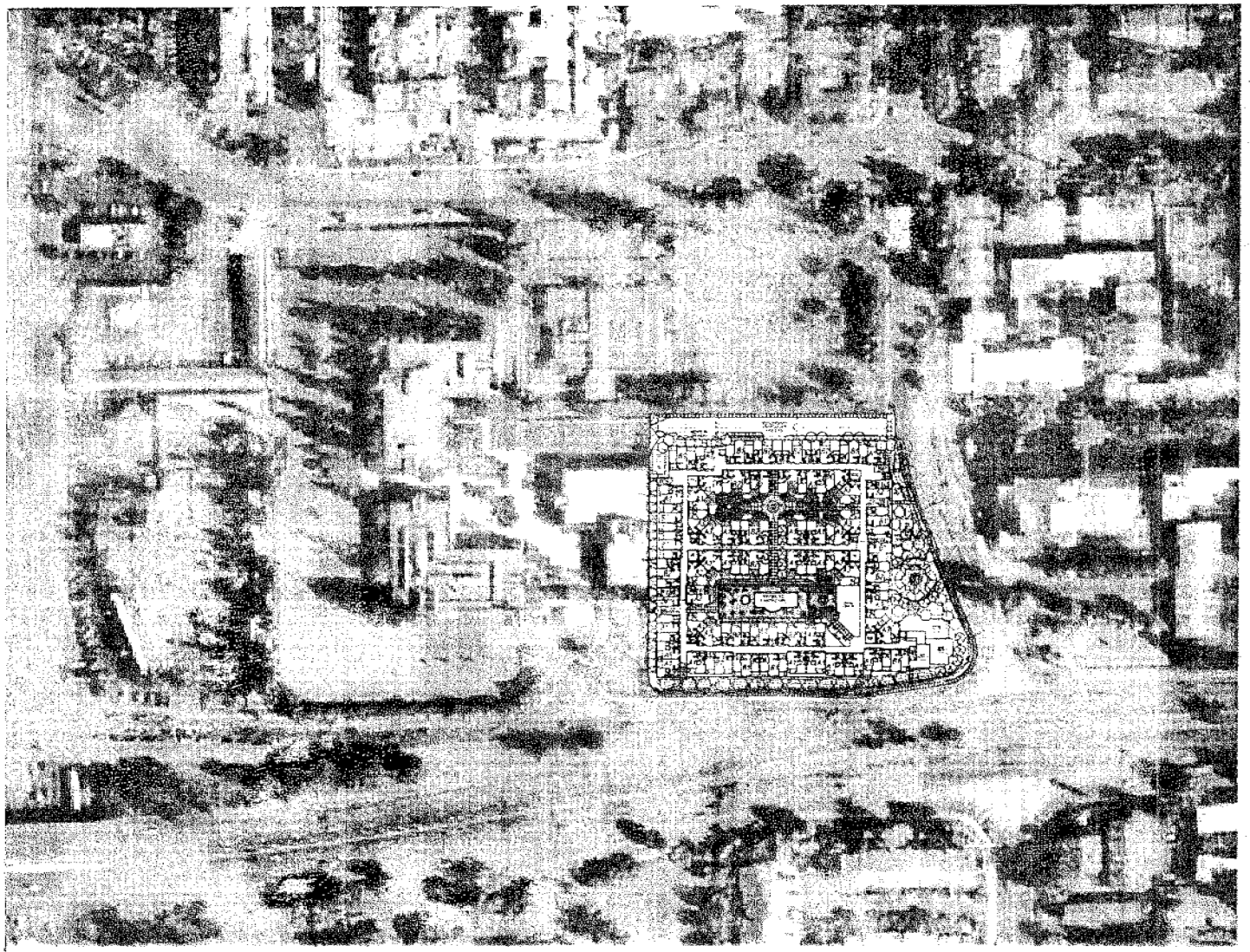
2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS | STA. CLARA, CALIFORNIA | DESIGN SUBMITTAL

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

COMPOSITE SITE PLAN

0' 50' 100' 150'

SCALE: 1/50" = 1'-0"

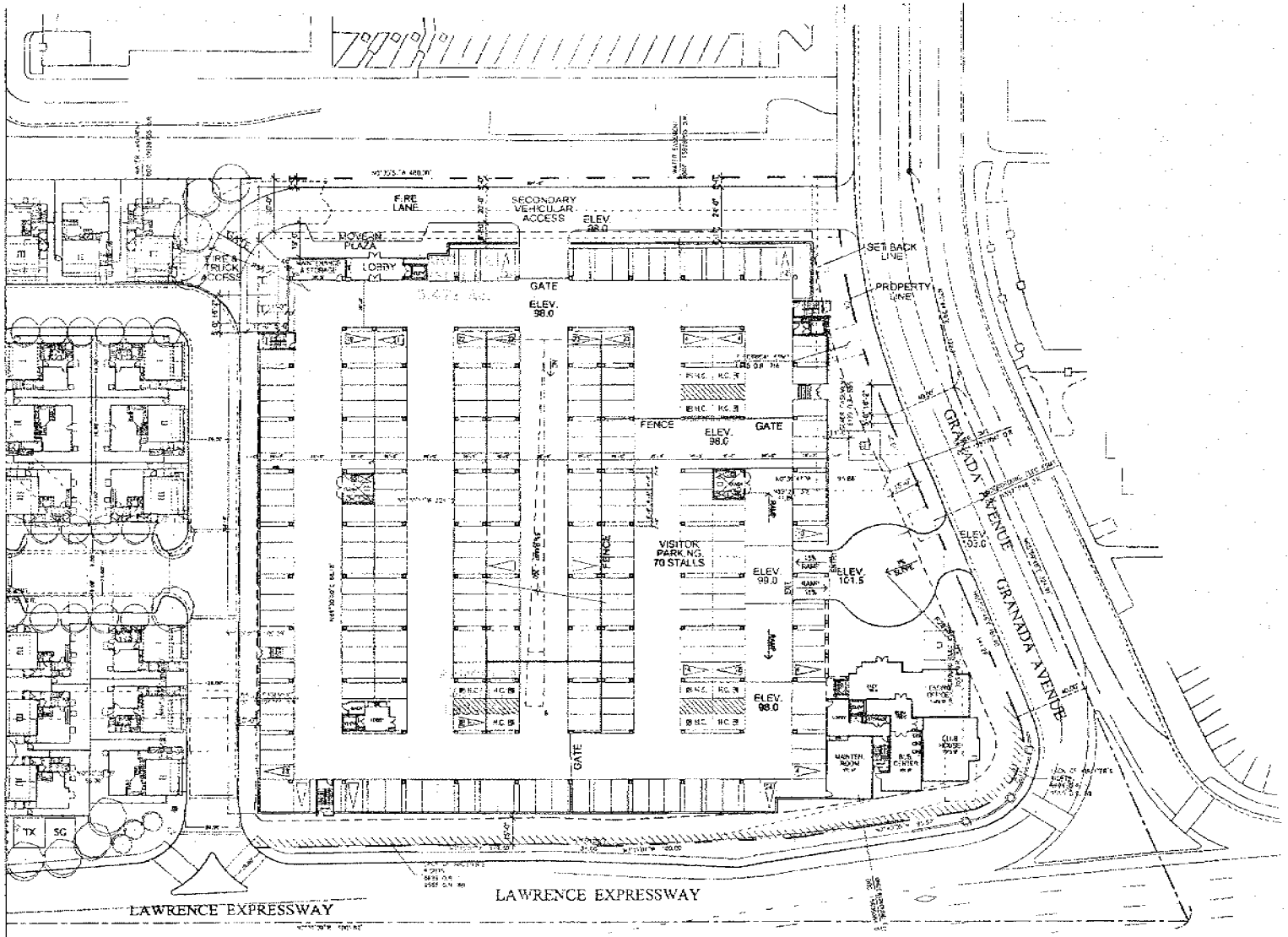
A-1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

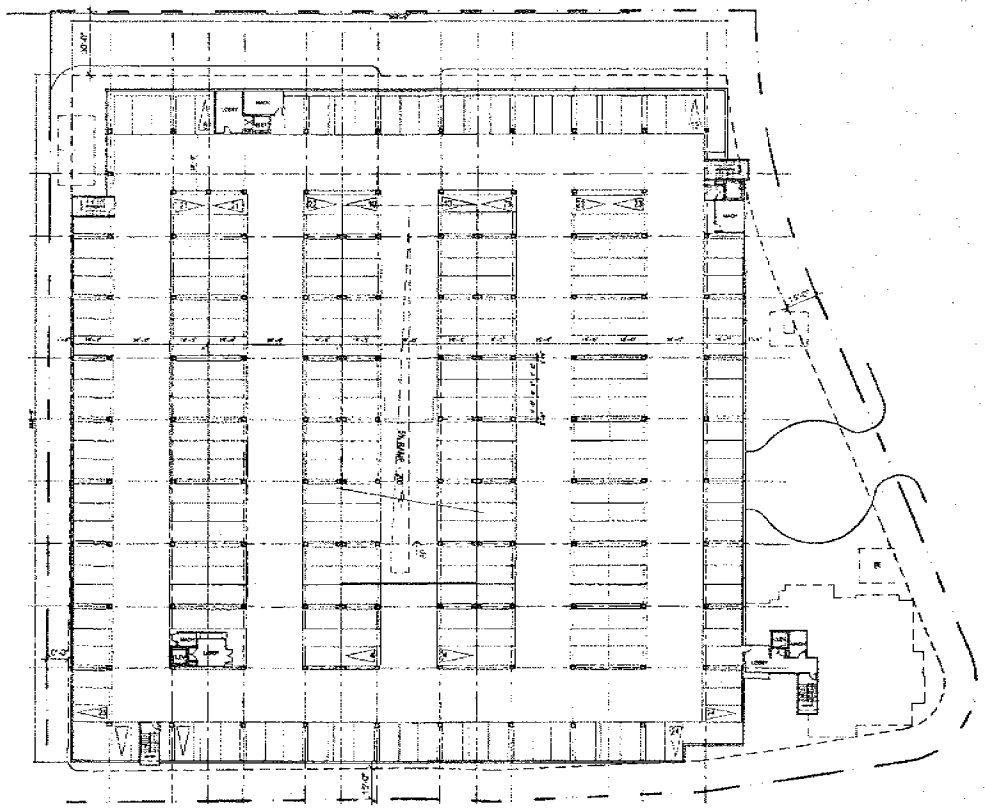
A-1.1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE
144 NORTH ORANGE ST., ORANGE, CALIFORNIA 92868 (714) 639-5860



NORTH

CARAGE
LEVEL 02

5' 20' 60' 48'

SCALE: 1/20" = 1'-0"

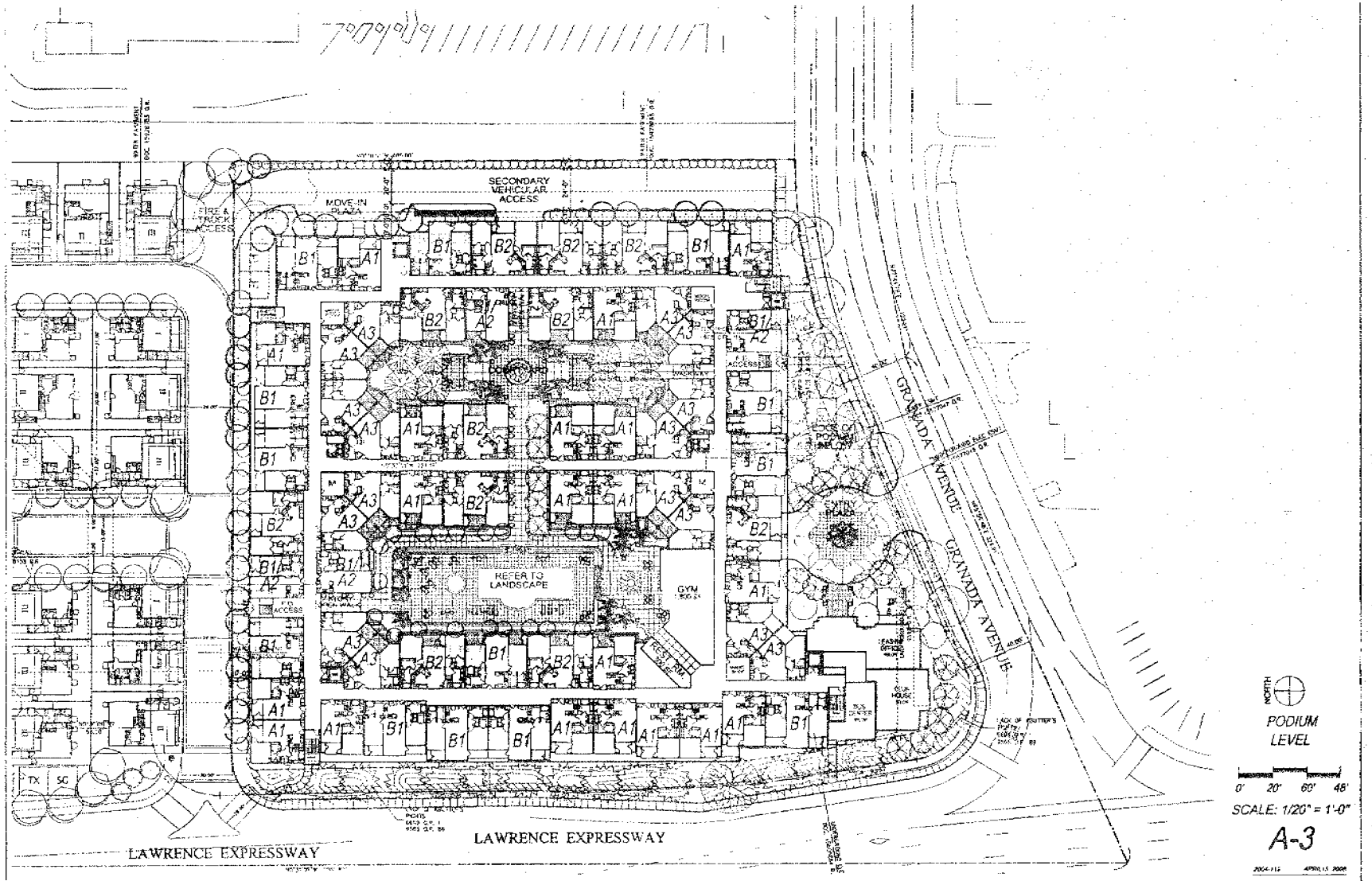
A-2

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

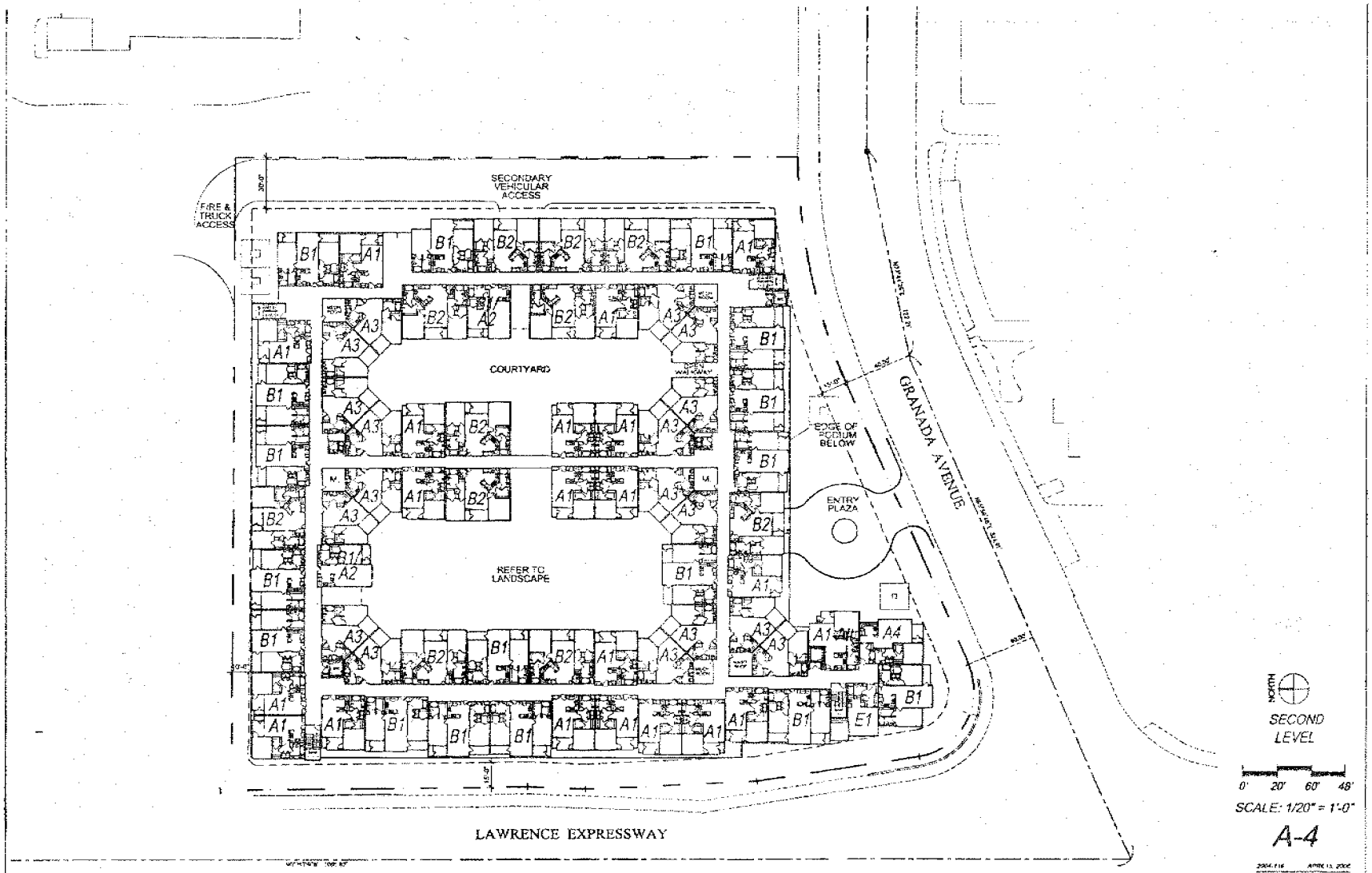


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

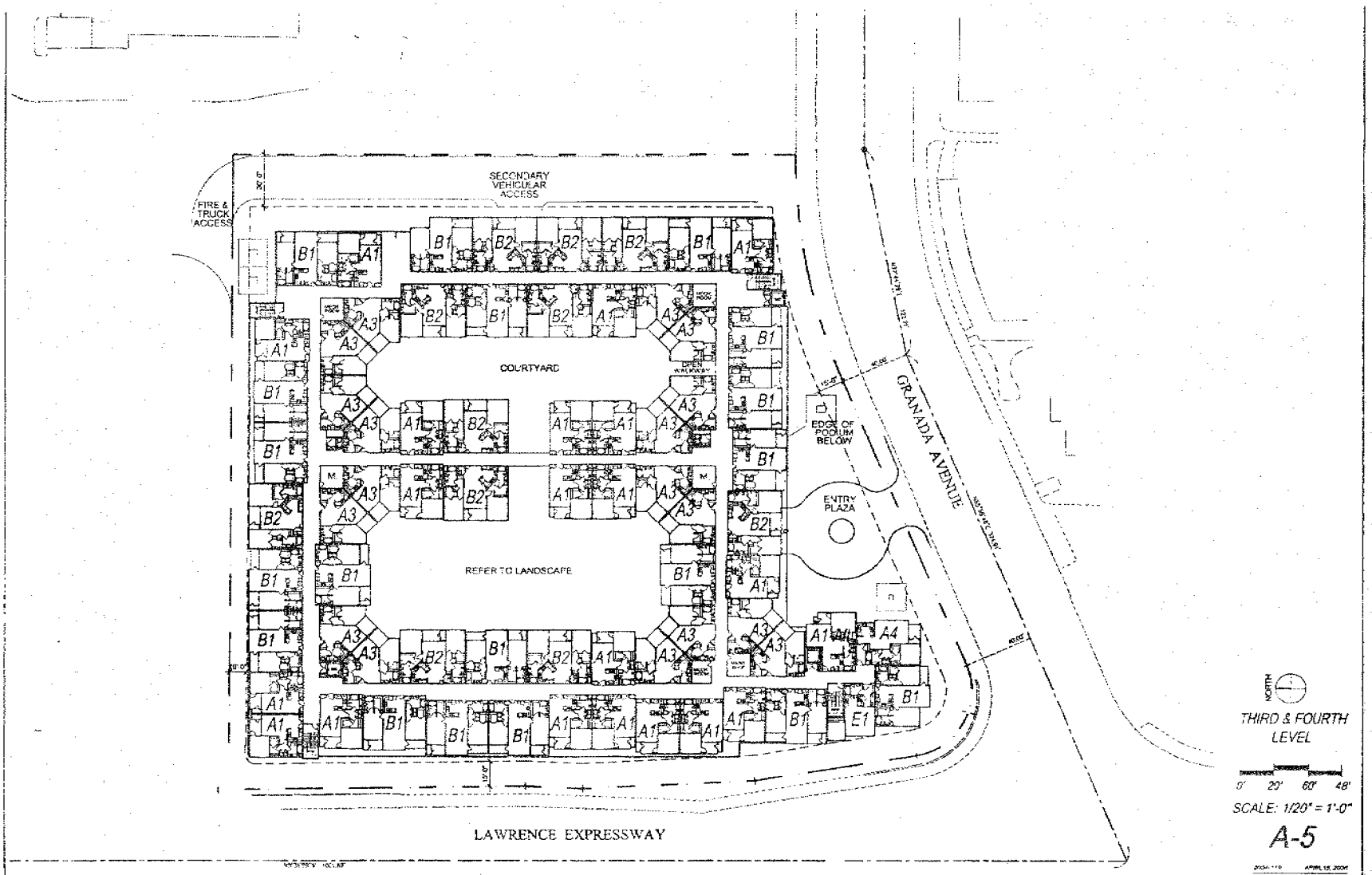


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

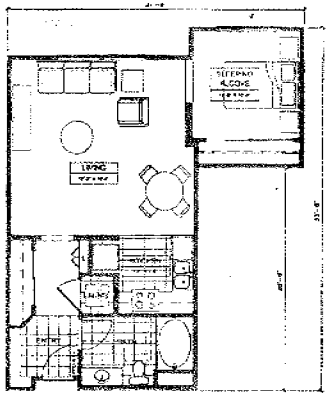


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

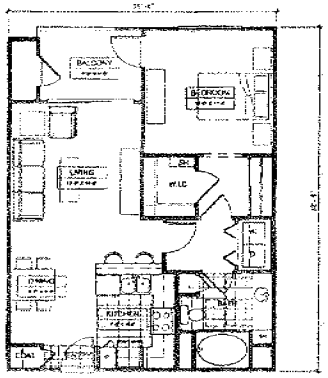
BRE PROPERTIES

ARCHITECTS ORANGE



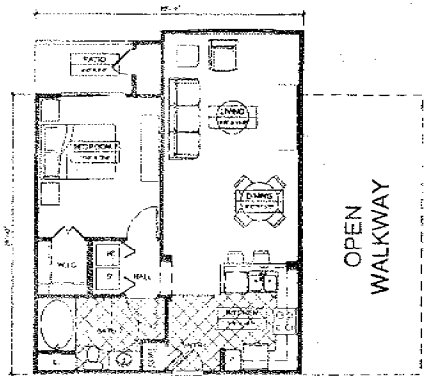
UNIT E1
STUDIO - 1 BATH

LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: – SQ. FT.



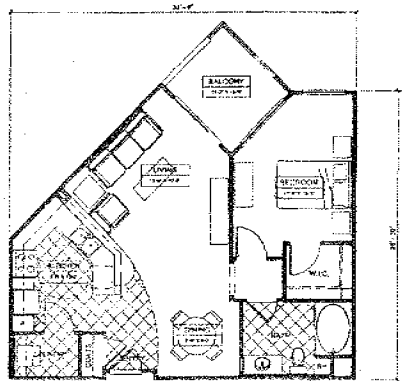
UNIT A1
1 BEDROOM - 1 BATH

LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



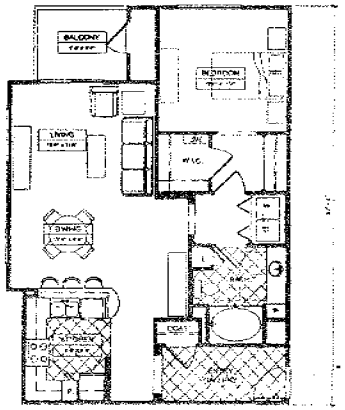
UNIT A2
1 BEDROOM - 1 BATH

LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



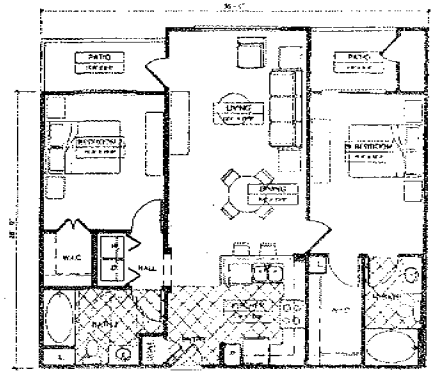
UNIT A3
1 BEDROOM - 1 BATH

LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



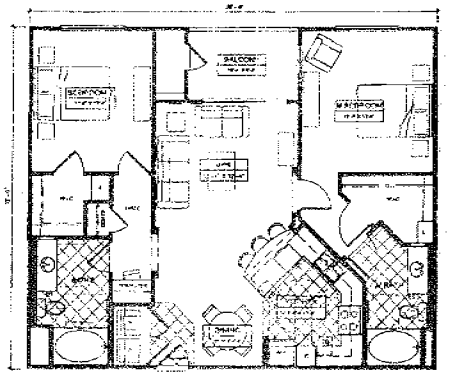
UNIT A4
1 BEDROOM - 1 BATH

LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1
2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2
2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

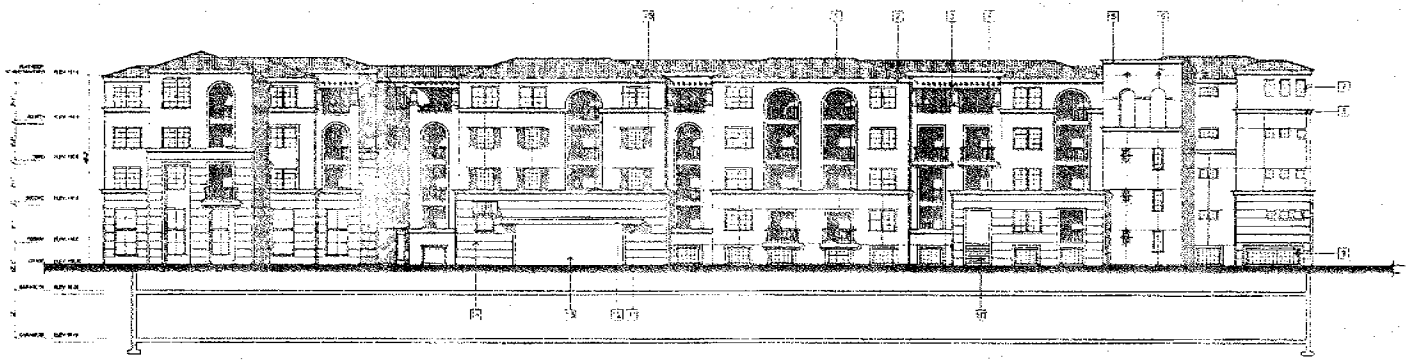
A-6

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

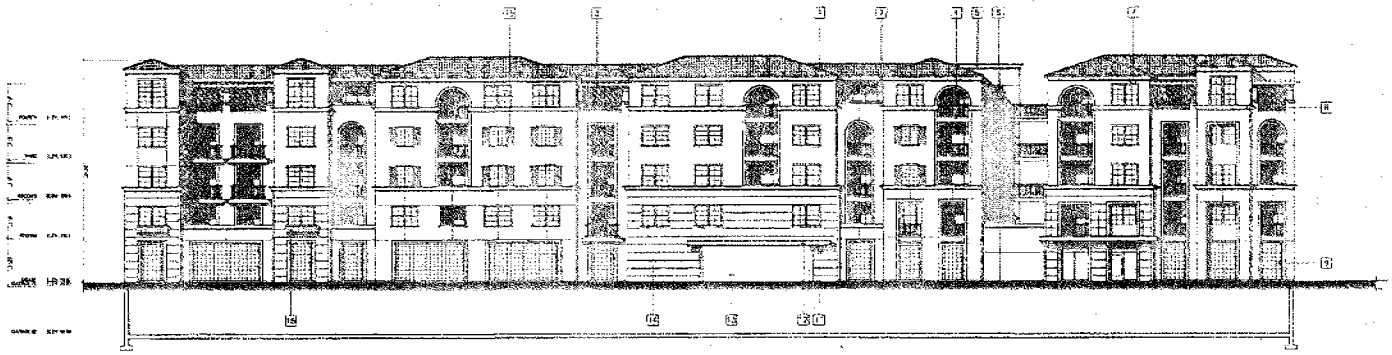
A-7.0

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
EAST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.1

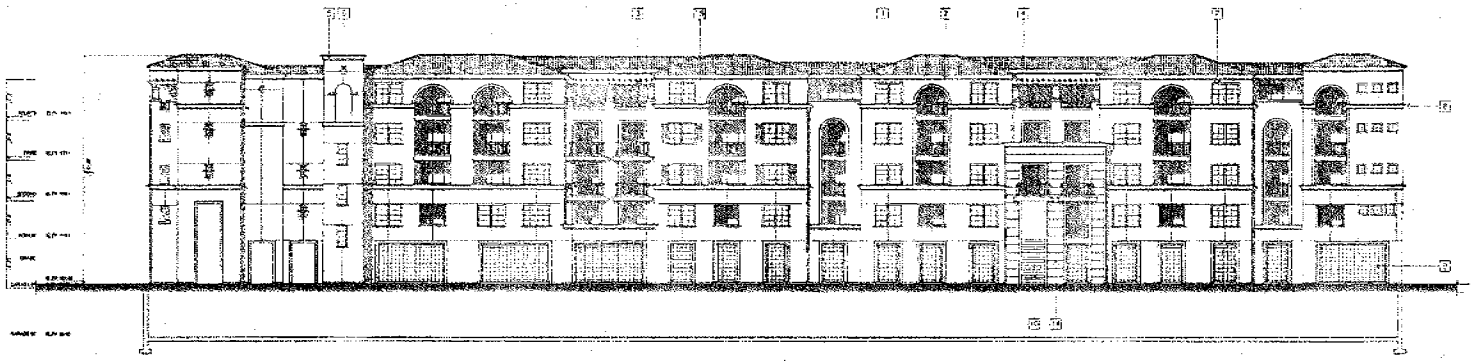
2004-013 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
NORTH ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

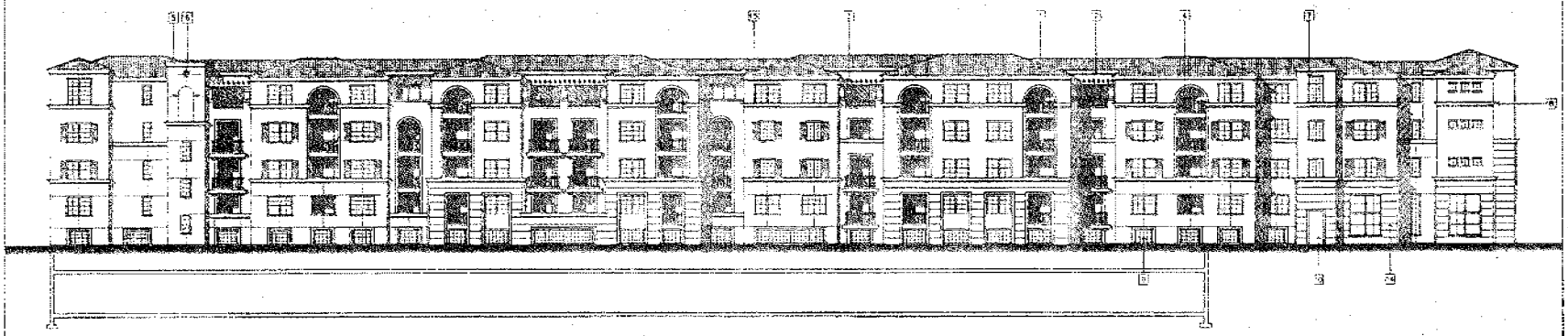
A-7.2

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.3

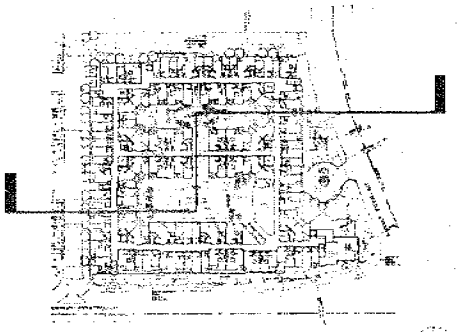
2004-159 APRIL 16, 2004

STA. CLARA CROSSINGS

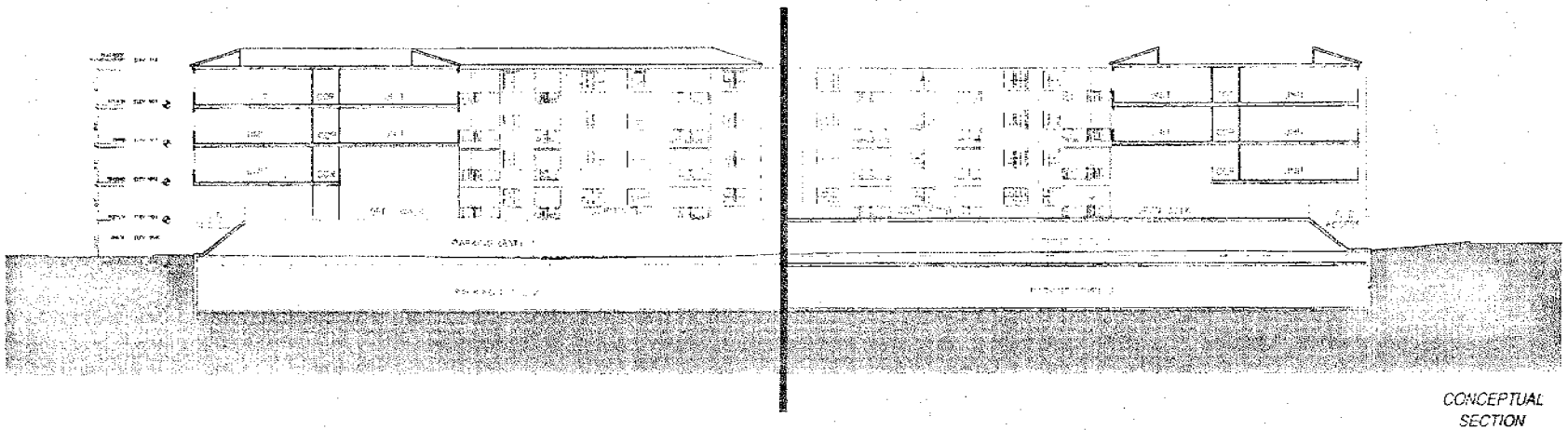
STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



KEY



CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

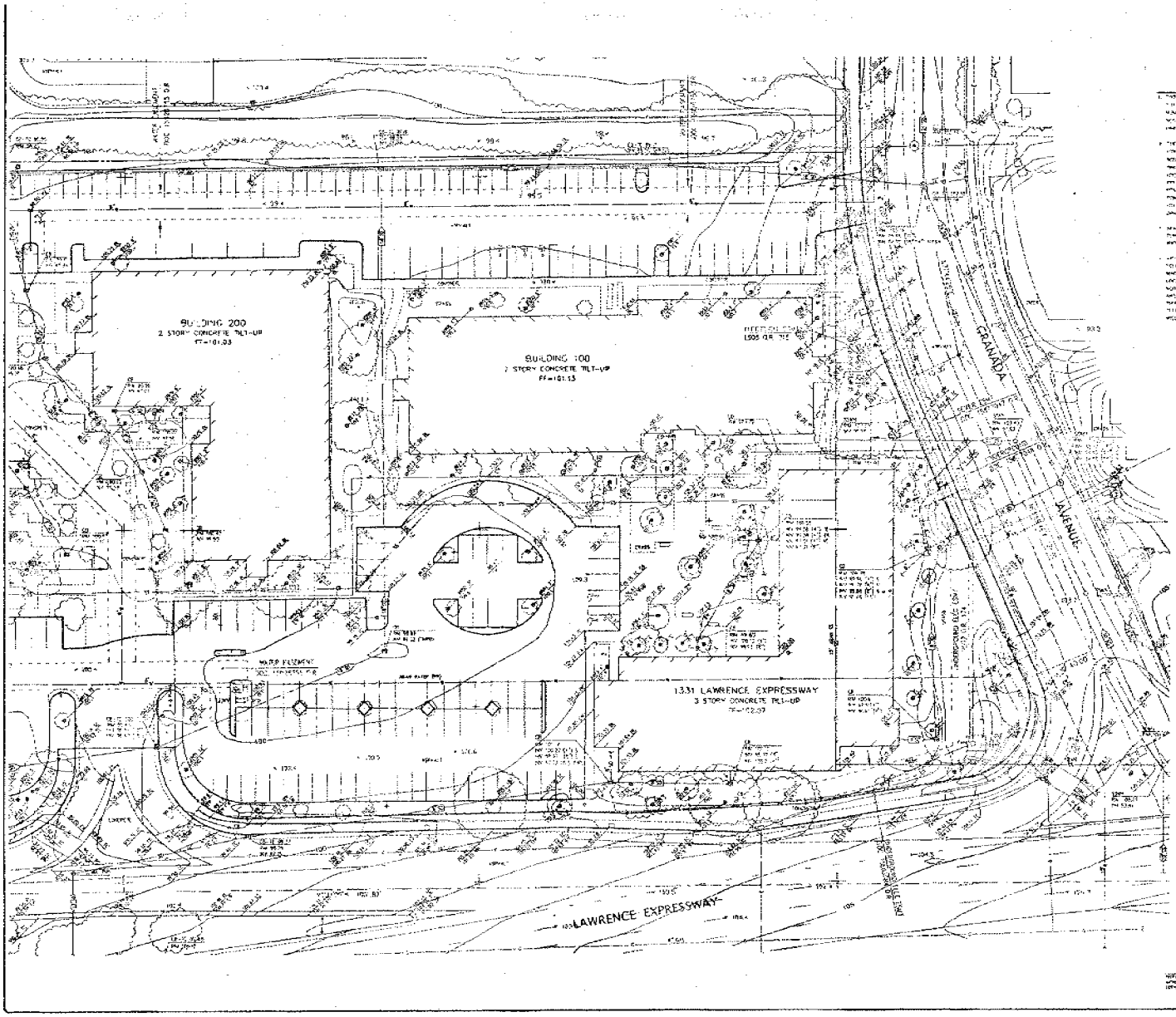
A-8.0

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NOTES

LEGEND

ABBREVIATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

C1

BUILDING REMOVAL NOTES:

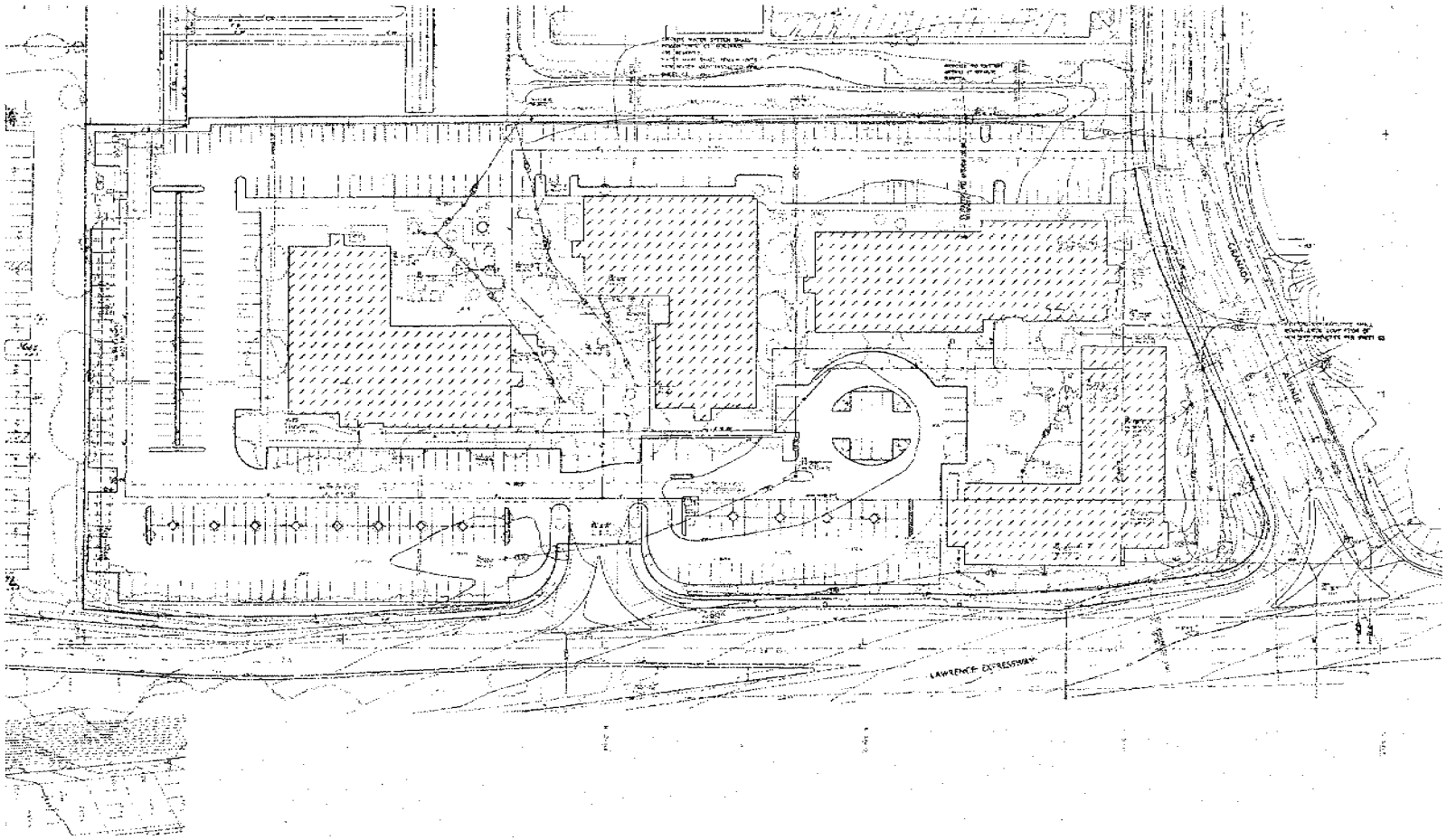
1. ON SITE FIRE HYDRANTS SHALL REMAIN ACTIVE UNTIL DEMOLITION OF BUILDINGS.
2. MAINS OR FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL CONNECTION OF NEW REPLACEMENT FACILITIES SHOWN ON SHEET C2 FOR THIS PROJECT ONLY. PROPOSED ADJACENT DEVELOPMENT HAS SEPARATE UTILITY REQUIREMENTS. SEE PLANS BY PAPPAS - WOODSIDE HOMES.
3. ALL OTHER EXISTING ON SITE IMPROVEMENTS TO BE REMOVED AS NOTED ON.

1 SCALE 1" = 30' A

0 30 60 90

LEGEND

EXISTING BUILDING TO BE DEMOLISHED



REVISION		

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2171 SANTA CLARA AVE., SUITE 110
FREMONT, CALIFORNIA 94536
(510) 505-8411
FAX (510) 505-8413

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE APR. 2004
SCALE 1" = 30'
DRAWN BY J.S.
JOB NO. 2003171-1
SHEET C2
OF SHEETS

ELEC. & WATER MAIN NOTES:

1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE FOR THE SANTA CLARA OFFICE PROPERTY BRE PROPERTIES ONLY. IMPROVEMENTS, LATERS OR ADJACENT OFFICE DEVELOPMENT ARE SHOWN OR MADE FOR THE ADJACENT DEVELOPMENT. SEE SHEET C1 FOR OFFSITE PRELIMINARY LAYOUT.

2. EXISTING ON SITE FIRE DISTRICT HYDRANTS REMAIN INTO ACTIVE PLANS (WITH DEVELOPMENT).

3. WATER LINE FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL STABILITY OF NEW RELOCATED FACILITIES SHOWN ON SHEET C1 FOR THIS PROJECT (BRE) OR ADJACENT DEVELOPMENT HAS OBTAINED UTILITY ESTABLISHMENTS. SEE PLANS BY OTHERS.

4. ALL OTHER EXISTING ON SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

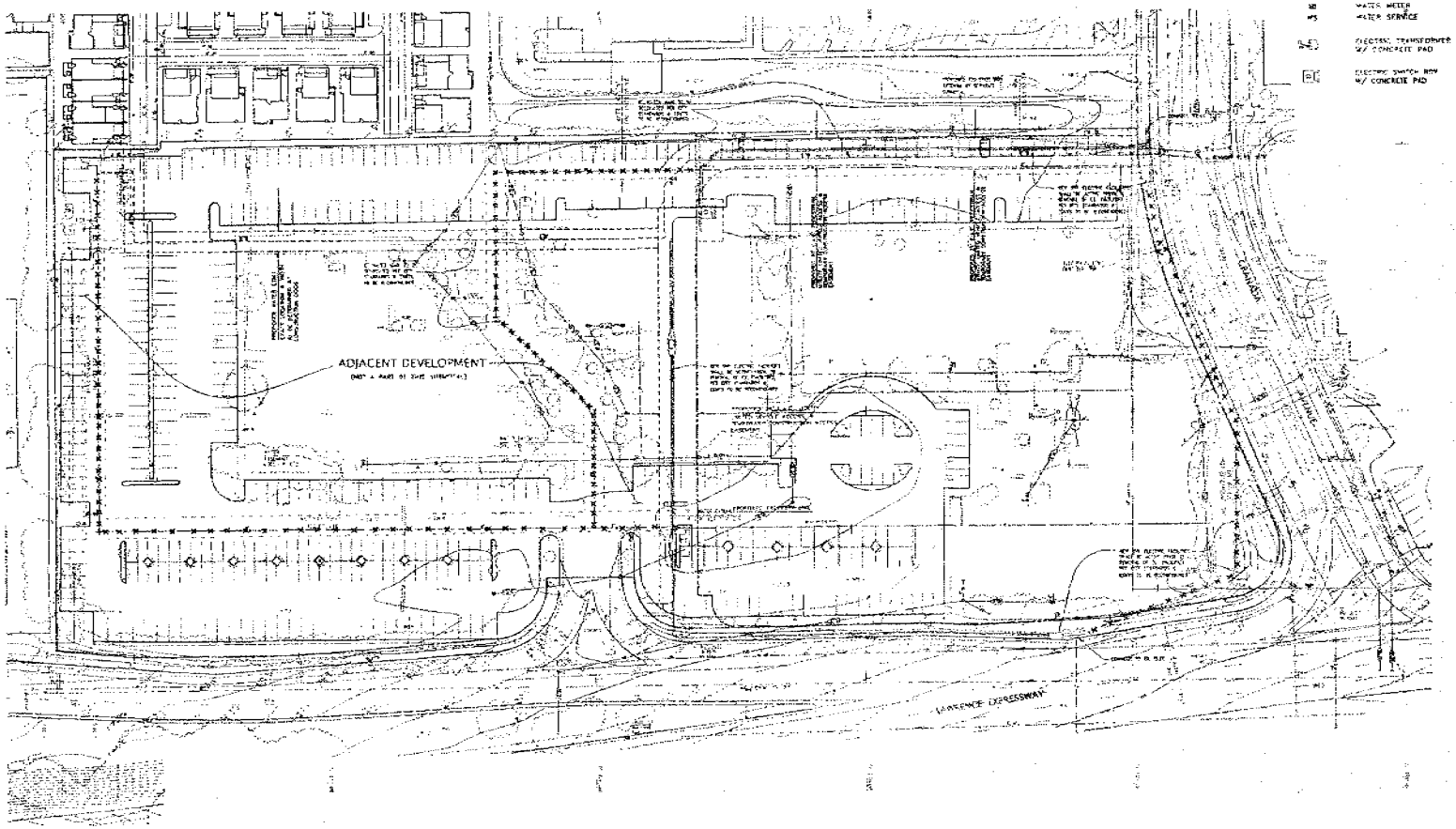
5. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN MAY BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA UNLESS OTHER GOVERNING AGENCY. SEE PLANS BY TAYLOR WOODROW HOMES FOR SPECIFIC UTILITY INFORMATION FOR ADJACENT DEVELOPMENT.

0 20 40 80

Scale: 1" = 20' ft

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
	BACK FLOW PREVENTION DEVICE
	EXISTING UTILITY TO BE TRANSFERRED OR REMOVED
	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD

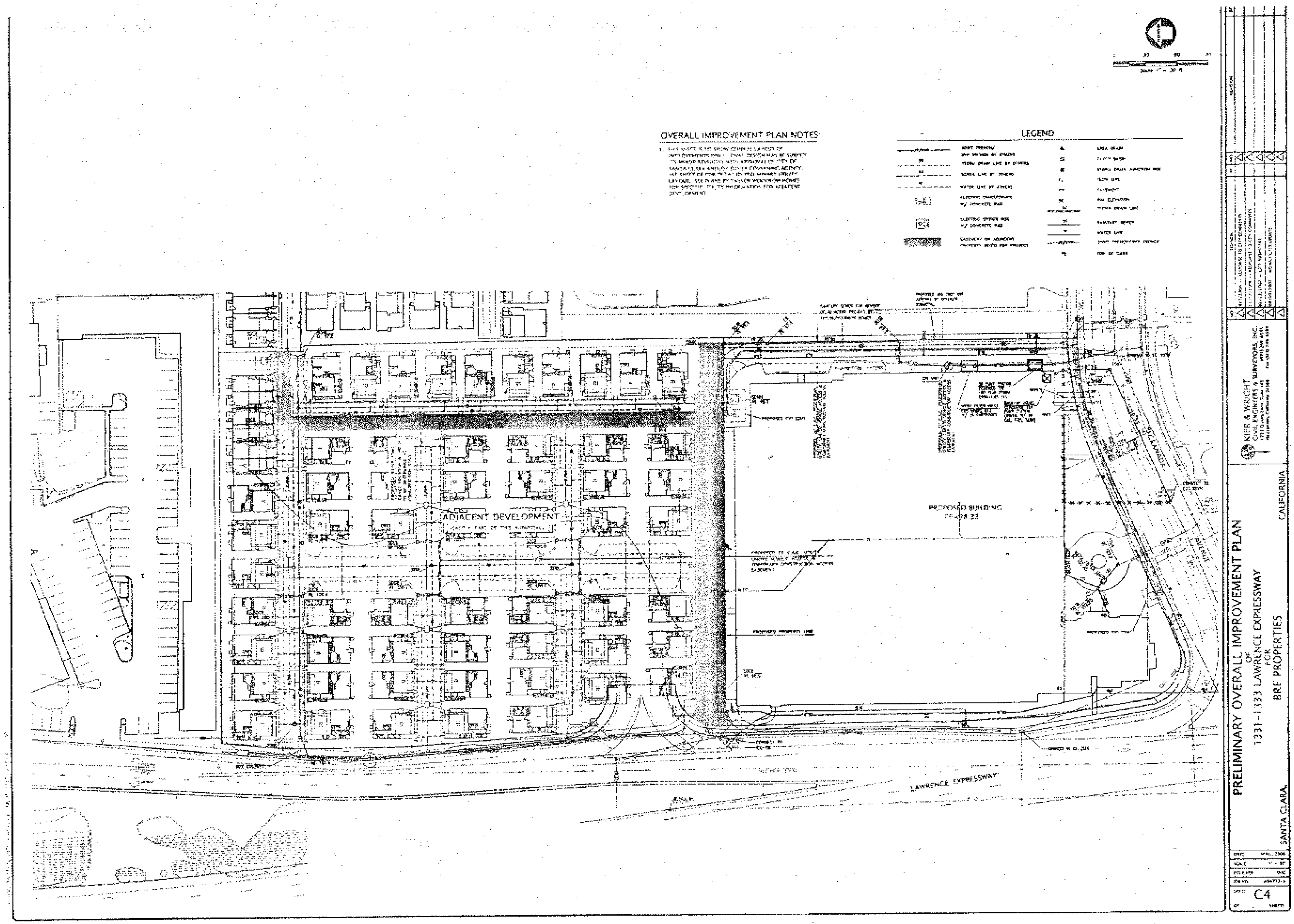


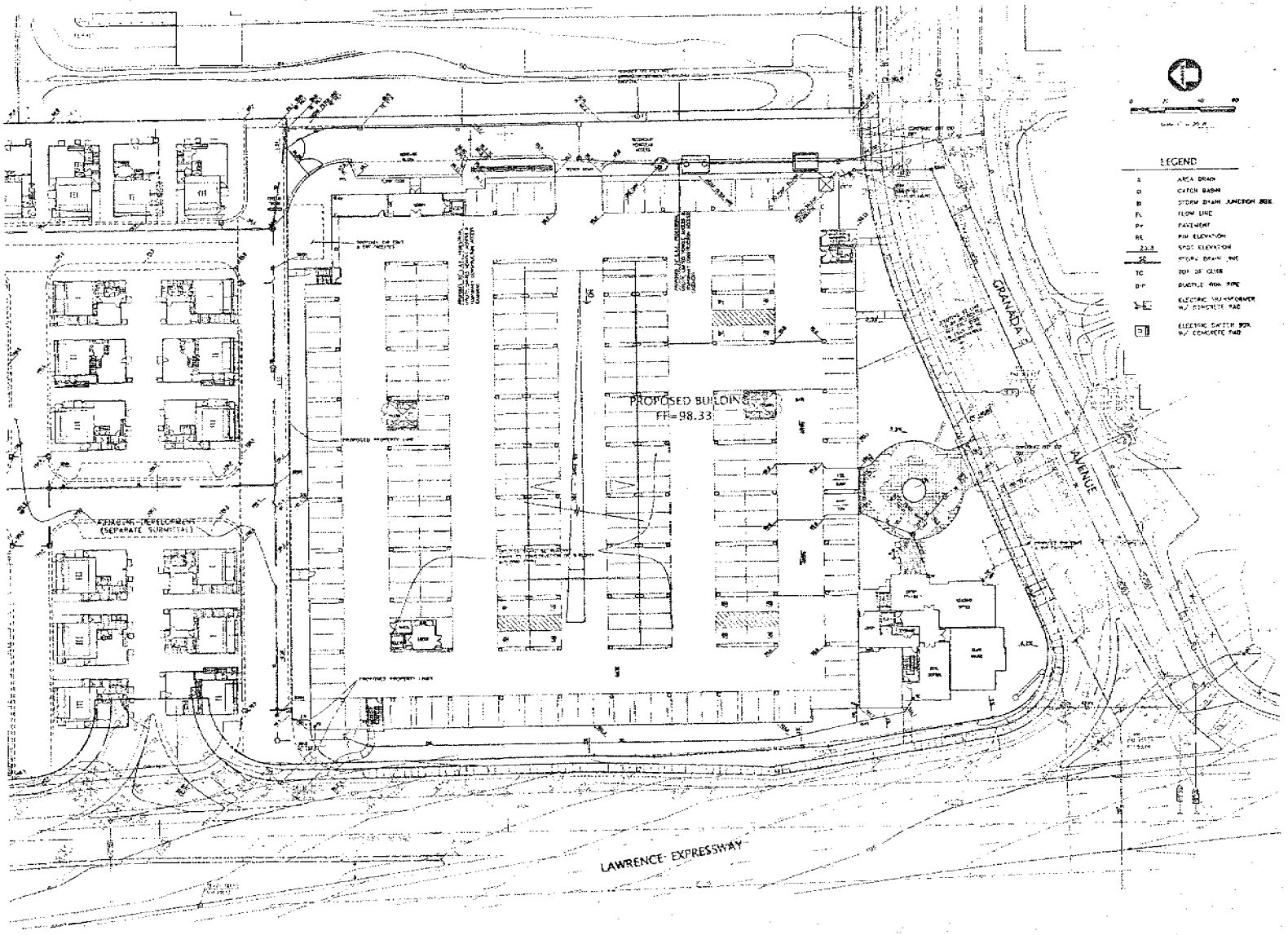
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 COLLEGE AVENUE
BERKELEY, CALIFORNIA 94705
TEL (510) 849-0293

PRELIMINARY ELECTRICAL AND WATER PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE APR. 1994
SCALE 1" = 40'
DRAWN BY
JOB NO. 94-0710-13
SHEET C3


PRELIMINARY OVERALL IMPROVEMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA
CALIFORNIA
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
C4
OVERALL IMPROVEMENT PLAN NOTES
LEGEND
ADJACENT DEVELOPMENT
PROPOSED BUILDING
FF=98.33
LAWRENCE EXPRESSWAY

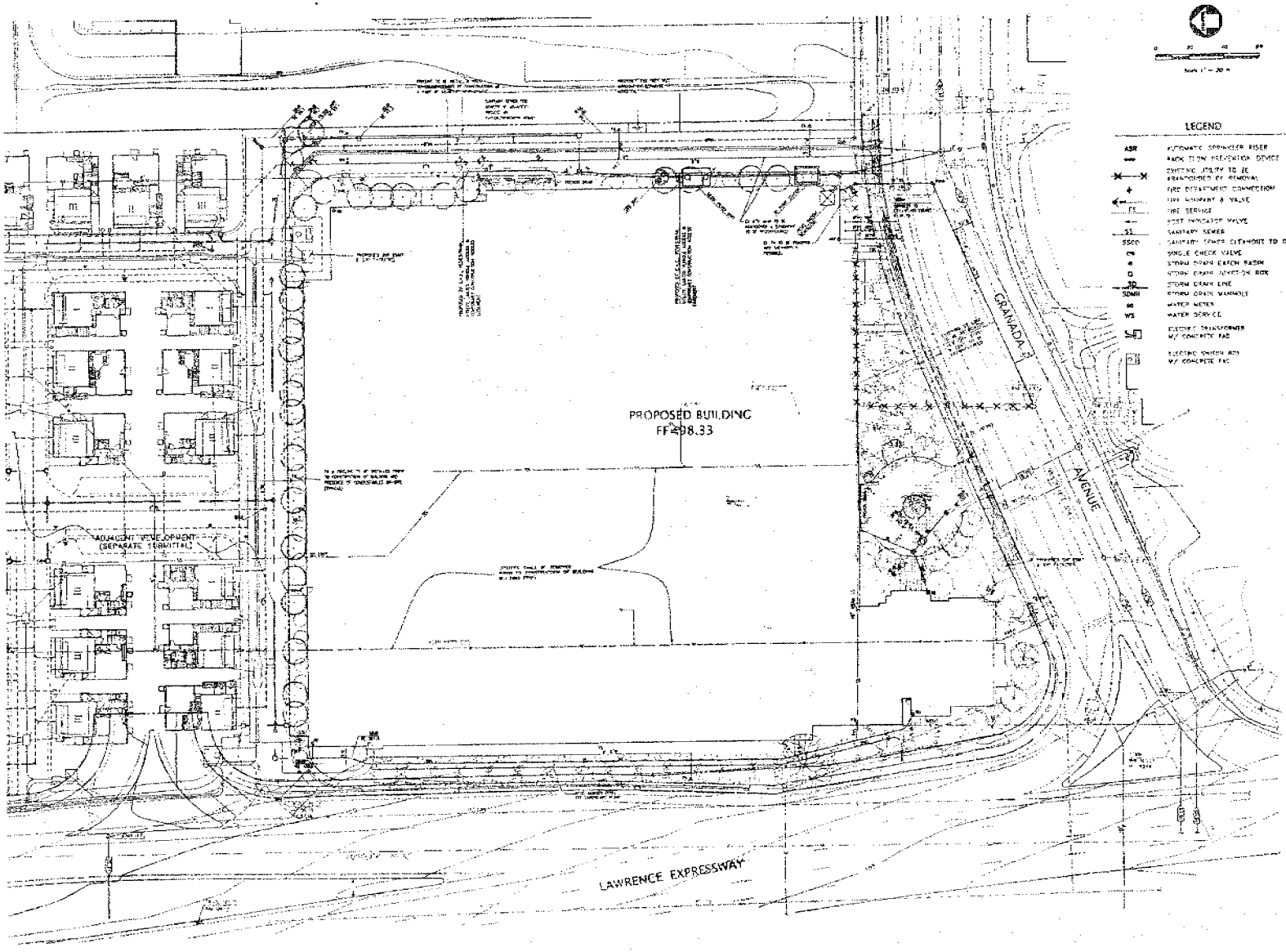


KELER & WHELCHEL
CIVIL ENGINEERS AND LAND SURVEYORS, INC.
1151 SAN MARTIN AVENUE
PALO ALTO, CALIFORNIA 94306
PH. (415) 494-4867
FAX (415) 494-4867

PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

SHEET C5



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
11175 Anderson Road, Suite 1
Mechanicsburg, Pennsylvania 17055
Phone (717) 697-1555 Fax (717) 697-1556

PRELIMINARY UTILITY PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE MAY 2008
SCALE 1" = 20'
DESIGNED SMC
DRAWN ATM/TJB
SHEET C6

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (ACS)	AREA (SQ.)	% SITE
TOTAL TREATED AREA	[illegible] AC	[illegible] SF	[illegible]
1. DEVELOPED	[illegible] AC	[illegible] SF	[illegible]
2. UNTREATED IMPERVIOUS	[illegible] AC	[illegible] SF	[illegible]
3. PERVIOUS AREA TO MEDIA FILTER	[illegible] AC	[illegible] SF	[illegible]
UNTREATED AREA	[illegible] AC	[illegible] SF	[illegible]
TOTAL SITE AREA	[illegible] AC	[illegible] SF	100%

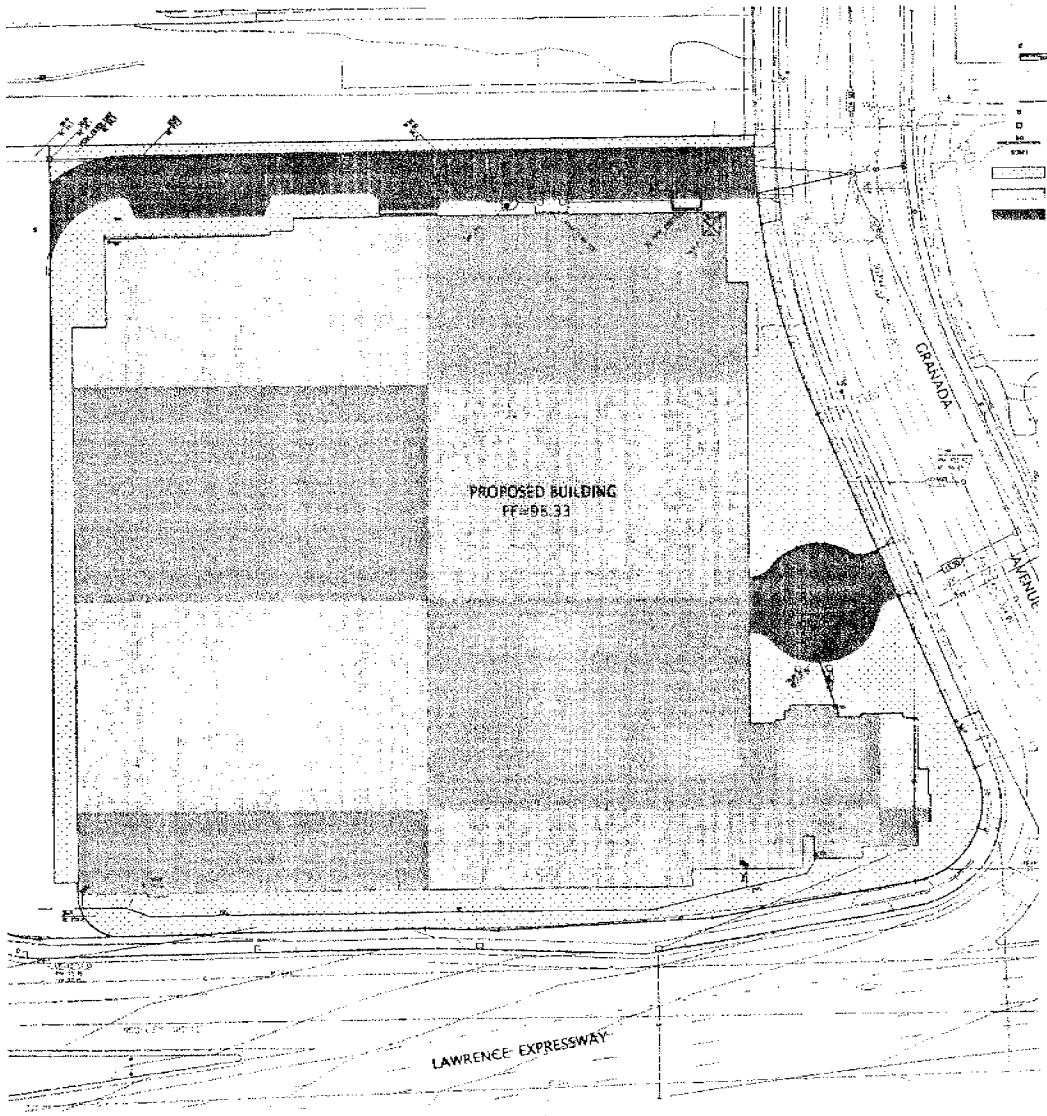
STORMWATER TREATMENT NOTES

1. [illegible]

2. [illegible]

3. [illegible]

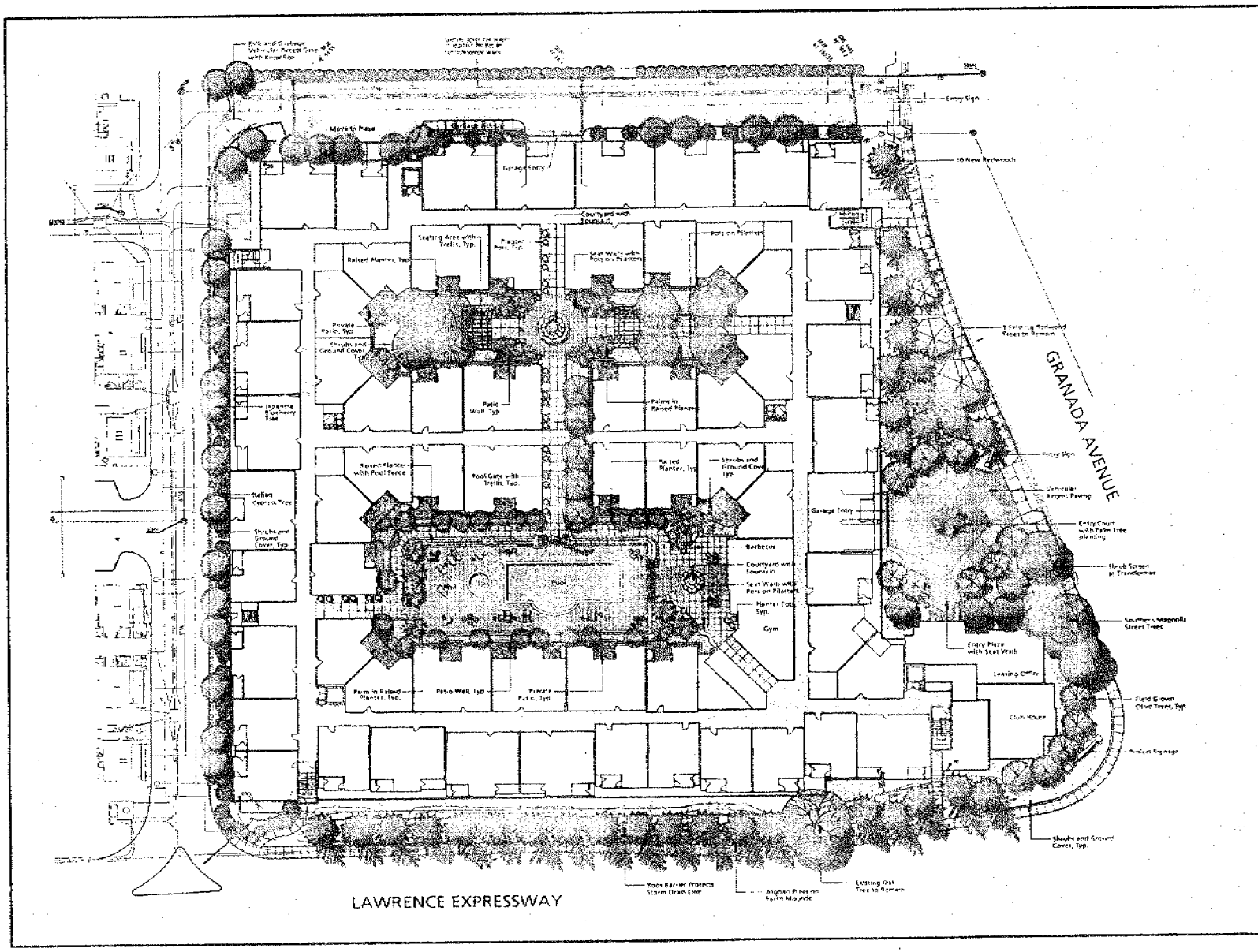
4. [illegible]



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2121 RAILROAD, SUITE 110
PITTSBURG, CALIFORNIA 94565
(925) 439-5815
FAX (925) 439-5817

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA

DATE: APRIL 2008
SCALE: 1" = 30'
DRAWN: BKC
JOB NO.: A2412-213
SHEET: C7
OF: SHEETS



BRE
Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC
Landscape Architects - Land Planners
836 Montgomery Street
San Francisco, CA 94111
T 415 433 4672
F 415 433 3003

No.	Date	Description
	08.22.05	Submittal Set

Conceptual Landscape Plan

Scale: 1" = 20'
0 10 20 40

Date: 05.11.2007

L-1

Project Number: 05506

LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

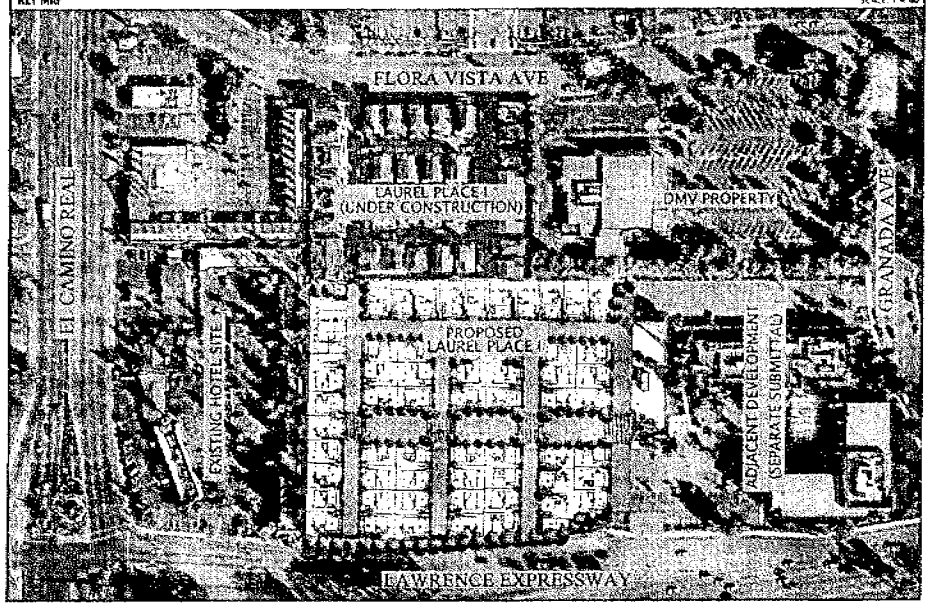
FOR

TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY

SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP SCALE: 1"= 60'



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

OWNER
TAYLOR MORRISON HOMES

ENGINEER
KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.

BUILDING ARCHITECT
THE DAHLIN GROUP

LANDSCAPE ARCHITECT
VAN DORN ABED LANDSCAPE ARCHITECTS

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
C1.0	PROJECT COVER SHEET	KIER & WRIGHT
C1.1	LAUREL PLACE II - SITE PLAN	VAN DORN ABED
C2.0	ARTISTIC CONCEPT	DAHLIN GROUP
C3.0	TOPOGRAPHIC SURVEY (EXISTING SITE)	KIER & WRIGHT
C3.1	TOPOGRAPHIC MAP	KIER & WRIGHT
C3.3	TYPICAL STREET PLANS & SECTIONS	KIER & WRIGHT
C3.4	PRELIMINARY STORM WATER MANAGEMENT PLAN	KIER & WRIGHT
C4.0	FIRE SAFETY PLAN	KIER & WRIGHT
C4.1	FIRE TRUCK TURNING PLAN - LAWRENCE EXPRESSWAY	KIER & WRIGHT
C4.2	FIRE TRUCK TURNING PLAN - LAWRENCE EXPRESSWAY	KIER & WRIGHT
C5.0	PRELIMINARY GRADING PLAN	KIER & WRIGHT
C6.0	PRELIMINARY UTILITY PLAN	KIER & WRIGHT
C8.1	UTILITY RELOCATION & IMPROVEMENT PLAN	KIER & WRIGHT
C8.2	SITE LIGHTING MAP	KIER & WRIGHT
A1.0	PLAN 1 - FLOOR PLANS	DAHLIN GROUP
A1.1	PLAN 1 - ELEVATIONS	DAHLIN GROUP
A2.0	PLAN 2 - FLOOR PLANS	DAHLIN GROUP
A2.1	PLAN 2 - ELEVATIONS	DAHLIN GROUP
A3.0	PLAN 3 - FLOOR PLANS	DAHLIN GROUP
A3.1	PLAN 3 - ELEVATIONS	DAHLIN GROUP
A4.0	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.1	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.2	TOWNHOMES - FLOOR PLANS	DAHLIN GROUP
A4.3	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
A4.4	TOWNHOMES - ELEVATIONS	DAHLIN GROUP
L1.1	CONCEPTUAL LANDSCAPE PLAN	VAN DORN ABED
L1.2	CONCEPTUAL PLANT	VAN DORN ABED
L1.3	PLANTING LIST AND LANDSCAPE DETAILS	VAN DORN ABED

SQUARE FOOTAGE SUMMARY

PLAN 1

FIRST FLOOR LIVING AREA	1,133 SF
SECOND FLOOR LIVING AREA	1,187 SF
THIRD FLOOR LIVING AREA	1,187 SF
TOTAL LIVING AREA	3,507 SF
TWO CAR GARAGE	400 SF
DECK	120 SF
GROSS SQUARE FOOTAGE	4,027 SF

PLAN 2

FIRST FLOOR LIVING AREA	1,133 SF
SECOND FLOOR LIVING AREA	1,187 SF
THIRD FLOOR LIVING AREA	1,187 SF
TOTAL LIVING AREA	3,507 SF
TWO CAR GARAGE	400 SF
GROSS SQUARE FOOTAGE	3,907 SF

PLAN 3

FIRST FLOOR LIVING AREA	1,133 SF
SECOND FLOOR LIVING AREA	1,187 SF
THIRD FLOOR LIVING AREA	1,187 SF
TOTAL LIVING AREA	3,507 SF
TWO CAR GARAGE	400 SF
DECK	120 SF
GROSS SQUARE FOOTAGE	4,027 SF

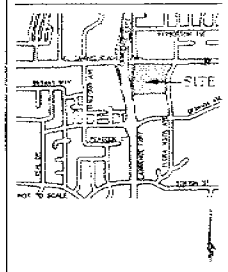
TOWNHOME

FIRST FLOOR LIVING AREA	1,133 SF
SECOND FLOOR LIVING AREA	1,187 SF
THIRD FLOOR LIVING AREA	1,187 SF
TOTAL LIVING AREA	3,507 SF
TWO CAR GARAGE	400 SF
DECK	120 SF
GROSS SQUARE FOOTAGE	4,027 SF

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.18.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.26.06
4	FOURTH SUBMITTAL	10.20.06
5	FIFTH SUBMITTAL	06.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

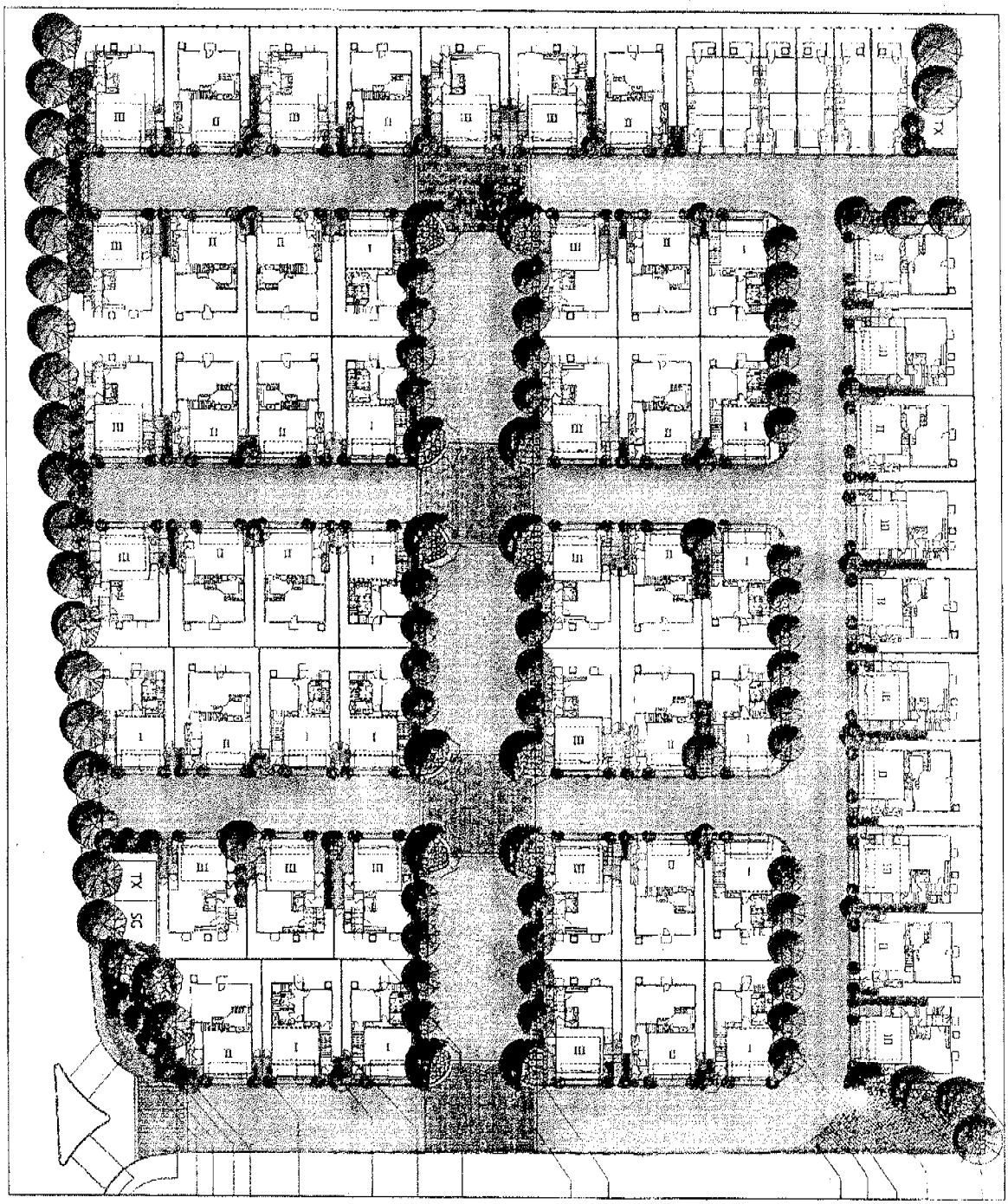


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3150 Scott Boulevard, Building 23 • (408) 727-8475
Santa Clara, California 95054 • (408) 727-5661

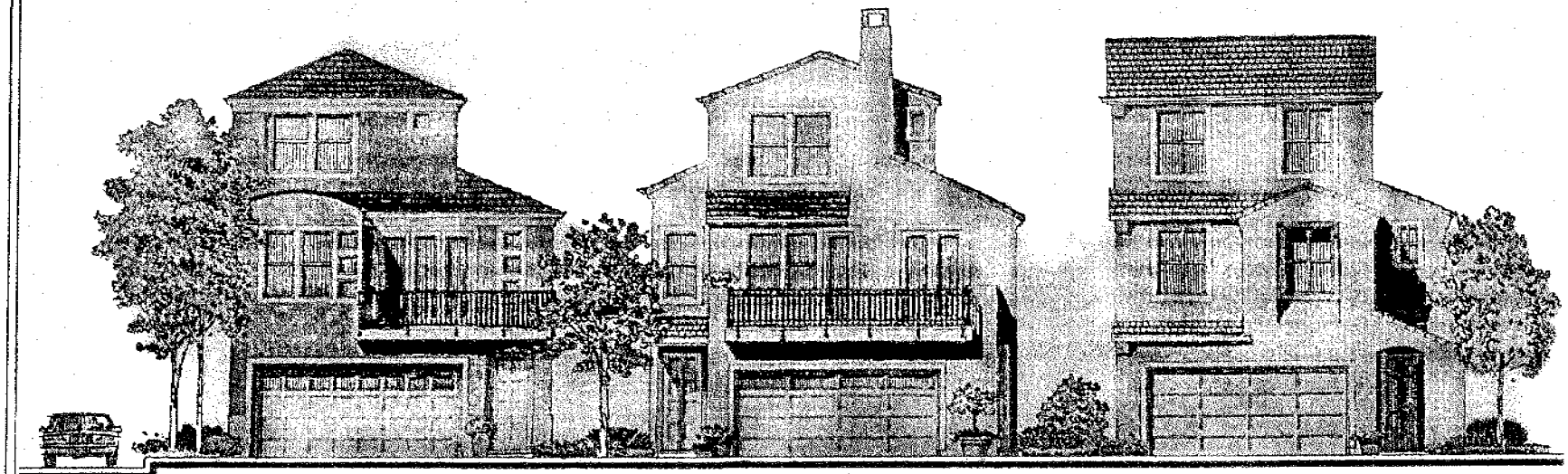
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PROJECT COVER SHEET

DATE NOV. 2007
SCALE AS SHOWN
DESIGNED JN
DRAWN BY JL
JOB NO. 4701.99
SHEET C1.0



C2.0	LAUREL PLACE II – SITE PLAN	LAUREL PLACE II PLANNED DEVELOPMENT APPLICATION SANTA CLARA, CALIFORNIA 1331-1333 LAWRENCE EXPRESSWAY TAYLOR WOODROW HOMES	DAHLIN GROUP ARCHITECTURE PLANNING 7611 Calle Cameo Rd. San Ramon, CA 94583 925.837.9266 925.837.7543 fax



PLAN 1

END LOT
(STREET CONDITION)

PLAN 3

TYPICAL INTERIOR
LOT CONDITION

PLAN 2

END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No. 529.004

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

2471 Crow Canyon Rd
San Ramon, CA 94583
925 837 9900
925 837 2501 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1221 - 1235 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNER	—
DRAFTER	—
JOB	—
SHEET	C3.0

TOPOGRAPHIC SURVEY NOTES

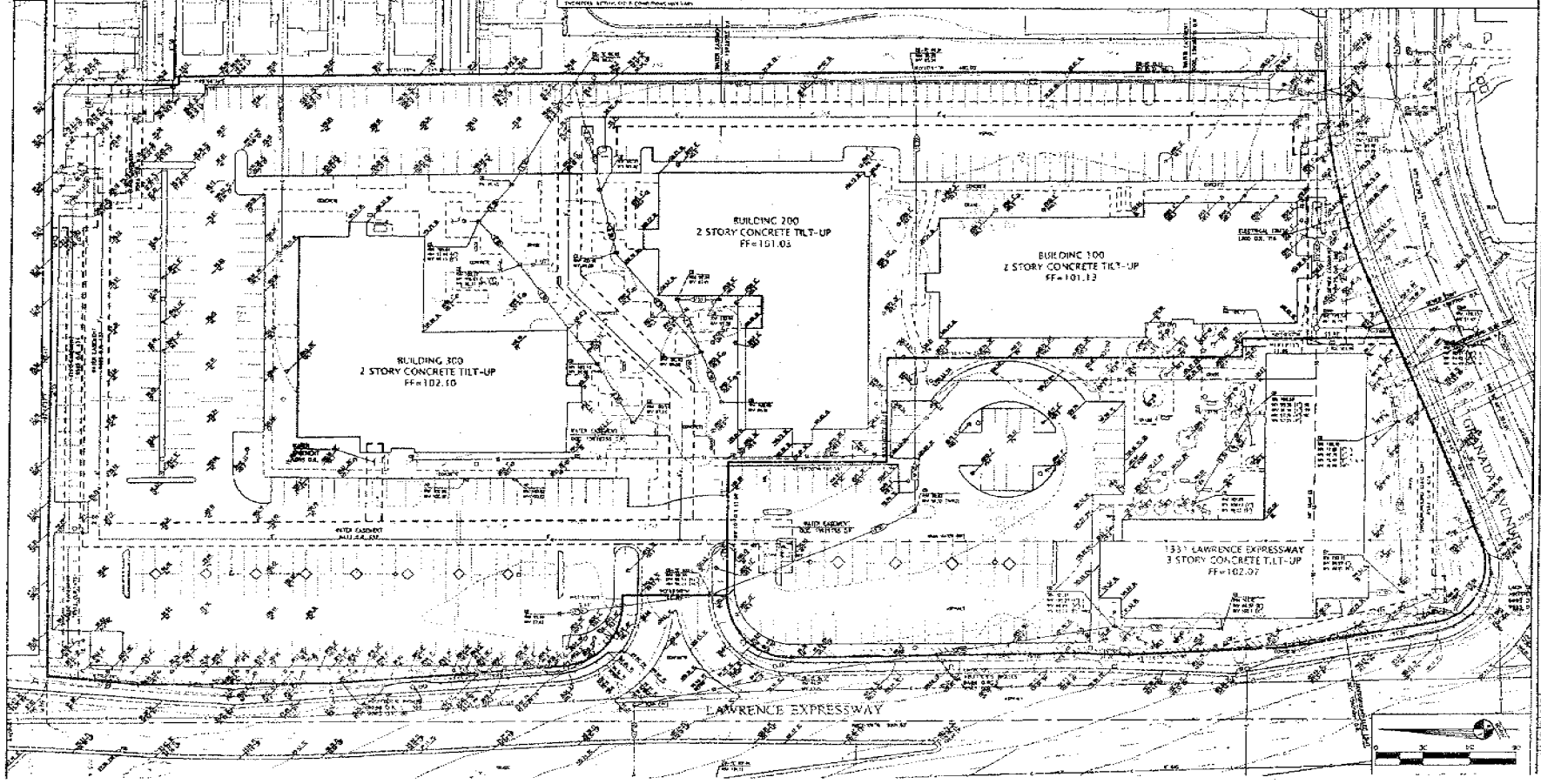
[illegible]

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	GB	GRADE BREAK
AD	AREA DRAIN	INV	INVERT ELEVATION
BC	BACK OF CURB	MON	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	N	NORTH
BK	BENCHMARK	NE	NORTHEAST
BO	BOLLARD	OHP	OVERHEAD POWER
BW	BACK OF WALK	OHW	OVERHEAD
CB	CATCH BASIN	PIV	PIVOT INTERSECTION
CO	CLEAN OUT TO GRADE	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DOC	DOCUMENT	SE	SOUTHEAST
DWY	DRIVEWAY	SL	STREET LIGHT
E	EAST	SSMH	SANITARY SEWER MANHOLE
EB	ELECTRIC BOX	SW	SOUTHWEST
ELEC	ELECTRICAL	TB	TELEPHONE BOX
EMH	ELECTRICAL MANHOLE	TC	TOP OF CURB
EP	EDGE OF PAVEMENT	TBM	TEMPORARY BM
FLWT	FLOWLINE	TW	TOP OF WALK
FN	FOUND NAIL	TW	TOP OF WALL
FP	FINISH PADS	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FL	FLOW LINE	WM	WATER METER
FNC	FENCE	WV	WATER VALVE
FW	FACE OF WALL		

LEGEND

PROPERTY LINE		CONTOUR	
ADJACENT PROPERTY LINE		INDEX CONTOUR	15
CENTERLINE		CURB & GUTTER	
EASEMENT		CONCRETE	
PROJECT CITY NOTE MEET		FENCE	
ELECTROLIER		VIGES	
FIRE HYDRANT		SANITARY SEWER	SS
STORM DRAIN MANHOLE		STORM DRAIN	SD
MANHOLE		WATER	W
STREET POLE		GAS	G
VALVE		JOINT TRENCH	JT
CATCH BASIN		UNDERGROUND ELECTRIC	E
FIRE DEPT. CONNECTION		BUILDING	
BACK FLOW PREVENTER		EDGE OF PAVEMENT	
WATER METER VALVE		WALL	
SIGN			
FREE NOTE AND ELEVATION	50.0 / 100.00		
SPOT ELEVATION			

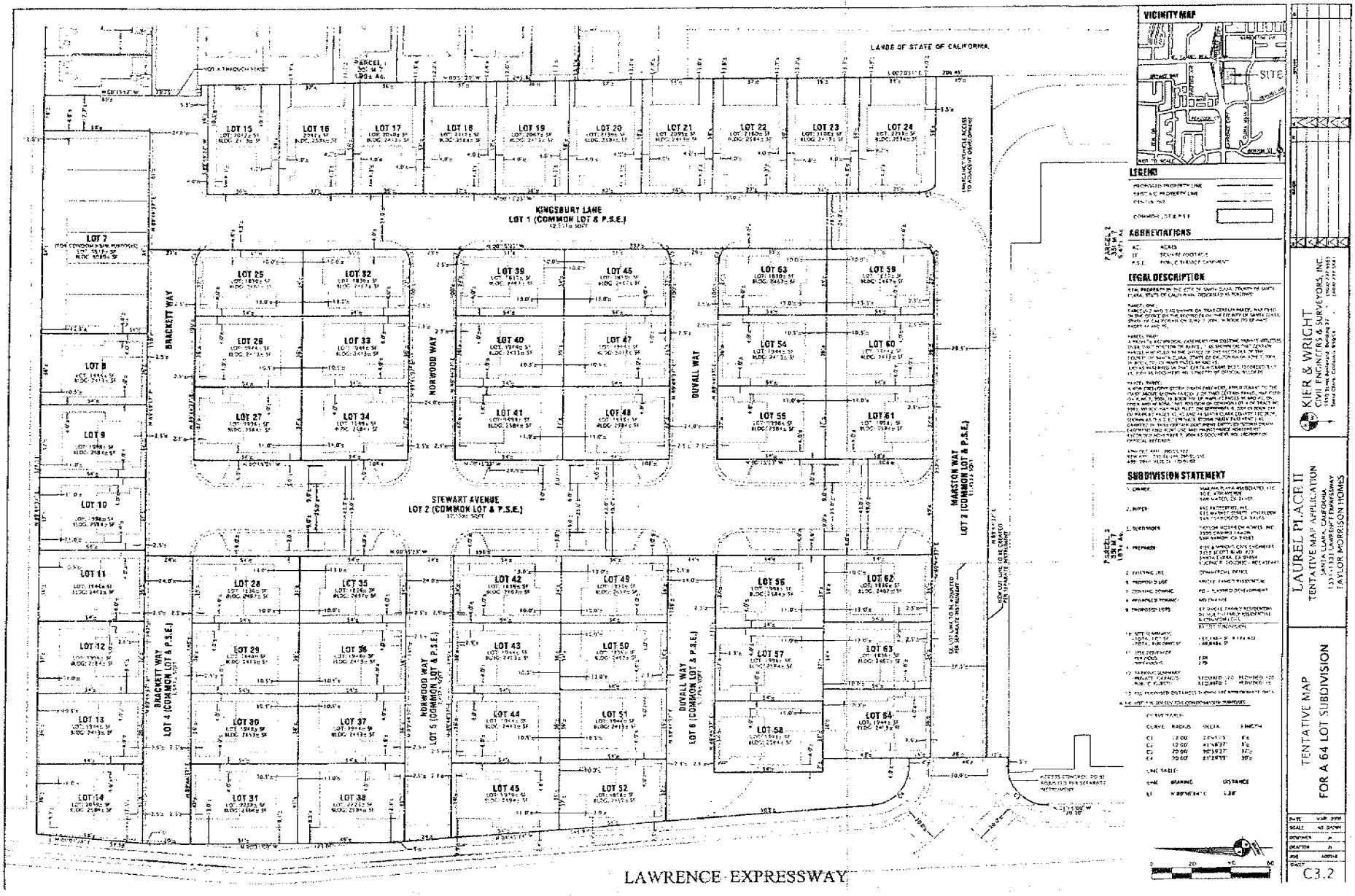


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE	NOV. 2021
SCALE	AS SHOWN
DESIGNER	JN
DRAFTER	JN
JOB	[illegible]
SHEET	C3.1



LEGEND

PROPOSED PROPERTY LINE
EXISTING PROPERTY LINE
CENTERLINE
COMMON LOT & P.S.E.

ABBREVIATIONS

AC ACRES
SF SQUARE FOOTAGE
P.S.E. PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF SANTA CLARA, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL 2 AND 3 AS SHOWN ON TRACT OFFICIAL MAP, FILED IN THE OFFICE OF THE RECORDER OF THE CITY OF SANTA CLARA, STATE OF CALIFORNIA ON JUNE 7, 2004, IN BOOK 772 OF MAPS, PAGE 14 AND 15.

PARCEL TWO:

A NON-EXCLUSIVE RECIPROCAL EASEMENT FOR EXISTING PRIVATE UTILITIES OVER THE FOLLOWING DESCRIBED PARCEL, AS SHOWN ON THE OFFICIAL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON JUNE 7, 2004, IN BOOK 772 OF MAPS, PAGE 14 AND 15.

PARCEL THREE:

A NON-EXCLUSIVE PUBLIC UTILITY EASEMENT, AS RESERVED TO THE CITY OF SANTA CLARA IN THE DEED RECORDED JUNE 7, 2004 IN BOOK 772 OF MAPS, PAGE 14 AND 15, OFFICIAL RECORDS OF SANTA CLARA COUNTY, CALIFORNIA, OVER THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT THE SOUTHEAST CORNER OF PARCEL 3 AS SHOWN ON THE OFFICIAL MAP FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON JUNE 7, 2004, IN BOOK 772 OF MAPS, PAGE 14 AND 15; THENCE FROM SAID POINT OF BEGINNING, ALONG THE EAST LINE OF SAID PARCEL 3, NORTH 00° 15' 12" WEST, 206.45 FEET; THENCE SOUTH 89° 44' 48" WEST, 20.00 FEET; THENCE SOUTH 00° 15' 12" EAST, 206.45 FEET; THENCE NORTH 89° 44' 48" EAST, 20.00 FEET TO THE POINT OF BEGINNING.

SUBDIVISION STATEMENT

1. OWNER: MARMAN PLANA ASSOCIATES, LLC
3010 LAWRENCE EXPRESSWAY
SANTA CLARA, CA 95051

2. BUYER: SKS PROPERTIES, INC.
633 MARKET STREET, 17TH FLOOR
SAN FRANCISCO, CA 94105

3. SUBDIVIDER: TAYLOR MORRISON HOMES, INC.
3200 CAMINO TASSAJARA
SAN RAMON, CA 94583

4. PREPARER: KIER & WRIGHT CIVIL ENGINEERS AND SURVEYORS, INC.
3172 NORTH FIRST STREET
SANTA CLARA, CA 95054
408.567.9000 - KIER & WRIGHT

5. EXISTING USE: COMMERCIAL RETAIL

6. PROPOSED USE: SINGLE FAMILY RESIDENTIAL

7. EXISTING ZONING: PD - PLANNED DEVELOPMENT

8. PROPOSED ZONING: NO CHANGE

9. PROPOSED LOTS: 57 SINGLE FAMILY RESIDENTIAL DETACHED FAMILY RESIDENTIAL
6 COMMON LOTS
61 TOTAL SUBDIVISION

10. SITE SUMMARY:
GROSS SITE AREA: 15.13 ACRES
NET AREA, PUBLIC RIGHT OF WAY: 14.86 ACRES

11. LOT DENSITY:
PER GENERAL PLAN: 7.0 DU/AC
PROPOSED: 4.0 DU/AC

12. PARKING SUMMARY:
REQUIRED: 120 PROVIDED: 120
REQUIRED: 0 PROVIDED: 16

13. ALL PROPOSED DISTURBED AREA ARE WITHIN THE SITE.

14. THE LOT IS SUBJECT TO COMMON AREA PARKING.

CURVE TABLE

CURVE	RADIUS	DELTA	LENGTH
C1	12.00'	89°44'13"	18'
C2	12.00'	41°14'37"	8'
C3	20.00'	90°15'37"	32'
C4	20.00'	81°29'19"	30'

LINE TABLE

LINE	BEARING	DISTANCE
L1	N 89°44'34" E	1.38'

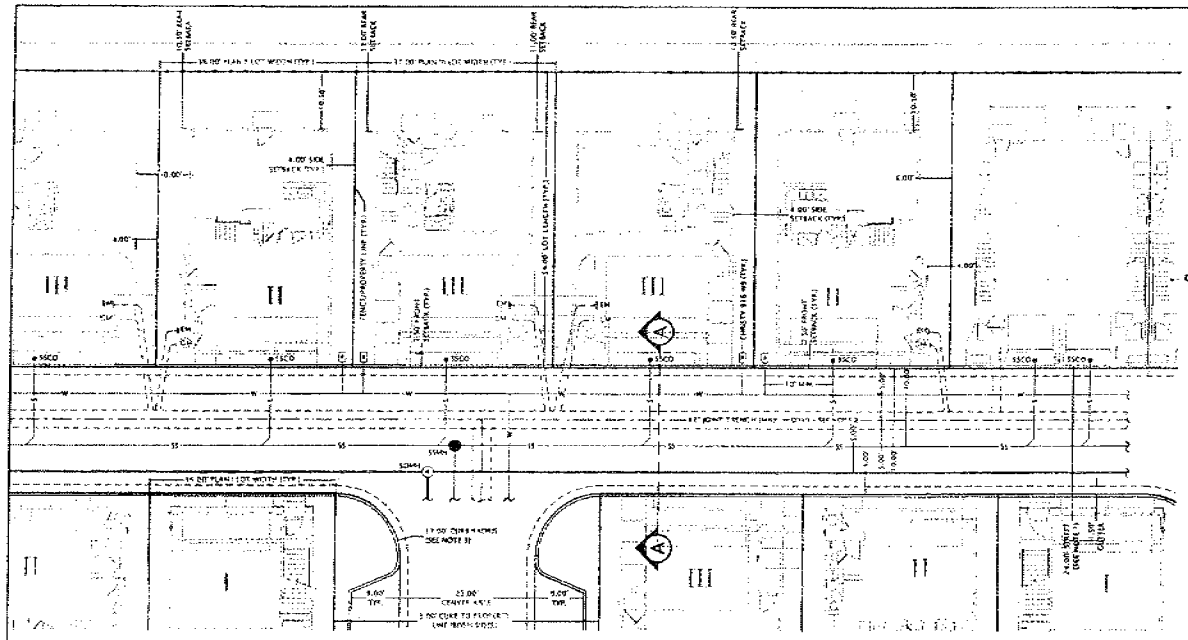
0 20 40 60

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3172 NORTH FIRST STREET
SANTA CLARA, CALIFORNIA 95054
(408) 567-9000

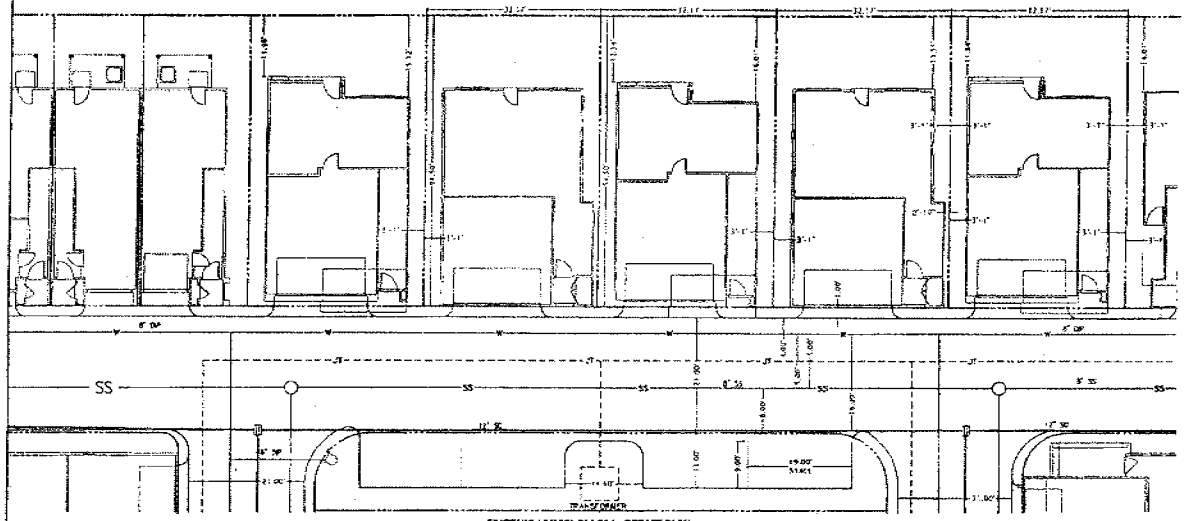
LAUREL PLACE II
TENTATIVE MAP APPLICATION
3311-3321 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

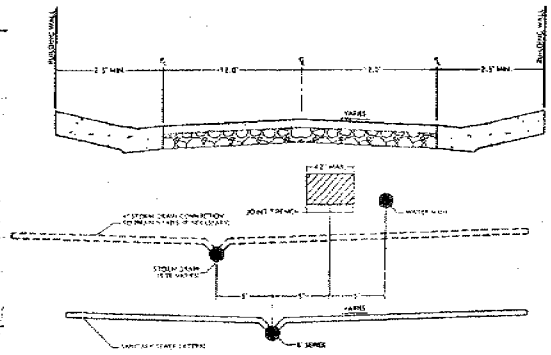
DATE MAR 2014
SCALE AS SHOWN
DESIGNED JL
DRAWN JL
CHECKED JL
JOB 4001-4
SHEET C3.2



PROPOSED LAUREL PLACE II - STREET PLAN



EXISTING LAUREL PLACE I - STREET PLAN



NOTES

1. SECTION IS NOT TO SCALE AND MAY NOT BE REPRESENTATIVE OF ACTUAL DETAIL LOCATIONS OF UTILITIES. SECTION SHOWN FOR PROJECT USE.
2. SEE UNITY CIVIL PLAN FOR ACTUAL UTILITY PLAN VIEW FOR PROPOSED UTILITY LOCATIONS AND DETAILS PACKETS.
3. ALL STORM AND SEWER PIPES HAVE 18" VERTICAL CLEARANCE BETWEEN PIPES.

PROPOSED STANDARD STREET SECTION (B-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES ON SITE.
2. CENTER DRIVE AISLE TO BE 24' WIDE PLUS 8' WIDE X 24' DEEP PARALLEL PARKING STALLS.
   - ADD 2' OFF LAWRENCE EXPRESSWAY TO 15.24' WIDE TO COUNTY STD. 30' WIDE ENTRANCE.
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE.
3. JOINT TRENCH SHOWN INCLUDES SDG&E & CABLE POWER TRENCH WIDTH. MAXIMUM TRENCH WIDTH TO BE 4' WIDE. SAME TRENCH DIMENSIONS MAY VARY BASED ON TRENCH OCCUPANCY AND MUST BE DETERMINED DURING CONSTRUCTION CIVIL DESIGN. ALL PROPOSED TREES TO BE A MINIMUM OF 5' FROM PROPOSED ELECTRIC FACILITIES.
4. CURB RADII TO BE 30' TO ACCOMMODATE FIRE TRUCK WORK TURNING RADIUS OF 35. SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING EXHIBITS.
5. ALL UTILITY STRUCTURES (MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
6. THIS UTILITY SEWER & SW DRAINAGE ONLY. FOR ACTUAL SITE TY DEVELOPMENT SEE SHEET C6.0 FOR PRELIMINARY UTILITY PLAN.

LEGEND

WATER MAIN	METER
JOINT TRENCH	
SANITARY SEWER MAIN	SSMH
SANITARY SEWER LATERAL	SSCO
STORM DRAIN	SDMH

ABBREVIATIONS

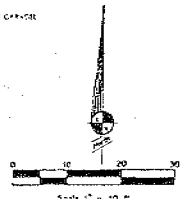
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEAN OUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXIST. NO. LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.49 ACRES (65,434 S.F.)	1.16 ACRES (50,530 SQFT)
TOTAL UNITS	34 UNITS	63 UNITS (63 SINGLE FAMILY, 5 SINGLE FAMILY)
AVERAGE LOT SIZE	1,845 S.F.	1,892 S.F.
TOTAL LOT COVERAGE	82,230 S.F. (47%)	37,974 S.F. (65%)
COMMON LOT AREA	23,514 S.F. (36%)	063,714 S.F. (13%)
PRIVATE GARAGE PROVIDED	68 STALLS, 57 (CAR GARAGE)	126 (2 CAR GARAGE)
GUEST PARKING PROVIDED	8 STALLS	18 STALLS
GUEST PARKING RATIO	[illegible]	1:3.5
AVERAGE FLOOR AREA RATIO	1.33	1.28
FRONT SETBACK	0'-10' (SEE NOTE 4)	2'-6"
SIDE SETBACK	[illegible]	4'-0"
REAR SETBACK	[illegible]	10'-13'
STREET WIDTH	[illegible]	24'-28'

NOTE

4. LAUREL PLACE I - SOME UNITS WERE DESIGNED WITH FRONT BUILDING WALL ON THE PROPERTY LINE WITH 0' SETBACK (SEE COMMON LOT).



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3121 Tasman Drive, Suite 117 • Santa Clara, California 95054 • (408) 727-1122 • FAX: 727-1817

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1733 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE	NOV. 2021
SCALE	AS SHOWN
DESIGNED	JK
DRAFTED	JK
JOB	4291-03
SHEET	C3.3

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

LAWRENCE EXPRESSWAY

TREATMENT CHART

TREATMENT METHOD	AREA TREATED	% OF SITE
SELF TREATING (SEE NOTE 1)	125,543 S.F.	70%
PAVEMENT AREA (SEE DRAINAGE)	48,053 S.F.	26%
PERMEABLE AREA (PAVERS)	8,398 S.F.	04%
TOTAL AREA	181,994 S.F.	100%

PLAN NOTES

1. SELF TREATING AREA INCLUDES BACKYARD & FRONTYARD LANDSCAPING, AND ALL ROOF AREAS WHICH ARE TO DISCHARGE DIRECTLY ONTO LANDSCAPING.
2. ALL CATCH BASINS TO BE PARTIAL NO DRAINING FLOWS TO BMP.

PAVING LEGEND

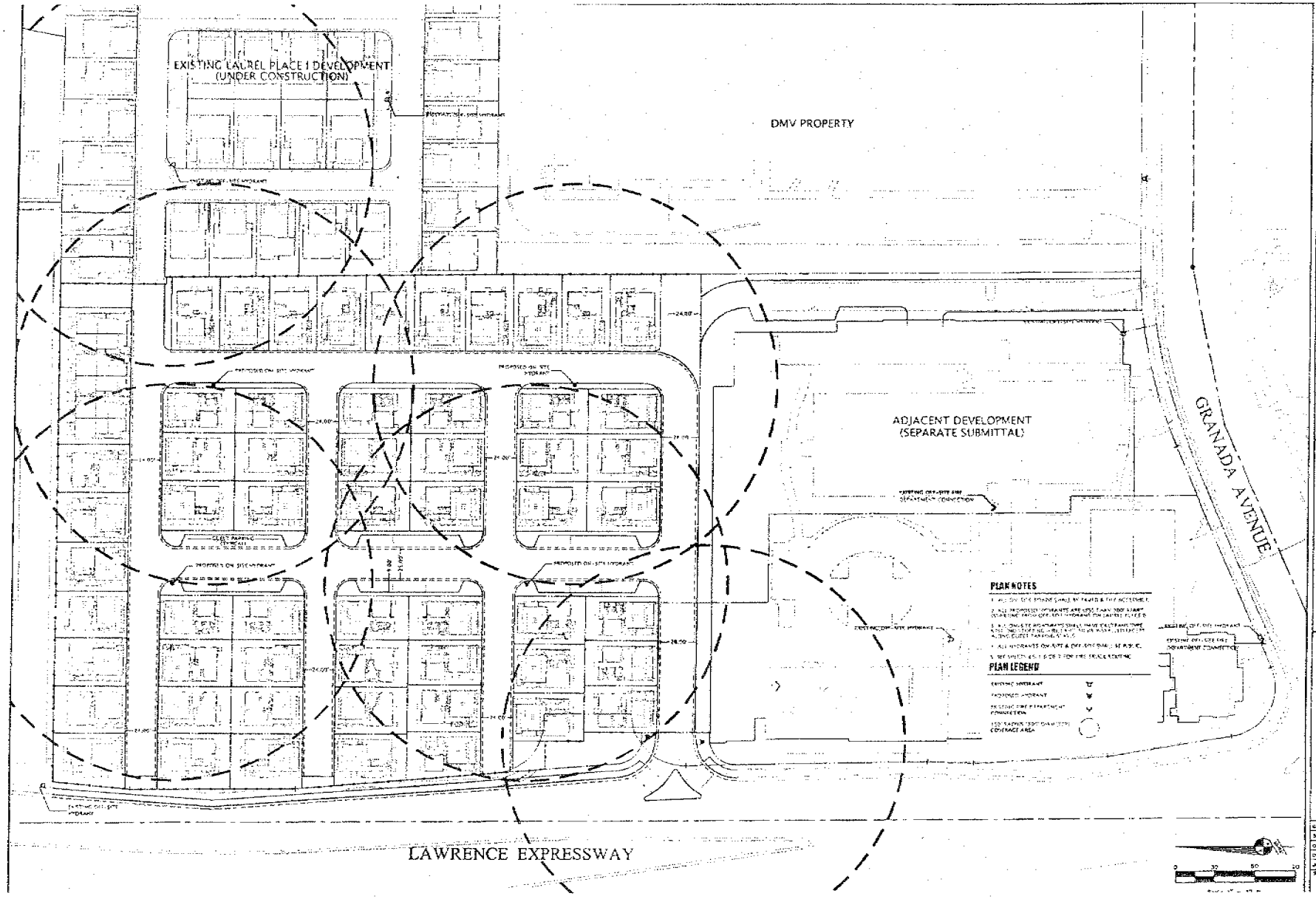
- SELF-TREATING AREA
- PAVEMENT AREA
- PERMEABLE PAVERS
- DIRECTION OF FIRE FLOW

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
1100 Scott Boulevard, Building 22 • (408) 727-9445
Santa Clara, California 95054 • (408) 727-9445

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

PRELIMINARY STORM WATER MANAGEMENT PLAN

DATE NOV 2018
SCALE 1" = 20'-0"
DESIGNED JK
DRAWN JK
JOB 4281.01
SHEET C3.4

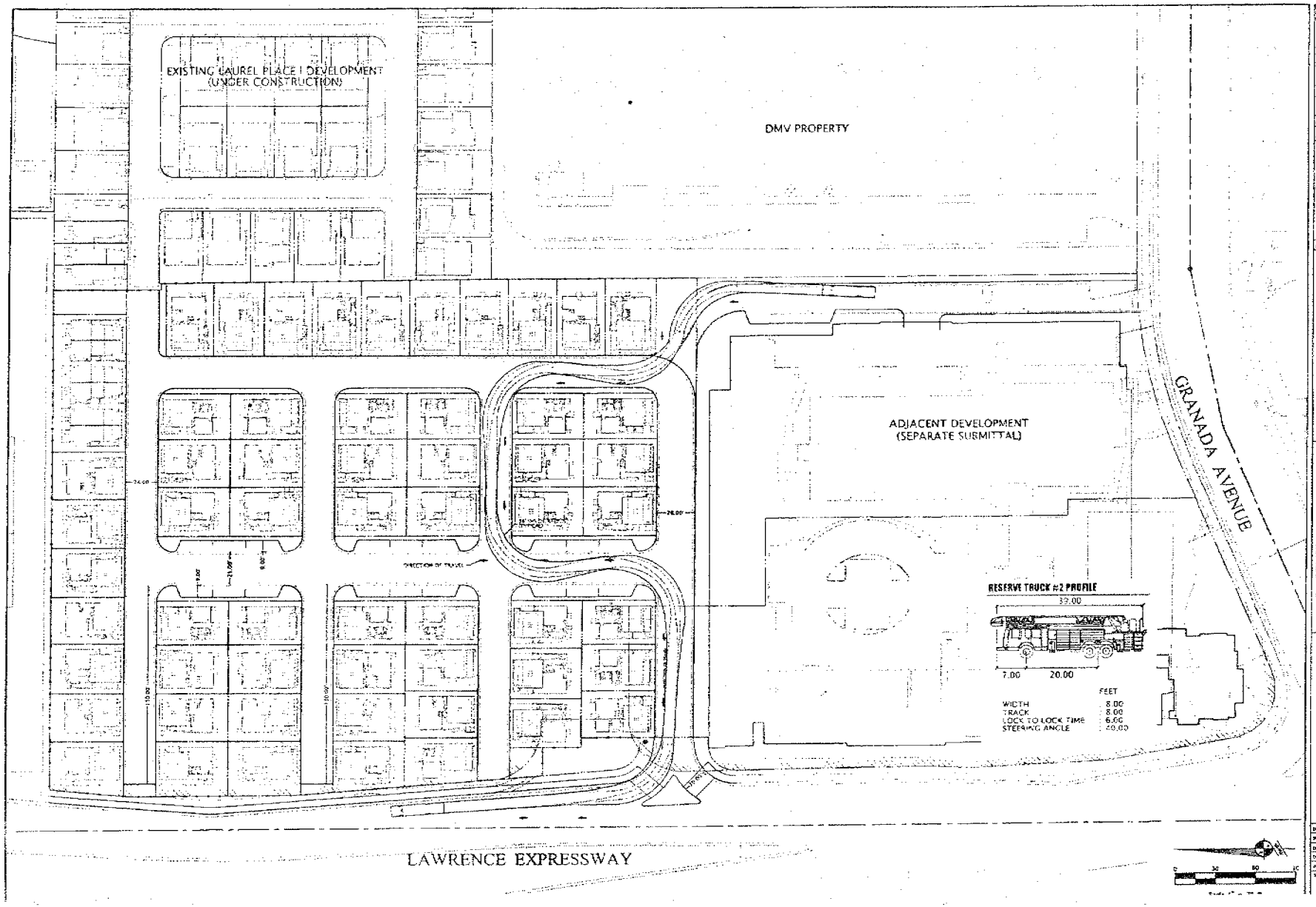


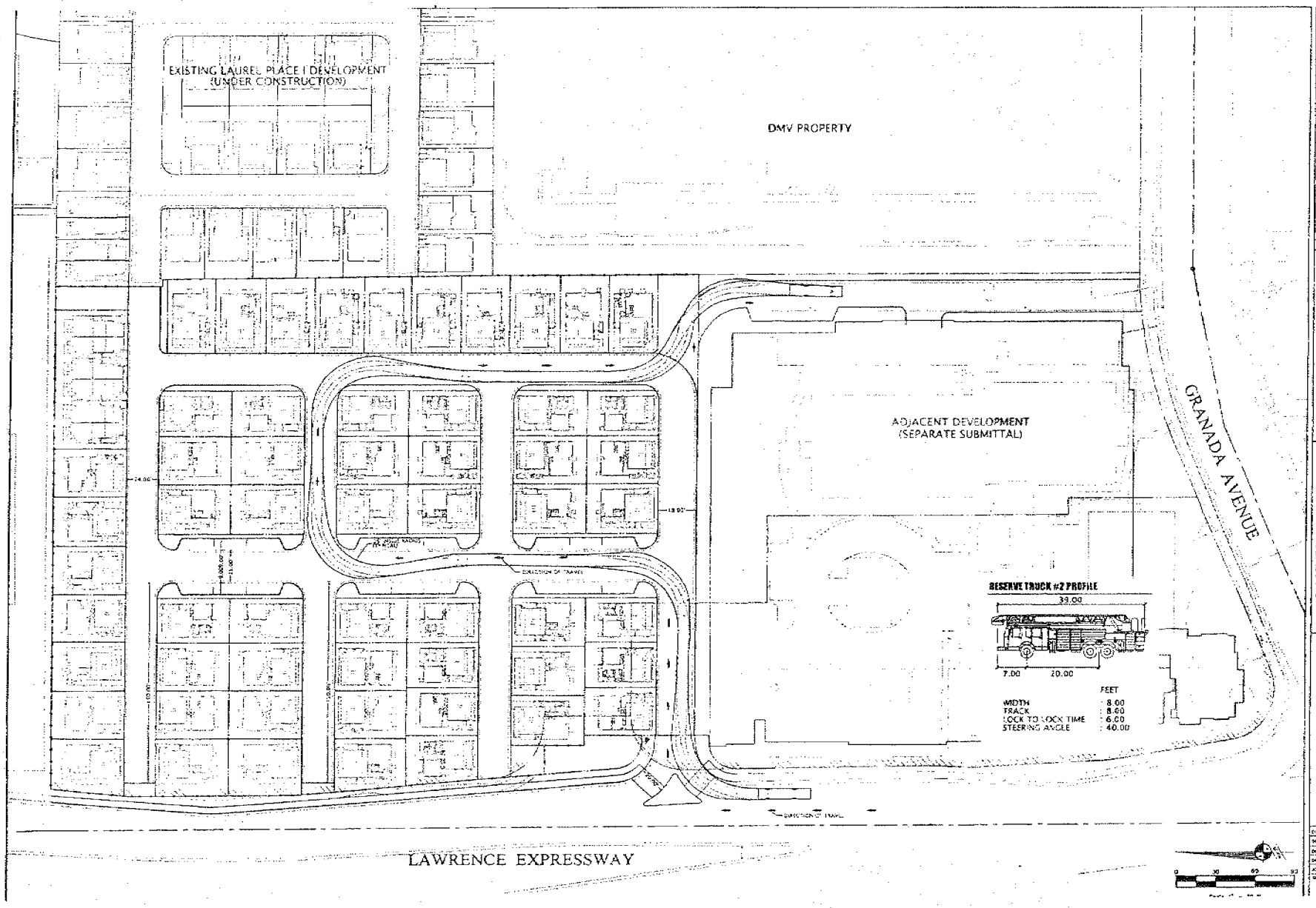
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
3331-3333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE SAFETY PLAN

DATE NOV 2021
SCALE AS SHOWN
DESIGNED JK
DRAWN JK
JOB NUMBER
SHEET C4.0


EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)
DMV PROPERTY
ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)
GRANADA AVENUE
LAWRENCE EXPRESSWAY
DIRECTION OF TRAVEL
RESERVE TRUCK #2 PROFILE
39.00
7.00
20.00
FEET
WIDTH 8.00
TRACK 8.00
LOCK TO LOCK TIME 6.00
STEERING ANGLE 20.00
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
TAYLOR MORRISON HOMES
FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT
C4.1

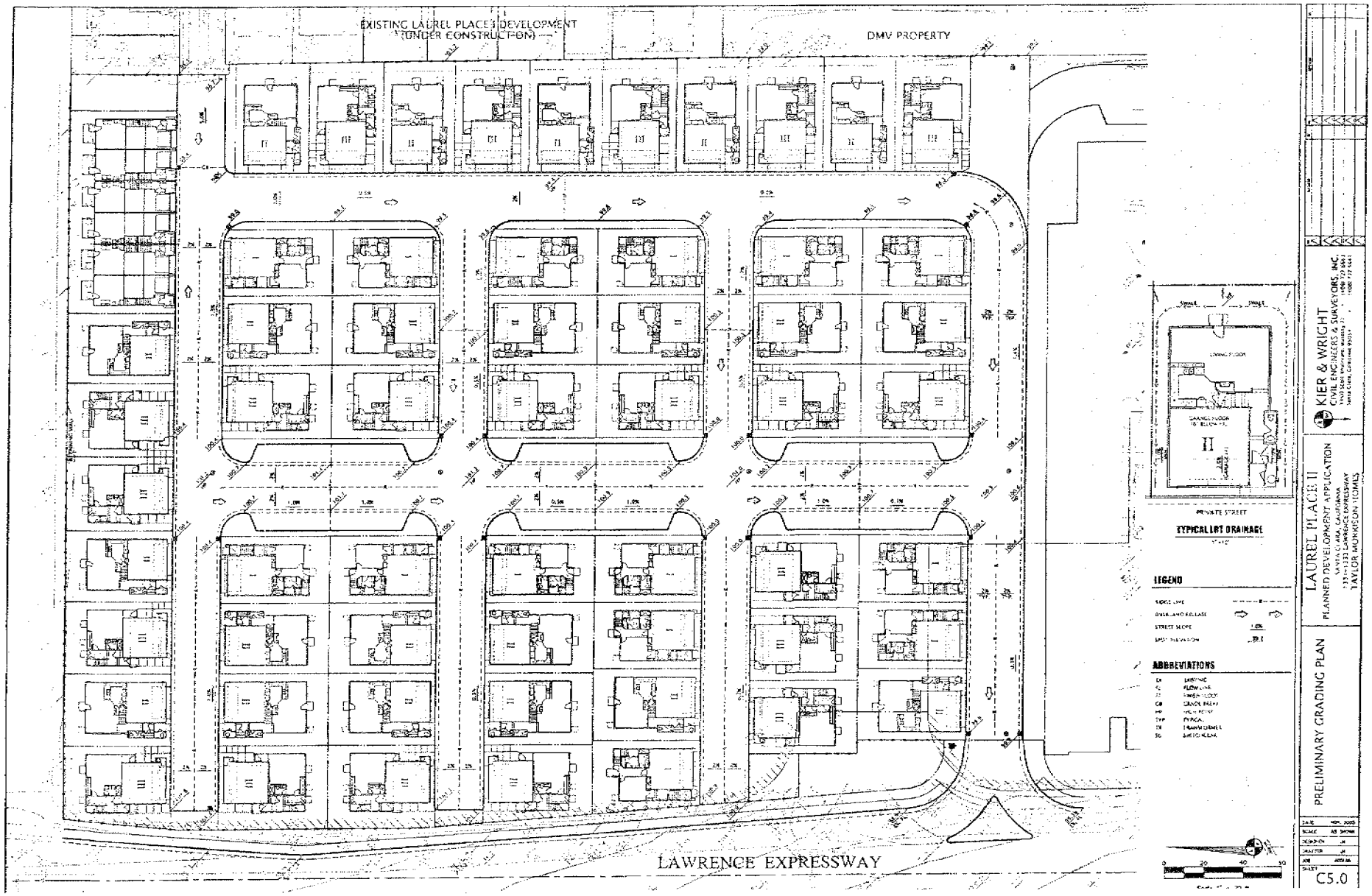


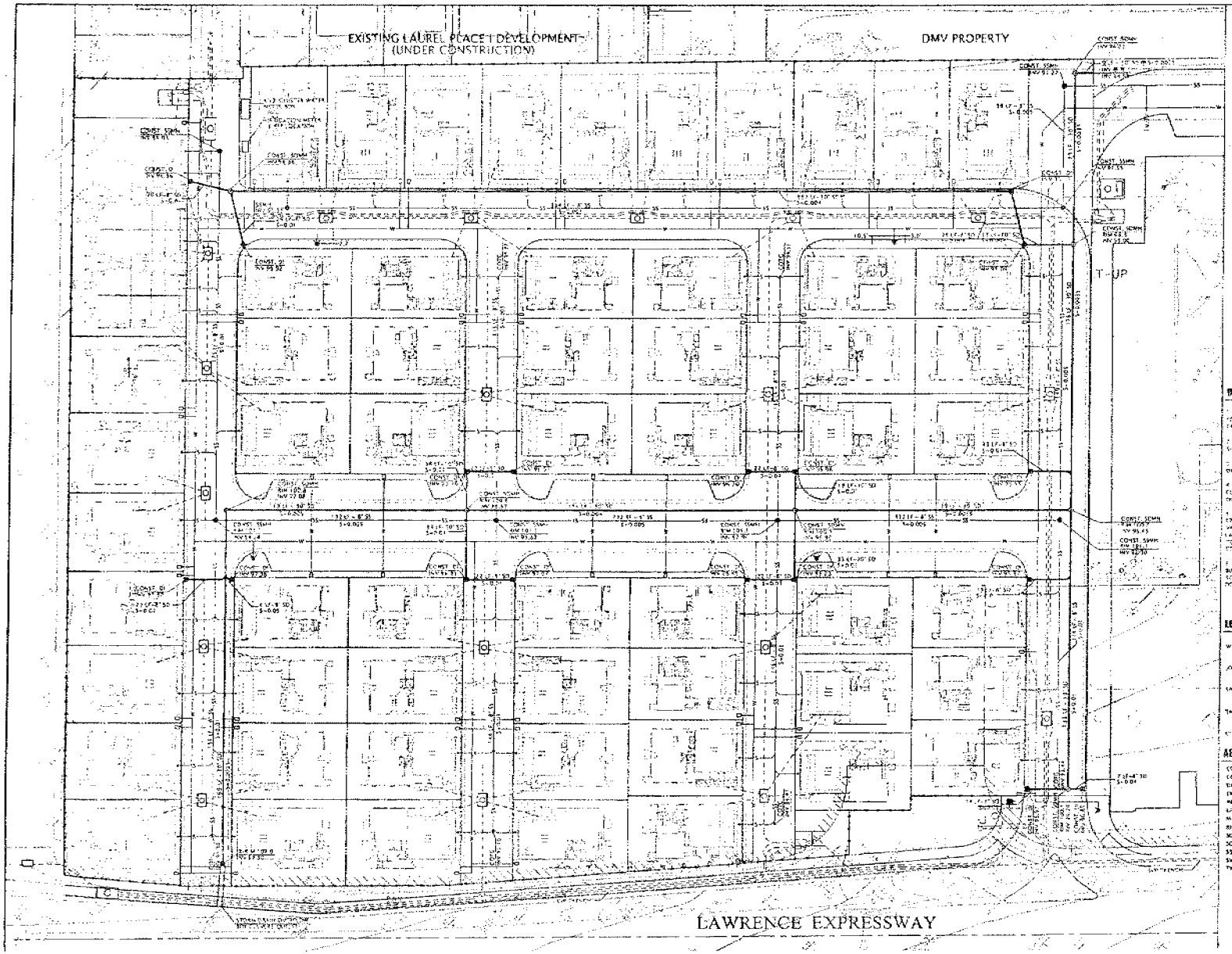
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE

DATE NOV. 2009
SCALE AS SHOWN
DESIGNER JH
DRAFTER JH
JOB 10-0118
SHEET C4.2


EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)
DMV PROPERTY
LAWRENCE EXPRESSWAY
PRIVATE STREET
TYPICAL LOT DRAINAGE
LEGEND
ABBREVIATIONS
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
TAYLOR MORRISON HOMES
PRELIMINARY GRADING PLAN
C5.0



UTILITY PLAN NOTES

1. [illegible]
2. SANITARY SEWER CONNECTION TO SJ CANYON SHOWN PENDING OUTCOME OF FULL SEWER STUDY
3. SEE SHEET C2.1 FOR UTILITY SEPARATION DETAILS & TYPICAL STREET SECTION
4. WATER METERS, SUB STRUCTURES, MANHOLES, CLEAN OUTS, ETC. SHOWN TO ACCOMMODATE LANDSCAPING
5. SWITCHGEAR & TRANSFORMER AREAS SHOWN AT CONSTRUCT LAYOUT AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARDS FOR CLEARANCE. FINAL LANDSCAPING PLANS SUBMITTED WITH THESE AREAS TO BE DEPENDENT ON THE SUBMITTAL OF CONSTRUCTION DOCUMENTS
6. STORM LATERALS MAY BE NEEDED IN SOME ZONES BUT ARE NOT SHOWN ON THIS PLAN. THE DESIGN SHALL BE DONE AS PART OF CONSTRUCTION DOCUMENTS

LEGEND

WATER MAIN — W — METER
JOINT TRENCH
SANITARY SEWER MAIN — SS — SSMH
SANITARY SEWER LATERAL — S — ISCO
STORM DRAIN — SDMH

ABBREVIATIONS

CONST CONSTRUCT
CO TO CLEAN OUT TO GRADE
DI DROP INLET
EX EXISTING
FGE FINISH GRADE ELEVATION
LF LINEAL FEET
MH MANHOLE
RIM RIM ELEVATION
SDMH STORM DRAIN MANHOLE
SC SWITCHGEAR
SSMH SANITARY SEWER MANHOLE
SVP SILICON VALLEY POWER
TR TRANSFORMER

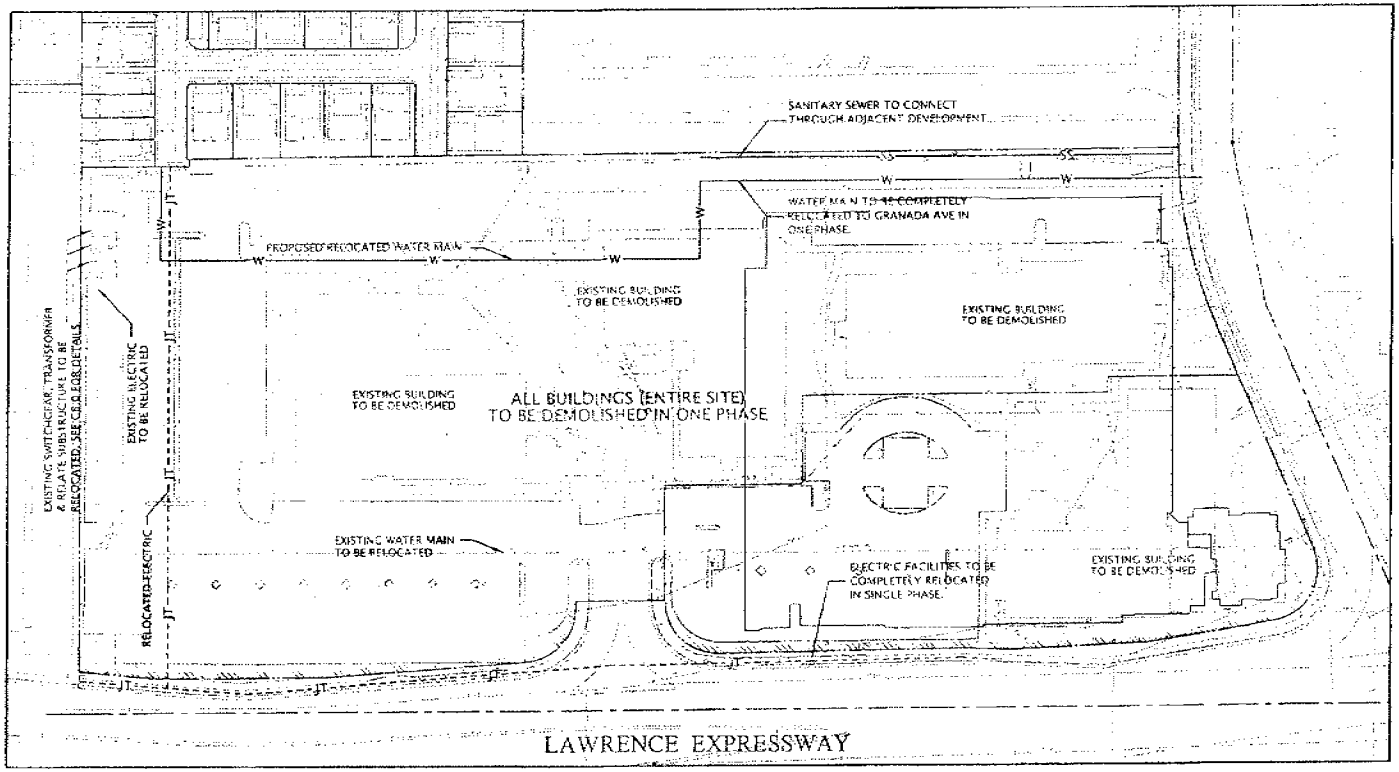
0 20 40 60

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2350 Scott Boulevard, Building 27 • (408) 727-1665
Santa Clara, California 95054 • (408) 727-1661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133-137 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNED	
DRAFTED	
APP	
SHEET	C6.0



UTILITY RELOCATIONS

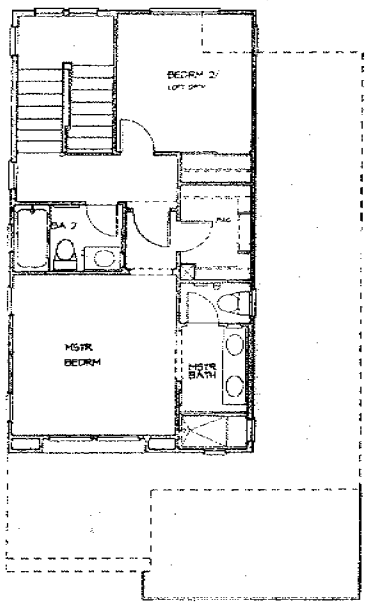
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
3333-3337 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

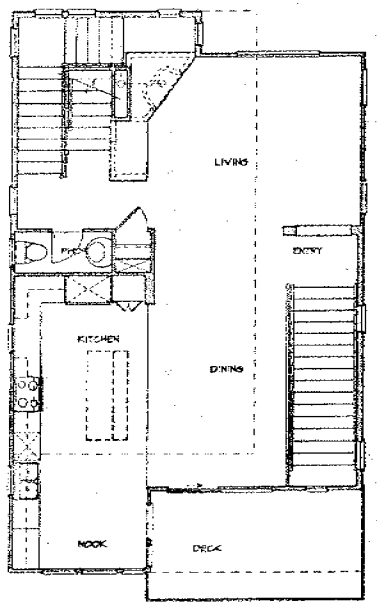
UTILITY RELOCATION & IMPROVEMENT PLAN

DATE NOV. 2020
SCALE AS SHOWN
DESIGNED JN
DRAWN JN
JOB 2020088

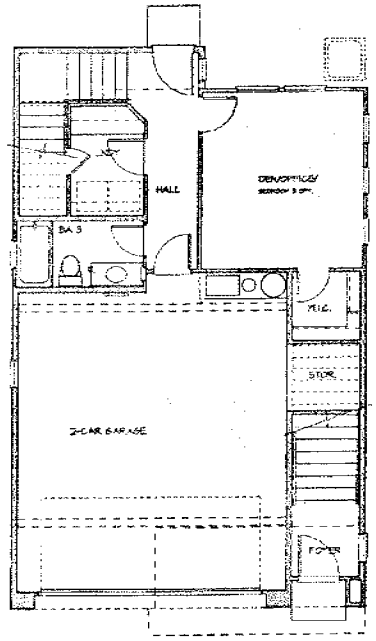
SHEET C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

0 4 8 14

AUGUST 3, 2005

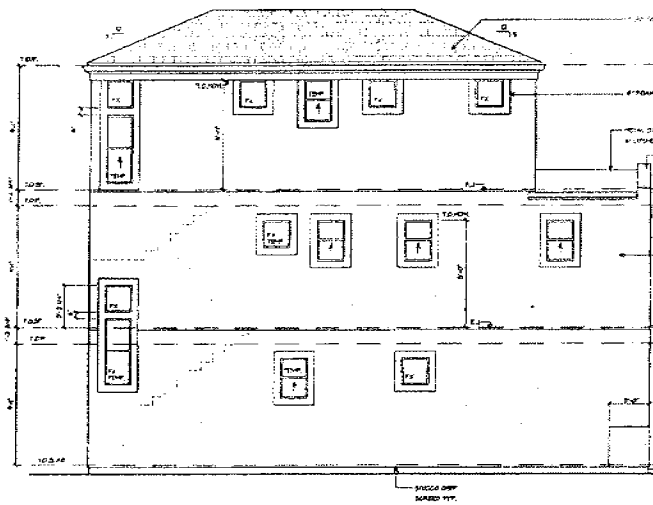
Project No.: 579.024

DAHLIN GROUP
ARCHITECTURE
PLANNING
2311 Chase Commons
San Ramon, CA 94583
925.837.9004
925.837.3845 fax

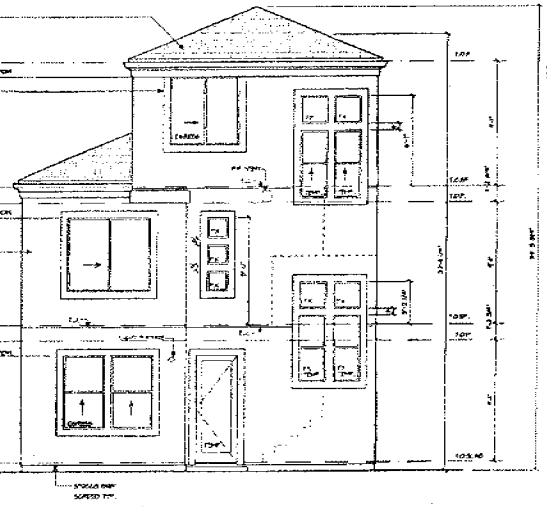
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1371 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - FLOOR PLANS

DATE
SCALE
PROJECT NO.
DRAWN BY
JOB
SHEET
A1.0



LEFT ELEVATION "A"



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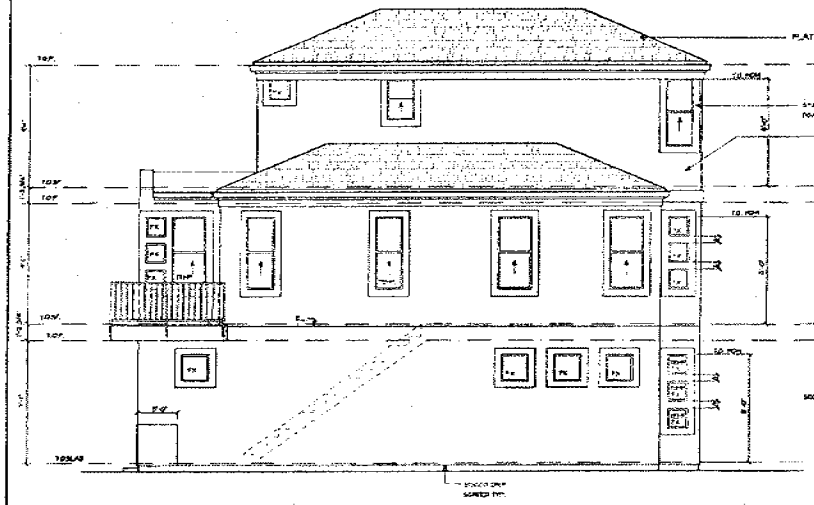

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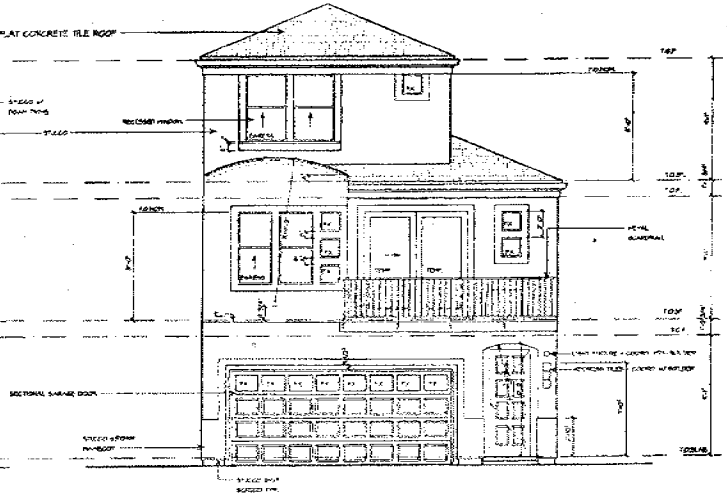


FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

[illegible]

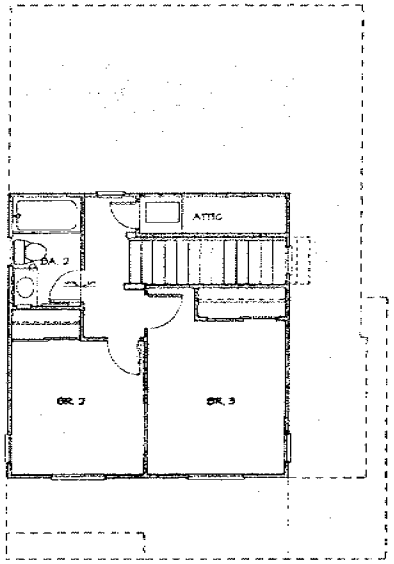
DAHLIN GROUP
ARCHITECTURE
PLANNING
INTERIORS

7471 Cole Creek Rd
Suite 100
Sacramento, CA 95828
916.857.9200
916.857.9243 fax

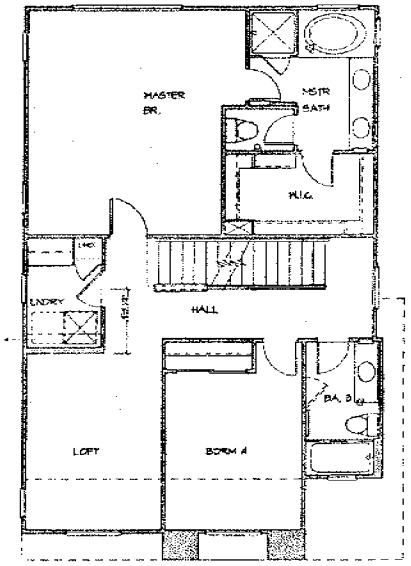
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1011-1114 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

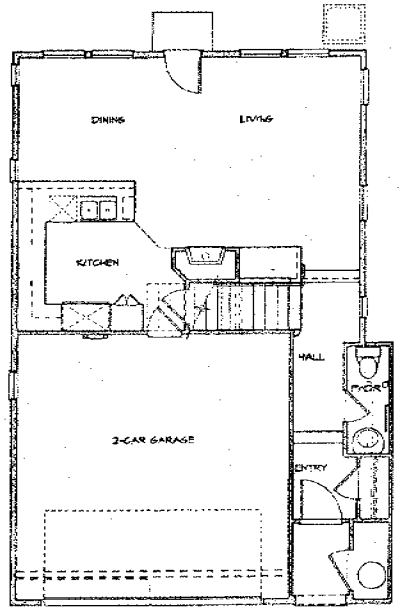
DATE	NOV. 2006
SCALE	AS SHOWN
DESIGNED	
DRAWN	
JOB	
SHEET	A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 16

AUGUST 3 2005

Project No. 320.024

DAHLIN GROUP

LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION

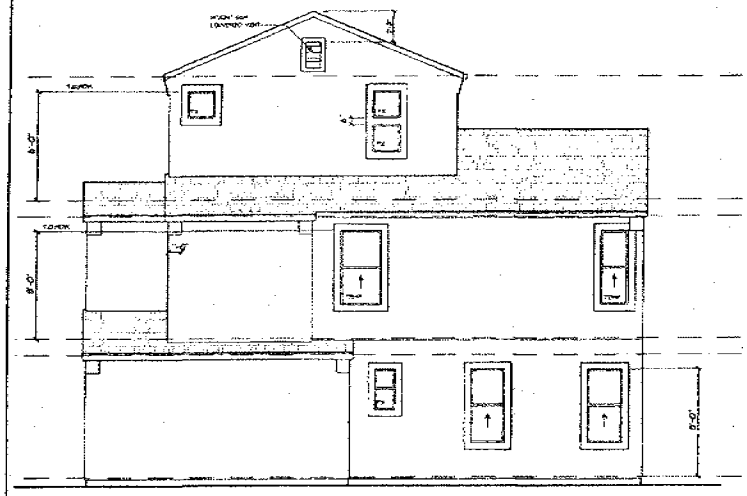
SANTA CLARA, CALIFORNIA

1331-1333 LAWRENCE EXPRESSWAY

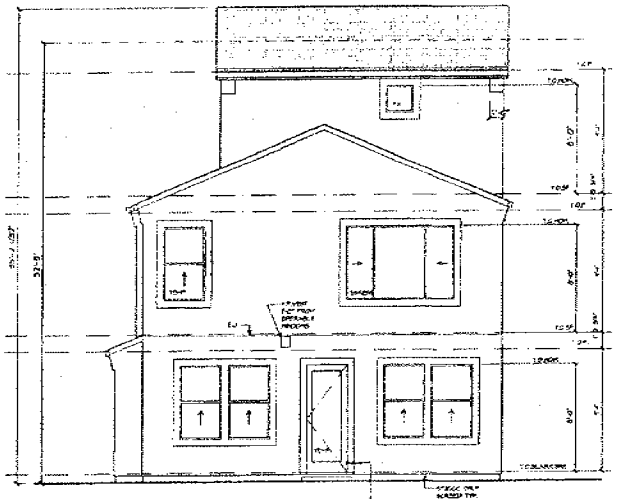
TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

DATE	MAY 2006
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A2.0



RIGHT ELEVATION "A"



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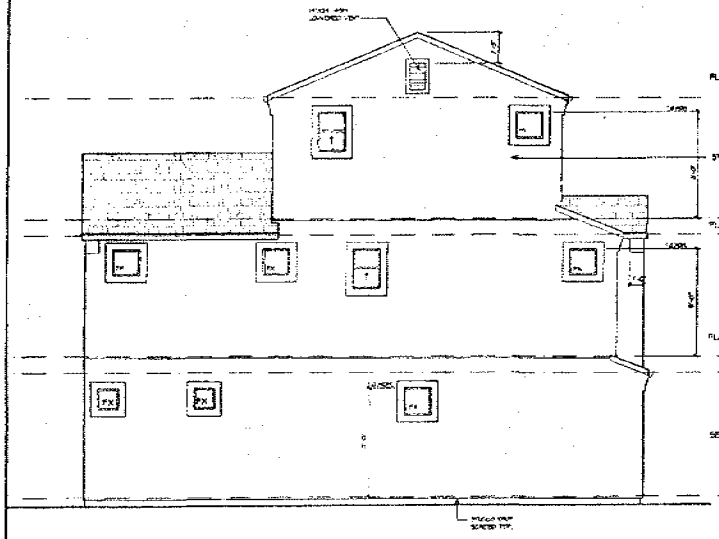
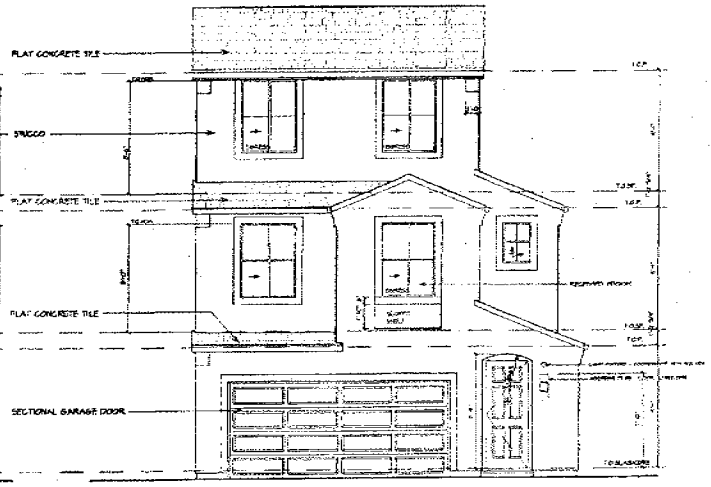


LEFT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

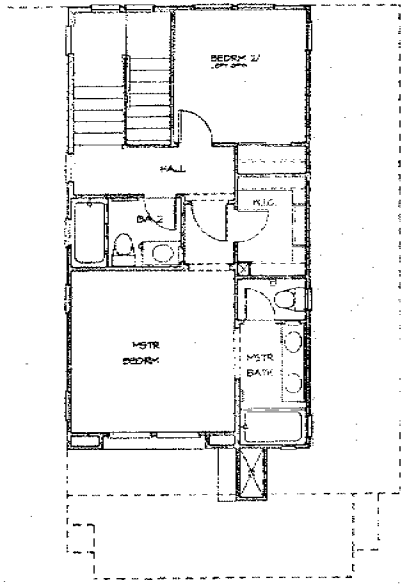
1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]
6. [illegible]

DAHLIN GROUP

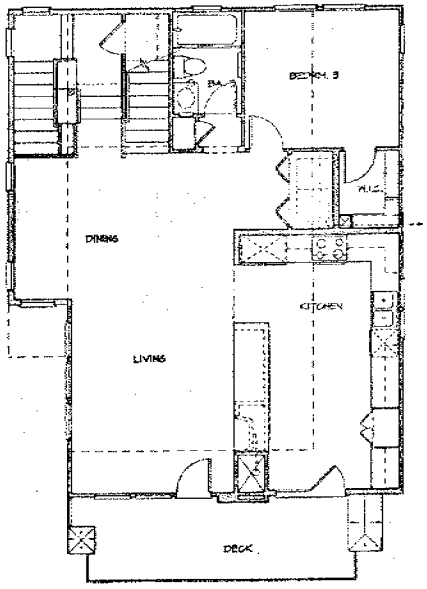
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1337-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

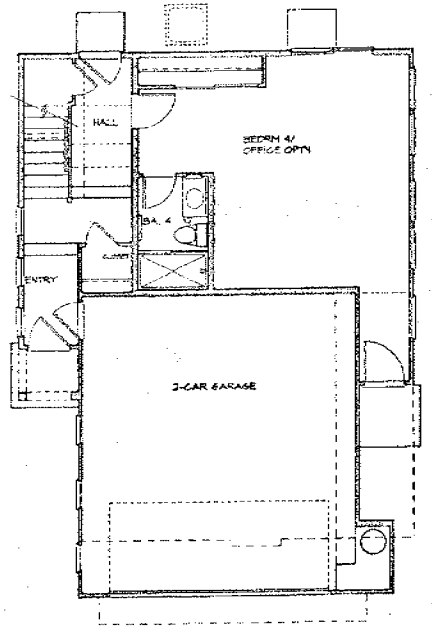
DATE NOV. 2005
SCALE AS SHOWN
DESIGNED
DRAWN
JOB
SHEET A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

Project No.: 5179.E1

DAHLIN GROUP
ARCHITECTURE PLANNING

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1341 1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 FLOOR PLANS

DATE NOV. 2005
SCALE AS SHOWN
DESIGNED BY --
DRAWN BY --
CHK --
SHEET A3.0

EXTERIOR ELEVATION NOTES

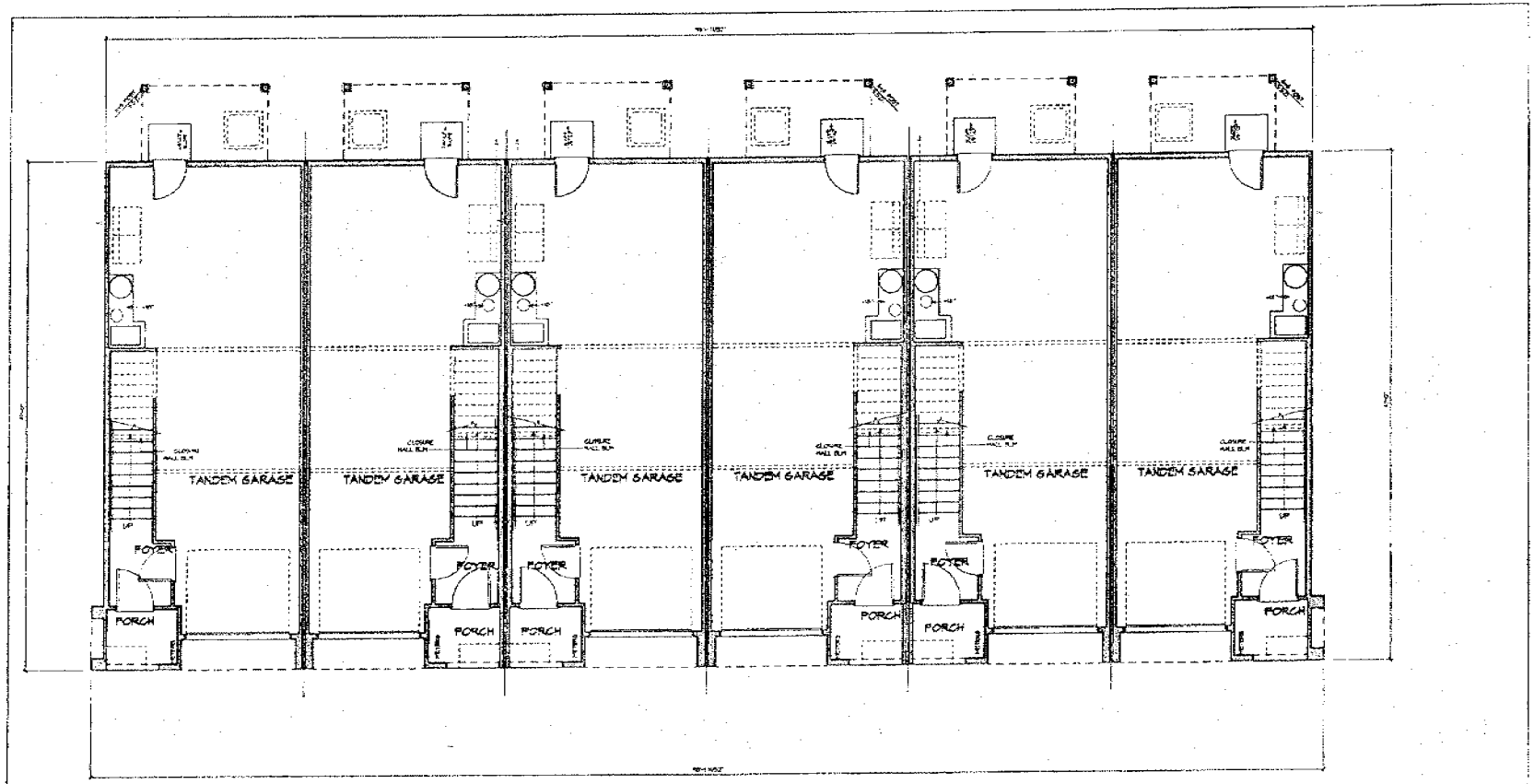
1. CLASS A ROOF [illegible]
   ALL ELEVATIONS - [illegible]
2. WINDOW HEIGHTS [illegible]
   FIRST FLOOR [illegible]
   SECOND FLOOR [illegible]
   THIRD FLOOR [illegible]
3. [illegible]
4. [illegible]
5. [illegible]
6. [illegible]

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
[illegible]

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
[illegible] LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV. 2000
SCALE	AS SHOWN
DESIGNED	--
DRAWN BY	--
CD	--
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.
TOTAL: 1,160 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2004

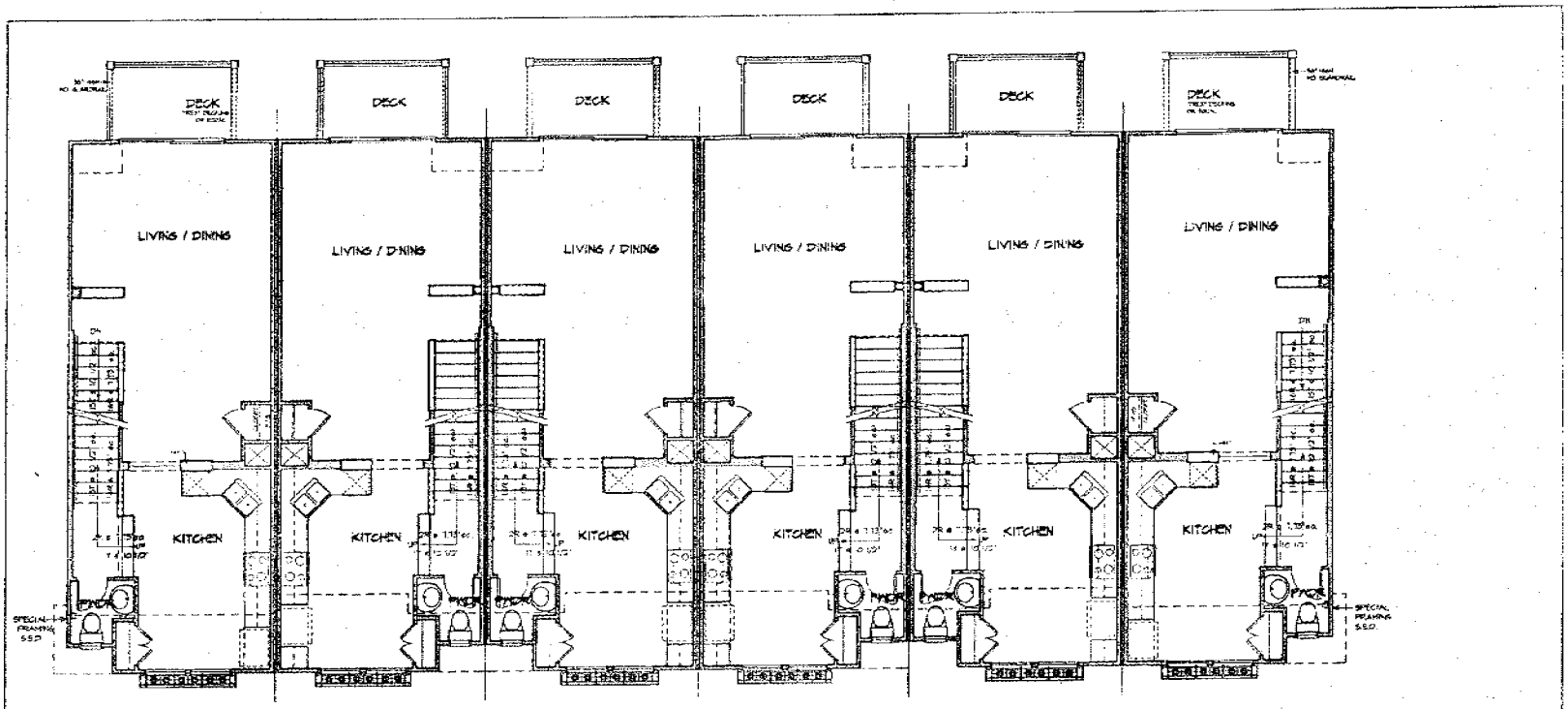
Project No.: 329.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2003
SCALE AS SHOWN
DRAWN --
CHECKED --
JOB --
SHEET A4.0



SECOND FLOOR PLAN

567 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

Project No.: 529.004

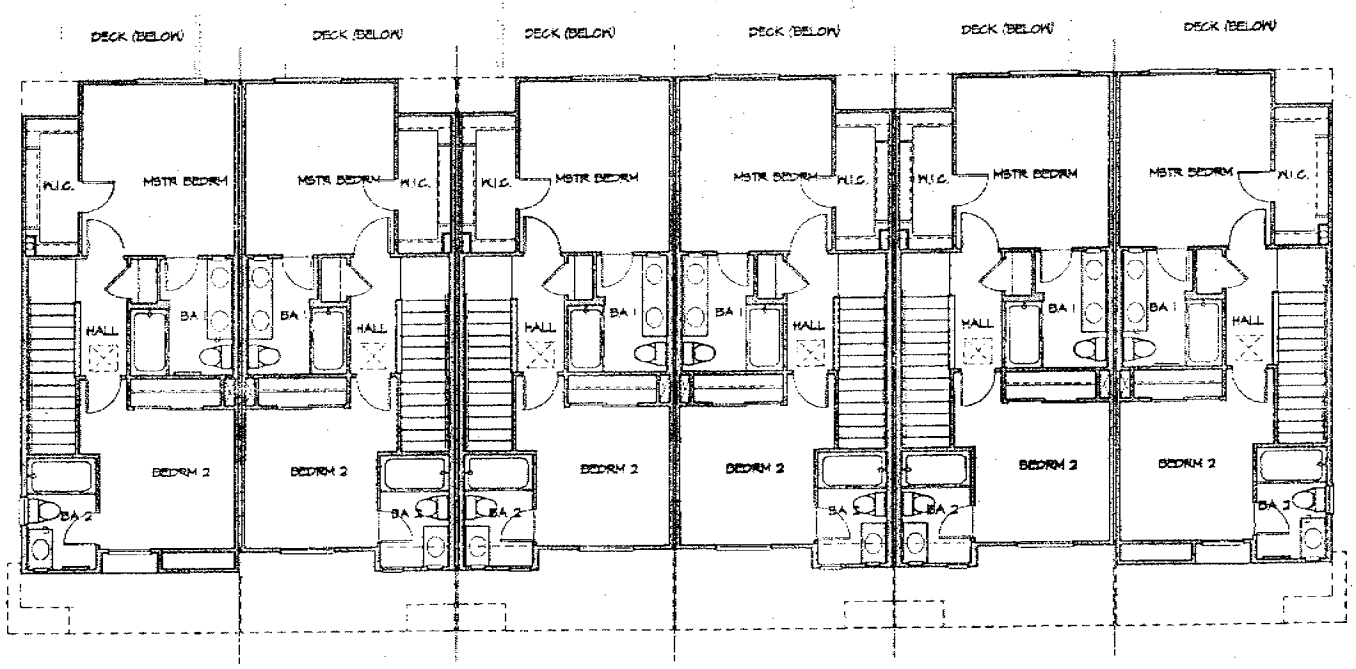
DAHLIN GROUP
ARCHITECTURE PLANNING

7671 Cross Country Rd.
San Ramon, CA 94583
925.837.0794
925.831.2343 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1.23.03 CITY COMMENTS
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2005
SCALE 1/8" = 1'-0"
DESIGNED BY
DRAWN BY
JOB
SHEET A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2004

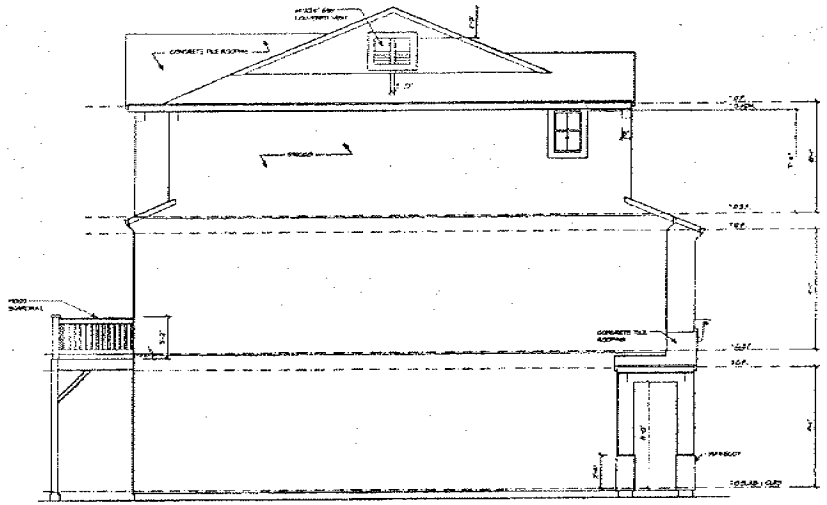
Project No.: 539.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2003
SCALE AS SHOWN
DESIGNER
DRAWER
JOB
SHEET A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006 Project No.: 529.02A

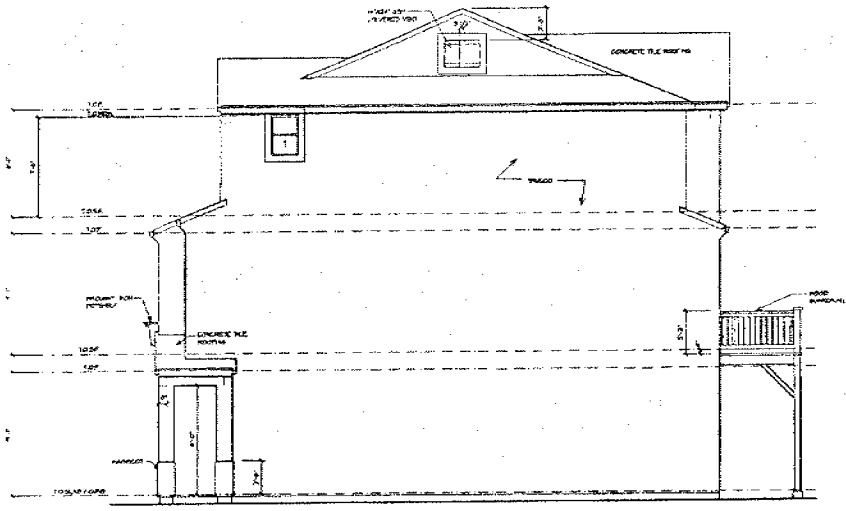
DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

3627 Crow Canyon Rd.
San Ramon, CA 94583
925.837.8044
925.837.7543 fax

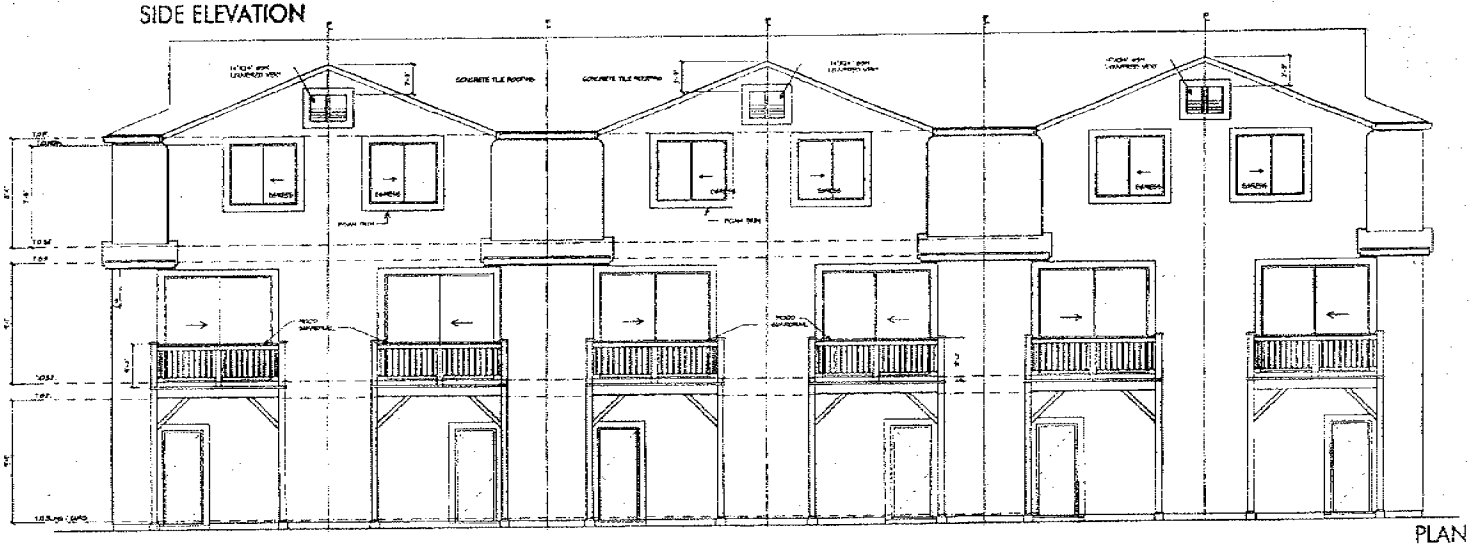
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1 STANFORD UNIVERSITY PARK
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE NOV. 2005
SCALE AS SHOWN
DESIGNED ---
DRAWN ---
JOB ---
SHEET A4.3



SIDE ELEVATION



REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

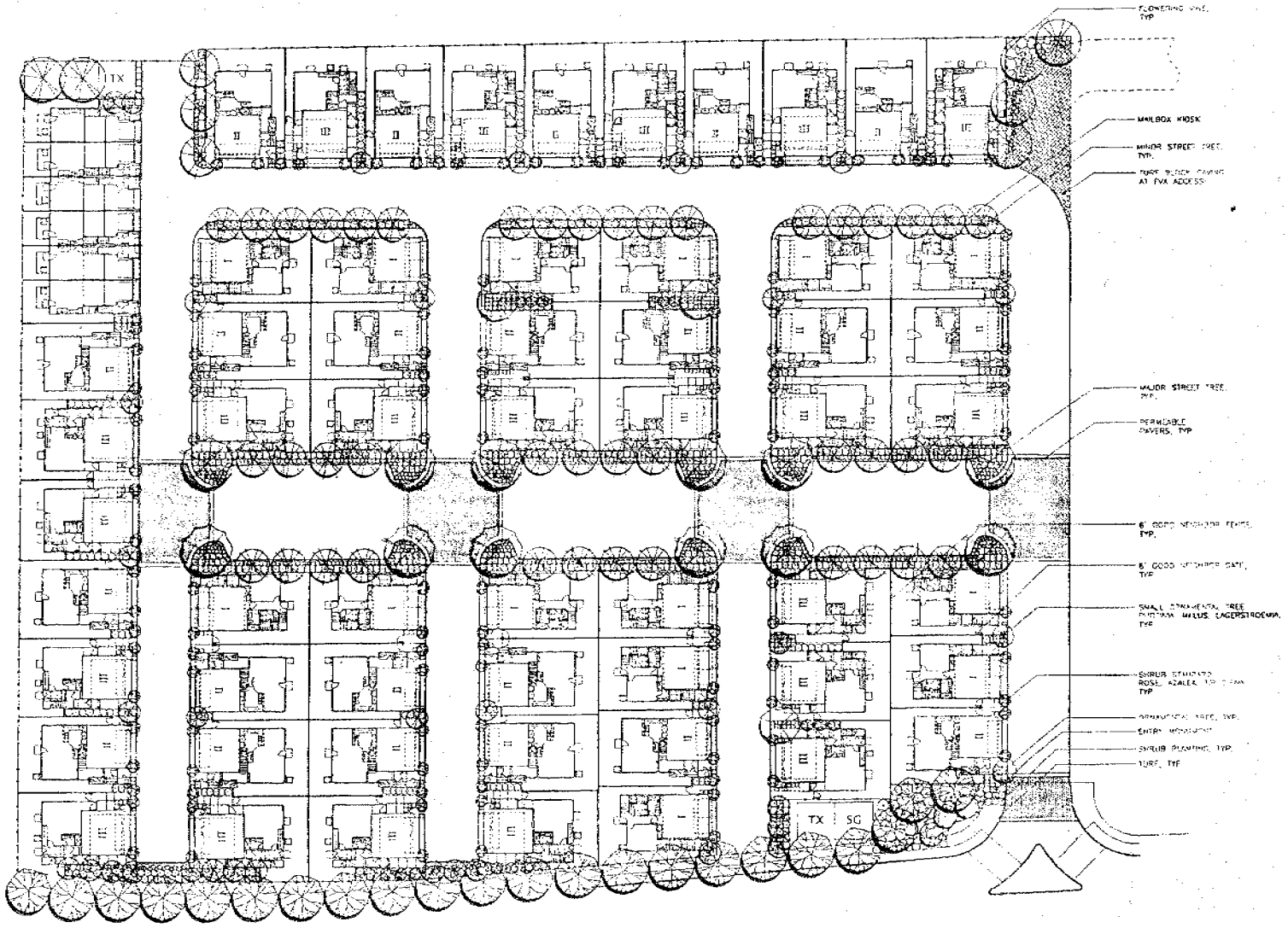
April 13, 2006 Project No. 527.004

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2871 Cole Grove Rd.
Walnut Creek, CA 94598
925.827.8766
925.827.7943 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE NOV. 2006
SCALE AS SHOWN
DESIGNED --
DRAWN --
JOB --
SHEET A4.4

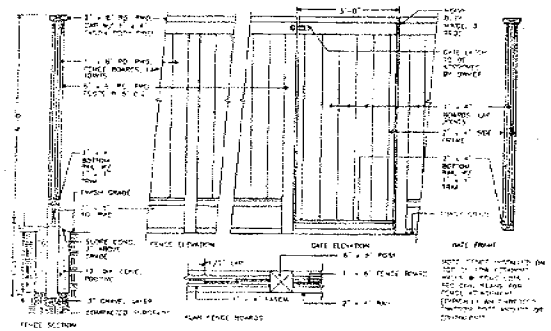


VAN DORN ABED
LANDSCAPE ARCHITECTS, INC
100 EDWARD ST, STE 1, SAN FRANCISCO, CA
(8 [illegible]) [illegible]

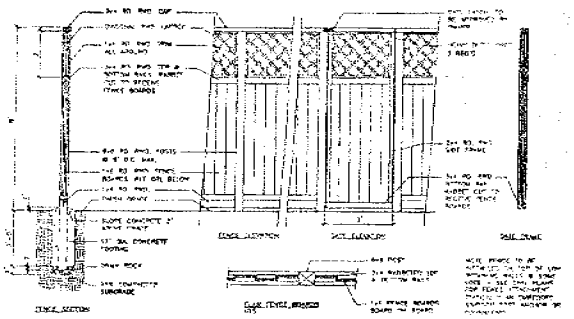
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

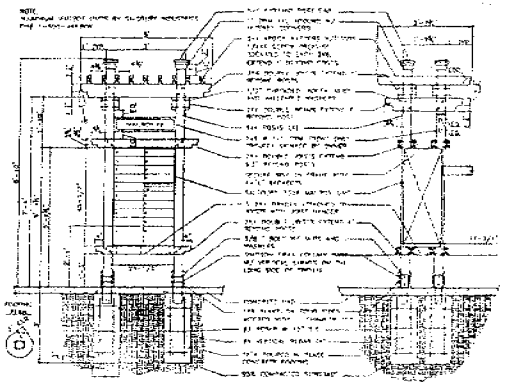
SCALE
DATE
DRAWN
PROJECT
JOB
SHEET
L1.1
OF SHEETS



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS



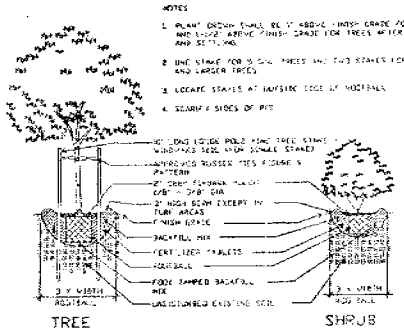
MAILBOX KIOSK
NTS

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.

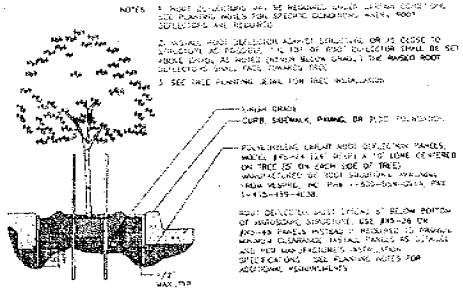
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
MONTCLAIR, CALIFORNIA
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

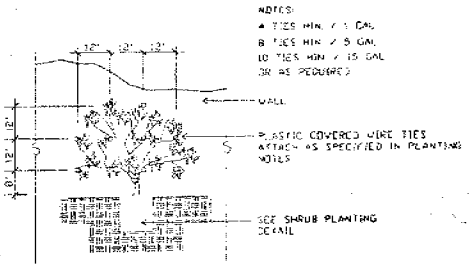
L1.2



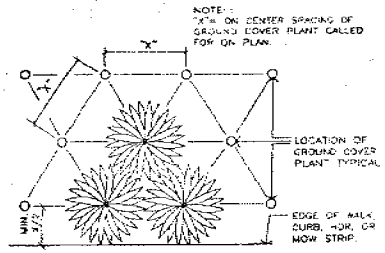
TREE AND SHRUB PLANTING
NTS



ROOT DELECTOR
NTS



VINE TYING PLANTING
NTS



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Chitalpa Tashkentensis	Chitalpa
Chionanthus Retusus	Chinese Fringe Tree
Cupaniopsis Anacardioides	Carrotwood
Hymenosporum Flavum	Sweetshade
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia Yarwood	Yarwood Sycamore
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Fauri "Cherokee	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Blireana	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis 'Majestic Beauty'	India Hawthorn Standard
SHRUBS	
Abelia Edward Goucher'	Glossy Abelia
Abelia Floribunda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hibiscus
Anisodontea Capensis	Cape Mallow
Artemisia 'Powis Castle'	Nen
Clivia Miniata	Kaffir Lily
Coleonema Pulchrum	Breath Of Heaven
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Geranium Maderense	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum 'Bowles Mauve'	Wallflower
Escallonia Iveyi	Escallonia
Escallonia Fradesii	Escallonia
Euryops Pectinatus 'Viridis'	Shrub Daisy
Fatsia Japonica 'Variegata'	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosmarinifolia	Rosemary Grevillea
Grevillea Thelemiana	Nen
Hebe 'Coxii'	Nen
Hemerocallis Hybrid Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lantana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavender
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalum Chinensis 'rubrum'	Razzleberry
Loropetalum Chinense	Nen
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Nephrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly Leaf Osmanthus
Phormium Tenax Spp.	New Zealand Flax
Phormium 'Jack Spratt'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Raphiolepis Indica Spp.	India Hawthorn
Rosmarinus O. 'Duncan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Nen
Tulbaghia Violacea	Society Garlic
Viburnum Davidii	Nen
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Antenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Clytostoma Callistegioides	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfadenya Unguis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Faassenii	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Solya Heterophylla	Australian Bluebells Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion Dwarf tall fescue

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.
[illegible]

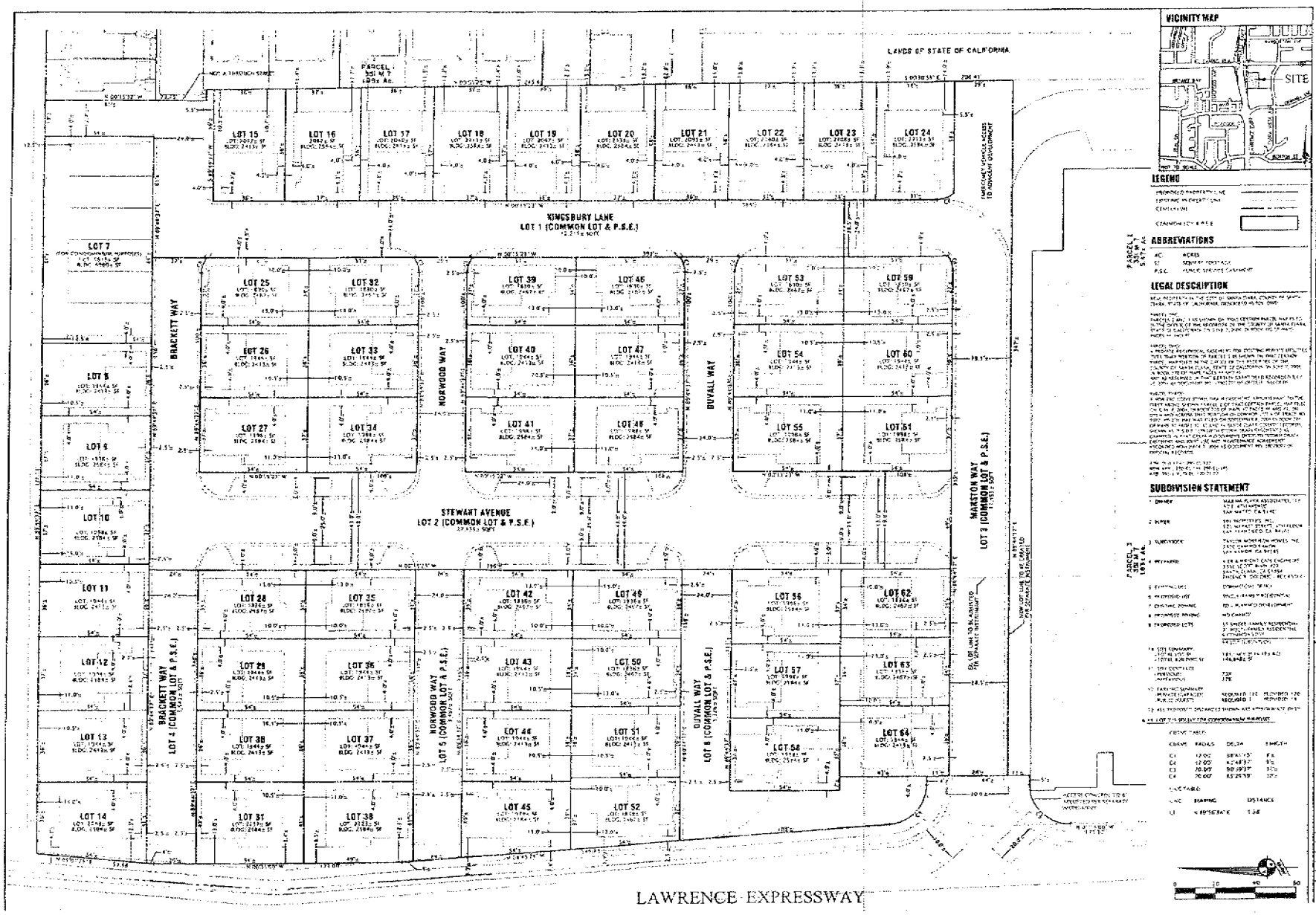
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
[illegible] SANTA CLARA, CALIFORNIA
TAYLOR WOODROW HOMES

LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE NOV 2003
SCALE AS SHOWN
DESIGNED
DRAWN
CHECKED
JOB
SHEET L1.3
OF SHEETS

EXHIBIT B

TENTATIVE MAP



VICINITY MAP

LEGEND

ABBREVIATIONS

AC	ACRES
SF	SQUARE FOOT/FEET
P.S.E.	PUBLIC SERVICE EASEMENT

LEGAL DESCRIPTION

SUBDIVISION STATEMENT

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3121 Gold Camp Drive, Suite 250
Rancho Cordova, California 95670
(916) 372-1480
Santa Clara, California 95054

LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

DATE
SCALE
DESIGNER
DRAFTER
JOB
SHEET C3.2

EXHIBIT C

CONDITIONS OF APPROVAL FOR TENTATIVE MAP

In order to approve the Tentative Subdivision Map, the City Council must find that:

1. The proposed map is consistent with the general plan, any applicable specific plans, and any applicable provisions of the Santa Clara Municipal Code .
2. The design and improvements of the proposed subdivision are consistent with general plan and any applicable specific plans.
3. The site is physically suitable for the proposed type of development.
4. The site is physically suitable for the proposed density of development.
5. The design of the subdivision and type of improvements are not likely to cause serious health problems.
6. The design of the subdivision and proposed improvements are not likely to cause substantial environmental damage and will not substantially or unavoidably injure fish or wildlife or their habitat or that an environmental impact report was prepared with respect to the project and there are specific economic, social or other considerations that make infeasible the mitigation measures and project alternatives identified in the environmental impact report.
7. The design of the subdivision and type of improvements will not conflict with easements acquired by the public at large, for access through or use of, property within the proposed subdivision.

It is recommended that the City Council accept on behalf of the City all dedications required as conditions of approval given to the Tentative Subdivision Map and that the City Clerk be authorized to so state on the Final Map prior to recordation.

RECOMMENDED CONDITIONS OF APPROVAL

In the event that this request is favorably considered, it is recommended that the Planning Commission apply the following recommended conditions of approval. In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval are recommended:

GENERAL

1. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
2. In accordance with Code Section 17.15.250, the first of Developer or other planned construction project to be served by the Westside Sewer Improvements shall design and construct, prior to occupancy, the Westside Sewer Improvements and be reimbursed by the City the amount noted herein towards the total cost of the Westside Sewer Improvements as the Sanitary Sewer Outlet Charge – Conveyance Fee ("Conveyance Fee") is collected by the City from developers for planned construction projects to be served by the Westside Sewer Improvements.

   If and only if Developer designs and constructs the Westside Sewer Improvements, the following shall apply:

   a. In accordance with Code Section 17.15.250, the total reimbursement to the Developer from the City for the total cost of the West Side Sewer Improvements shall not exceed ~~$1,276,000.00~~ $1,429,120.00. The reimbursement to the Developer for the Westside Sewer Improvements shall commence after the City has accepted the Westside Sewer Improvements and the Developer has submitted to the City complete detailed documentation evidencing the total cost of the Westside Sewer Improvements.

b. The Conveyance Fee to be paid by the Developer shall be $2,700.00 per dwelling unit.

c. *If the parallel sanitary sewer line along with the rehabilitation of the existing sanitary sewer line is the option chosen, the parallel line must be completed and accepted by the City prior to occupancy of the Development (T-M or BRE). Once the City accepts the parallel sanitary sewer line, T-M may start occupancy.*

ENGINEERING

3. Obtain site clearance through Engineering Department prior to issuance of building permit. Site clearance will require payment of applicable development fees. Other requirements may be identified for compliance during the site clearance process.

4. All work within the public right-of-way, which is to be performed by the Developer/Owner, the general contractor, and all subcontractors shall be included within a **Single Street Opening Permit** issued by the City Engineering Department. Issuance of the Street Opening Permit and payment of all appropriate fees shall be completed prior to commencement of work, and all work under the permit shall be completed prior to issuance of occupancy permit.

5. Obtain approval and permit from the County for work within Lawrence Expressway. Any change in access on the Lawrence Expressway off-ramp will require County approvals and permits.

6. Unused driveways in the public right-of-way shall be replaced with City standard curb, gutter, and sidewalk.

7. Damaged curb, gutter, and sidewalk within the public right-of-way along property's frontage shall be repaired or replaced (to the nearest score mark) in a manner acceptable to the City Engineer or his designee. The extents of said repair or replacement within the property frontage shall be at the discretion of the City Engineer or his designee.

8. Visual obstructions over three feet in height will not be allowed within the driver's sight triangle near driveways and corners in order to allow an unobstructed view of oncoming traffic. Contact Traffic Engineering at (408) 615-3000 for further information.

9. Construct driveways in the public right-of-way to City commercial type standards. Any proposed non-standard driveway will require approval of the City Engineer and the Developer's execution of an agreement to maintain the driveway.

10. Parking will be prohibited on Granada Avenue within 25 feet of each of the two driveways on Granada Avenue.

11. Developer shall complete the Westside Sewer Improvements in accordance with either a or b below, as determined by the Director of Public Works:

    a. (1) Replace the existing 10" VCP with a new 12" VCP on the south side of El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) replace the existing 10" VCP with a new 15" VCP on the south side of El Camino Real from Pomeroy Avenue to Calabazas Creek, and (3) reconnect the existing sanitary sewer laterals to the new 12" VCP and 15" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

b. (1) Construct a new 12" VCP in El Camino Real from Flora Vista Avenue to Pomeroy Avenue, (2) construct a new 15" VCP in El Camino Real from Pomeroy Avenue to Calabazas Creek, (3) rehabilitate (i.e. use "slipline", "cured-in-place pipe", etc.) the existing 10" VCP on the south side of El Camino Real from Flora Vista to Calabazas Creek, and (4) reconnect the existing sanitary sewer laterals to the rehabilitated 10" VCP and install clean-outs at or near the property line for said sanitary sewer laterals without clean-outs.

12. Obtain approval and permit from the Caltrans for work within El Camino Real.

13. Developer to provide a complete storm drain study for the 10-year and 100-year storm events. The grading plans shall include the overland release for the 100-year storm event and any localized flooding areas. System improvements, if needed, will be at Developer's expense.

14. Drainage water shall be pumped to an on-site (private) storm drain structure (e.g., manhole or catch basin) and then gravity flow to the City's storm drain system. Storm drain backflow prevention devices are required; these devices shall be placed outside the public right-of-way and shall be maintained by the property owners.

15. All private street signs shall be installed on private property (not in the public right-of-way), be similar in size and shape as shown in the City's Standard Detail TR-1, have a brown background with white lettering, and shall have the wording "Private Street" on the face.

16. Prior to start of construction obtain Council approval of a resolution ordering vacation of easements proposed to be abandoned, through the Engineering Department.

17. Taylor Morrison is to cause a Final Map to be recorded for the Taylor Morrison Homes development.

18. After City Council approval of Tentative Subdivision Map, submit 12 copies of Final Map, prepared by a Licensed Land Surveyor or a Registered Civil Engineer with Land Surveyor privileges to the Engineering Department. The submittal shall include a title report, closure calculations, and all appropriate fees. Final Map must be approved by City Council and recorded by Developer prior to building permit issuance.

ELECTRIC

19. Prior to submitting any project for Electric Department review, applicant shall provide a site plan showing all existing utilities, structures, easements and trees. Applicant shall also include a "Load Survey" form showing all current and proposed electric loads. A new customer with a load of 500KVA or greater or 100 residential units will have to fill out a "Service Investigation Form" and submit this form to the Electric Planning Department for review by the Electric Planning Engineer. Silicon Valley Power will do exact design of required substructures after plans are submitted for building permits.

20. Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.

21. Electric service shall be underground. See Electric Department Rules and Regulations for available services.

22. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter 17.15.050.

23. Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G6 and MS-G7.

24. Developer shall grant to the City, without cost, all easements and/or right of way necessary for serving the property of the Developer and for the installation of utilities (Santa Clara City Code chapter 17.15.110).

25. All electric meters and services disconnects shall be grouped at one location, outside of the building or in a utility room accessible directly from the outside. A double hasp locking arrangement shall be provided on the main switchboard door(s). Utility room door(s) shall have a double hasp locking arrangement or a lock box shall be provided. Utility room door(s) shall not be alarmed.

26. City Electric Department transformer pads require an area of 17' x 16'-2", which is clear of all utilities, trees, walls, etc. This area includes a 5'-0" area away from the actual transformer pad. This area in front of the transformer may be reduced from a 8'-0" apron to a 3'-0", providing the apron is back of a 5'-0" min. wide sidewalk. Transformer pad must be a minimum of 10'-0 from all doors and windows, and shall be located next to a level, drivable area that will support a large crane or truck.

27. All trees, existing and proposed, shall be a minimum of five (5) feet from any existing or proposed Electric Department facilities. Existing trees in conflict will have to be removed. Trees shall not be planted in PUE's or electric easements.

28. Any relocation of existing electric facilities shall be at Developer's expense.

29. Electric Load Increase fees may be applicable.

30. Developer shall provide the City, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the City shall accept the work. Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect a customer to the electrical supply system of and by the City. After completion of the facilities installed by Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system (Santa Clara City Code chapter 17.15.210 (2)).

31. Electrical improvements (including underground electrical conduits on properties frontage) may be required if any private single improvement valued at $50,000 or more or any series of private improvements made within a three-year period valued at $50,000 or more in conjunction with a use, variance, or moving permit. Also may be required if any single private improvement valued at $80,000 or more or any series of private improvements

made within a three-year period valued at $80,000 or more in conjunction with a building permit (Santa Clara City Code Title 17 Appendix A (Table III)).

32. Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering Division. A Generating Facility Interconnection Application must be submitted with building permit plans. Review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written authorization from SVP Electric Engineering Division.

33. Developer is advised to contact SVP (CSC Electric Department) to obtain specific design and utility requirements that are required for building permit review/approval submittal. Please contact Leonard Buttitta at 408-261-5469 after development of site plan, to facilitate plan review.

WATER

34. All on-site water distribution facilities for the BRE-Properties Development shall be private and shall be maintained by owner or property owner's association. Water needs shall be served by a master meter(s) at the public street right-of-way. A public water distribution main, to be provided, for the Taylor Morrison Homes Development will cross the BRE-Properties Development within either a water easement or a public utility easement.

35. All sanitary sewer lateral(s), either proposed or existing, shall be equipped with a clean-out at the property line.

36. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

37. Landscaping irrigation water needs shall be provided by a separate water services if the total landscaped area exceeds 2,500 square feet.

38. While the City is taking due diligence in maintaining its facilities, the City shall not be held liable for water damages to the property with depressed grade features in the event of public water main breaks. If the Developer elects to proceed with the depressed grade parking feature for the development, adequate hold harmless clause must be provided to the City in the HOA's CC and Rs (or other means deemed necessary) as directed by the City.

39. If multiple fire services are required, backflow prevention is required on any required fire service connection at the Developer's expense.

40. If additional water service(s) is required, backflow prevention will be required on all existing and new water services at the Developer's expense.

FIRE

Occupancy Classifications:

41. State the occupancy classification in accordance with the Uniform Building Code for each building or areas.

Fire Department Emergency Access:

42. Approved fire apparatus access roads (public/private) shall be established and maintained to within 150 feet of all exterior walls of any building. Since access to the North and West side of Santa Clara Crossings apartment building will have trees planted along the sides, plans for landscape shall be reviewed and approved by the Fire Dept. prior to permit issuance.

43. Approved fire apparatus access roads shall have a minimum 20-foot width, have a minimum 13 ½-foot vertical clearances and have a minimum 36-foot inside turning radius.

44. Dead-end fire apparatus access roads that exceed 150-feet in length shall be provided with a 75-foot diameter vehicle turnaround or an approved hammerhead turnaround (incorporating the minimum 36-foot inside turning radius).

45. Adjacent private emergency access roads from lands adjoining a property required to have access shall not be considered unless such access is designated as a "shared Emergency Access Easement" (E.A.E.).

46. A Knox box shall be installed for gate at controlled ingress and egress between Laurel Place II and Santa Clara Crossing.

Water Supply:

47. Private fire hydrants and mains capable of supplying the required fire flow shall be installed when any portion of the building protected is in excess of 150 feet from a water supply on a public street. Fire hydrant distribution shall be in accordance with Table IIIA of the California Fire Code. Determine the number and spacing based on floor area and type of building construction.

48. Underground fire service mains are required. Submit separate plans, fees and fire flow calculations to the Fire Department for separate review and permit. Each parcel or building may require separate fire service. NOTE: Stamped and wet signed Civil drawings shall be submitted in conjunction with shop quality drawings by the installing "A" or "C-16" licensed contractor.

49. **Santa Clara Crossings**: **Interior courtyards that limit our accessibility will require horizontal standpipes (wharf hydrants - each shall have two 2-1/2 inch outlets) that are augmented by each building's fire sprinkler/standpipe system FDC to boost the city water pressure via fire apparatus.** Incorporate these criteria with the Underground fire service permit submittal for each building.

50. **Santa Clara Crossings**: Vertical standpipes shall be provided for building four or more stories in height.

51. **Santa Clara Crossings**: FDC and PIV shall be located on the street fronting each building. The FDC shall not supplement/charge/pressurize the private fire service main, but only the building's sprinkler/standpipe/wharf hydrant system it serves. The FDC shall be located within 50 feet of a fire hydrant, plus on the same side of the road as the fire hydrant(s). FDC's shall not be for the private fire service and its private fire hydrants. **NOTE: The FDC and PIV shall be located a minimum of 40 feet from a building.**

52. **Santa Clara Crossings**: In private underground piping systems, any dead end pipe, which supplies both sprinklers and hydrants, shall be not less than eight (8) inches in diameter.

53. **Provide sprinklers for the 6 attached multi family dwelling units at Laurel Place II.**

54. **Laurel Place II: Relocate fire hydrant at lot 56 to lot 49 (Public hydrant).**

Required Fire Protections/ Detection Systems and Equipment:

55. An automatic fire sprinkler system is required for all new buildings where the total floor area exceeds 10,000 square feet (a separate Fire Department permit is required for the sprinkler system). Sprinkler main drain test valves shall discharge to the sanitary sewer system (via an indirect connection) or shall discharge onto a landscape area of sufficient size.

56. A fire alarm system shall be provided in accordance with the Fire Code.

Dumpster Storage:

57. Rubbish containers: Containers that are 1.5 cubic yards (40.5 cubic feet) or more shall not be stored in buildings or placed within 5 feet of combustible walls, openings, property lines or combustible roof eave lines unless protected by approved fire sprinklers (UFC 1103.2.2). If a roof over the trash enclosure is to be provided, then it shall be of non-combustible construction.

Fire Safety During Construction:

58. At the time of permit application, submit a construction "Fire Safety Plan" to the Fire Department for review and approval. The "Fire Safety Plan" shall address fire protection (i.e., access roads, water mains, on-site fire hydrants, fire extinguishers and standpipes) be installed and made serviceable prior to the time of construction. Include in the safety plan the location of fire extinguishers, fire hydrants (public and private), storage of combustible construction materials, propane tanks, and "NO SMOKING" signs. Plus the Safety plan shall address the how the following items will be used: temporary heating devices, temporary electrical wiring, cutting/welding and other open-flame devices (CFC 8703; 901.3; 903.2 & 8700). See "Standards for Construction Site Fire Safety" handout or website at www.unidocs.org/fire

Fire Department Notes (Required on plans/ drawings at the time of application):

59. At the time of Building Permit application, submit Civil Drawings that denote existing and proposed locations of fire hydrants, underground sectional valves, Fire Department connections and post indicator valves for fire department review and approval.

60. Prior to combustible materials being brought onto the site, approved fire apparatus access roads shall be constructed. These shall be capable of supporting the imposed fire apparatus load (70,000 lbs.) and have a FD approved all-weather driving surface.

61. Construction materials shall not obstruct access roads, access to buildings, hydrants or fire appliances.

62. Combustible construction in excess of 100 feet from the street shall not commence until emergency access roads; underground fire service lines and permanent on-site hydrants are in service and have been tested, flushed and approved by the Fire Department.

63. During construction of a building and until permanent fire-extinguishers have been installed, portable fire extinguishers are required within 50 feet travel distance to any part of the building in accordance with section 8704.4.2 of the 2001 California Fire Code and the Santa Clara Municipal Fire and Environmental Code.

64. General Permit through the State shall be adhered to regarding non-point source issues on construction sites (i.e., prevention of paints, debris, etc. from going down storm drains).

65. Internal-combustion-powered construction equipment shall be used as follows:
    a. Equipment shall not be refueled while in operation.
    b. Exhausts shall be piped to the outside of the building.

POLICE

66. Provide a minimum illumination of one-foot candle in carport, parking areas and in all common pedestrian or landscaped areas of the development. The illumination should be deployed in fixtures that are both weather and vandal resistant.

67. Address numbers of the individual units shall be clearly visible from the street and shall be a minimum of six (6) inches in height and of a color contrasting with the background material. Numbers shall be illuminated during the hours of darkness. Individual apartment numbers shall be a minimum of six (6) inches in height and a color contrasting to the background material and either visible from the street or from the center area of the project. Where multiple units/buildings occupy the same property, unit/building address shall be clearly visible. A monument sign, preferably at all dedicated entrances to the property, shall be prominently displayed, showing all unit/building numbers, addresses, etc. A map is recommended for large complexes with multiple streets or walkways.

68. All construction of dwelling units shall conform to the requirements of the Uniform Building Security Code as adopted by the City of Santa Clara City Council.

69. A Knox Box or Coded Entry System is required for Police access to enclosed parking lots and gated communities.

70. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

71. Any required enclosure fencing (trash area, utility equipment, etc.) if not see through, should have a six (6) inches opening along the bottom for clear visibility. Any gates or access doors to these enclosures should be locked.

72. There shall be positioned near the entrance an illustrative diagram of the complex, which shows the location of the viewer and unit designations within the complex including separate building designations. This diagram shall be illuminated and should be protected by vandal resistant covers.

73. The parking structure, including ramps, corners and entrances, should be illuminated at a minimum of 5-foot candles at all hours.

74. The parking structure/site should be equipped with emergency telephones.

75. All entrances to parking areas (surface, structure, sub-terranean, etc.) should be posted with appropriate signage to discourage trespassing, unauthorized parking, etc. (See California Vehicle Code Section 22658(a) for guidance).

76. The 'Parking Structure & Parking Lot Security' recommendations provided to applicant should be considered, with applicable provisions implemented.

77. The 'Multiresidential Security Guidelines' provided to applicant should be considered, with applicable provisions implemented.

STREET

78. Submit copy of complete landscape and automatic irrigation plans for review and comment by City staff. Plans are to include all existing trees with 4" or larger diameter (measured 30" above ground) on development property and adjacent property if they may be impacted. Trees are to be correctly labeled with specie name and correctly plotted as to exact location on the plans. Trees are to be noted as to whether they are proposed to be saved or removed. City tree preservation specifications are to be included on all plans where existing trees are to be saved during construction. A copy of these specifications can be obtained from the City Arborist at 408-615-3080.

79. Developer is to supply and install City street trees per City specifications; spacing, specie, and size (15 gallon minimum) to be determined by City Arborist.

80. No cutting of any part of City trees, including roots, shall be done without following city tree preservation specifications and securing approval and direct supervision from the City Arborist at 408-615-3080.

81. No cutting of any part of private trees, including roots, shall be done without direct supervision of a certified arborist (Certification of International Society of Arboriculture).

82. Applicant is advised to contact Street Department to obtain required tree removal permits in the event trees are removed. Please contact John Mendoza at 408-615-3080 to facilitate plan review.

83. Identified existing mature trees to be maintained. Prepare a tree protection plan for review and approval by the City prior to any demolition, grading or other earthwork in the vicinity of existing trees on the site. Provide 48-inch box trees for screening adjacent to the existing residential properties, type to be determined by City Arborist.

84. Landscaping shall be of the type and situated in locations to maximize visibility from the street while providing the desired degree of aesthetics. Security planting materials are encouraged along fence and property lines and under vulnerable windows.

85. All trees, existing and proposed, must maintain minimum of ten (10) feet from any existing or proposed Water Department facilities. Existing trees that conflict must be removed by Developer. Trees shall not be planted in water easements or public utility easements.

86. Prior to submitting any project for Street Department review, applicant shall provide a site plan showing all existing trees (including size and species), proposed trees (including size

and species), existing stormwater drainage facilities, proposed storm water drainage facilities, proposed locations of solid waste containers and, if applicable, a statement on the site plan confirming compliance with Fire Department approved fire apparatus access roads (1998 CFC 902.2.2.1 & 902.2.2.3).

87. All landscaping and irrigation systems shall meet City standard specifications.

88. Application does not provide Street Department with sufficient information regarding existing tree information and/or how trees are to be preserved. Applicant to coordinate with John Mendoza of the Street Department at 408-615-3080 prior to re-submittal.

89. Obtain required permits and inspections from the Building Official and comply with the conditions thereof. If this project involves land area of 15,000 sq. ft. or more, Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any building permit for grading, or construction; a copy of the NOI shall be sent to the City Building Inspection Division. A storm water pollution prevention plan is also required with the NOI.

90. Incorporate Best Management Practices (BMPs) into construction plans and incorporate post construction water runoff measures into project plans in accordance with the City's Urban Runoff Pollution Prevention Program standards prior to the issuance of permits. Proposed BMPs shall be submitted to and thereafter reviewed and approved by the Planning Division and the Building Inspection Division for incorporation into construction drawings and specifications.

91. An erosion control plan shall be prepared and copies provided to the Planning Division and to the Building Inspection Division for review and approval prior to the issuance of grading permits or building permits that involve substantial disturbance of substantial ground area.

92. All proposed storm water treatment vaults shall have a hydrodynamic separator upstream of their installation.

93. All proposed stormwater treatment vaults shall have internal treated distribution plumbing. No external folding racks are permitted.

94. All post construction structural controls shall require property owner to execute with City a Stormwater Treatment Measures Inspection and Maintenance Agreement.

95. Decorative water features such as fountains and ponds shall be designed and constructed to drain to sanitary sewer only. No discharges allowed to storm drain.

96. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Set up meeting with the Street Department to discuss requirements. Contact Roger Lee at 408-615-3080.

97. Application does not provide Street Department with sufficient information to evaluate proposed stormwater pollution prevention improvements. Applicant to coordinate with Roger Lee of the Street Department at 408-615-3080 prior to re-submittal.

98. Applicant to comply with City Development Guidelines for Solid Waste Services as specified by development type.

99. Provide trash enclosure, the location and design of which shall be approved by the Director of Planning and Inspection prior to issuance of any building permits.

100. Commercial, industrial, and multi-family residential buildings must have enclosures for solid waste and recycling containers. The size and shape of the enclosure(s) must be adequate to serve the estimated solid waste and recycling needs and size of the structure, and should be designed and located on the property so as to allow ease of access by collection vehicles. As a general rule, the size of the enclosure(s) for the recycling containers should be similar to the size of the trash enclosure(s) provided onsite. Roofed enclosures with masonry walls and solid gates are the preferred design.

101. To complete the review of the project, Street Department requires applicant to provide site plan showing all proposed locations of solid waste containers, enclosure locations and street/alley widths.

102. Application does not provide Street Department with sufficient information to evaluate Solid Waste requirements. Set up meeting with the Street Department to discuss requirements. Contact Dave Staub at 408-615-3080.

103. Applicant to comply with City Code Section 8.25.285 and recycle or divert at least fifty percent (50%) of materials generated for discards by the project during demolition and construction activities. No building, demolition or site development permit shall be issued unless and until applicant has submitted a construction and demolition debris materials check-off list. After completion of project, applicant shall submit a construction and demolition debris recycling report as stipulated by ordinance, or be subject to monetary, civil, and/or criminal penalties.

PLANNING AND INSPECTION

104. Obtain required permits and inspections from the Building Official and comply with the conditions thereof.

105. Submit plans to the Planning Division for Architectural Committee review and approval prior to issuance of building permits.

106. Prior to issuance of permits, the Developer shall enter into an agreement with the City for the provision of at least ten percent (10%) of the units in the development as affordable units, at levels commensurate with the City's regional fair share requirements and the City's inclusionary policies (i.e. Very-low or Low income affordability for rental projects and Moderate Income affordability for for-sale projects). The agreement shall provide for prescribed affordability restriction periods and unit distributions consistent with the City's inclusionary policies to the satisfaction of the Director of Planning and Inspection and consistent with the terms of the Development Agreement.

107. The project shall comply with the mitigation measures identified in the Environmental Impact Report for the Marina Playa Residential Project.

108. The project shall comply with the conditions set forth in the Development Agreement for the Marina Playa Residential Project.

109. The multi-family units in the project shall comply with the SCCC 18.22.150 "Additional development standards" section within Regulations for TMU – Transit –Oriented Mixed Use.

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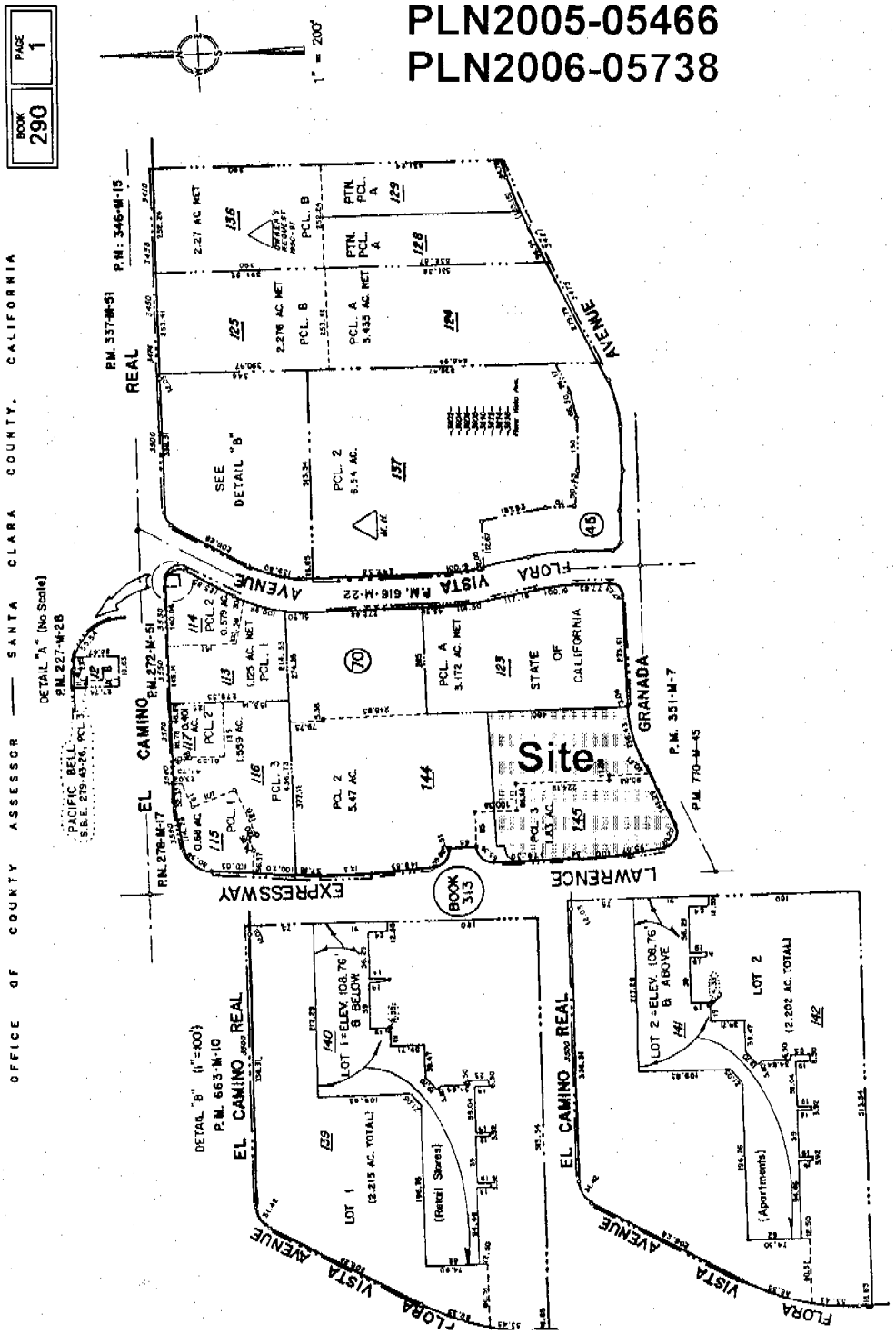
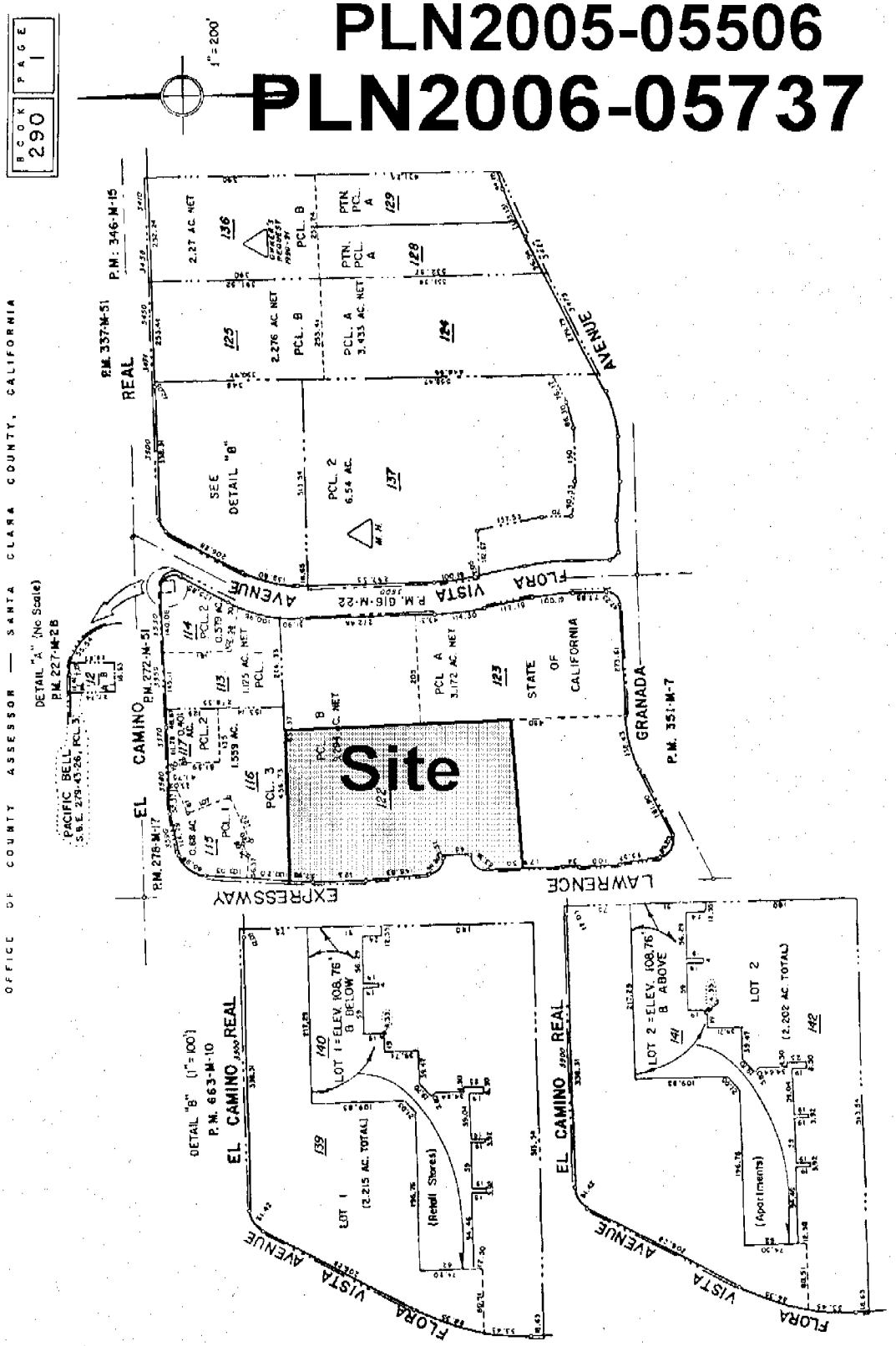
Project Clearance/ Subdivision Committee 12/03/07



Conditions Approval as Amended by PC April 23, 2008 BRE Properties/Taylor Morrison
PLN2005/05506/PLN2006-05736/CEQ2007-01049

Project Clearance/ Subdivision Committee 12/03/07

PLN2005-05506
PLN2006-05737



Conditions Approval as Amended by PC April 23, 2008 BRE Properties/Taylor Morrison
PLN2005/05506/PLN2006-05736/CEQ2007-01049

RESOLUTION NO. 08-7518

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, REZONING THE PARCELS LOCATED AT 1331-1333 LAWRENCE EXPRESSWAY, SANTA CLARA

SCH# 2007102131
CEQ2007-01049 (Final EIR)
PLN2005-05466 (Rezone-BRE)
PLN2005-05506 (Rezone-TM)
PLN2006-05737 (Tentative Map-TM)
PLN2006-05736 (Lot Line Adjustment)
PLN2006-05676 (Development Agreement)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the 1992 General Plan of the City of Santa Clara has designated the property at 1331-1333 Lawrence Expressway in the City of Santa Clara ("Project Site") as Transit-Oriented Mixed Use; and

WHEREAS, the Project Site is currently zoned as PD [OG] (Planned Development/General Office); and

WHEREAS, in order to effectuate the development application for the creation of up to 277 rental apartment units, 57 single-family detached units and 6 multi-family residential for sale units ("Project"), all as shown on the Development Plan, attached hereto and incorporated herein by reference as Exhibit A ("Development Plan"), the Project Site needs to be rezoned to PD [TMU] (Planned Development/Transit-Oriented Mixed Use); and

WHEREAS, Santa Clara City Code ("SCCC") Section 18.112.040 provides for the review and recommendation of the City's Planning Commission of all rezoning requests before action by the City Council; and

WHEREAS, SCCC Section 18.112.030 requires that the City Council consider rezoning of a property only after holding a public hearing; and

WHEREAS, SCCC Section 18.112.060 requires that notice of the hearing be given by posting the property in at least three (3) conspicuous places at least ten (10) days prior to the hearing date; and

WHEREAS, SCCC Section 18.112.060 further requires that notice of the hearing be given by mailing notices to property owners, as of the last assessor's roll, within three hundred (300) feet of the boundary of the property; and

WHEREAS, notices describing the proposed rezoning were sent to neighboring property owners on April 11, 2008; and

WHEREAS, notices describing the proposed rezoning were posted at the Project Site on April 11, 2008; and

WHEREAS, following a noticed public hearing on April 23, 2008, for the Project approvals, the Planning Commission adopted Resolution No. 08-004, approving the Final Environmental Impact Report ("FEIR") and recommending to the City Council of the City of Santa Clara that it (1) certify the FEIR; (2) rezone the Project Site to PD [TMU] (Planned Development/Transit-Oriented Mixed Use); (3) approve a tentative map for the northerly 4.16-acre portion of the Project; and (4) adopt an ordinance approving the Development Agreement ("Planning Commission Resolution"); and

WHEREAS, the Project entitlements will include Resolution No. 7516 ("FEIR Resolution"); Resolution No. 7517 ("Tentative Map Resolution"); Ordinance 1840 ("Development Agreement Ordinance") and this Rezoning Resolution (collectively "Entitlements"); and

WHEREAS, before considering the rezoning of the Project Site, the City Council reviewed and considered the information contained in the FEIR for the Project (SCH #2007102131); and

WHEREAS, the City Council finds that the mitigation measures identified in the FEIR have been incorporated into the FEIR and imposed on the Project, sufficient to mitigate or avoid the significant environmental effects and that there are specific economic, social and other considerations which make infeasible the project alternatives that would avoid or mitigate the environmental impacts; and

WHEREAS, the City Council has reviewed the requested rezoning of the Project Site and conducted a public hearing.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. That the Project Site, consisting of approximately 7.36 acres, is hereby rezoned from PD [OG] (Planned Development/General Office) to PD [TMU] (Planned Development/Transit-Oriented Mixed Use).

2. Pursuant to SCCC Section 18.12.110, the City Council finds and determines that the public necessity or convenience of the general welfare require the rezonings set forth above in order to conserve property values, protect or improve the existing character and stability of the area in question, promote the orderly and beneficial development of such area, and allow imaginative planning and design concepts to be utilized which would otherwise be restricted in other zoning districts.

3. That, based on the findings set forth in this Rezoning Resolution, the FEIR Resolution, and the evidence in the City Staff Report, the City Council hereby rezones the Project Site as set forth herein.

4. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 13TH DAY OF MAY 2008, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments Incorporated by Reference:
1. Exhibit A: Development Plan

EXHIBIT A

DEVELOPMENT PLAN

SANTA CLARA CROSSINGS

SANTA CLARA, CALIFORNIA

PROJECT TEAM:

OWNER/DEVELOPER:

BRE PROPERTIES, INCORPORATED
525 Market Street, 4th Floor
San Francisco, CA 94105
(415) 445-6530

ATTENTION: DON REBER

ARCHITECT:

ARCHITECTS ORANGE
144 NORTH ORANGE STREET
ORANGE, CA 92866
(714) 639-9860

ATTENTION:
RC ALLEY / SERAFIN MARANAN

CIVIL ENGINEER:

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS
1233 QUARRY LANE, SUITE 145
PLEASANTON, CA 94566
(925) 249-6555

ATTENTION:
STEVE CALCAGNO / BEN ANDERSON

LANDSCAPE ARCHITECT:

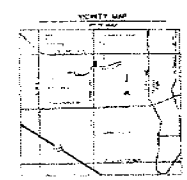
THE GUZZARDO PARTNERSHIP, INC
836 MONTGOMERY STREET
SAN FRANCISCO, CA 94133
(415) 433-4672

ATTENTION:
COLIN BLY

SHEET INDEX:

SHEET TITLES	SHEET #
ARCHITECTURAL DRAWINGS	
[illegible]	A-0
[illegible]	A-1
[illegible]	A-1.1
[illegible]	A-2
[illegible]	A-3
[illegible]	A-4
[illegible]	A-5
[illegible]	A-6
[illegible]	A-7.0
[illegible]	A-7.1
[illegible]	A-7.2
[illegible]	A-7.3
[illegible]	A-8
CIVIL DRAWINGS	
[illegible]	C1
[illegible]	C2
[illegible]	C3
[illegible]	C4
[illegible]	C5
[illegible]	C6
[illegible]	C7
LANDSCAPE DRAWINGS	
[illegible]	L1

PROJECT SUMMARY:



A-0

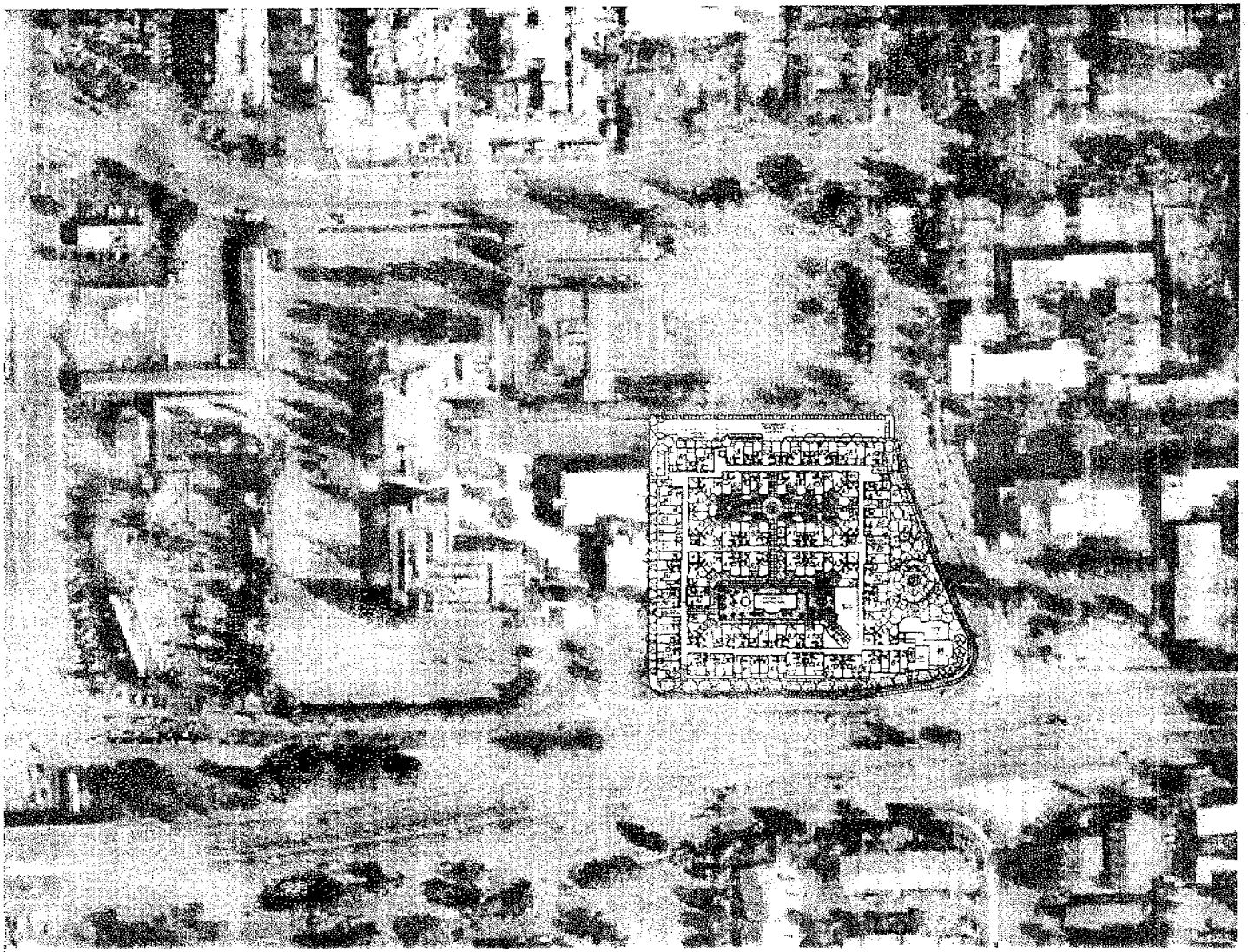
STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

DESIGN SUBMITTAL

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

COMPOSITE SITE PLAN

0' 50' 100' 150'

SCALE: 1/50" = 1'-0"

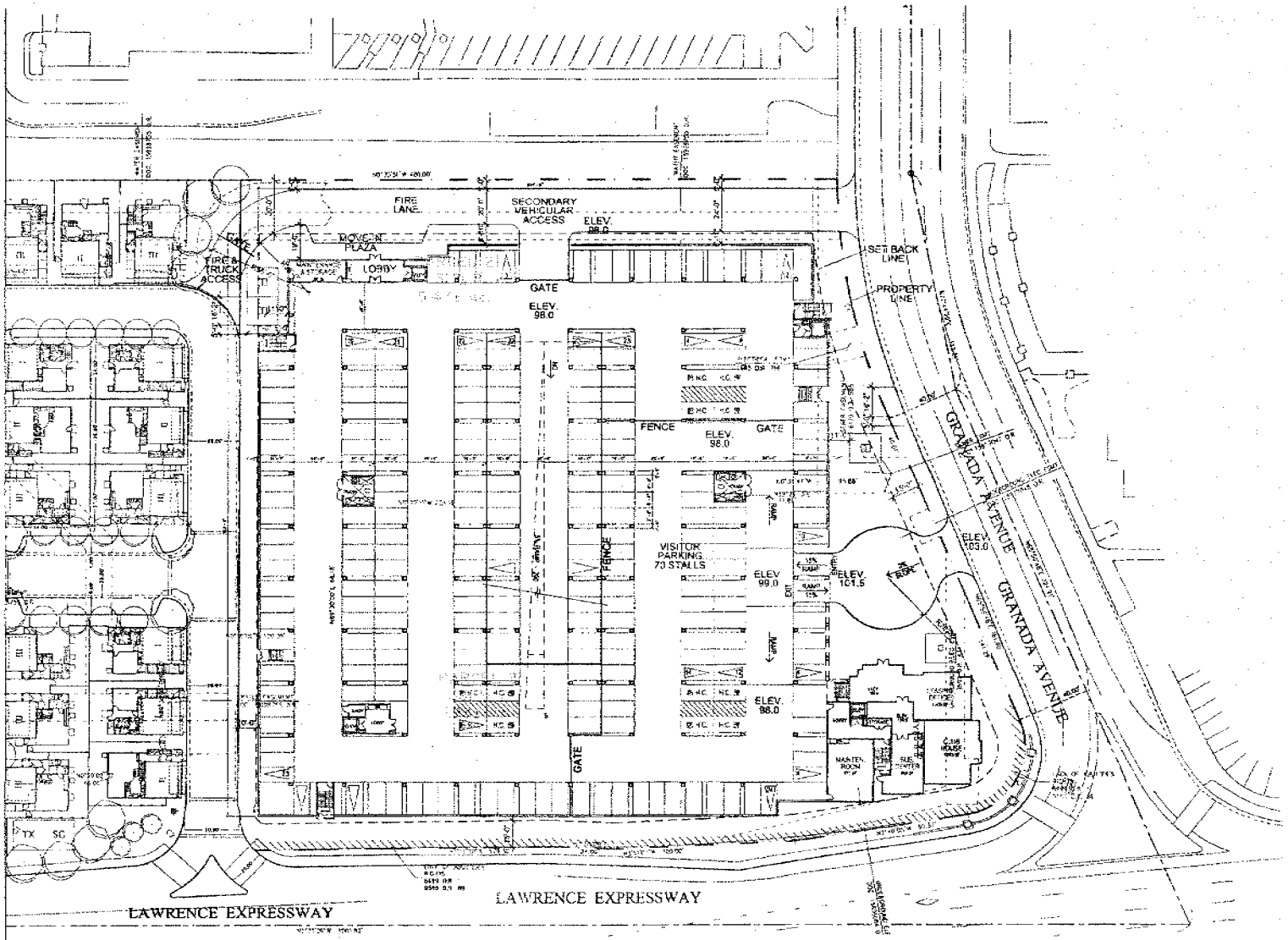
A-1

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NORTH

SITE PLAN
GARAGE 01

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-1.1

ZOH-1.15 APRIL 05, 2006

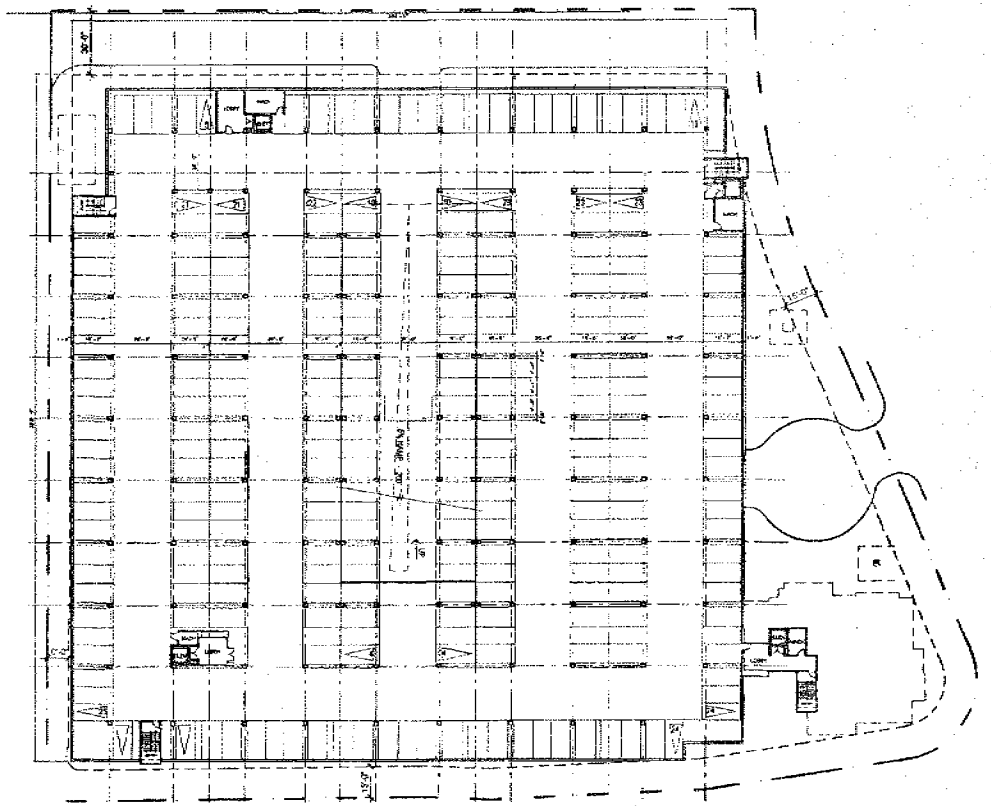
STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

144 NORTH ORANGE ST. ORANGE, CALIFORNIA 92866 (714) 639-8860



NORTH

GARAGE
LEVEL 02

0' 20' 60' 48'

SCALE: 1/20" = 1'-0"

A-2

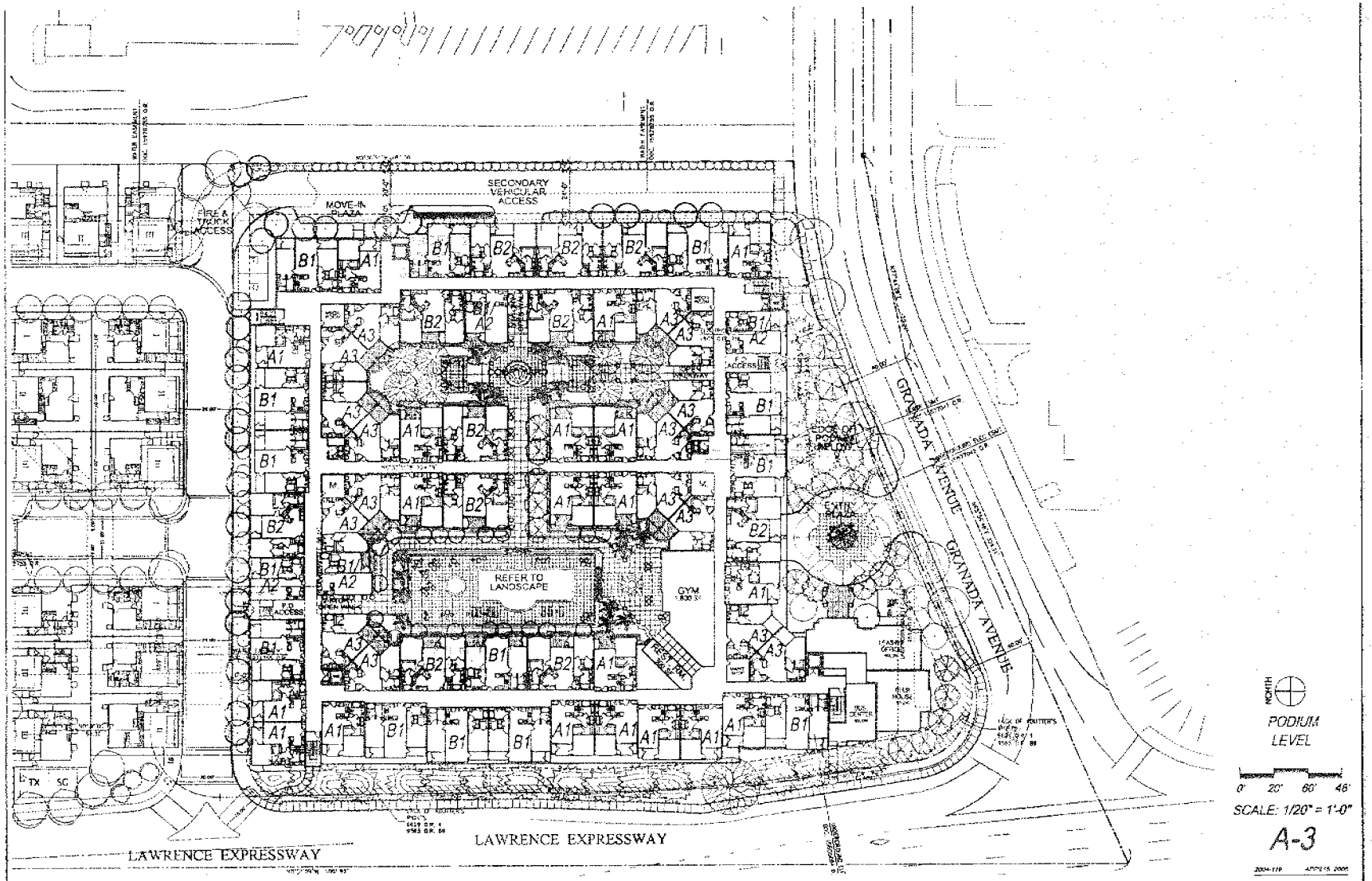
2004-119 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

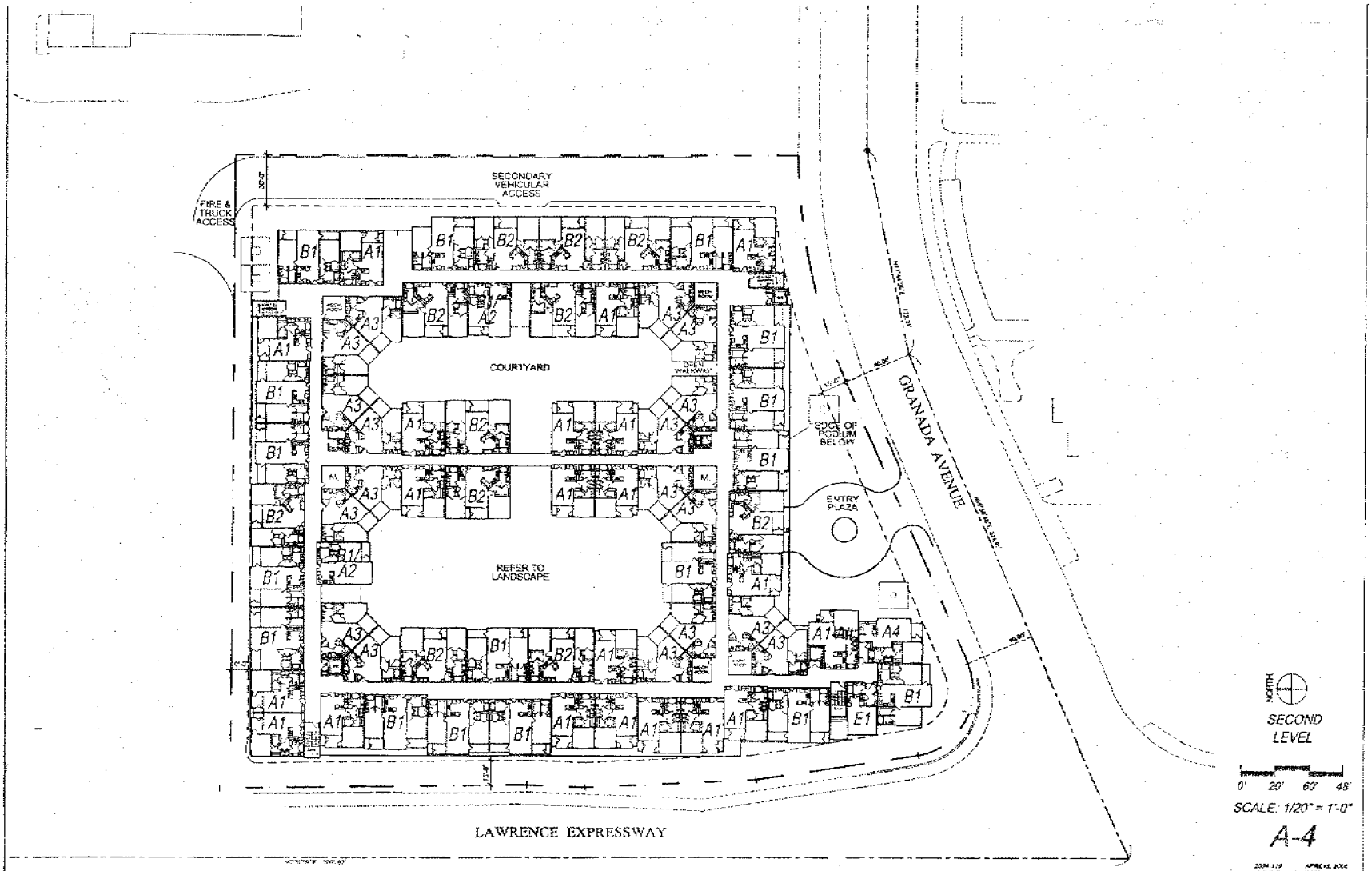


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

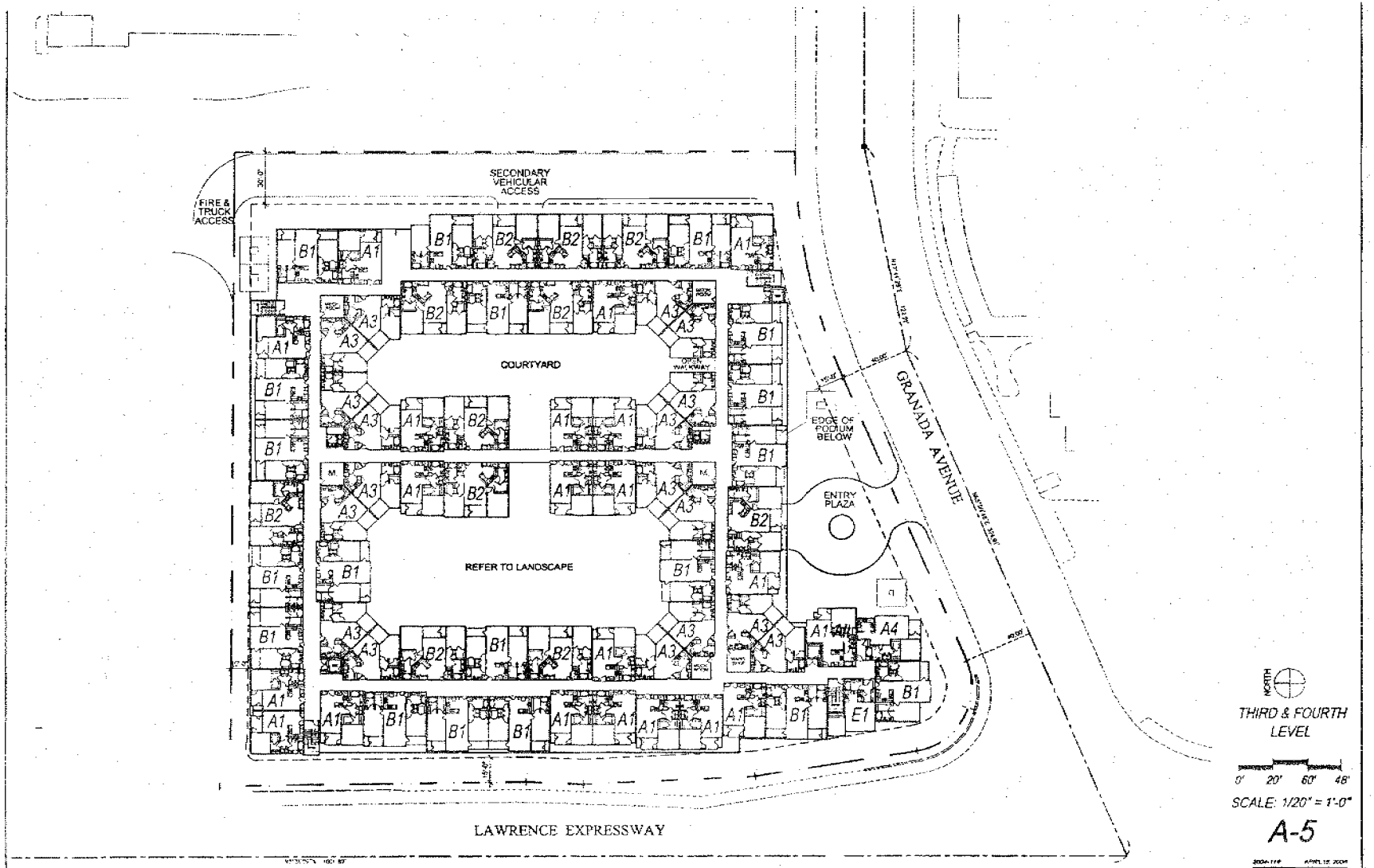


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE

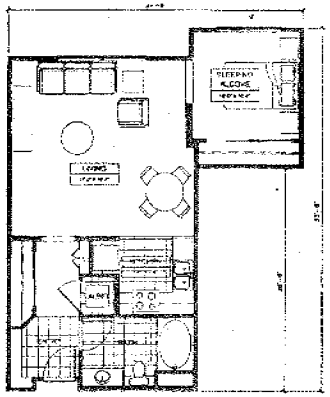


STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

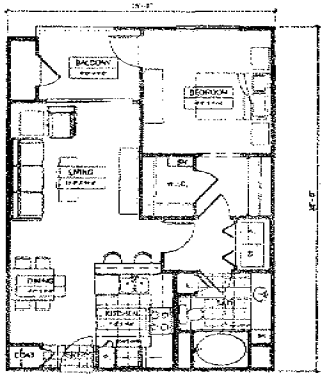
BRE PROPERTIES

ARCHITECTS ORANGE



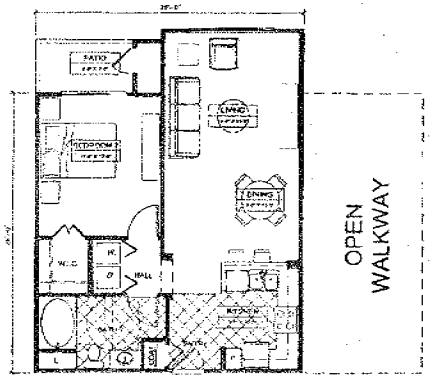
UNIT E1
STUDIO - 1 BATH

LIVABLE AREA: 677 SQ. FT.
PATIO/BALCONY: – SQ. FT.



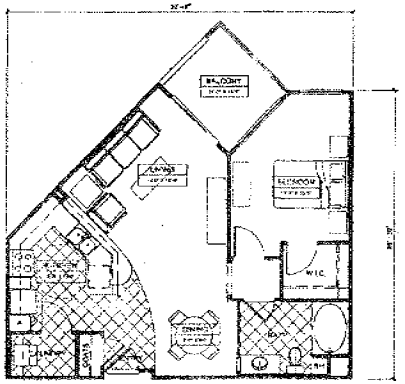
UNIT A1
1 BEDROOM - 1 BATH

LIVABLE AREA: 715 SQ. FT.
PATIO/BALCONY: 11 SQ. FT.



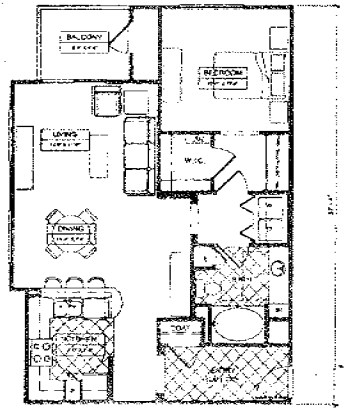
UNIT A2
1 BEDROOM - 1 BATH

LIVABLE AREA: 730 SQ. FT.
PATIO/BALCONY: 43 SQ.FT.



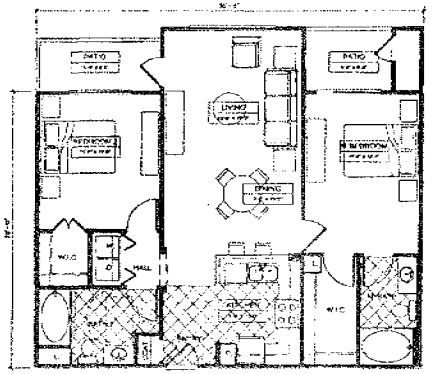
UNIT A3
1 BEDROOM - 1 BATH

LIVABLE AREA: 746 SQ. FT.
PATIO/BALCONY: 75 SQ. FT.



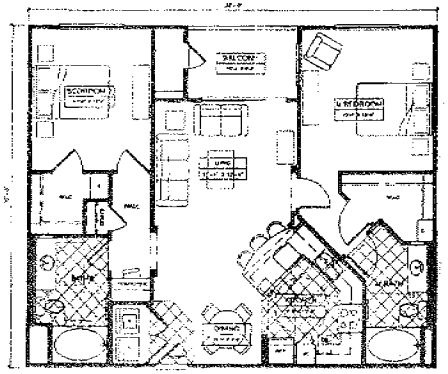
UNIT A4
1 BEDROOM - 1 BATH

LIVABLE AREA: 880 SQ. FT.
PATIO/BALCONY: 12 SQ. FT.



UNIT B1
2 BEDROOM - 2 BATH

LIVABLE AREA: 1015 SQ. FT.
PATIO/BALCONY: 7 SQ.FT.



UNIT B2
2 BEDROOM - 2 BATH

LIVABLE AREA: 1125 SQ. FT.
PATIO/BALCONY: 71 SQ. FT.

UNIT PLANS

0' 4' 8' 16'

SCALE: 1/4" = 1'-0"

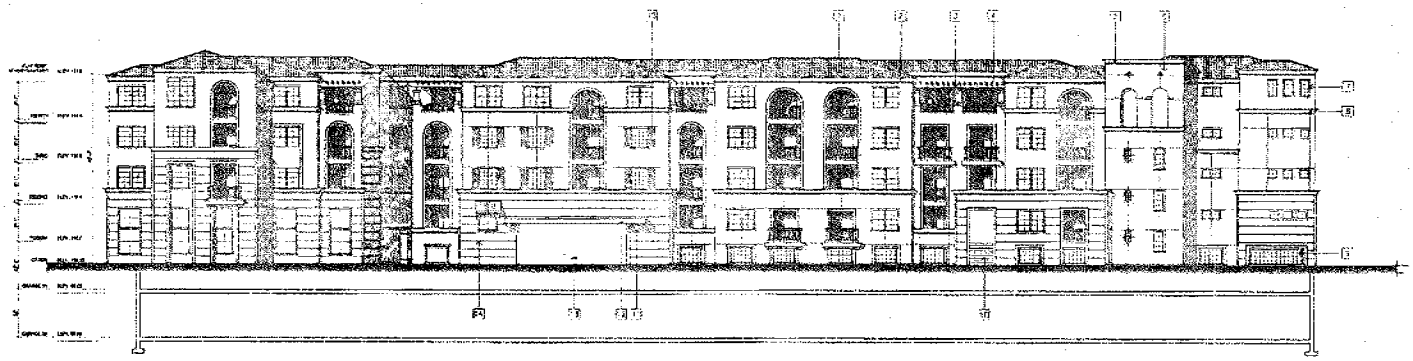
A-6

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



GRANADA STREET
CONCEPTUAL ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

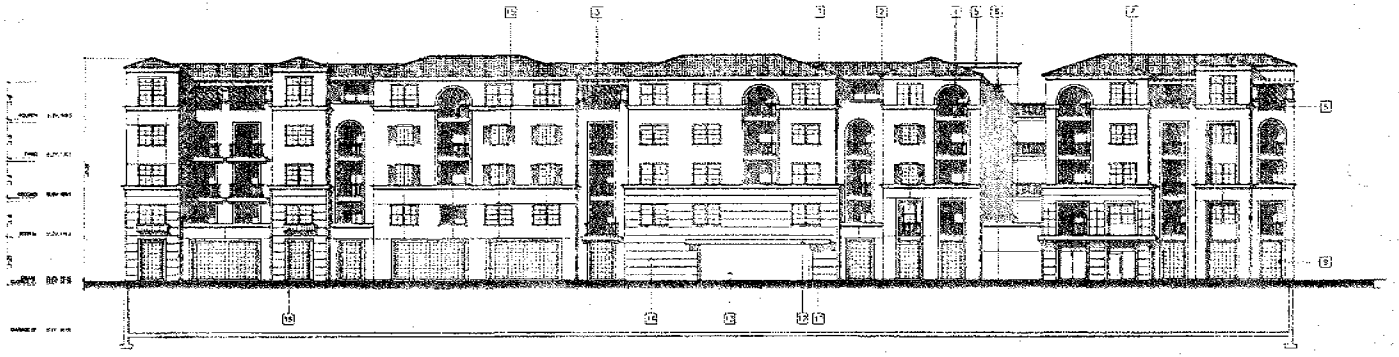
A-7.0

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
EAST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.1

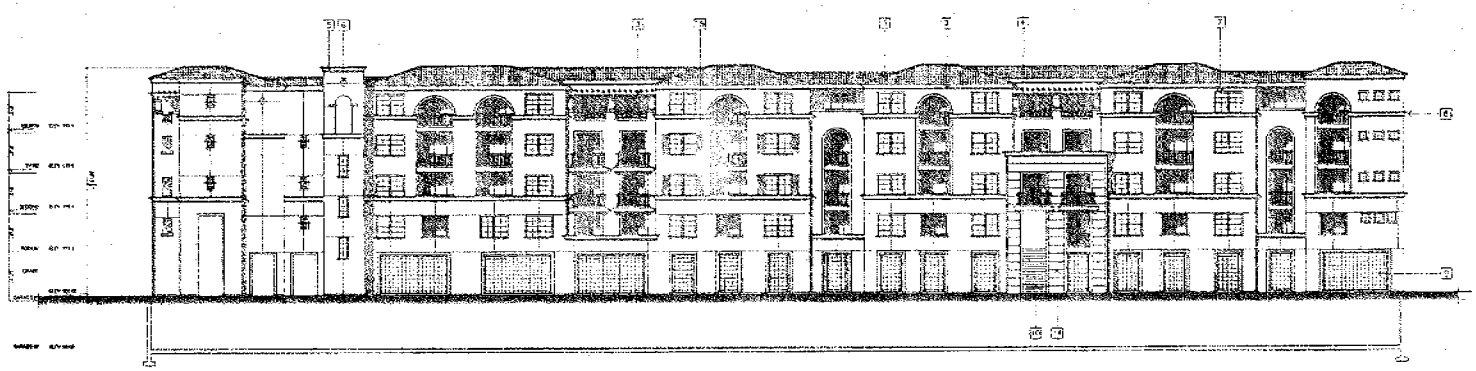
SCH-139 APRIL 15, 2008

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
NORTH ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

A-7.2

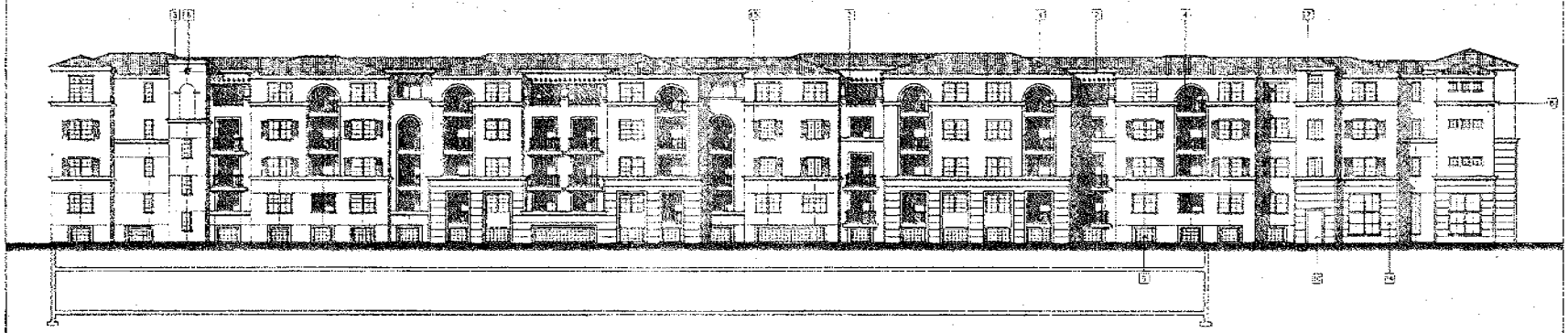
2004-115 APRIL 15, 2005

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



CONCEPTUAL
WEST ELEVATION

MATERIALS AND FINISH LEGEND

CONCEPTUAL
ELEVATION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

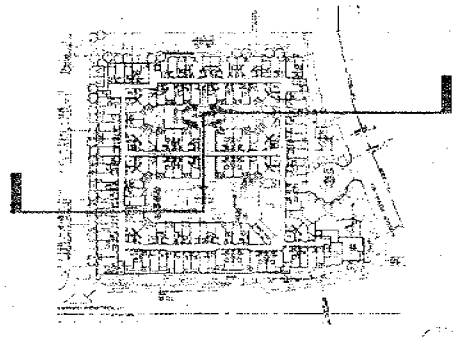
A-7.3

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



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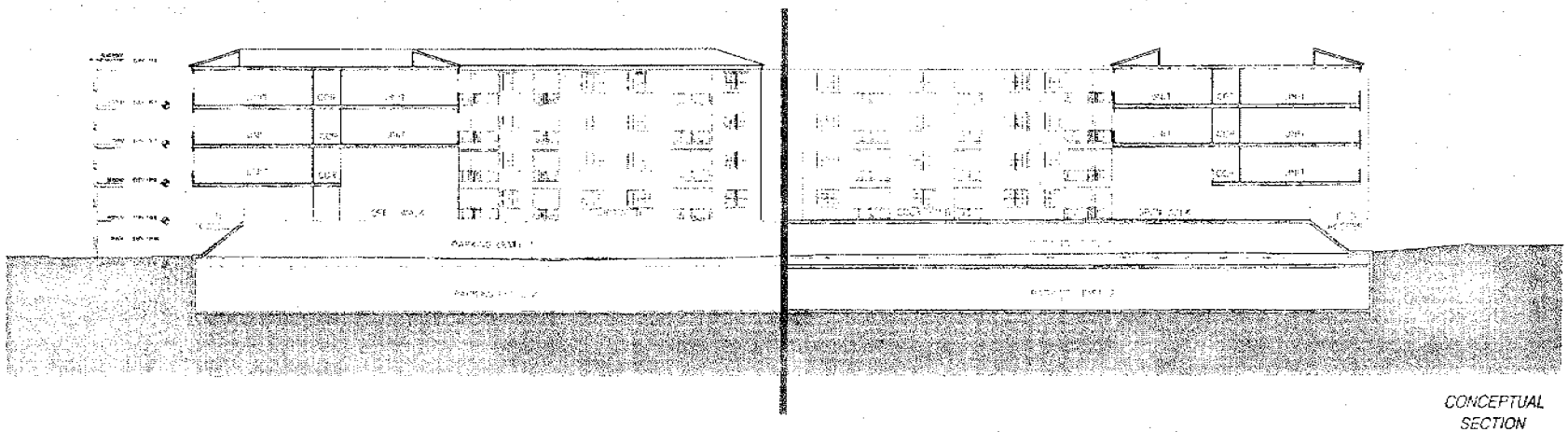


CONCEPTUAL SECTION

CONCEPTUAL SECTION

0' 8' 16' 32'

SCALE: 3/32" = 1'-0"

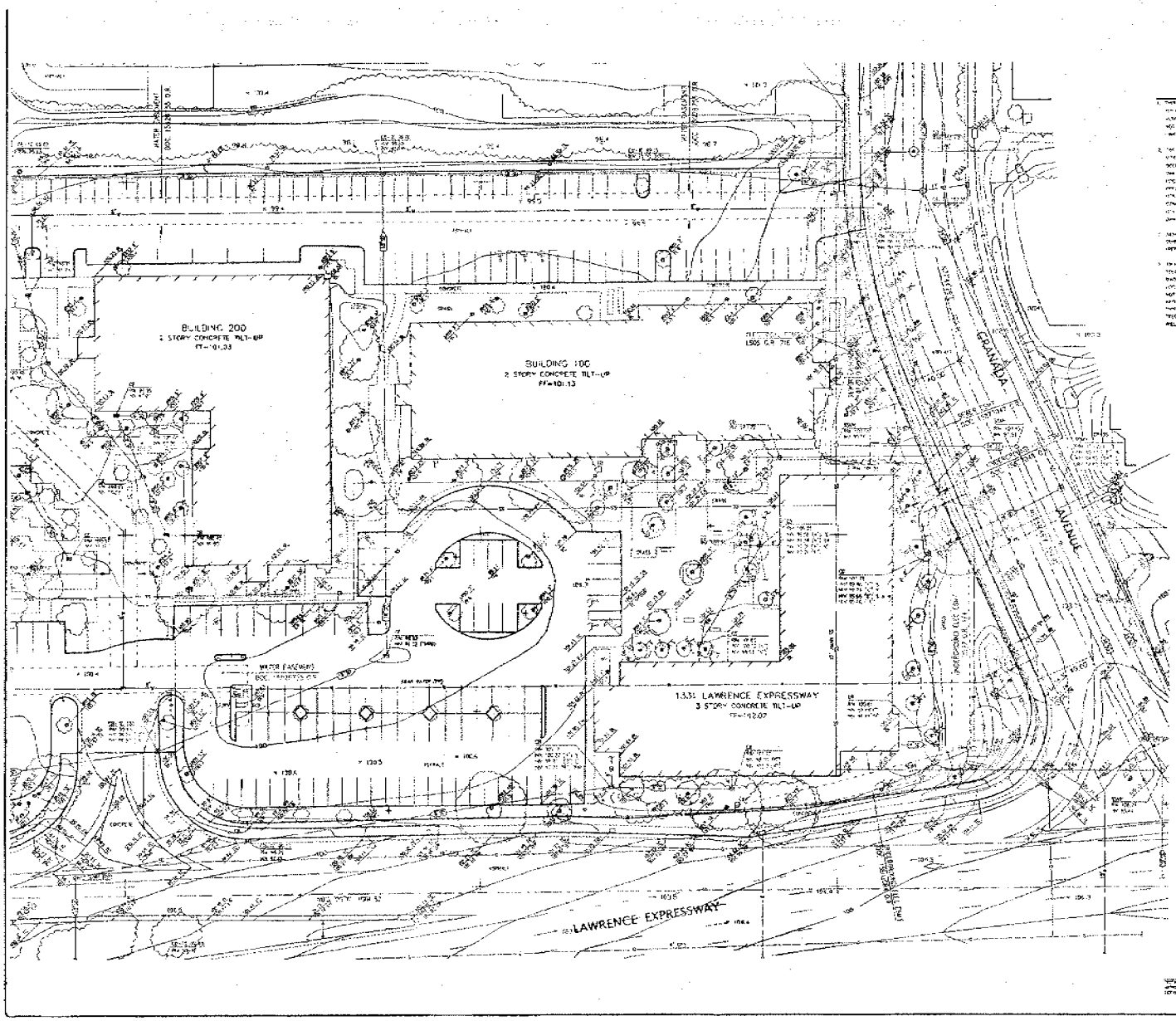
A-8.0

STA. CLARA CROSSINGS

STA. CLARA, CALIFORNIA

BRE PROPERTIES

ARCHITECTS ORANGE



NOTES

LEGEND

ABBREVIATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

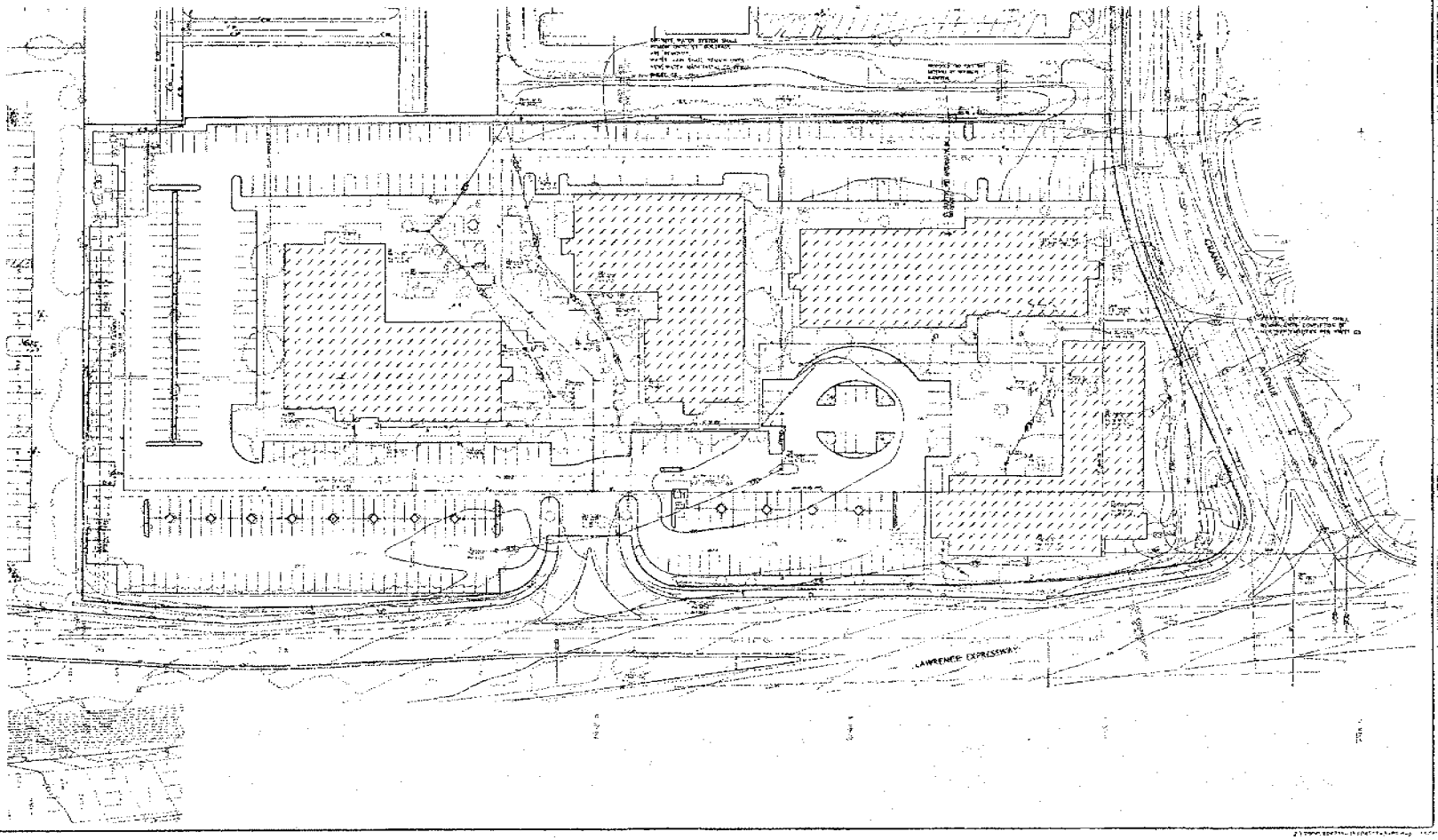
TOPOGRAPHIC SURVEY
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

C1

BUILDING REMOVAL NOTES:

1. [illegible]
2. [illegible]
3. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.



0 30 60 90

Scale: 1" = 30 ft

LEGEND

EXISTING BUILDING TO BE DEMOLISHED

NO.	REVISION	BY
1	[illegible]	
2	[illegible]	
3	[illegible]	
4	[illegible]	

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]
Pleasanton, California 94566
Phone (925) [illegible] Fax (925) [illegible]

PRELIMINARY BUILDING DEMOLITION PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA CALIFORNIA

DATE	APRIL 2015
SCALE	1" = 30'
DESIGNED	[illegible]
DRAWN	[illegible]
SHEET	C2

ELEC. & WATER MAIN NOTES:

1. IMPROVEMENTS & EASEMENTS SHOWN ON THIS SHEET ARE MEANT FOR THE SANTA CLARA CROSSINGS PROJECT ON PROPERTIES ONLY. IMPROVEMENTS RELATED TO ADJACENT DEVELOPMENT ARE SHOWN ON THIS SHEET FOR INFORMATIONAL PURPOSES ONLY. SEE SHEET C4 FOR CONCEPTUAL PRELIMINARY LAYOUT.

2. ELECTRIC ON-SITE FIRE SYSTEM SHALL REMAIN UNDER ACTIVE DEVELOPMENT BY OTHERS.

3. WATER FIRE FACILITIES & WATER MAINS SHALL NOT BE REMOVED UNTIL COMPLETION OF NEW REPLACEMENT FACILITIES (SHOWN ON THIS SHEET) FOR THIS PROJECT ONLY. REGARDING ADJACENT DEVELOPMENT FACILITIES, SEE PLANS BY OTHERS.

4. ALL OTHER EXISTING ON-SITE IMPROVEMENTS TO BE REMOVED AS NECESSARY.

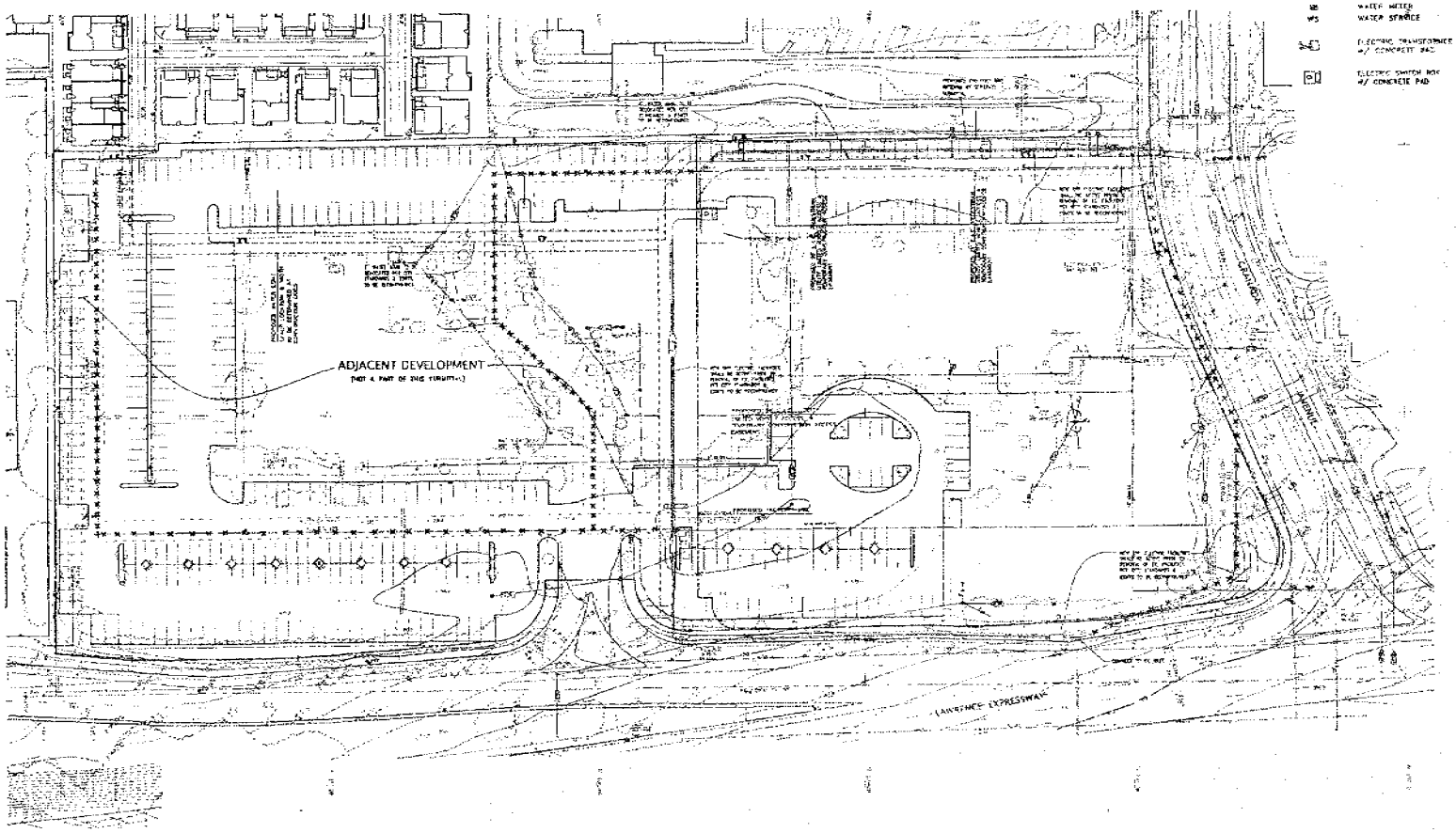
5. THIS SHEET IS TO SHOW GENERAL LAYOUT OF IMPROVEMENTS ONLY. FINAL DESIGN WILL BE SUBJECT TO MINOR REVISIONS WITH APPROVAL OF CITY OF SANTA CLARA AND/OR OTHER GOVERNING AGENCY. SEE PLANS BY OTHERS AND/OR OTHERS FOR SPECIFIC DETAILS. INFORMATION IS SUBJECT TO CHANGE.

Scale: 1" = 30 ft

0 30 60 90

LEGEND

ASR	AUTOMATIC SPRINKLER RISER
—	BACK FLOW PREVENTION DEVICE
	EXISTING UTILITY TO BE ABANDONED BY REMOVAL
	FIRE DEPARTMENT CONNECTION
	FIRE HYDRANT & VALVE
FS	FIRE SERVICE
	POST INDICATOR VALVE
SS	SANITARY SEWER
SSCO	SANITARY SEWER CLEANOUT TO GRADE
FSV	SINGLE CHECK VALVE
	STORM DRAIN CATCH BASIN
	STORM DRAIN JUNCTION BOX
SD	STORM DRAIN LINE
SDMH	STORM DRAIN MANHOLE
WM	WATER METER
WS	WATER SERVICE
	ELECTRIC TRANSFORMER W/ CONCRETE PAD
	ELECTRIC SWITCH BOX W/ CONCRETE PAD

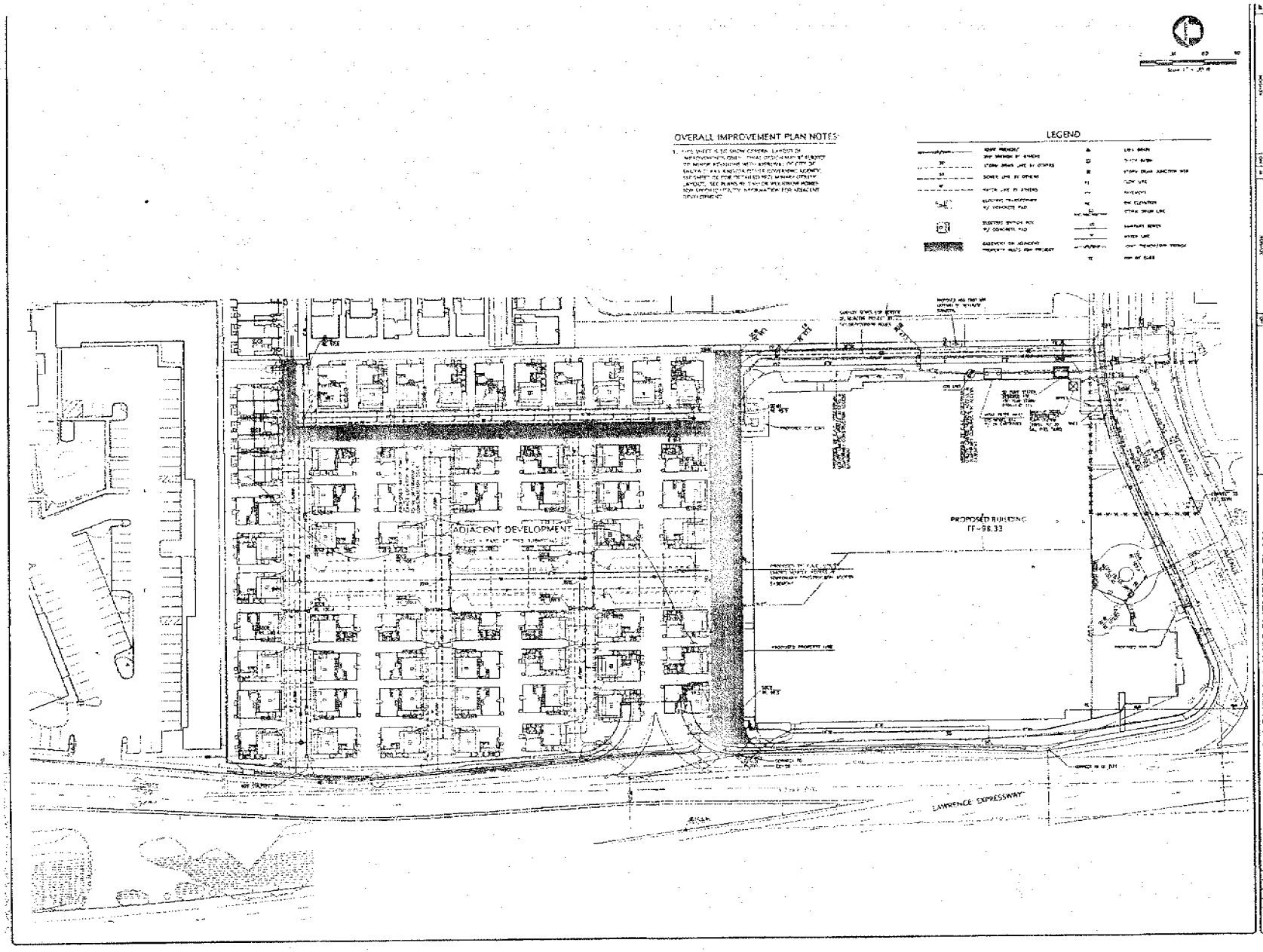


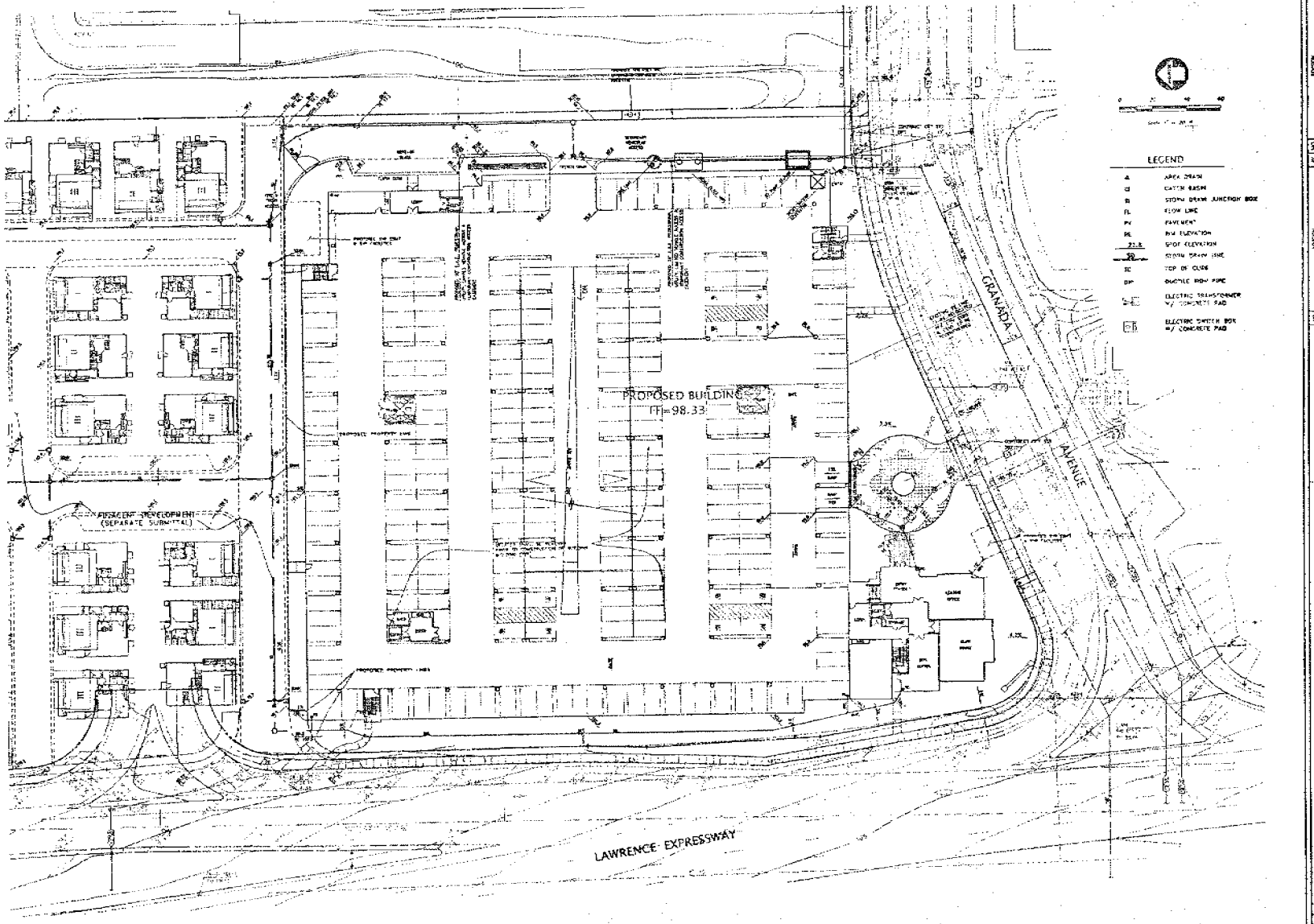
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
2850 Collen Street, Santa Clara, California 95051
(408) 748-8351

PRELIMINARY ELECTRICAL AND WATER PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE APR 96
SCALE 1" = 30'
DRAWN
JOB NO. 2040-01-3
SHEET C3


OVERALL IMPROVEMENT PLAN NOTES
LEGEND
ADJACENT DEVELOPMENT
PROPOSED BUILDING
FF=98.33
LAWRENCE EXPRESSWAY
KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
PRELIMINARY OVERALL IMPROVEMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES
SANTA CLARA, CALIFORNIA
C4

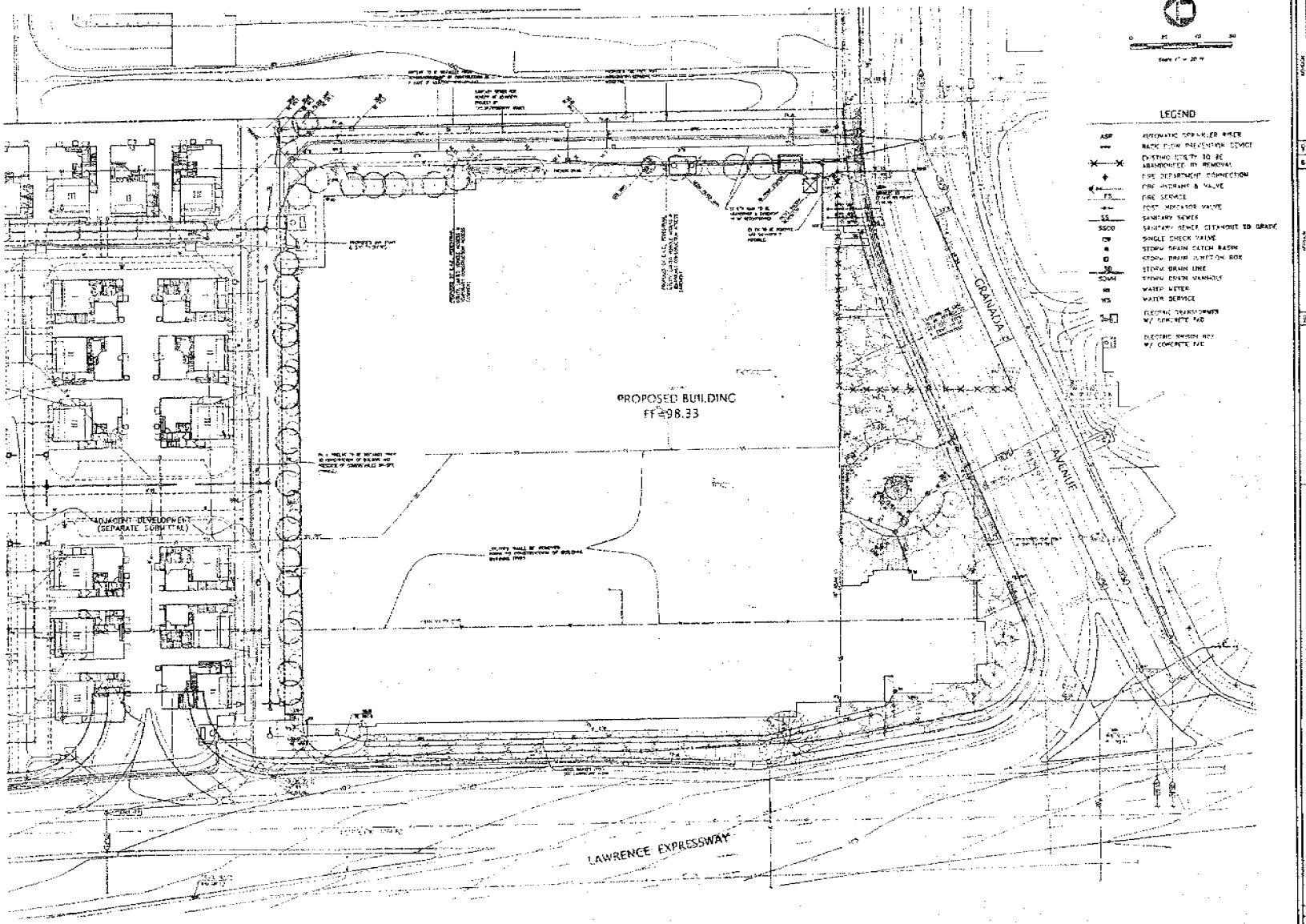


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

PRELIMINARY GRADING AND DRAINAGE PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE APRIL 2006
SCALE 1" = 10'
DRAWN BM
JOB NO. 4247-01-1
TITLE C5



KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
5175 Hillsdale Blvd., Suite 205
Sacramento, California 95842
Phone (916) 332-0151
Fax (916) 332-0343

PRELIMINARY UTILITY PLAN
1331-1333 LAWRENCE EXPRESSWAY
OF
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE APRIL 2006
SCALE 1" = 20'
DRAWN DMC
APPR. KWC
SHT. C6

PRELIMINARY TREATMENT CALCULATIONS

TREATED AREA SUMMARY			
AREA DESCRIPTION	AREA (ACS)	AREA (SQ.FT.)	% SITE
TOTAL TREATED AREA	[illegible]	[illegible]	[illegible]
1. ROLF PROJECT	[illegible]	[illegible]	[illegible]
1. TRANSIENT TRAFFICWAY	[illegible]	[illegible]	[illegible]
1. WORK AREA TO DRAIN FLOW	[illegible]	[illegible]	[illegible]
UNTREATED AREA	[illegible]	[illegible]	[illegible]
TOTAL SITE AREA	[illegible]	[illegible]	[illegible]

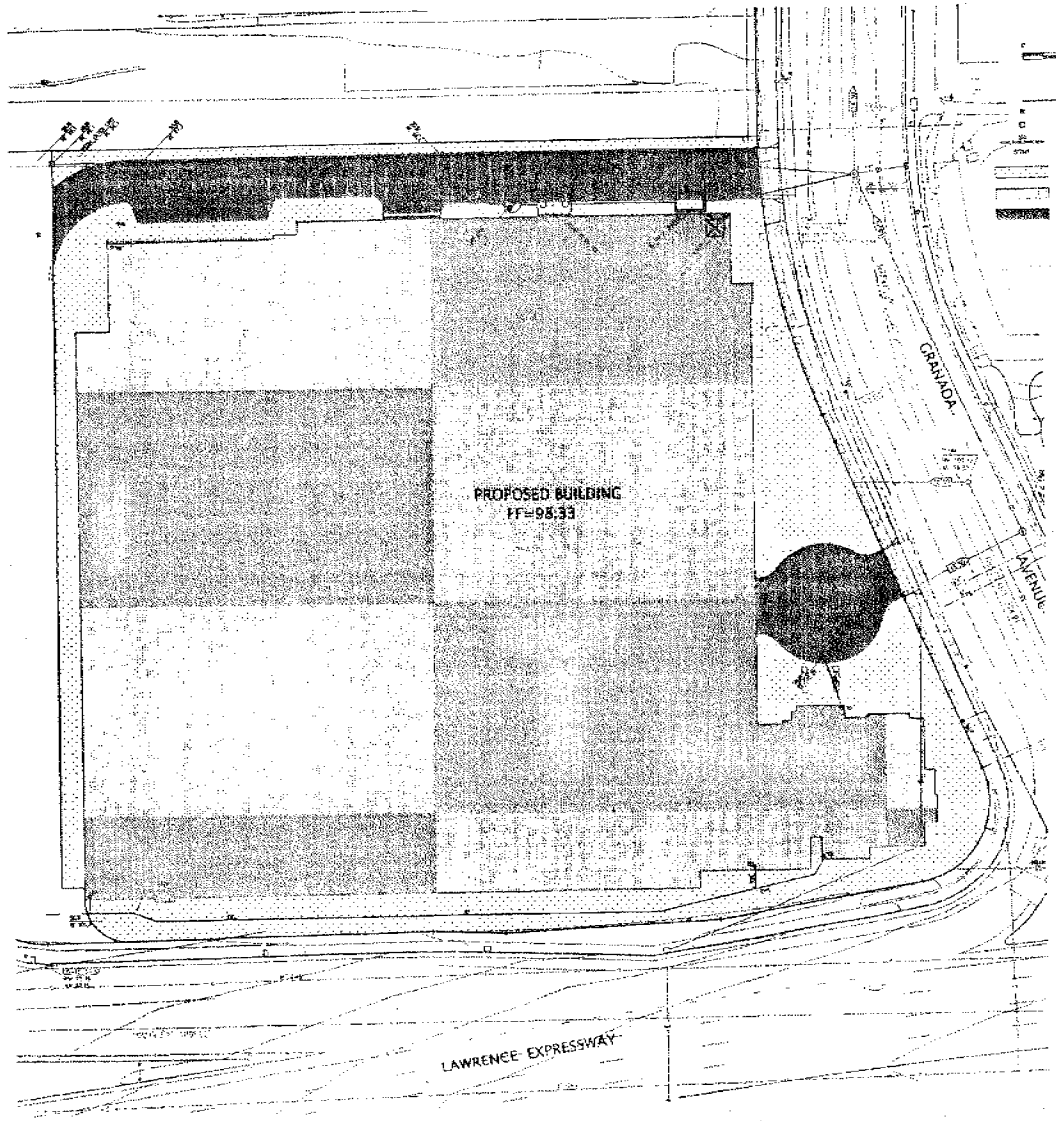
STORMWATER TREATMENT NOTES

1. [illegible]

2. [illegible]

3. [illegible]

4. [illegible]

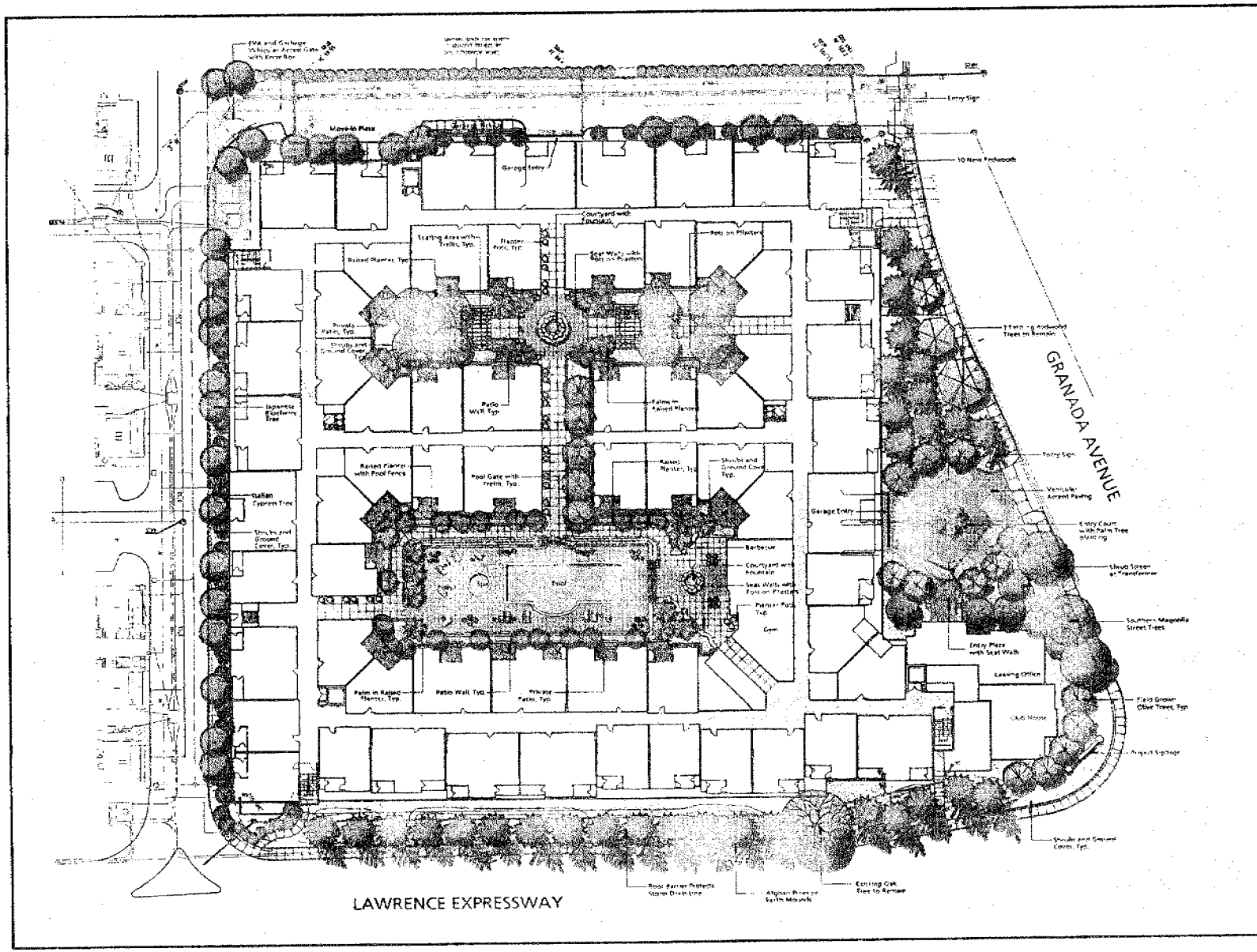


KEIR & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]
Pleasanton, California 94566
Tel (925) 913-8000
Fax (925) 913-8001

STORMWATER TREATMENT PLAN
OF
1331-1333 LAWRENCE EXPRESSWAY
FOR
BRE PROPERTIES

SANTA CLARA, CALIFORNIA

DATE [illegible]
SCALE [illegible]
DRAWN BY [illegible]
JOB NO. [illegible]
SHEET C7
OF [illegible] SHEETS



BRE
Santa Clara

Santa Clara, California

BRE Properties, INc.

525 Market Street, 4th Floor
San Francisco, CA 94105

THE GUZZARDO PARTNERSHIP INC
Landscape Architects · Land Planners
836 Montgomery Street
San Francisco, CA 94133
T 415 433 4572
F 415 433 5003

No.	Date	Description
	08.27.07	Approval Set

Conceptual Landscape Plan

Scale: 1" = 20'
0 10 20 40

Date: 05/17/07

L-1

Project Number: 05508

LAUREL PLACE II-PLANNED DEVELOPMENT APPLICATION

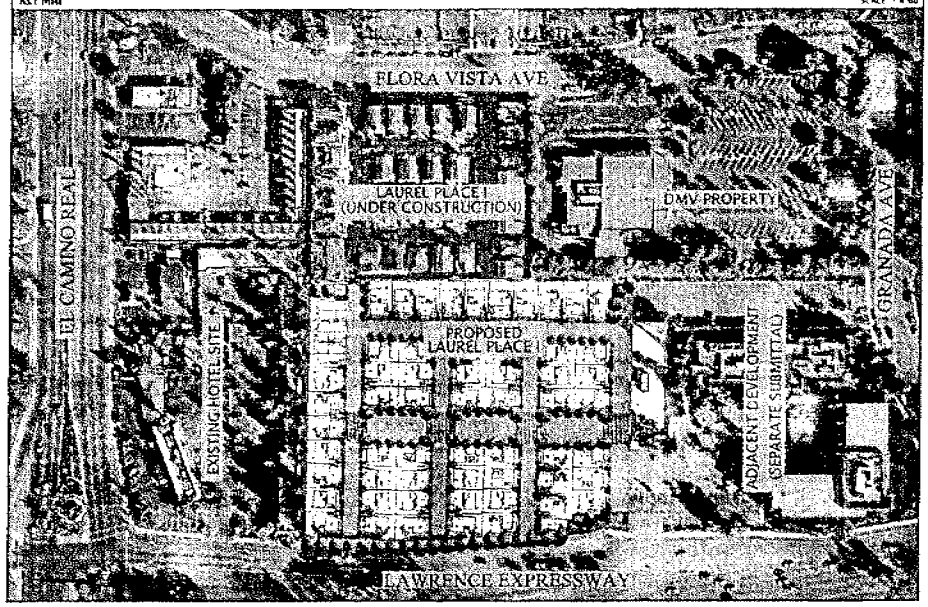
FOR

TAYLOR MORRISON HOMES
1331-1333 LAWRENCE EXPRESSWAY

SANTA CLARA, CALIFORNIA

November 19, 2007

KEY MAP



RECEIVED
APR 16 2008
PLANNING DIVISION

CONSULTANTS

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CONTACT: [illegible]	CONTACT: [illegible]
(925) 659-4920	(408) 727-6665
BUILDING ARCHITECT	**LANDSCAPE ARCHITECT**
THE DARIAN GROUP	VAN DORN ABED LANDSCAPE ARCHITECTS
1455 OWENS DRIVE	580 HOWARD STREET, SUITE 3
FLOSSMOOR, CA 91338	SAN FRANCISCO, CA 94105
CONTACT: [illegible]	CONTACT: SHAWN VAN DORN
(909) 251-7280	(415) 974-4018

SHEET INDEX

SHEET #	SHEET TITLE	AUTHOR
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C5.2	[illegible]	KIER & WRIGHT
C5.3	TYPICAL STREET CROSS SECTIONS	KIER & WRIGHT
C5.4	PRELIMINARY GRADING AND DRAINAGE PLAN	KIER & WRIGHT
C5.5	FIRE SAFETY PLAN	KIER & WRIGHT
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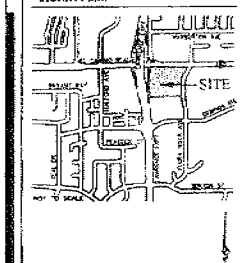
SQUARE FOOTAGE SUMMARY

PLAN 1	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
GARAGE	[illegible]
DECKS	[illegible]
LIVING SQUARE FOOTAGE	[illegible]
PLAN 2	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
GARAGE	[illegible]
DECKS	[illegible]
LIVING SQUARE FOOTAGE	[illegible]
PLAN 3	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
GARAGE	[illegible]
DECKS	[illegible]
LIVING SQUARE FOOTAGE	[illegible]
TOWNHOMES	
FIRST FLOOR LIVING AREA	[illegible]
SECOND FLOOR LIVING AREA	[illegible]
THIRD FLOOR LIVING AREA	[illegible]
TOTAL LIVING AREA	[illegible]
GARAGE	[illegible]
DECKS	[illegible]
LIVING SQUARE FOOTAGE	[illegible]

SUBMITTAL HISTORY

NO.	DESCRIPTION	DATE
1	INITIAL SUBMITTAL	11.08.05
2	SECOND SUBMITTAL	02.24.06
3	THIRD SUBMITTAL	04.26.06
4	FOURTH SUBMITTAL	10.20.06
5	FIFTH SUBMITTAL	06.26.07
6	SIXTH SUBMITTAL	11.19.07

VICINITY MAP

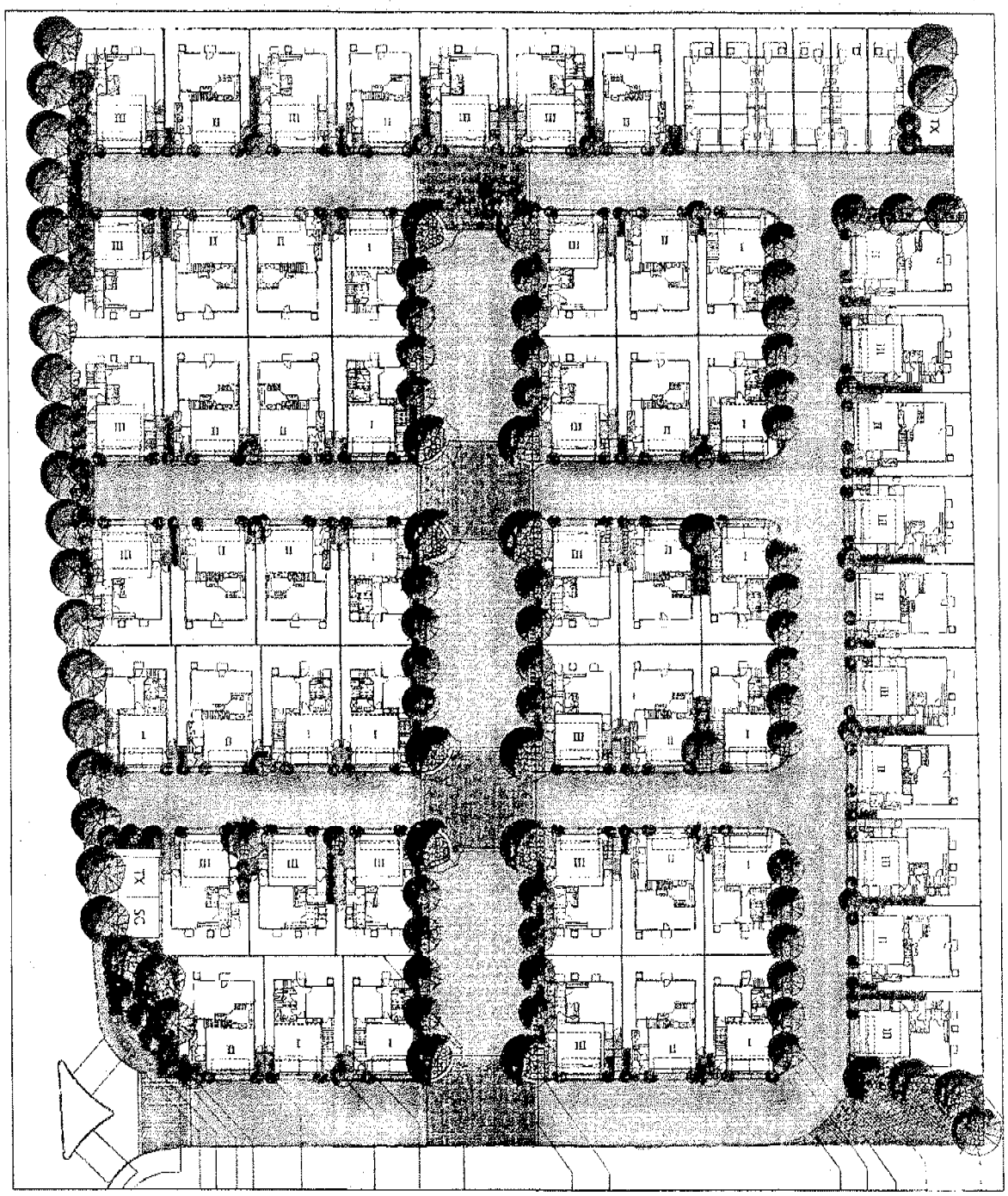


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
[illegible]
Santa Clara, California 95054 • (408) 727-6665

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PROJECT COVER SHEET

DATE	NOV. 2007
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	[illegible]
SHEET	C1.0

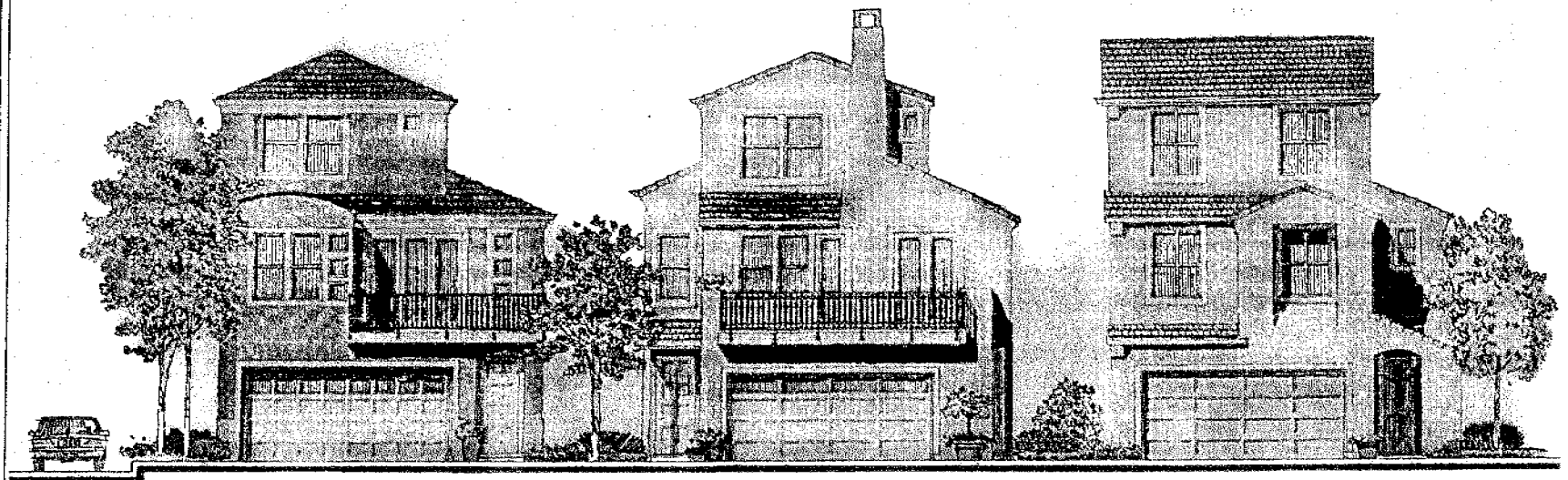


C2.0

LAUREL PLACE II - SITE PLAN

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 - 1351 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

DAHLIN GROUP
ARCHITECTURE
PLANNING
2633 Camino Ramon Rd
San Ramon, CA 94583
925.837.8686
925.837.3543 fax



PLAN 1

END LOT
(STREET CONDITION)

PLAN 3

TYPICAL INTERIOR
LOT CONDITION

PLAN 2

END LOT
(PROPERTY LINE
CONDITION)

ARTIST'S CONCEPT

0 4 8 16

AUGUST 3, 2005

Project No.: 529.034

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

3671 Civic Center Rd
San Ramon, CA 94583
925.837.8900
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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1323 & 1325 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

ARTISTS CONCEPT

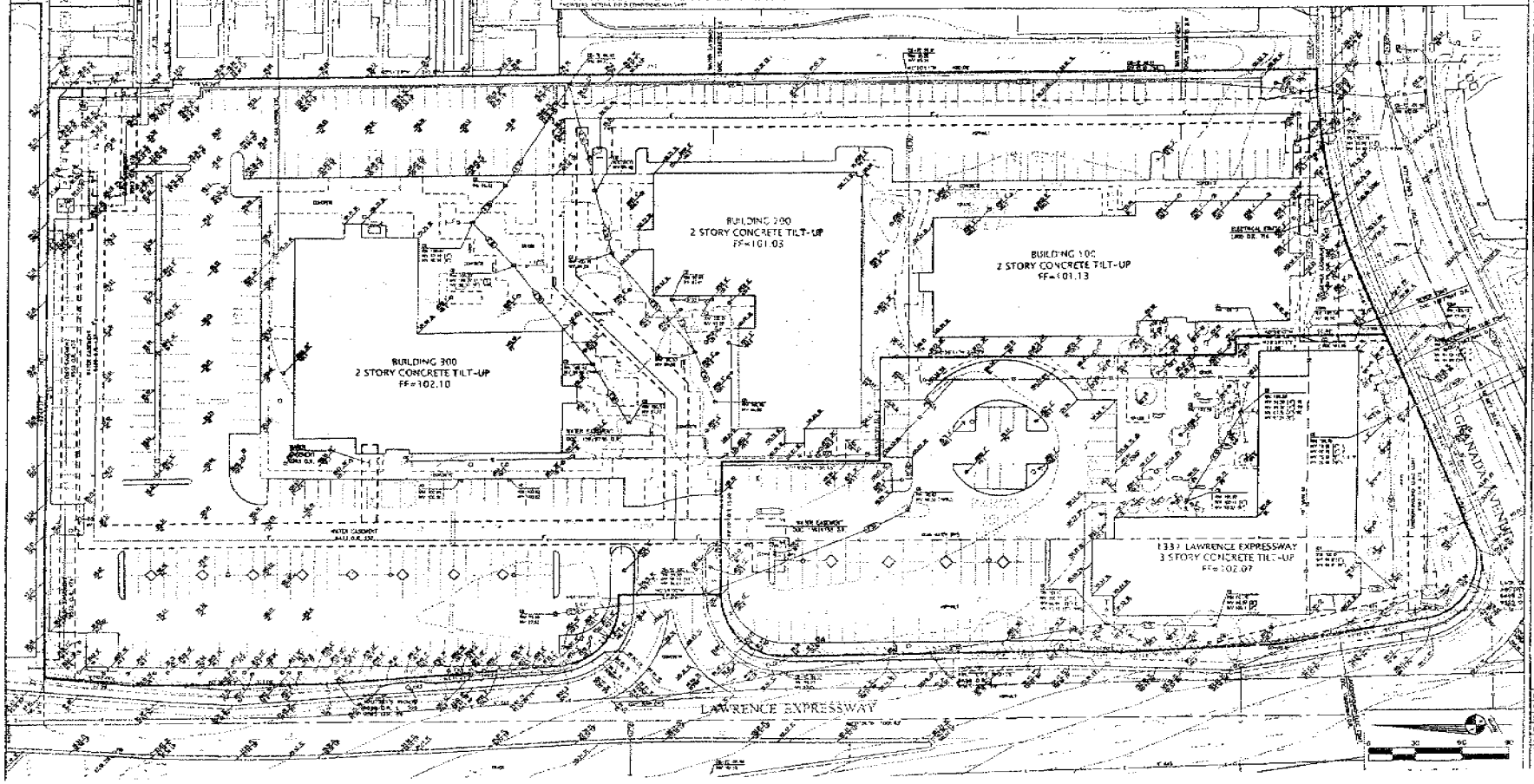
DATE NOV. 2005
SCALE AS SHOWN
DESIGNER --
DRAFTER --
JOB --
SHEET C3.0

TOPOGRAPHIC SURVEY NOTES

ABBREVIATIONS

AC	ASPHALTIC CONCRETE	CB	GRADE BREAK
AD	AREA DRAIN	INV	INVERT ELEVATION
BC	FACE OF CURB	MHF	MONUMENT TO MONUMENT
BFP	BACK FLOW PREVENTER	MH	MANHOLE
BL	BUILDING	PK	PARKING
BOL	BOLLARD	SD	STORM DRAIN
BW	BACK OF WALK	(R)	RADIAL
CA	CATCH BASIN	RIM	RIM ELEVATION
CO	SEWER CLEAN OUT TO GRADE	S	SOUTH
CONC	CONCRETE	SDMH	STORM DRAIN MANHOLE
DOC	DOCUMENT	SE	SOUTHEAST
DWY	DRIVEWAY	SL	STREET LIGHT
E	EAST	SDMH	SANITARY SEWER MANHOLE
EB	ELECTRIC BOX	SW	SIDEWALK
ESC	ELECTRICAL	TS	TELEPHONE BOX
EMH	ELECTRICAL MANHOLE	TC	TOP OF CURB
EP	EDGE OF PAVEMENT	TEM	TEMPERGRAPHER
EWT	EASEMENT	TSB	PRIVATE SIGN - POP
FW	EDGE OF WALK	TOW	TOP OF WALL
FF	FINISH FLOOR	W	WEST
FH	FIRE HYDRANT	WB	WATER BOX
FL	FLOW LINE	WM	WATER METER
FWC	FENCE	WV	WATER VALVE
INC	EDGE OF WOOD		

LEGEND

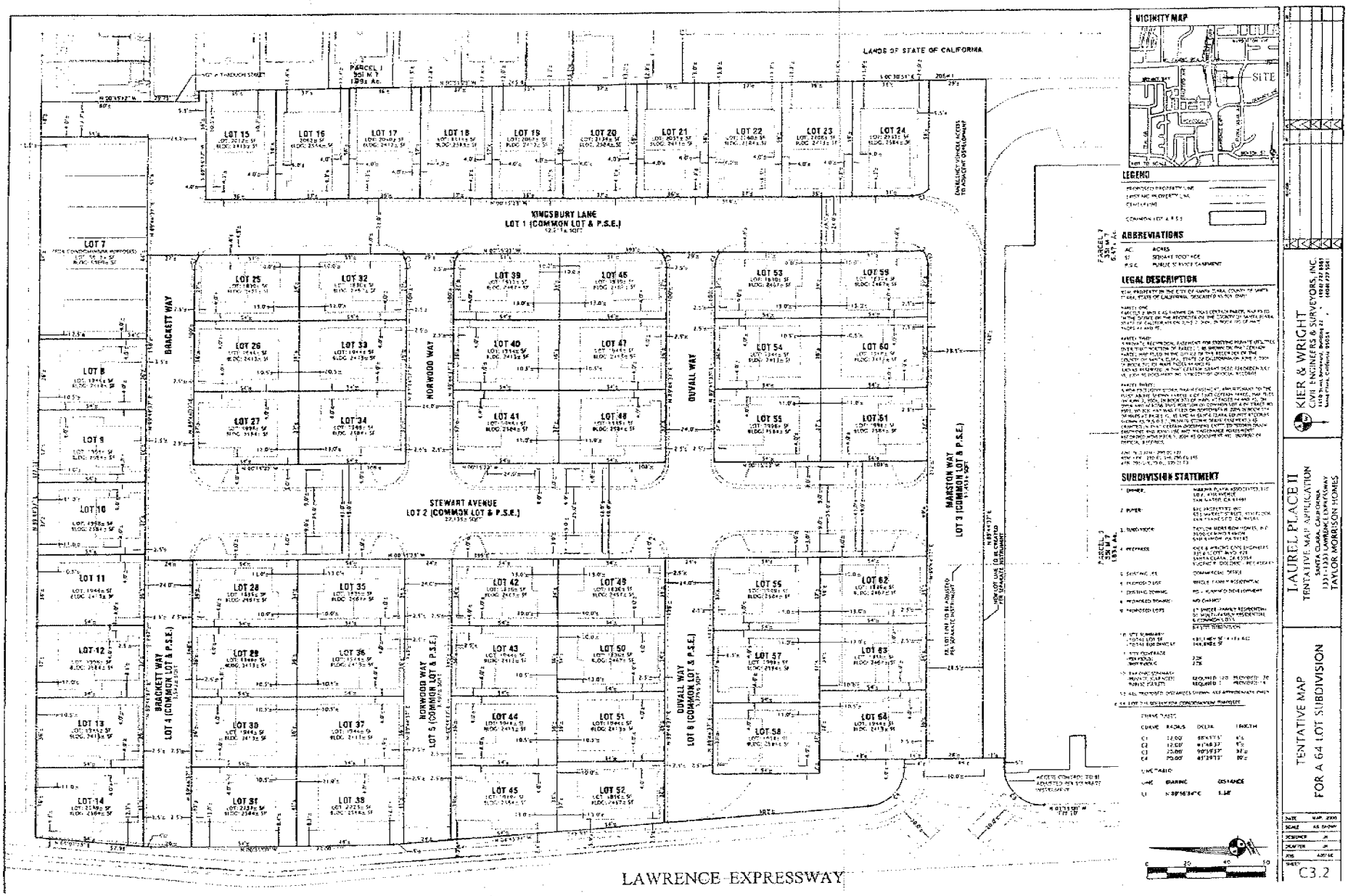


KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1337 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TOPOGRAPHIC SURVEY
(EXISTING SITE)

DATE NOV. 2005
SCALE AS SHOWN
DESIGNER JK
DRAFTER JK
JOB
SHEET C3.1



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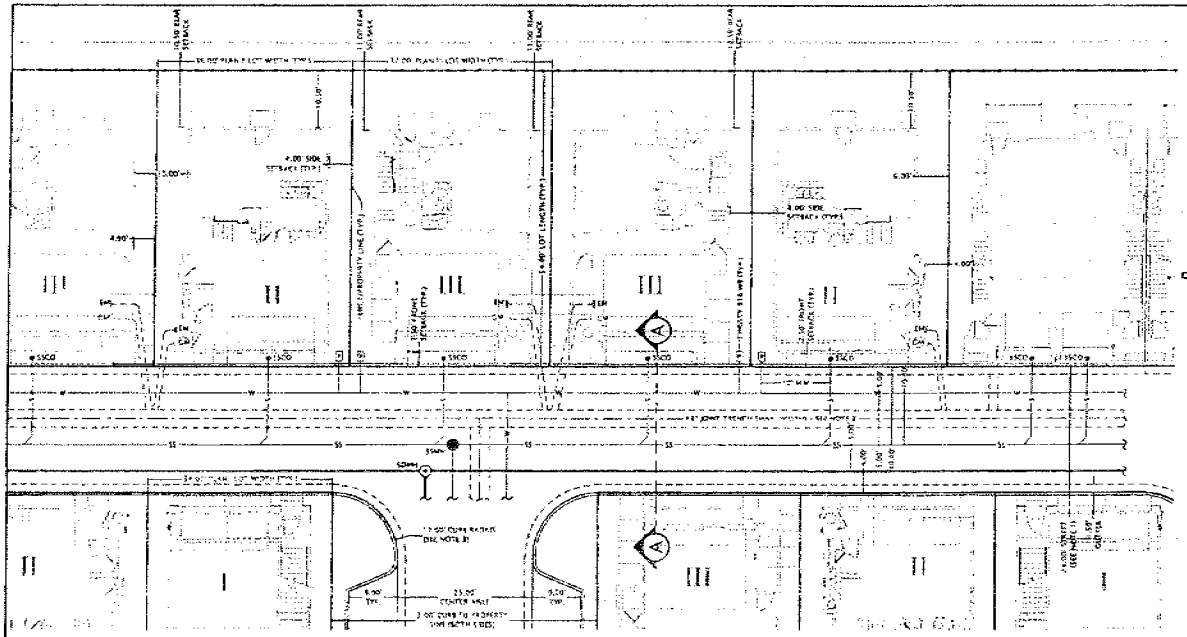
CIVIL ENGINEERS & SURVEYORS, INC.

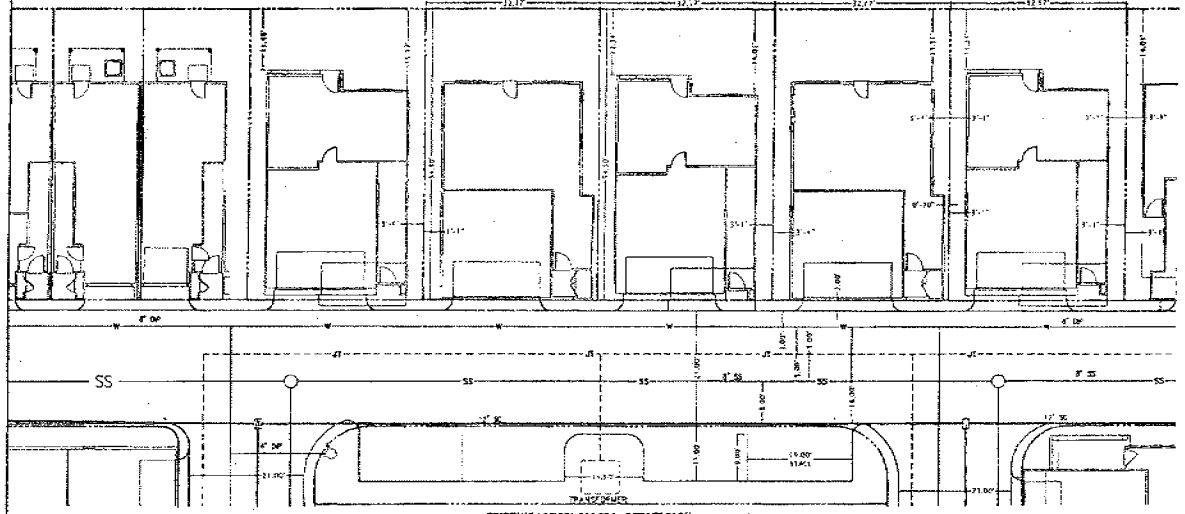
LAUREL PLACE II
TENTATIVE MAP APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

TENTATIVE MAP
FOR A 64 LOT SUBDIVISION

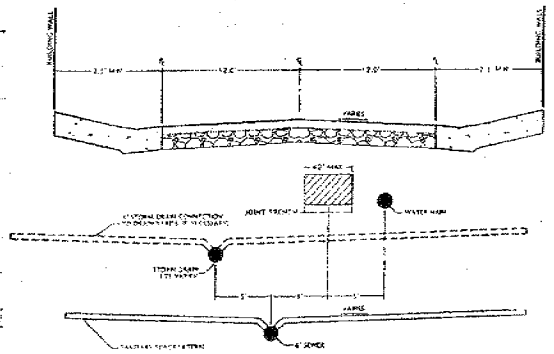
C3.2



PROPOSED LAUREL PLACE II - STREET PLAN



EXISTING LAUREL PLACE I - STREET PLAN



PROPOSED STANDARD STREET SECTION (A-A)

NOT TO SCALE

PROPOSED SITE PLAN NOTES

1. STREET WIDTH VARIES (SEE SPEC)
   - CENTER DRIVE AISLE TO BE 24' WIDE FLOW & WIDE X 54' DEEP PARALLEL PARKING STALLS
   - ONE-WAY EMERGENCY EXIT/ENTRANCE TO BE 28' WIDE TO COUNTY STD. 50' WIDE ENTRANCE
   - ALL OTHER PRIVATE STREETS TO BE 24' WIDE
2. SEWER PREVIEW SHOWN INCLUDES SECTION VALVES POWER CRANCH WITH MAXIMUM TRENCH WIDTH TO BE 40' WIDE EXACT TRENCH DIMENSIONS WILL VARY BASED ON TRENCH DISTANCE, AND WILL BE DETERMINED DURING CONSTRUCTION LEVEL DESIGN. ALL PROPOSED PIPES TO BE A MINIMUM OF 5' FROM PROPOSED ELECTRIC PADS, TYP.
3. CURB RADIUS TO BE 17' TO ACCOMMODATE FIRE TRUCK INSIDE TURNING RADIUS OF 35'. SEE SHEETS C4.1 & C4.2 FOR TRUCK TURNING EXHIBITS
4. ALL UTILITY STRUCTURES, MANHOLES, METERS, ETC.) SHOWN TO ACTUAL SIZE.
5. THE UTILITY LAYOUT SHOWN (SAMPLE ONLY) WILL ACTUAL VARY IN DESIGN. SEE SHEET C6.0 FOR PRELIMINARY UTILITY PLAN

LEGEND

- WATER MAIN
- JOINT TRENCH
- SANITARY SEWER MAIN
- SANITARY SEWER LATERAL
- STORM DRAIN

ABBREVIATIONS

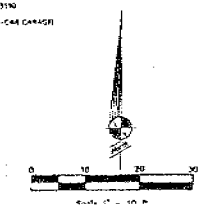
EM	ELECTRIC METER
GM	GAS METER
SDMH	STORM DRAIN MANHOLE
SSCO	SANITARY SEWER CLEAN OUT
SSMH	SANITARY SEWER MANHOLE

SITE COMPARISON

DESCRIPTION	EXISTING LAUREL PLACE I	PROPOSED LAUREL PLACE II
SITE AREA	1.43 ACRES (62,651 S.F.)	4.16 - ACRES (181,[illegible] SQFT)
TOTAL UNITS	34 UNITS	61 UNITS (17 SINGLE FAMILY, 8 MULTI-FAMILY)
AVERAGE LOT SIZE	1,845 S.F.	[illegible] S.F.
TOTAL LOT COVERAGE	62,710 S.F. (47%)	117,574 S.F. (65%)
COMMON LOT SIZE	23,514 S.F. (18%)	96,[illegible] S.F. (53%)
PRIVATE PARKING PROVIDED	69 STALLS (2-CAR GARAGES)	120 STALLS (2-CAR GARAGES)
GUEST PARKING PROVIDED	8 STALLS	18 STALLS
GUEST PARKING RATIO	0.4	1.2 S
AVERAGE FLOOR AREA RATIO	1.35	1.29
FRONT SETBACK	0'-0" (SEE NOTE 1)	2'-6"
SIDE SETBACK	3'-11"	4'-0"
REAR SETBACK	11'-11"	10'-11"
STREET WIDTH	23'-25'	24'-28'

NOTE

1. EXISTING STALLS - SOME UNITS WERE PROVIDED WITH FRONT BUILDING MASSING THE PROPERTY LOT WITH 2 OF DEPENDENT. RED COMMON LOT.



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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1111-1133 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

TYPICAL STREET PLANS & SECTIONS

DATE
SCALE
DESIGNED
DRAWN
JOB
SHEET C3.3

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

ADJACENT DEVELOPMENT
(SEPARATE SUBMITTAL)

LAWRENCE EXPRESSWAY

0 20 40 60

Scale: 1" = 20' ±

TREATMENT CHART

TREATMENT METHOD	AREA TREATED	% OF SITE
SELF TREATING (SILPONS)	126,541 S.F.	70%
TREATMENT AREA (2 CBS UNITS)	48,093 S.F.	26%
TREATMENT AREA (PAVERS)	8,108 S.F.	04%
TOTAL AREA	182,742 S.F.	100%

PLAN NOTES

1. SELF TREATING AREA INCLUDES SIDEWALKS & LANDSCAPING, AND ALL ROOF AREAS WHICH ARE NO DISCHARGE (INFILTRATED) LANDSCAPING.

2. ALL CATCH BASINS TO BE PAINTED "NO DUMPING - FLOWS TO BAY".

PAVING LEGEND

SELF TREATING AREA

TREATMENT AREA

PERVIOUS PAVERS

DIRECTION OF FLOW

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.
3338 Vista Bonita Drive, Building 22
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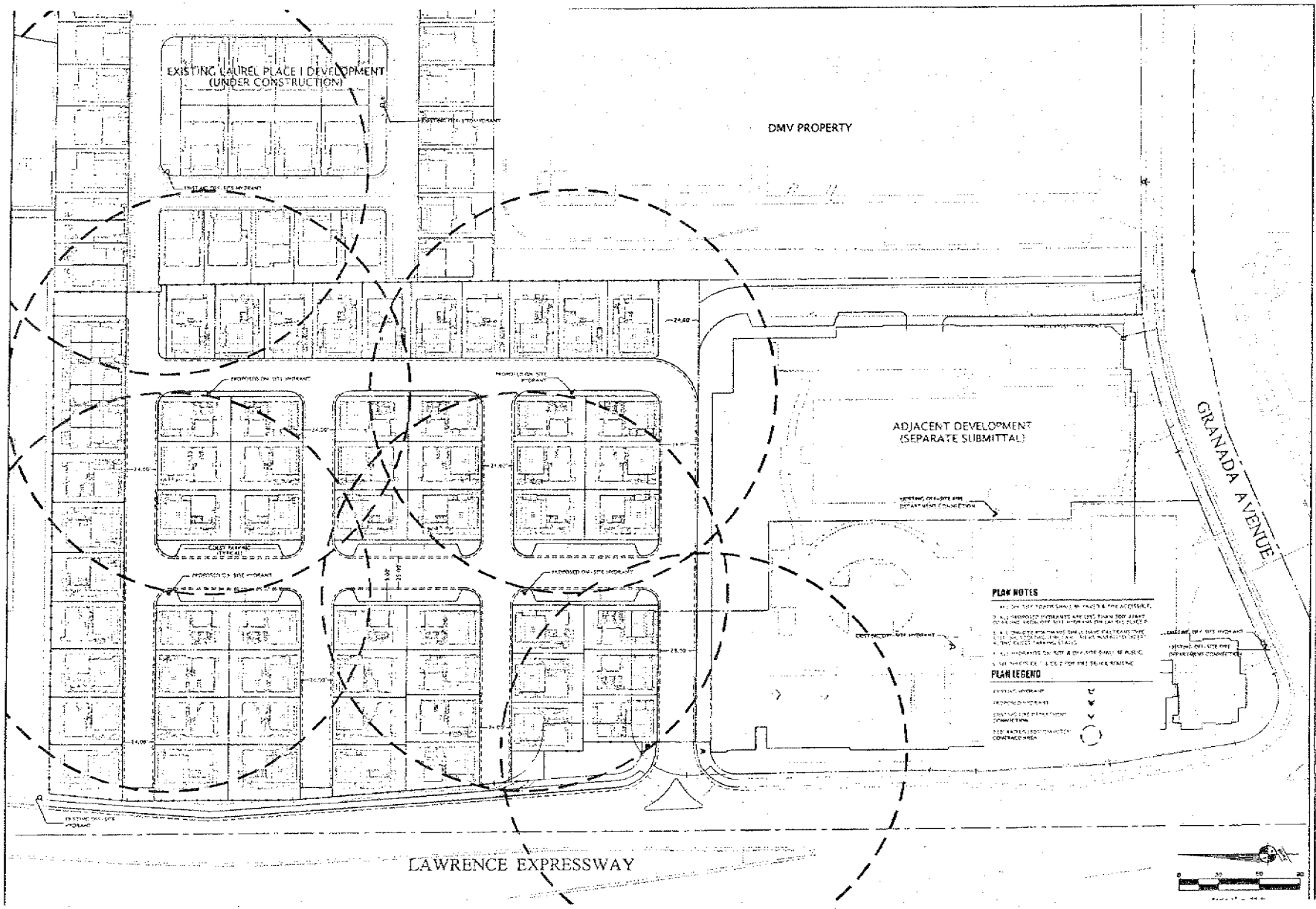
(408) 727-1944

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1313-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY STORM WATER
MANAGEMENT PLAN

DATE	NOV. 2006
SCALE	AS SHOWN
DESIGNER	JK
DRAFTER	JK
JOB	1001-15
SHEET	C3.4



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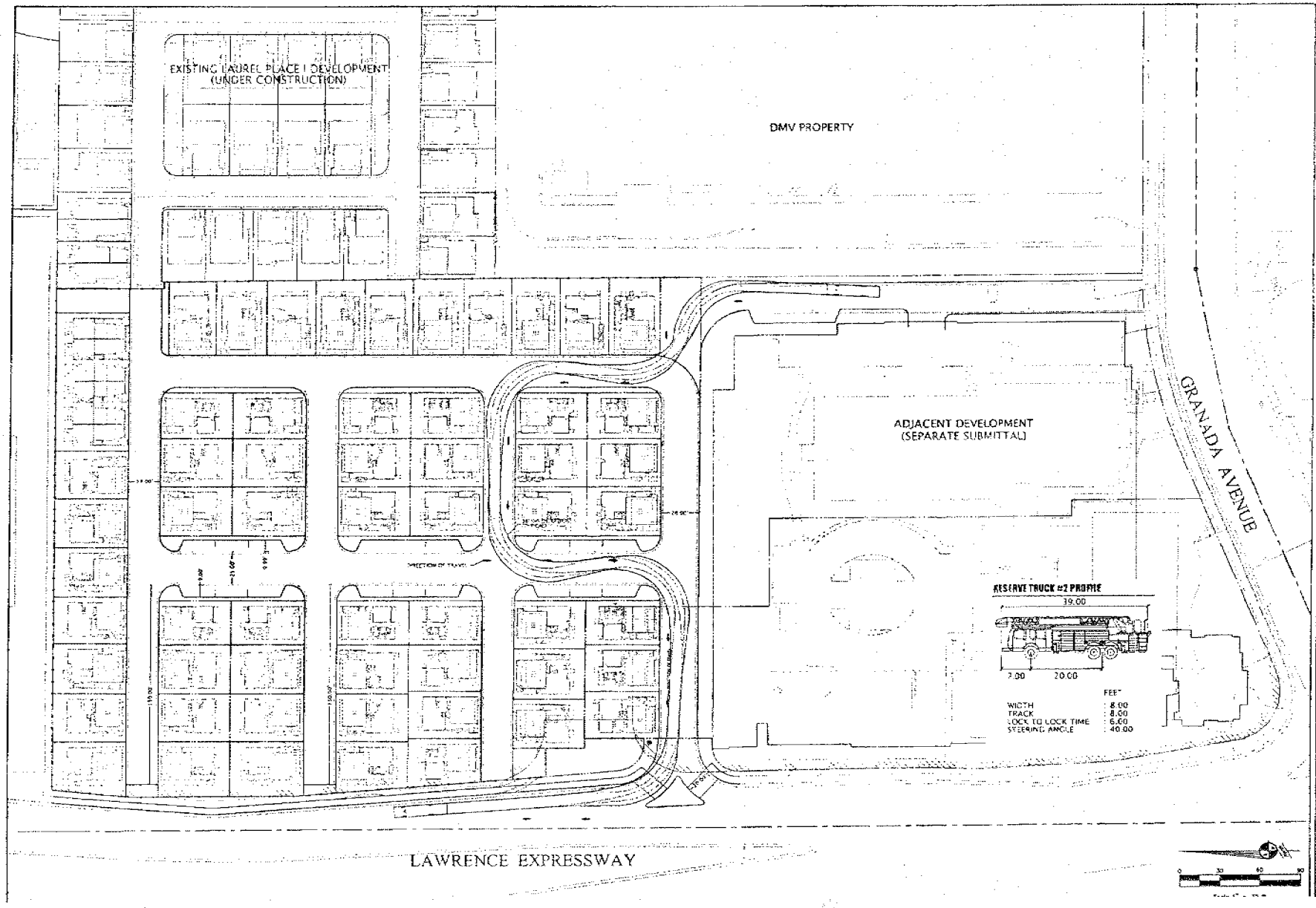
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
(191-133) LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE SAFETY PLAN

DATE NOV 2025
SCALE AS SHOWN
DESIGNED JH
DRAFTED JH
JOB 4C8198
SHEET C4.0



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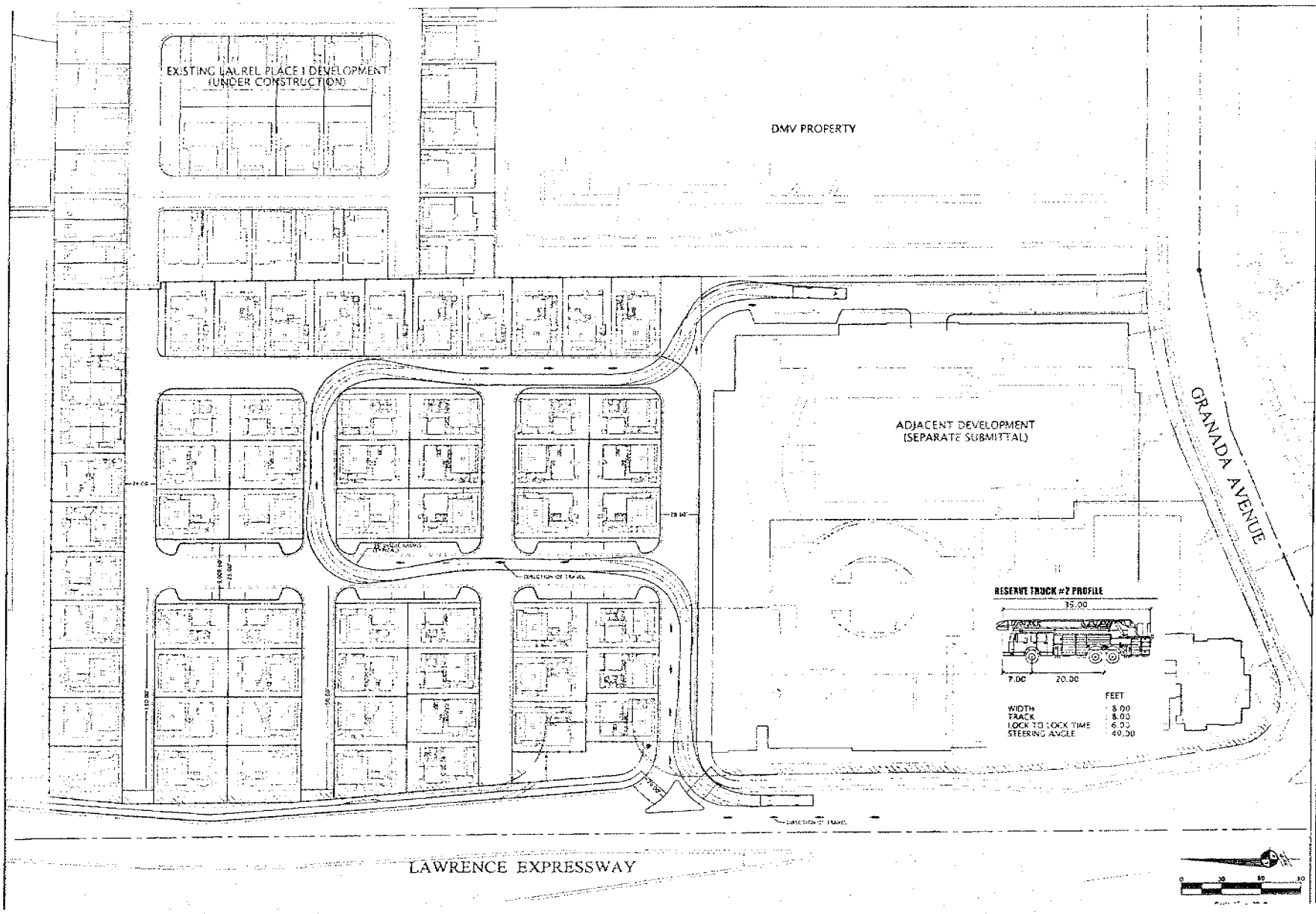
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. EXIT

DATE NOV. 2020
SCALE AS SHOWN
DESIGNED
DRAWN BY
JOB
SHEET C4.1



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LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311-1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

FIRE TRUCK ROUTING PLAN
LAWRENCE EXPWY. ENTRANCE

DATE NOV. 2019
SCALE AS SHOWN
DESIGNED -
DRAWN -
JOB A2014
SHEET C4.2

EXISTING LAUREL PLACE I DEVELOPMENT
(UNDER CONSTRUCTION)

DMV PROPERTY

LAWRENCE EXPRESSWAY

PRIVATE STREET

TYPICAL LOT DRAINAGE

LEGEND

PROPERTY LINE	
OVERLAND RELEASE	
STREET SLOPE	1.0%
SPOT ELEVATION	99.8

ABBREVIATIONS

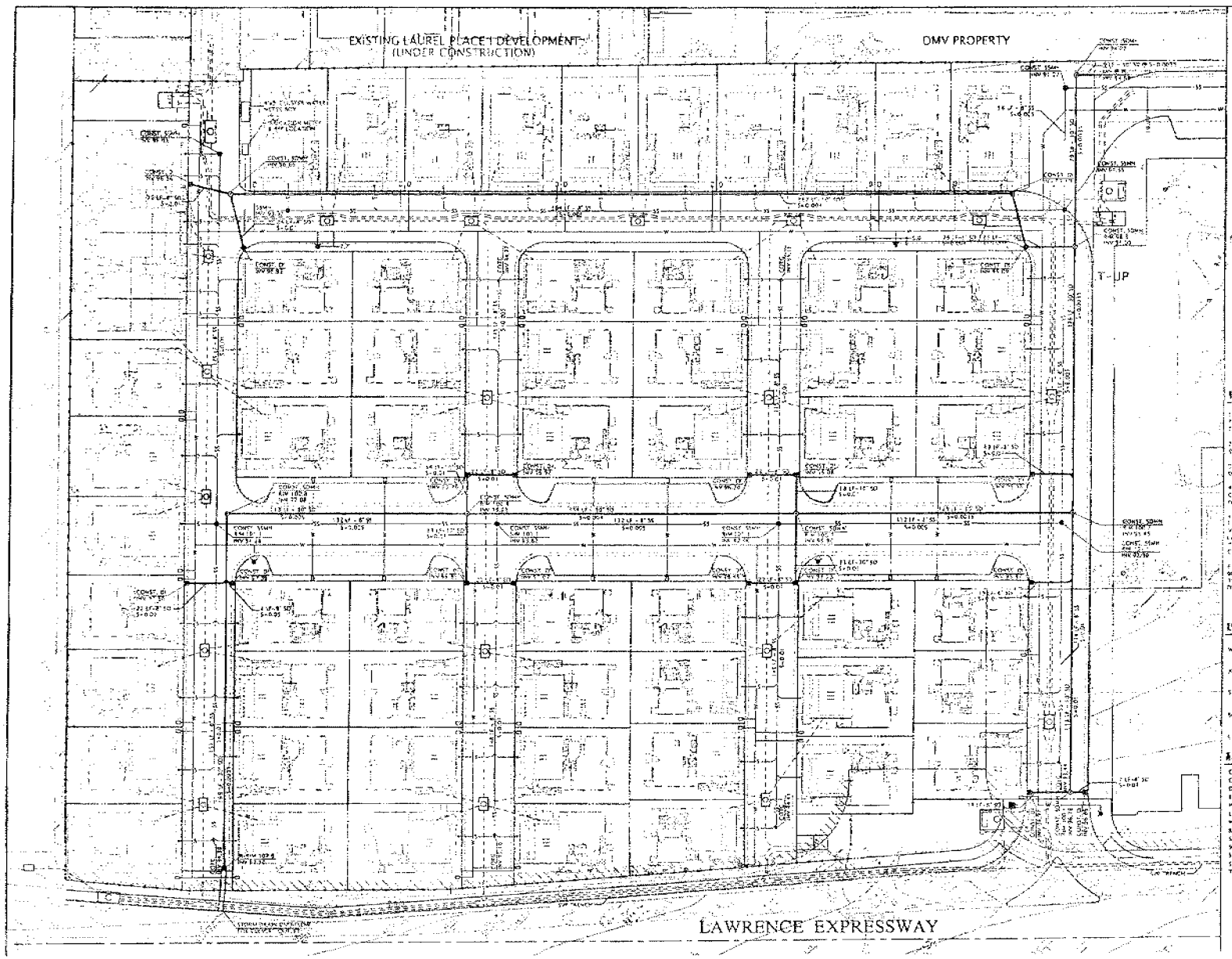
EX	EXISTING
FL	FLOW LINE
FF	FINISH FLOOR
EB	GRADE BREAK
HP	HIGH POINT
TYP	TYPICAL
TG	TRANSITIONAL GRADE
SG	SWITCHBACK

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

PRELIMINARY GRADING PLAN

DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNED	
DRAWN	
JOB	
SHEET	C5.0



UTILITY PLAN NOTES

1. ALL WATER & SEWER LATERALS MAINTAIN 10' HORIZONTAL SEPARATION EXCEPTS WHERE CONFLICTS REQUIRE A SHORTER DISTANCE.
2. SANITARY SEWER CONNECTION TO BE CAMERA'D (SHOW PENDING OUTCOME OF FULL SEWER STUDY)
3. SEE SHEET C-5.0 FOR UTILITY SEPARATION DETAILS & TYPICAL STREET SECTION
4. WATER METERS, SUP STRUCTURES, MANHOLES, CLEAN OUTS, ETC. SHOWN TO ACTUAL FINALIZATIONS
5. FIRE HYDRANTS & TRANSFORMER AREAS SHOWN AS 10' X 10' CLEAR AREAS AS REQUIRED BY SILICON VALLEY POWER STANDARDS SPECIFICATIONS. FINAL LANDSCAPE DESIGN TO ACCOMODATE THESE AREAS OR BE REVISED PRIOR TO SUBMITTAL OF CONSTRUCTION DRAWINGS
6. STORM LATERALS MAY BE NECESSARY IN LOWER AREAS BUT ARE NOT SHOWN ON THIS PLAN. TIME GRADE NO TO BE SHOWN AS PART OF CONSTRUCTION DOCUMENTS

LEGEND

WATER MAIN — WATER
JOINT TRENCH
SANITARY SEWER MAIN — SSMH
SANITARY SEWER LATERAL — SSCO
STORM DRAIN — SDMH

ABBREVIATIONS

CONST	CONSTRUCT
COFC	CLEAN OUT TO GRADE
DI	DROP INLET
EX	EXISTING
FHA	FIRE HYDRANT ASSEMBLY
LF	LINEAR FOOT
MH	MANHOLE
RIM	RIM ELEVATION
SDMH	STORM DRAIN MANHOLE
SC	SWITCH CLEAN
SS MH	SANITARY SEWER MANHOLE
SVP	SILICON VALLEY POWER
TX	TRANSFORMER

0 20 40 60

KIER & WRIGHT
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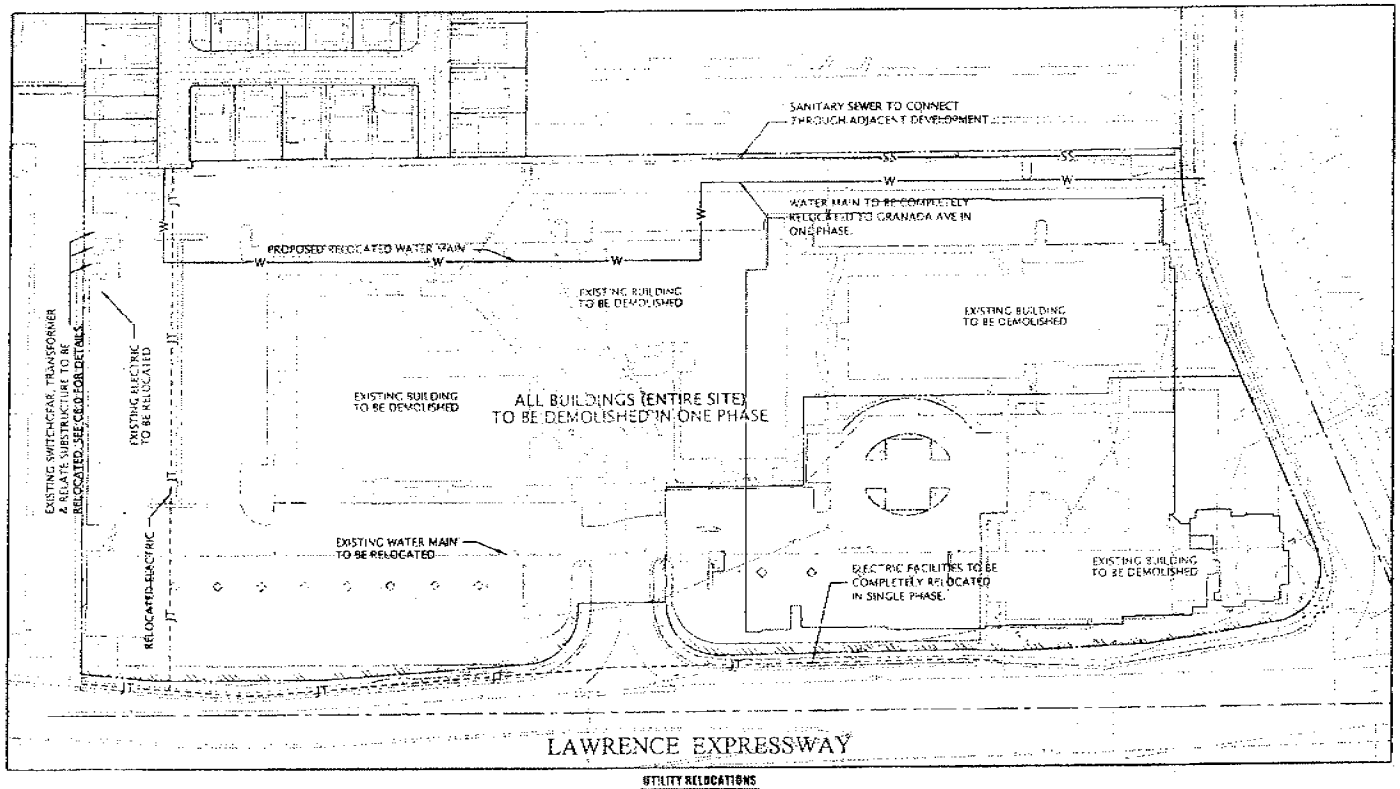
Santa Clara, California 95050 • (408) 727-1661

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1331 & 1333 LAWRENCE EXPRESSWAY
TAYLOR MORRISON HOMES

PRELIMINARY UTILITY PLAN

DATE	NOV. 2023
SCALE	AS SHOWN
DESIGNED	JK
DRAWN	JK
JOB	AGENES
SHEET	C6.0



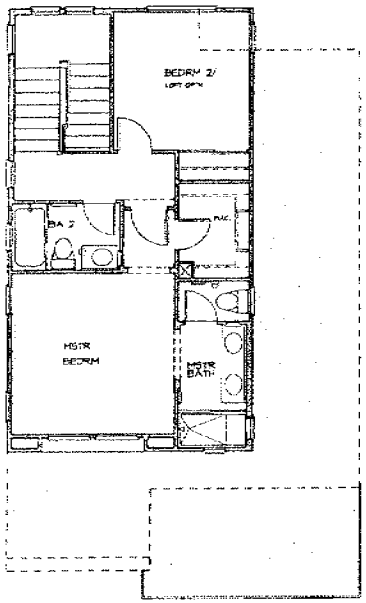
UTILITY RELOCATIONS

KIER & WRIGHT
CIVIL ENGINEERS & SURVEYORS, INC.

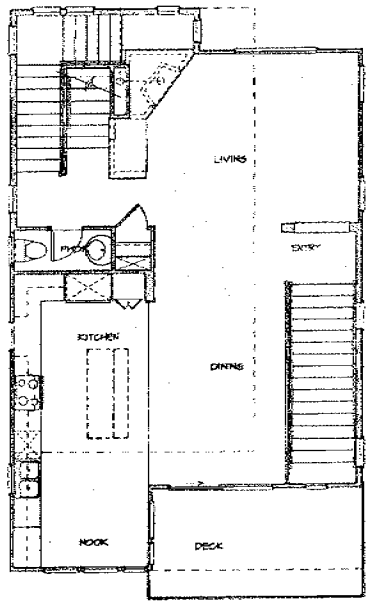
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR MORRISON HOMES

UTILITY RELOCATION & IMPROVEMENT PLAN

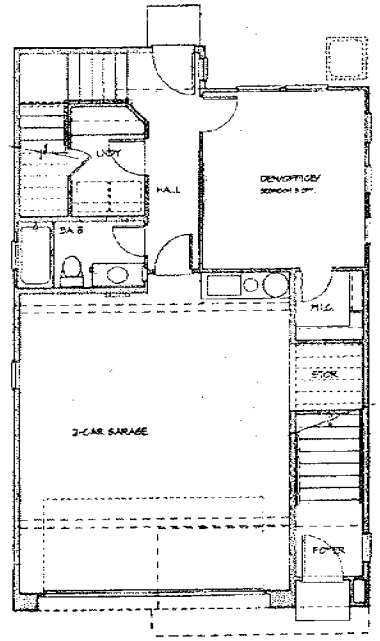
DATE
SCALE AS SHOWN
DESIGNED
DRAWN
JOB
SHEET C6.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,839 S.F.

PLAN ONE

0 4 8 14

AUGUST 5, 2005

Project No.: 529.02

DAHLIN GROUP

LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION

SANTA CLARA, CALIFORNIA

TAYLOR WOODROW HOMES

PLAN 1 - FLOOR PLANS

DATE NOV 2005

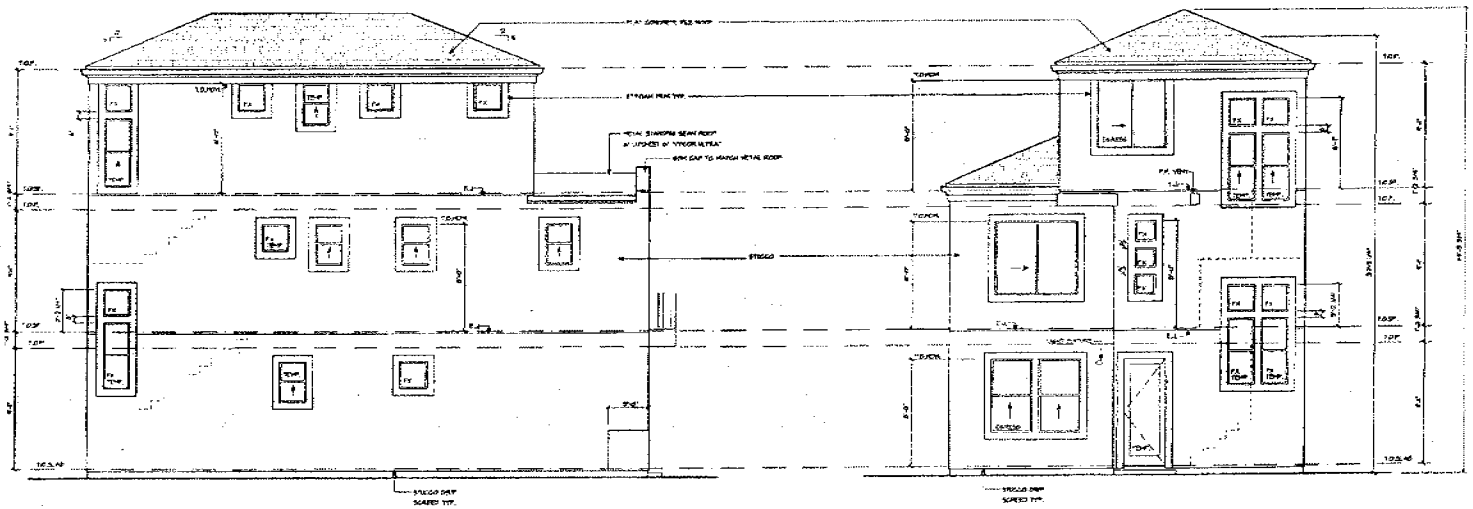
SCALE 1/8"=1'-0"

DRAWN BY

CHECKED BY

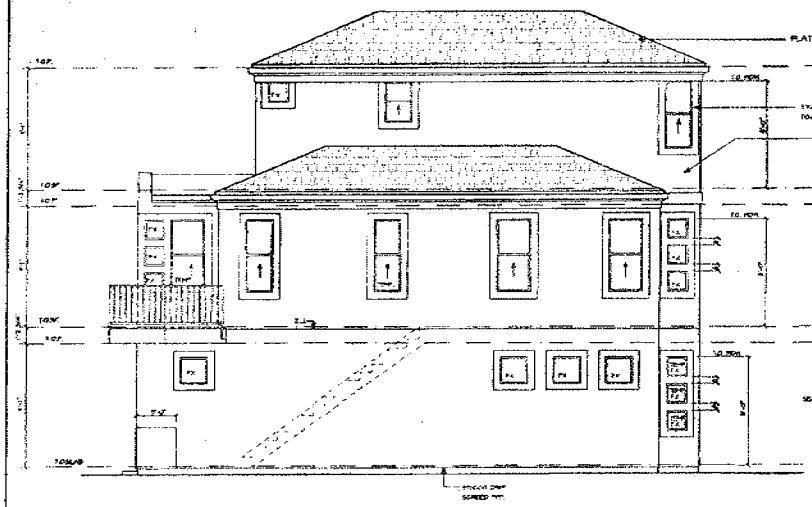
JOB

SHEET A1.0



LEFT ELEVATION "A"

REAR ELEVATION "A"



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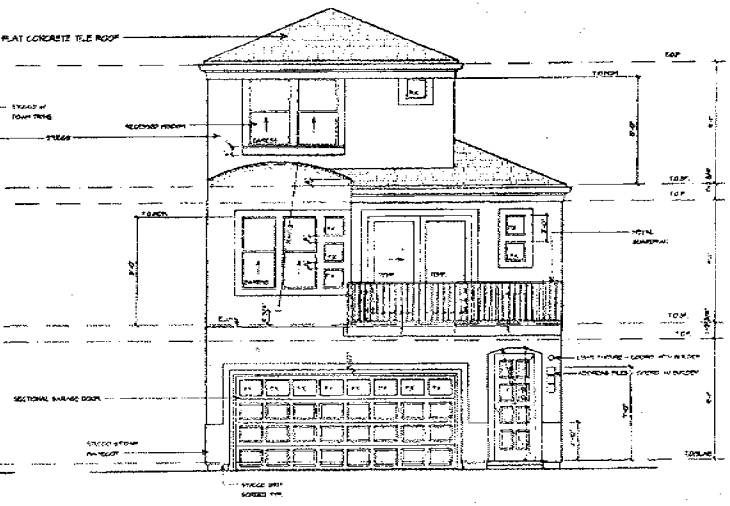


FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

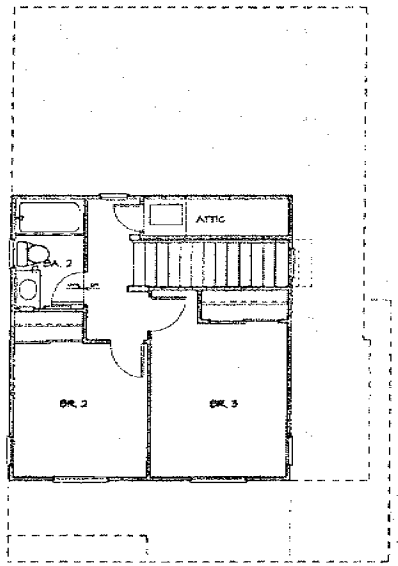
[illegible]

DALLIN GROUP
ARCHITECTS

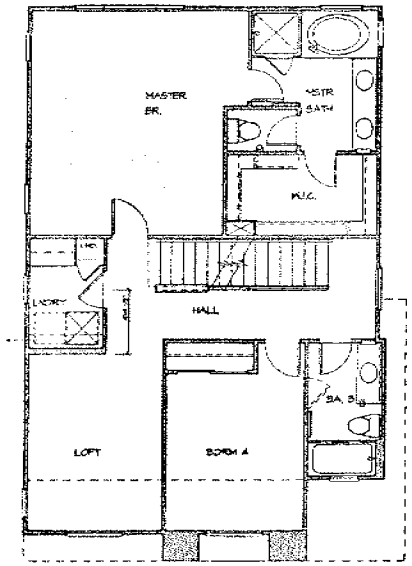
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1323 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 1 - ELEVATIONS

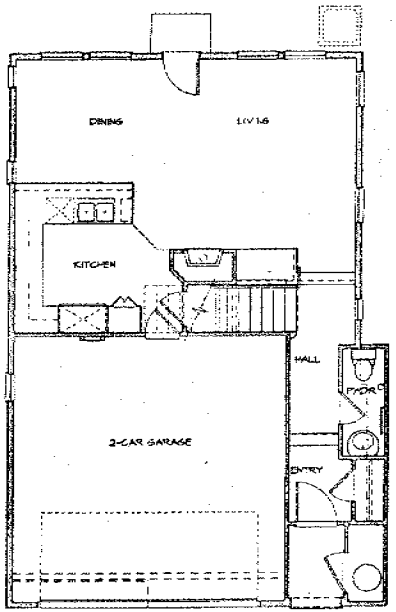
DATE NOV. 2006
SCALE AS SHOWN
DESIGNER --
DRAFTER --
JOB --
SHEET A1.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,993 S.F.

PLAN TWO

0 4 8 10

AUGUST 3, 2005

Project No: 370.024

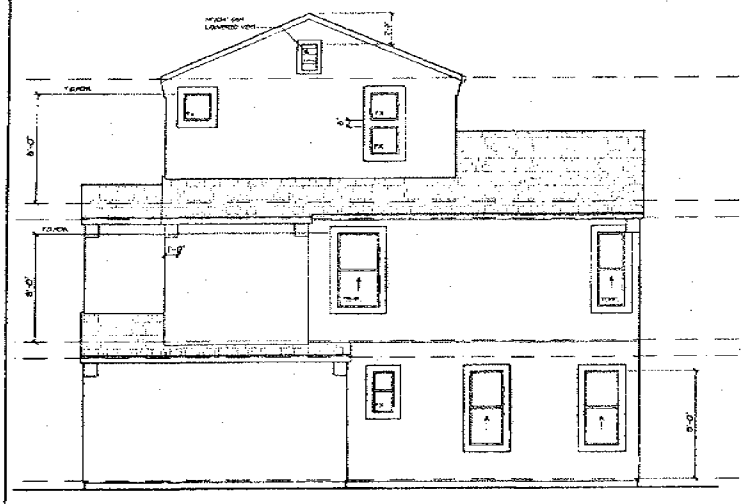
DAHLIN GROUP
ARCHITECTURE PLANNING

847 Clay Street
San Francisco, CA 94133
415.617.0100
415.617.0247 Fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1311 - 1111 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - FLOOR PLANS

DATE NOV 2005
SCALE AS SHOWN
DESIGNER
DRAFTER
JOB
SHEET A2.0



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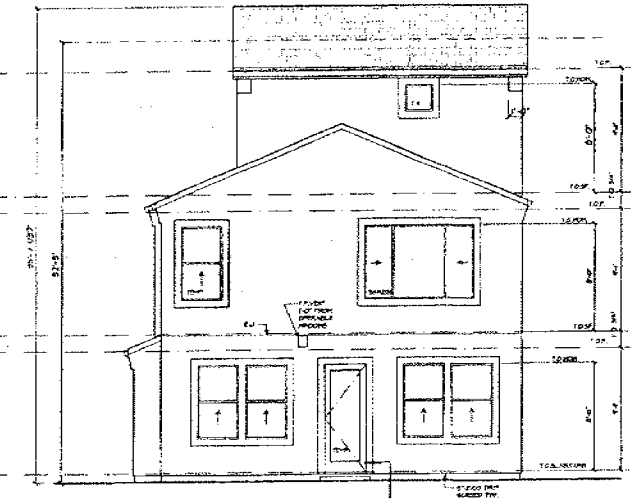

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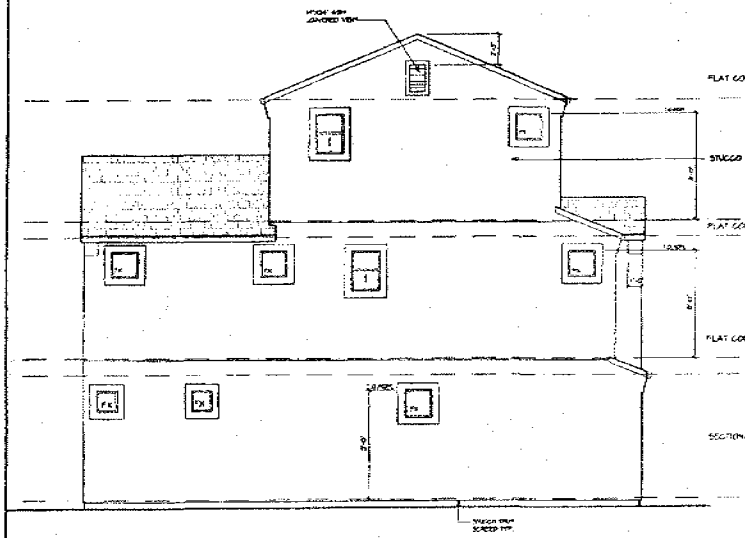

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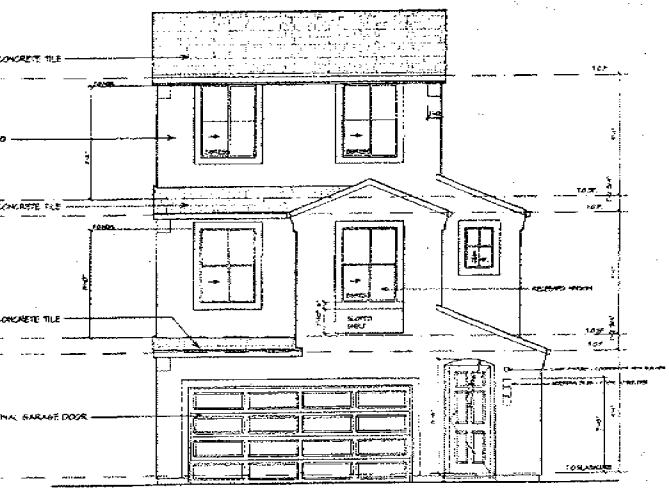


FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

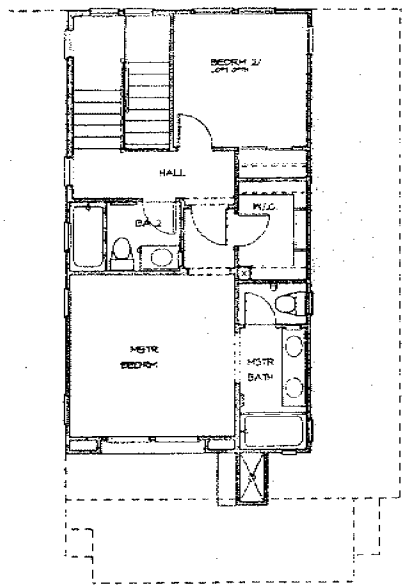
1. [illegible]
2. [illegible]
3. [illegible]
4. [illegible]
5. [illegible]
6. [illegible]

DAHLIN GROUP
ARCHITECTURE
PLANNING
7031 Koll Center Pkwy
Suite 200
Pleasanton, CA 94566
925 931 9460
925 931 9465 Fax

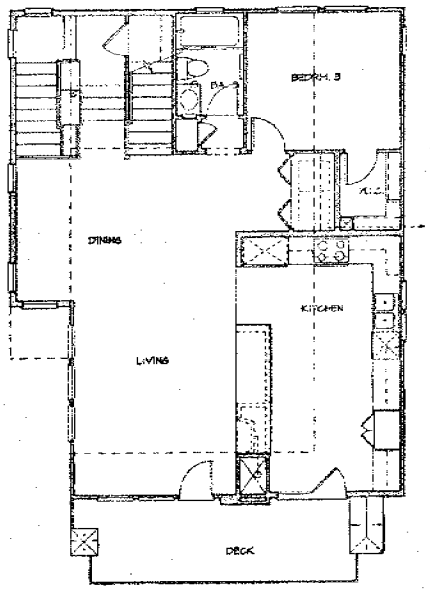
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
3693A LLARA, LAS HONDRA
1331-1333 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 2 - ELEVATIONS

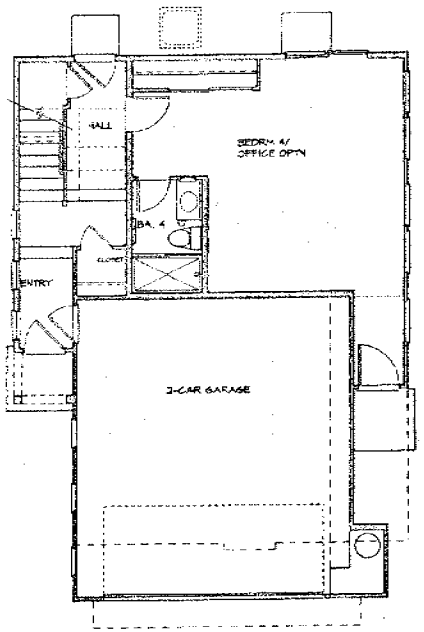
DATE	NOV. 2003
SCALE	AS SHOWN
DESIGNER	---
DRAFTER	---
JOB	---
SHEET	A2.1



THIRD FLOOR PLAN



SECOND FLOOR PLAN



FIRST FLOOR PLAN

1,990 S.F.

PLAN THREE

0 4 8 16

AUGUST 3, 2005

Project No.: 529.07

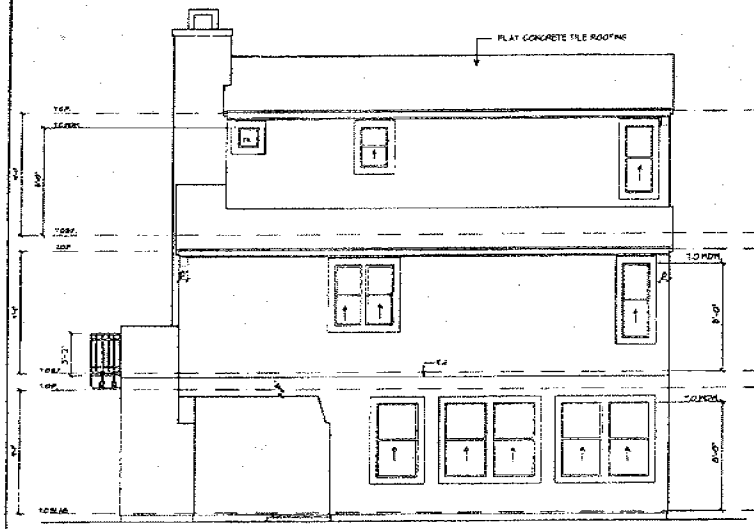
DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS

2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.1555
925.837.1565 fax
www.dahlin.com

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
133 - 133 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - FLOOR PLANS

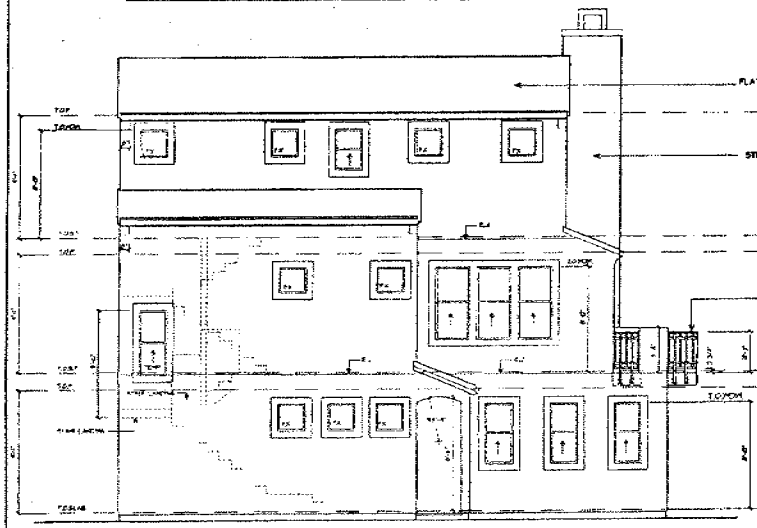
DATE	NOV. 2005
SCALE	AS SHOWN
DESIGNED	---
DRAWN	---
JOB	---
SHEET	A3.0



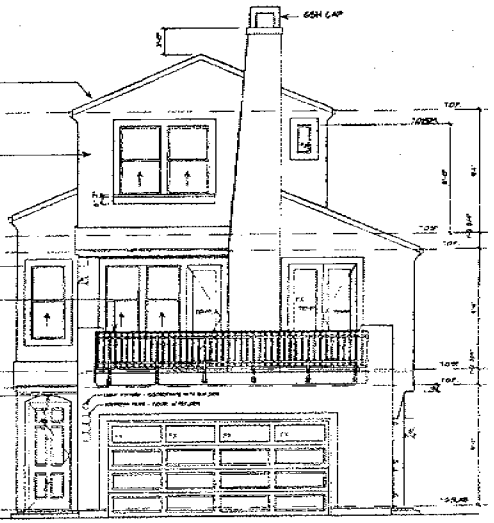
RIGHT ELEVATION "A"

REAR ELEVATION "A"

PLAN 5A



LEFT ELEVATION "A"



FRONT ELEVATION "A"

EXTERIOR ELEVATION NOTES

1. CLASS A ROOF TILE. TO SUPPLY 2 SAMPLES FOR ARCHITECT'S APPROVAL.
   ALL ELEVATIONS - WOODROW STYLE FLAT "SHADOW WHITE" TILE
2. WINDOW HEAD HEIGHTS ARE AS FOLLOWS:
   FIRST FLOOR 8'-0" (2438)
   SECOND FLOOR 7'-0" (2134)
   THIRD FLOOR 7'-0" (2134)
3. SEE FLOOR PLANS FOR SLIDING DIMENSIONS
4. SEE DETAILS AND TYPICAL FLASHING AT WALL OPENINGS
5. SEE DETAIL 4 / A4.0 FOR TYPICAL WALL PENETRATIONS
6. EXTERIOR FINISH SHALL BE CEMBRIT FIBER CEMENT OVER WATER RESISTANT WALL PER CBC 1404.2 W/ ADDITIONAL LAYER OF BRACE TO PAPER OR SELF FINISH SHEATHING

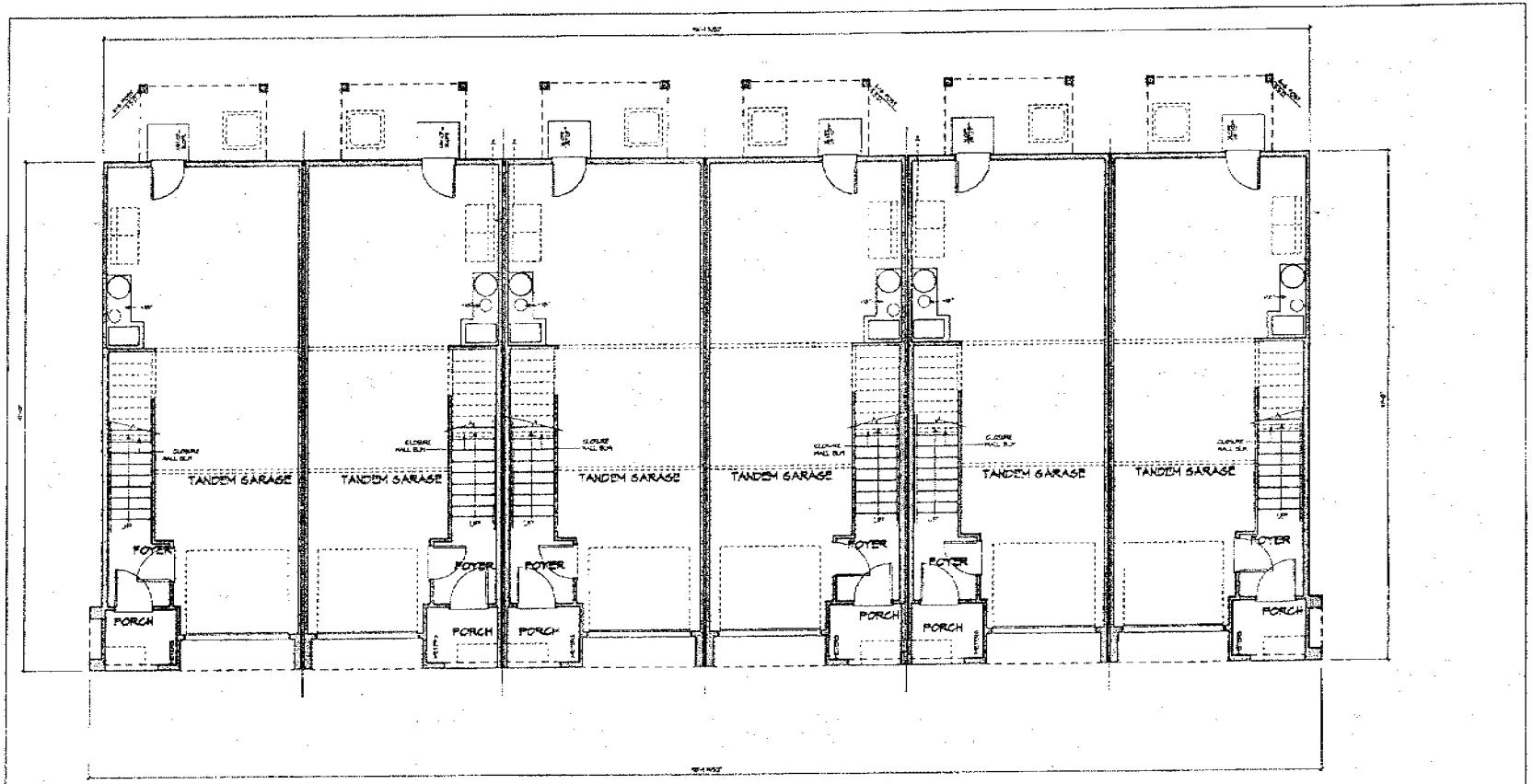
SCALE: 1/4" = 1'-0"
FILENAME: J:\2003 SERIES\03-0340\03-0340.DWG
PLOTTED: 10/30/06

PAHLIN GROUP
ARCHITECTS
ARCHITECTURE · PLANNING
7671 Lone Tree Circle West
Pleasanton, CA 94583
925.931.9100
925.931.9101 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1111-1131 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

PLAN 3 - ELEVATIONS

DATE	NOV 2006
SCALE	AS SHOWN
DESIGNED	---
DRAFTED	---
JOB	---
SHEET	A3.1



FIRST FLOOR PLAN

95 sq.ft.
TOTAL: 1,150 sq.ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 15, 2004

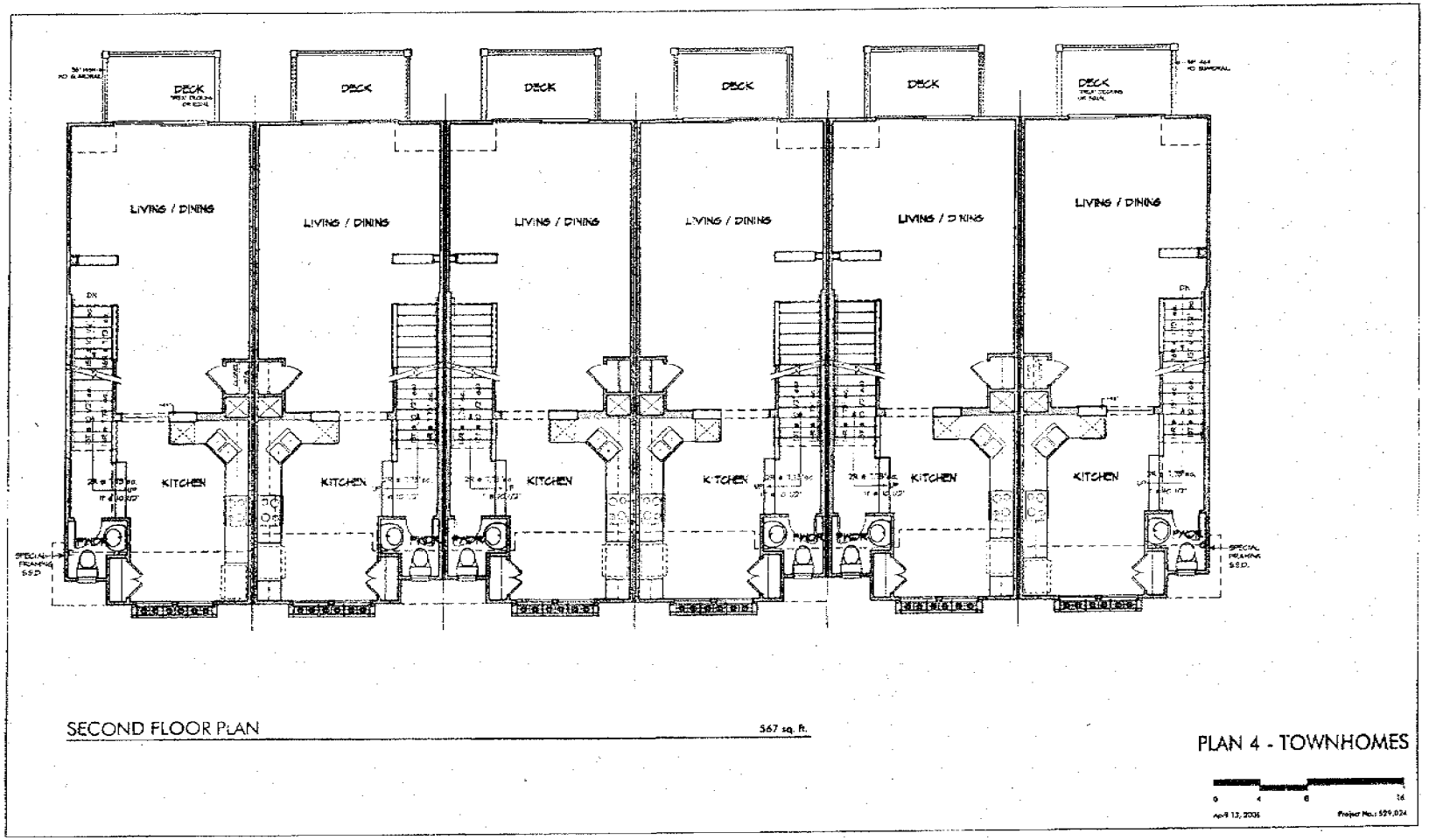
Project No.: 579.024

DAHLIN GROUP
ARCHITECTURE PLANNING INTERIORS
2871 Cove Cooper Rd.
San Bernardino, CA 92583
909.877.8198
909.877.2542 fax

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARITA, CALIFORNIA
SEC. 11 & 14 MAIL, WEST OF HIGHWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2003
SCALE AS SHOWN
DESIGNED --
DRAWN --
JOB --
SHEET A4.0



SECOND FLOOR PLAN

567 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2006

Project No.: 529.024

DAHLIN GROUP

LAUREL PLACE II

PLANNED DEVELOPMENT APPLICATION

SANTA CLARA, CALIFORNIA

1331-1333 LAWRENCE EXPRESSWAY

TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV 2005

SCALE AS SHOWN

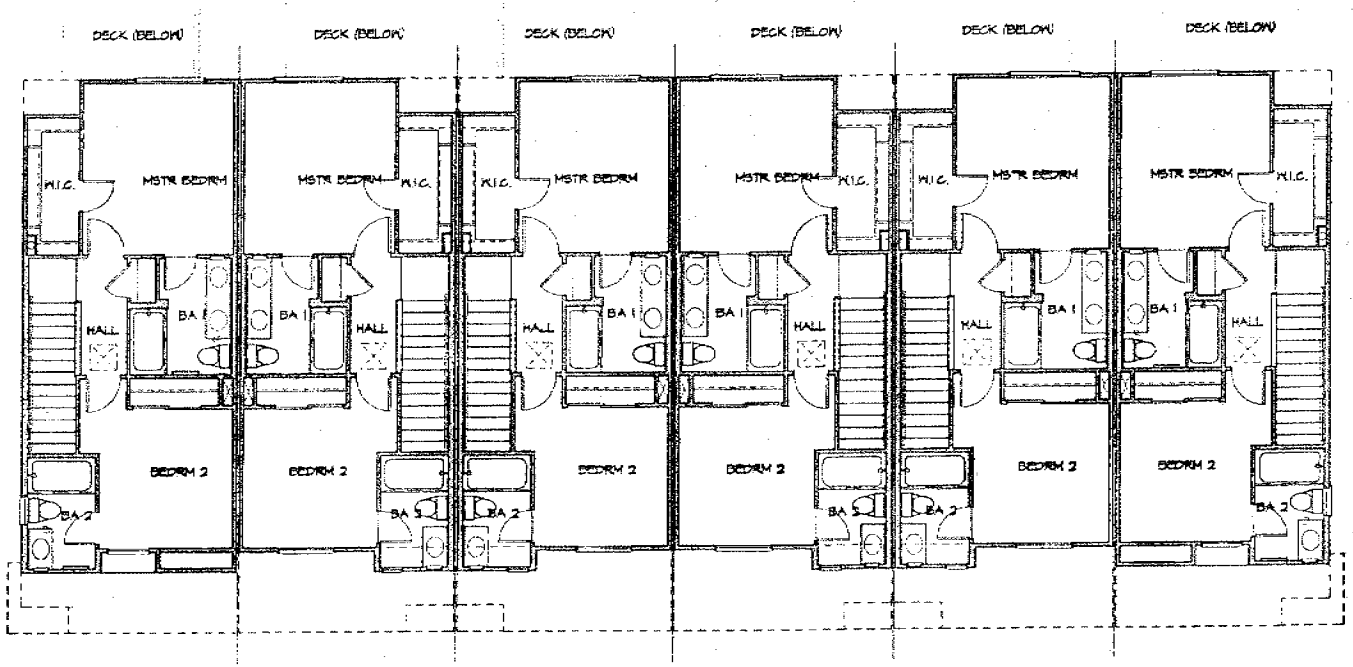
DESIGNED —

DRAWN —

CHECKED —

JOB —

SHEET A4.1



THIRD FLOOR PLAN

498 sq. ft.

PLAN 4 - TOWNHOMES

0 4 8 14

April 13, 2006

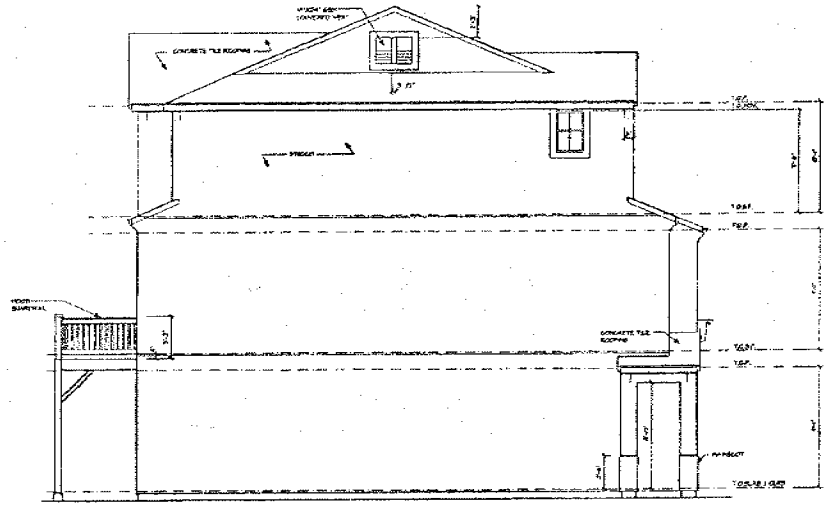
Project No. 529.004

DAHLIN GROUP

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1313 - 1331 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

TOWNHOMES - FLOOR PLANS

DATE NOV. 2005
SCALE AS SHOWN
DESIGNED ---
DRAWN ---
JOB ---
SHEET A4.2



SIDE ELEVATION

FRONT ELEVATION

PLAN 4 - TOWNHOMES

Apr 13, 2006

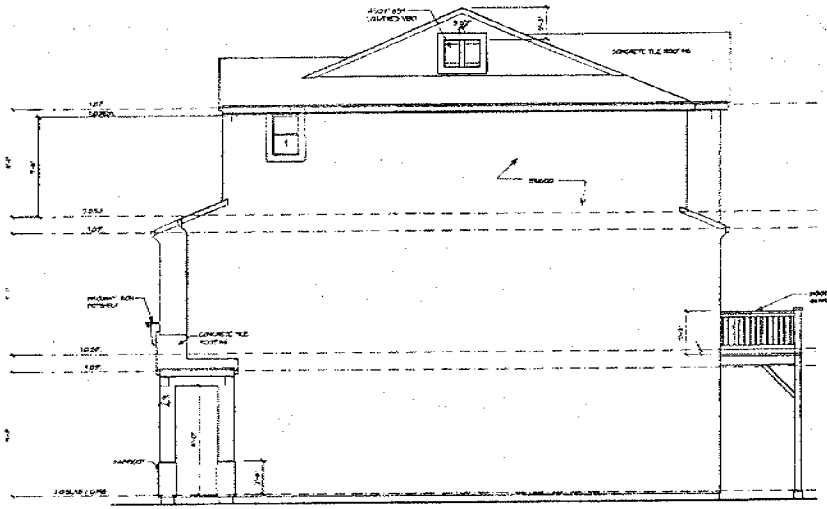
Project No.: 529.024

DAHLIN GROUP
ARCHITECTURE PLANNING

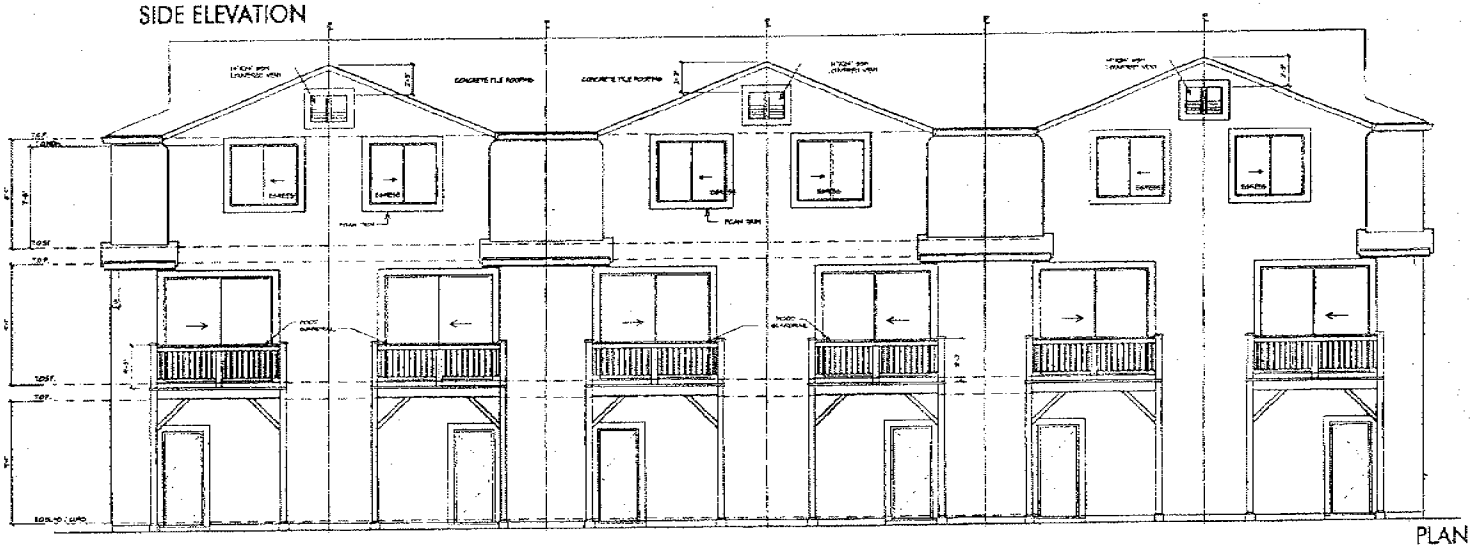
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

DATE NOV 2005
SCALE AS SHOWN
DESIGNED
DRAWN
APP
SHEET A4.3



SIDE ELEVATION



REAR ELEVATION

PLAN 4 - TOWNHOMES

0 4 8 16

April 13, 2004

Project No.: 539.024

DAHLIN GROUP

LAUREL PLACE II

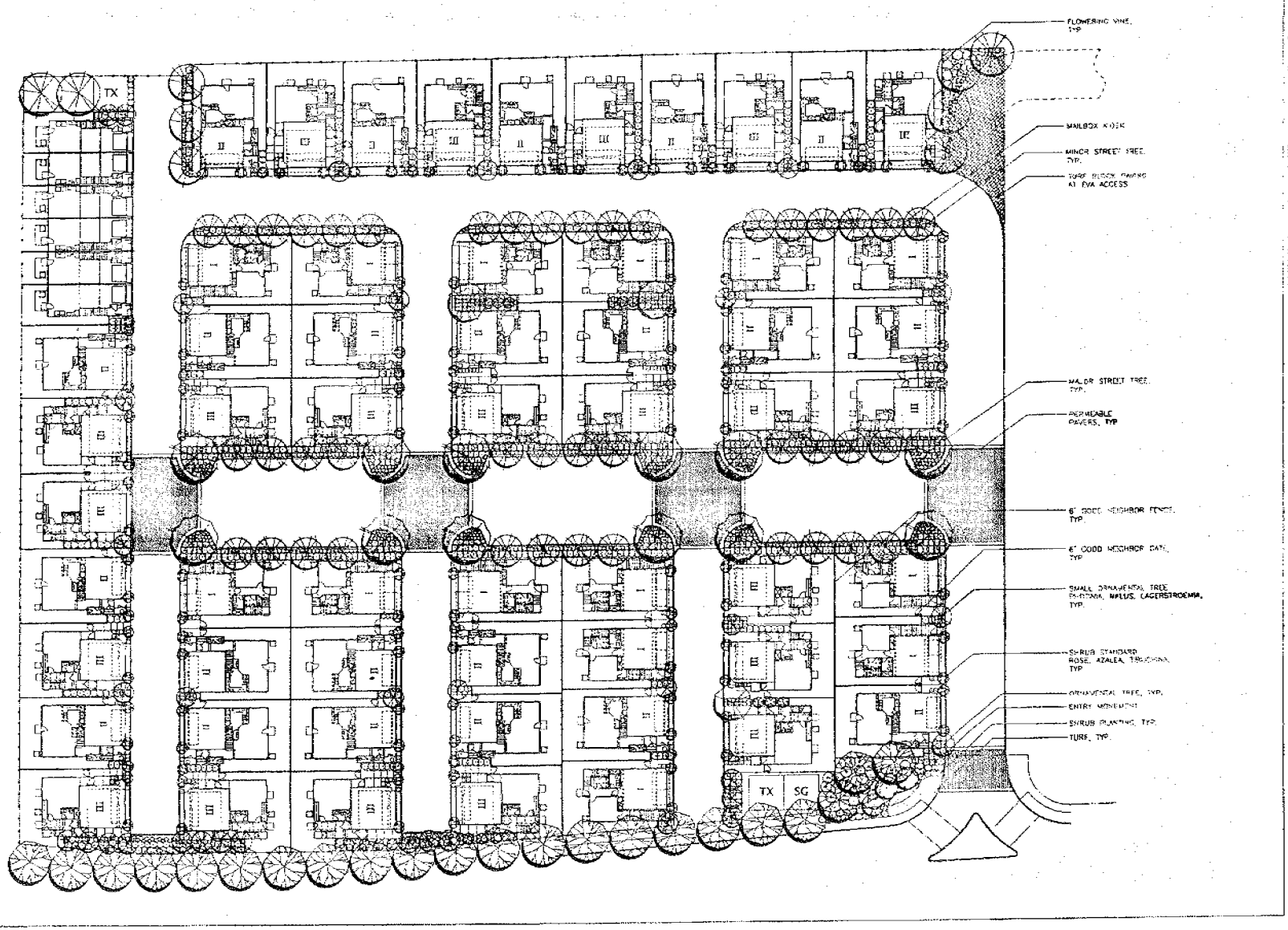
PLANNED DEVELOPMENT APPLICATION

SANTA CLARA, CALIFORNIA

TAYLOR WOODROW HOMES

TOWNHOMES - ELEVATIONS

A4.4

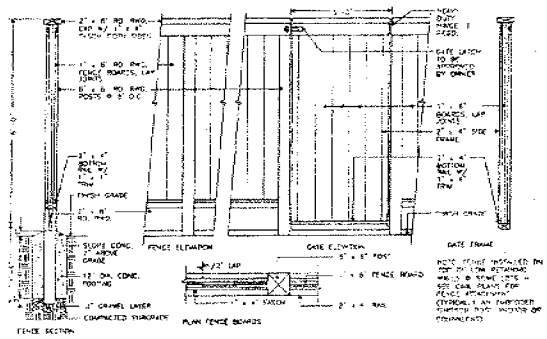


VAN DORIN ABED
LANDSCAPE ARCHITECTS, INC.
[illegible] HOWARD ST., SUITE 1, SAN FRANCISCO, CA
[illegible] FAX [illegible]

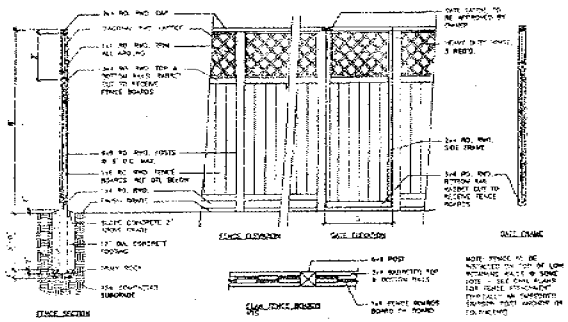
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
[illegible] LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL LANDSCAPE PLAN

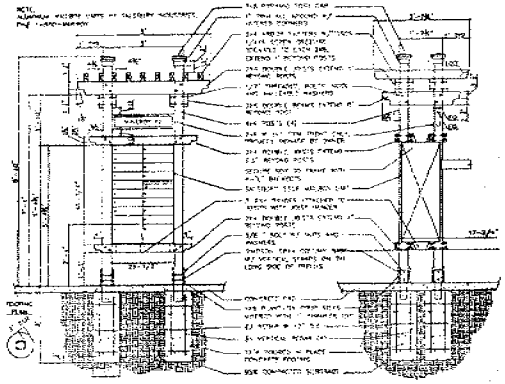
DATE
SCALE
DESIGNED
DRAWN
APP
SHEET
LT.1
OF SHEETS



GOOD NEIGHBOR FENCE
NTS



GOOD NEIGHBOR FENCE W/ LATTICE
NTS



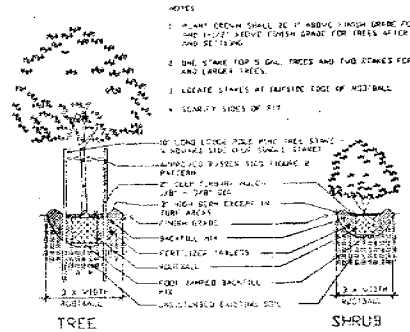
MAILBOX KIOSK
NTS

VAN DORN ABED
LANDSCAPE ARCHITECTS, INC.

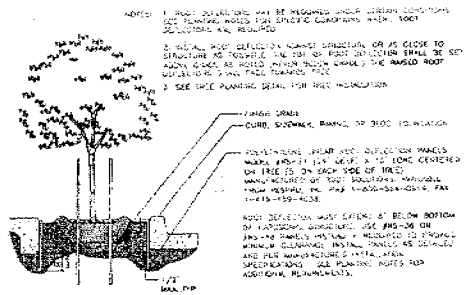
LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
SANTA CLARA, CALIFORNIA
1231-1233 LAWRENCE EXPRESSWAY
TAYLOR WOODROW HOMES

LAUREL PLACE II
CONCEPTUAL DETAILS

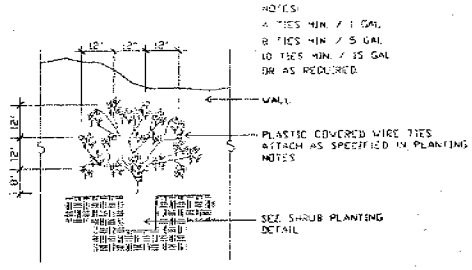
L1.2



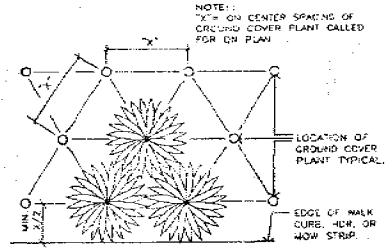
TREE AND SHRUB PLANTING
NTS



ROOT DELECTOR
NTS



VINE TYING PLANTING
NTS



GROUNDCOVER PLANTING
NTS

BOTANICAL NAME	COMMON NAME
STREET TREES	
Catalpa Tashkentensis	Catalpa
Chionanthus Retusus	Chinese Fringe Tree
Cladrastis Kentukea	Yellow Wood
Koelreuteria Bipinnata	Chinese Flame Tree
Liquidambar Styraciflua	American Sweetgum
Pistacia Chinensis	Chinese Pistache
Platanus Acerifolia 'Bloodgood'	London Plane Tree
Pyrus Calleryana	Flowering Pear
FLOWERING ACCENT TREES	
Lagerstroemia Fauriei 'Tuscarora'	Crape Myrtle
Photinia Fraseri	Photinia Standard
Prunus Cerasifera	Flowering Plum
Pyrus Kawakami	Evergreen Pear
Rhaphiolepis 'Majestic Beauty'	India Hawthorn Standard
SHRUBS	
Abelia 'Edward Goucher'	Glossy Abelia
Abelia Floribunda	Mexican Abelia
Agapanthus Africanus	Lily Of The Nile
Agapanthus Orientalis	Lily Of The Nile
Alyogyne Huegelii	Blue Hibiscus
Anisodontea Capensis	Cape Mallow
Artemisia 'Powis Castle'	Nicht
Carex Morrowii	Japanese Sedge
Ceanothus Puchellus	Blue Blossom
Dietes Bicolor	Fortnight Lily
Dietes Vegeta	Fortnight Lily
Dodonaea Viscosa	Hopseed Bush
Erigeron Karvinskianus	Fleabane
Erysimum 'Bowles Mauve'	Wallflower
Escallonia Iveyi	Escallonia
Escallonia Fradesii	Escallonia
Euryops Pectinatus 'Viridis'	Shrub Daisy
Fatsia Japonica 'Variegata'	Variegated Japanese Aralia
Felicia Amelloides	Marguerite
Grevillea Rosmarinifolia	Rosemary Grevillea
Grevillea 'Noelii'	Nicht
Hebe 'Coral'	Nicht
Hemerocallis Fulvia Yellow	Evergreen Daylily
Heuchera Sanguinea	Coral Bells
Jasminum Polyanthum	Pink Jasmine
Lantana Confetti	Lantana
Lantana Montevidensis	Trailing Lantana
Lavandula Angustifolia	English Lavender
Lavandula Dentata	Lavender
Lavandula Stoechas	Spanish Lavender
Leonotis Leonurus	Lion's Tail
Liriope Muscari	Blue Blade Lily Turf

BOTANICAL NAME	COMMON NAME
SHRUBS (CONT.)	
Loropetalum Chinensis 'rubrum'	Razzleberry
Loropetalum Chinense	Nicht
Myrsine Africana	African Boxwood
Myrtus Communis	True Myrtle
Nandina Domestica 'Compacta'	Heavenly Bamboo
Nephrolepis Cordifolia	Sword Fern
Nerium Oleander 'Mrs. Roeding'	Oleander
Nerium Oleander 'Petite Pink'	Oleander
Osmanthus Heterophyllus 'Goshiki'	Holly-Leaf Osmanthus
Phormium Tenax Sea	New Zealand Flax
Phormium Tenax 'Jack Spratt'	Dwarf New Zealand Flax
Pittosporum Tobira 'Variegata'	Tobira
Rhaphiolepis Indica Spp. India Hawthorn	
Rosmarinus O. 'Tuscan Blue'	Tuscan Blue Rosemary
Salvia Greggii	Autumn Sage
Salvia Leucantha	Mexican Sage
Scaevola Mauve Cluster	Nicht
Tulbaghia Violacea	Society Garlic
Viburnum Davidii	Nicht
Viburnum Tinus Dwarf	Viburnum
Xylosma Congestum 'Compacta'	Shiny Xylosma
GROUND COVERS & VINES	
Aptenia Cordifolia	Red Apple
Chamaemelum Nobile	Chamomile
Clytostoma Callistegioides	Lavender Trumpet Vine
Fragaria Chiloensis	Ornamental Strawberry
Geranium Incanum	Cranesbill
Jasminum Polyanthum	Pink Jasmine
Lantana 'White Lightning'	White Lantana
Macfadenya Unguis Cati	Cats Claw
Myoporum Parvifolium	Prostrate Myoporum
Nepeta Faassenii	Catmint
Oenothera Berlandieri	Mexican Evening Primrose
Polygonum Capitatum	Knotweed
Rosa Banksiae	Lady Banks' Rose
Solya Heterophyllus	Australian Bluebell Creeper
Solanum Jasminoides	Potato Vine
Trachelospermum Jasminoides	Star Jasmine
Vinca Minor	Dwarf Periwinkle
LAWN	
Sod	Medallion dwarf tall fescue

VAN DORN ABED VAN DORN ARCHITECTS, INC.
100 HOWARD ST. SUITE 1, SAN FRANCISCO, CA.
ZIP CODE 94105 PHONE (415) 974-1000

LAUREL PLACE II
PLANNED DEVELOPMENT APPLICATION
1331-1333 LAWRENCE EXPRESSWAY
SANTA CLARA, CALIFORNIA
TAYLOR WOODROW HOMES

LAUREL PLACE II
PLANTING LEGEND & DETAILS

DATE NOV 2003
SCALE 1" = 10'-0"
DRAWN BY LK
CHK BY RCSM
SHEET L1.3

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 9A

Santa Clara All-America City 2001

DATE: May 07, 2008

TO: City Manager for Council Action

FROM: Director of Public Works/City Engineer

SUBJECT: Award of Contract: Traffic Calming Project 2008 (CE 07-08-12)

Contractor:	Cal-West Lighting & Signal Maintenance Inc.		
mailing address:	P.O. Box 612035 San Jose, CA 95161-2035	physical address:	530 N. Marburg Way San Jose, CA 95133

Bid Amount: $110,000.00

EXECUTIVE SUMMARY: The referenced project for Traffic Calming Project 2008 (CE 07-08-12) consists of installing eleven electronic speed feedback signs at various locations throughout the City and the installation of a flashing yellow beacon on a curved portion of Kiely Boulevard between Forbes Avenue and Homestead Road.

On April 16, 2008, bids were opened for the subject project. Four (4) bids were received ranging from $110,000.00 to $172,980.00 (see attached "Bid Summary"). The low bidder, Cal-West Lighting & Signal Maintenance Inc., submitted the bid of $110,000.00, which is 16.2% below the Engineer's Estimate of $131,250.00. Staff finds that the costs shown on the lowest bidder's proposal are reasonable and recommends awarding the contract. The bid was reviewed for compliance with the terms and conditions of the Instructions to Bidders, and any necessary minor corrections were made.

The recommendation includes authorization for the City Manager to execute change orders that may be required during construction of this Project up to 10% of the contract amount.

ADVANTAGES AND DISADVANTAGES OF ISSUE: The Project will implement electronic speed feedback signs as traffic calming measures on residential streets; the signs will alert drivers of their speed if above the speed limit and they have been effective in reducing average speeds. The flashing yellow beacon on a curved portion of Kiely Boulevard will alert drivers of the curve as they travel northbound. The project will improve safety for motorists and neighborhood residents. No disadvantages are anticipated.

ECONOMIC/FISCAL IMPACT: The cost of the contract is $110,000.00 plus $11,000 for potential change orders (that do not exceed 10% of the contract amount) for a total estimated cost of $121,000.00. Funding for this project is available in the Capital Improvement Budget gas tax funded: Neighborhood Traffic Calming 07/08-11/12 (522-4433-80300-1462). There will be minimal additional operational costs associated with this project.

RECOMMENDATION:
That the Council:

1) Award the contract for the Traffic Calming Project 2008 (CE 07-08-12) to the lowest responsive and responsible bidder, Cal-West Lighting & Signal Maintenance Inc., in the amount of $110,000.00; and
2) Authorize the City Manager to execute contract documents and change orders in connection with this Project, which in aggregate, do not exceed 10% or $11,000 of the contract amount.

Rajeev Batra
Director of Public Works/City Engineer

Certified as to Availability of Funds:
522-4433-80300-1462 $ 121,000.00

Mary Ann Parrot
Director of Finance

APPROVED:

Jennifer Sparacino
City Manager

MAJORITY VOTE OF COUNCIL

Documents Related to this Report:
1) Bid Summary

	Contractor's Name and Position	Total Bid	%
1	Cal-West	$110,000.00	-16.2
2	Republic ITS	$116,375.00	-11.3
3	Steiny & Company	$141,100.00	7.5
4	Beltramo Electric	$172,980.00	31.8

CITY OF SANTA CLARA ENGINEERING DEPARTMENT BID SUMMARY

Traffic Calming Project 2008

ENGINEER'S ESTIMATE : $131,250.00 **By: M Johnson**

INV. NO.: CE 07-08-12

Bid Opening Date: 04/16/08

ITEM NO.	DESCRIPTION	ESTIMATED QUANTITY	UNIT	ENGINEER'S ESTIMATE UNIT PRICE	ENGINEER'S ESTIMATE AMOUNT	POSITION NO. 1 UNIT PRICE	POSITION NO. 1 AMOUNT	POSITION NO. 2 UNIT PRICE	POSITION NO. 2 AMOUNT	POSITION NO. 3 UNIT PRICE	POSITION NO. 3 AMOUNT	POSITION NO. 4 UNIT PRICE	POSITION NO. 4 AMOUNT
1	Install1-B Pole Mounted Electric Powered Speed Feedback Sign	3	EA	$11,880.00	$35,640.00	$9,700.00	$29,100.00	$10,125.00	$30,375.00	$11,000.00	$33,000.00	$13,450.00	$40,350.00
2	Install Street Light Pole Mounted Electric Powered Speed Feedback Sign	7	EA	$9,130.00	$63,910.00	$8,200.00	$57,400.00	$8,300.00	$58,100.00	$10,700.00	$74,900.00	$11,065.00	$77,455.00
3	Install 1-B Pole Mounted Solar Powered Speed Feedback Sign	1	EA	$14,300.00	$14,300.00	$11,550.00	$11,550.00	$12,250.00	$12,250.00	$13,000.00	$13,000.00	$32,000.00	$32,000.00
4	Install 1-B Pole Mounted Curve Advisory Flashing Beacon	1	EA	$9,350.00	$9,350.00	$5,300.00	$5,300.00	$7,400.00	$7,400.00	$3,000.00	$3,000.00	$3,800.00	$3,800.00
5	Install 1½ Inch GRS Conduit by Trenching	25	LF	$55.00	$1,375.00	$30.00	$750.00	$30.00	$750.00	$70.00	$1,750.00	$100.00	$2,500.00
6	Install 2 Inch GRS Conduit by Trenching	50	LF	$55.00	$2,750.00	$30.00	$1,500.00	$30.00	$1,500.00	$80.00	$4,000.00	$100.00	$5,000.00
7	Install Pull Box	3	EA	$550.00	$1,650.00	$300.00	$900.00	$250.00	$750.00	$900.00	$2,700.00	$750.00	$2,250.00
8	Sidewalk Removal and Reconstruction	35	LF	$65.00	$2,275.00	$100.00	$3,500.00	$150.00	$5,250.00	$250.00	$8,750.00	$275.00	$9,625.00
	TOTAL BID=				$131,250.00		$110,000.00		$116,375.00		$141,100.00		$172,980.00

I:\ENGINEERING\Draft\SPRDSHT\TRAFFIC\Projects\[CE 07-08-12 Bid Set.xls]Summary

CITY OF SANTA CLARA
ADVERTISEMENT FOR BIDS

1. NOTICE. THE CITY OF SANTA CLARA, CALIFORNIA, a chartered California municipal corporation ("City") hereby gives notice that it will accept Bids for construction of the following public work:

CITY CONTRACT NUMBER CE 07-08-12
TRAFFIC CALMING PROJECT 2008

2. BID SUBMISSION. City will receive sealed Bids no later than 3:00 p.m., as determined by the atomic clock located above the help window in the City Clerk's office and by the City Clerk, on **April 16, 2008**. City's representative will call out the designated time in the Office of the City Clerk, 1500 Warburton Avenue, Santa Clara, California, stating that the period for accepting Bids is closed. The Bid opening will be in accordance with procedures set forth in Document 00200 (Instructions to Bidders).

3. CONTACT INFORMATION. Mailing address:
Engineering Department
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Project Engineer: Marshall Johnson
Telephone:(408) 615-3028
Fax:(408) 985-7936

4. BIDDER RESPONSIBILITY FORM. Each Bidder shall be required to submit, in accordance with Document 00200 (Instructions to Bidders) and Document 00451 (Bidder Responsibility Form).

5. DESCRIPTION OF THE WORK. The Work consists of installing a Curve Advisory Flasher and several Electronic Speed Feedback Signs as indicated on the Project Plans (**Tracing No. T-1,242-D**), Specifications, and other Contract Documents.

6. CONTRACT TIME. From Notice to Proceed, Contractor shall have **twenty-five (25) working days** to Substantial Completion. See Document 00520 for definition of Substantial Completion. Contractor shall have **thirty (30) working days** from Notice to Proceed to Final Completion.

7. REQUIRED CONTRACTOR'S LICENSE(S). A contractor's license is not required to bid this Contract; however, a California "A" Contractor's License will be required prior to award of Contract. Joint ventures must secure a joint venture license prior to award of this Contract.

8. PREVAILING WAGE LAWS. The successful Bidder must comply with all prevailing wage laws applicable to the Project, and related requirements contained in the Contract Documents.

9. INSTRUCTIONS. Bidders shall refer to Document 00200 (Instructions to Bidders) for required documents and items to be submitted in sealed envelopes for deposit into the Bid box, located at the City's office, and applicable times for submission.

10. SUBSTITUTION OF SECURITIES. City will permit successful Bidder to substitute securities for retention monies withheld to ensure performance of Contract, as set forth in Document 00680 (Escrow Agreement for Security Deposits in Lieu of Retention), in accordance with California Public Contract Code, Section 22300. By this reference, Document 00680 (Escrow Agreement for Security Deposits in Lieu of Retention) is incorporated in full in this Document 00100.

11. PRE-BID CONFERENCE AND SITE VISIT. No Pre-Bid Conference is schedule for this project. Contractors are encouraged to visit the site prior to preparing their bids.

12. BIDDING DOCUMENTS. Bidders may examine Bidding Documents at the office of City **of Santa Clara, Engineering Department,** 1500 Warburton Avenue, Santa Clara, CA 95050; **Asian Inc.**, 1670 Pine Street, San Francisco, CA 94109; **Builders Exchange of Alameda County**, 3055 Alvarado Street, San Leandro, CA 94577; **Builders Exchange of Santa Clara County**, 400 Reed Street, Santa Clara, CA 95050; **California Small Business Alliance (CAL-SBA)**, 3023 E. Myrtle Street, Stockton, CA 95205; **Contra Costa Builders Exchange**, 2440 Stanwell Drive, Concord, CA 94520; **McGraw-Hill Construction**, 130 Doolittle Drive, Suite #1, San Leandro, CA 94577; **MECA Inc.**, 1924 Franklin Street, Suite 315, Oakland, CA 94612; **Peninsula Builders Exchange**, 735 Industrial Way, San Carlos, CA 94070; **Reed Construction Data**, 30 Technology Parkway South, Suite 500, Norcross, GA 30092; **Sacramento Builders Exchange**, 1331 "T" Street, Sacramento, CA 95814; **Sacramento Builders Exchange**, 1 Sierragate Drive, Suite 120A, Roseville, CA 95678; **San Francisco Builders Exchange**, 850 South Van Ness Avenue, San Francisco, CA 94110; **Santa Cruz County Builders Exchange**, 1248 Thompson Avenue, Santa Cruz, CA 95062; **Shasta Builders Exchange**, 2990 Innsbruck Drive, Redding, CA 96003; **Stockton Builders Exchange**, 7500 Northwest Lane, Stockton, CA 95210; and **Sub-hub** (www.sub-hub.com), 5753 Pacheco Boulevard, Pacheco, CA 94553.

13. PROCUREMENT OF BIDDING DOCUMENTS. Plans and Specifications may be purchased via the Internet and at Peninsula Digital Imaging for a **non-refundable fee of Sixty-nine ($69.00) Dollars**. Purchase plans and specifications through Plan Well: htttp://www.peninsuladigital.com (PLANWELL icon and PUBLICROOM Plan Folder), or call Peninsula Digital Imaging: (650) 967-1966. Please make checks payable to Peninsula Digital Imaging **not** the City of Santa Clara. Bidders requesting that Plans and Specifications be **mailed/shipped** to them will be charged the full costs of shipping. Plans, Specifications and Plan Holder lists may be viewed at the above web site. **Addenda** if any will be provided free of charge to all registered plan holders, and to all Builders Exchanges listed above. The successful bidder will be provided with four (4) complete sets of Plans and Specifications, for construction use, after the award of Contract. The successful bidder will be responsible for all costs for additional sets for his firm and subcontractors, beyond those provided by the City.

14. BID PREPARATION COST. Bidders are solely responsible for the cost of preparing their Bids.

15. RESERVATION OF RIGHTS. City specifically reserves the right, in its sole discretion, to reject any or all Bids, or re-bid, or to waive inconsequential deviations from Bid requirements not involving time, price, or quality of the Work.

16. INQUIRIES. Bidders may obtain further information by contacting the Project Engineer, Marshall Johnson at (408) 615-3028 or mjohnson@santaclara.gov, in writing.

By order of the City Council of the City of Santa Clara.

Pub.: 4/2/2008

05-13-08

10A

MINUTES OF THE REGULAR MEETING OF THE PARKS AND RECREATION COMMISSION
April 15, 2008

COMMISSIONERS PRESENT: Lio Francisco, Julie Frazier, Ray Gamma, Jerry Marsalli, Cynthia Owens, Chuck Seymour.

STAFF PRESENT: George Friedenbach, Acting Director of Parks and Recreation

STAFF ABSENT: Steve Lee (excused)

GUESTS: Katia Kamangan – Summerhill Homes
Kevin Ebrahimi – Summerhill Homes
Bill Sona - HMH Landscape Architecture
Catherine Thieme - HMH Landscape Architecture
Daphne Muehle, Eva Mortensa, Hintt Engineers

MATTERS FOR COUNCIL ACTION: Recommendation that City Council authorize the City Manager to prepare a feasibility study to bring the International Swimming Hall of Fame to Santa Clara.

Recommendation to Council the approval of the proposed master plan with the addition of pathway lighting to be included in the Summerhill Homes development on the former BAREC site.

Recommendation to City Council the wavier of fees for the Summer Fling in Beijing exhibition to be presented by the Santa Clara Aquamaids.

I. CALL TO ORDER – The meeting was called to order by Chair Lio Francisco at 7:00 p.m.

II. APPROVAL OF MINUTES OF March 18, 2008 – Commissioner Owens requested a correction to the minutes to include acknowledgement of her participation in the I.S.C. consortium fundraising committee and to include reporting about the committee activities as a commission agenda item.

III. SUMMARY OF CITY COUNCIL ACTIONS – The Commission reviewed City Council actions pertaining to Parks and Recreation.

IV. CORRESPONDENCE/COMMUNICATION – The Commission reviewed the following: Letter of contribution from Hewlett-Packard Company Foundation, and announcement of Courageous Communities Conversations program.

V. COMMISSIONER'S REPORTS – Commissioner Marsalli reported on the Tony Sanchez Field Dedication, Easter Egg Hunt, Easter Sunrise Service, and complemented staff for the condition of fields at the Fatjo Sports Complex and for the staff help with the PAL softball program.

Commissioner Frazier reported on the Easter Egg Hunt, Tony Sanchez Field Dedication, and the Camellia Show where her entry received honorable mention.

Commissioner Gamma reported on the Dog Park, Easter Egg Hunt, Easter Sunrise Service, Santa Clara University library dedication and Open House and participation in Habitat for Humanity.

Commissioner Owens reported on the Easter Egg Hunt and the Leadership Santa Clara class.

Commissioner Seymour reported on visits to the Santa Clara Golf & Tennis Club, Central Park, the Dog Park, and complimented staff about park conditions.

Commissioner Francisco reported on the Dog Park, Tony Sanchez Field Dedication, visits of students and delegations from Coimbra, Portugal and Izumo, Japan, and the Mercury News article about creek trails in the south bay.

VI. OLD BUSINESS

A. Art and Wine Festival

1. Artist applications update – George Friedenbach reported on status of artist applications.
2. Commission reviewed and accepted the recommendation to increase the quantity of beer and wine glasses to be purchased by 200 each and the price estimate of $11,443 for glasses. Yvette Sessions will be bringing sample glasses to the May meeting.

B. Program Report -

1. George Friedenbach reviewed Summer Guide which will be available on April 16th and registration to start on April 30th.

C. Project Update - George Friedenbach reported on status of current projects.

Commissioner Owens reported on the activities of the I.S.C. Fundraising Committee and reviewed the discussions of the International Swimming Hall of Fame being located in Santa Clara.

Daphine Muehle and Eva Mortensa addressed the Commission in support of a proposal to develop a feasibility study to locate the International Swimming Hall of Fame in Santa Clara.

A motion was made by Commissioner Owens and seconded by Commissioner Seymour and approved by the Commission, to recommend that City Council authorize the City Manager to have staff prepare a feasibility study to bring the International Swimming Hall of Fame to Santa Clara.

D. Park Fees – George Friedenbach reviewed status of work and confirmed staff proposal would be completed by July 1st, as recommended by Commission.

E. Dog Park – George Friedenbach reviewed options to expand small dog area. No action was taken as representatives from the public were not at the meeting.

VII. NEW BUSINESS

A. Summerhill Homes – Former BAREC site development park master plan.

Katia Hamangan and Bill Sona, reviewed the proposed master plan for the park site to be included in the Summerhill Homes development on the former BAREC site. Commission reviewed proposal and requested park pathway lighting and referred additional comments about barbeques and tree sizes to staff.

A motion by Commissioner Marsalli and seconded by Commissioner Owens and approved by Commission to recommend to Council the approval of the proposed master plan with the addition of pathway lighting to be included in the Summerhill Homes development on the former BAREC site.

B. Santa Clara Aquamaids – Request of wavier of fees for Summer Fling in Beijing exhibition, Commission reviewed written request from Aquamaids.

A motion by Commissioner Marsalli and seconded by Commissioner Seymour and approved by Commission, to recommend to City Council the wavier of fees for the Summer Filing in Beijing exhibition to be presented by the Santa Clara Aquamaids.

VIII. CONFERENCE REPORTS – None.

IX. PUBLIC PRESENTATIONS – None.

X. Meeting adjourned at 9:10 p.m. to the next regular scheduled meeting, May 20, 2008, at 7:00 p.m., in the Staff Conference Room.

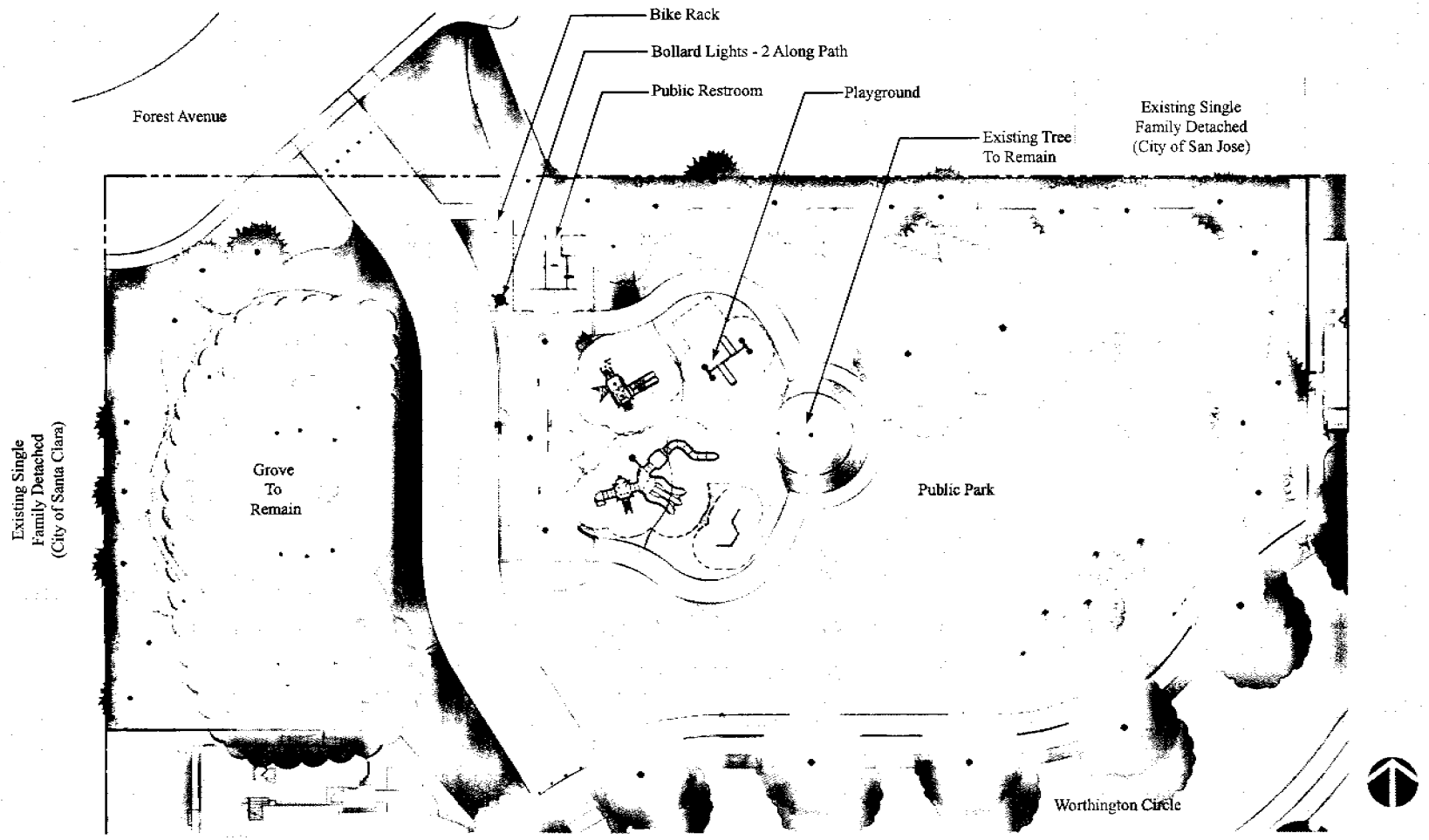
Prepared by:

George Friedenbach
Acting Director of Parks and Recreation

for Steve Lee
Secretary

ILLUSTRATIVE LANDSCAPE PLAN

THE COMMUNITY AT 90 NORTH WINCHESTER - SANTA CLARA, CALIFORNIA



HMH LANDSCAPE ARCHITECTURE

SUMMERHILL HOMES

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 13A

Santa Clara All-America City 2001

Date: May 2, 2008

To: City Manager for Council Action

From: John C. Roukema, Acting Director of Electric Utility
Mary Ann Parrot, Director of Finance

Subject: Adoption of a Resolution Authorizing Documents and Actions Relating to the Issuance of City of Santa Clara Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B; Use of Proceeds to Refund City of Santa Clara Subordinated Electric Revenue Refunding Bonds, Series 1998A

EXECUTIVE SUMMARY:

Presented for Council review and approval is a Resolution authorizing and approving the documents and actions set forth below relating to the issuance of variable rate City of Santa Clara Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B (Series 2008B Bonds). Bond principal amounts, not to exceed $88 million, will be used to refund $80,530,000 of fixed rate City of Santa Clara Subordinated Electric Revenue Refunding Bonds, Series 1998A (Series 1998A Bonds). The difference of $7.47 million would cover costs of issuance and the funds to establish a Debt Service Reserve Fund for the Series 2008B Bonds.

In anticipation of refunding the Series 1998A Bonds, on April 25, 2006, the City Council adopted Resolution No. 7312, which authorized an interest rate swap agreement with Bear Stearns Capital Markets Inc. that was subsequently executed in September 2006 in an initial notional amount of $83,440,000, to become effective May 29, 2008 (the Swap Agreement). The Swap Agreement is intended to convert the variable interest rate payments on the Series 2008B Bonds to a fixed interest rate equivalent to the 3.47% rate specified in the Swap Agreement; however, the actual interest paid by the City will ultimately depend upon the relationship of interest rate indicies. The Series 2008B Bonds will be backed by a direct pay Letter of Credit issued by Dexia Credit Local, acting through its New York Branch (Dexia LOC). The Dexia LOC will enhance the Series 2008B Bonds' credit quality and marketability. Possible use of the LOC enhancement for the Series 2008B Bonds was described to the Council at its February 19, 2008 meeting. The LOC is in lieu of bond insurance, which until recently has been the preferred form of credit enhancement. At the present time, bond insurance can be detrimental to the remarketing of variable rate bonds, whereas variable rate bonds backed by LOCs are being remarketed at far more favorable interest rates.

It is important to note that, in the next several months, The Bear Stearns Companies Inc. (Bear Stearns), the parent company of the swap provider, will likely consummate a merger with JP Morgan Chase & Co. (JP Morgan) with the backing of the U.S. Federal Reserve Bank, at which time the Swap Agreement may be assumed by JP Morgan. All obligations of Bear Stearns related to the City are currently supported by a JP Morgan Amended and Restated Guaranty Agreement. Moreover, the Series 2008B Bonds are expected to be initially purchased by JP Morgan as underwriter and Bear Stearns as co-underwriter (the Underwriters), and JP Morgan will serve as the initial remarketing agent for the Series 2008B Bonds (the Remarketing Agent). Electric and Finance Department staff, in consultation with

John Dey, the Electric Department's financial advisor, and Eric Tashman of Sidley Austin LLP, bond counsel, have determined that this transition is reasonable.

With respect to the continuing economics of the Swap Agreement, the Series 2008B Bonds and refunding the Series 1998A Bonds, Electric and Finance Department staff, in consultation with John Dey, considered a number of options:

1. Terminate the swap and leave the Series 1998 A Bonds in place;
2. Terminate the swap and refund the Series 1998 A Bonds with traditional fixed rate debt; or
3. Retain the swap and issue variable rate bonds backed by an LOC

The option that is expected to yield the greatest savings to the City is Option 3, which is to retain the swap and issue variable rate bonds backed by the Dexia LOC. Retaining the swap allows the City to avoid a swap termination fee and captures the savings between the average fixed rate of 5.01% on the refunded Series 1998A Bonds and the 3.47% fixed rate that would be paid under the Swap Agreement. Options 1 and 2 would require a swap termination fee and neither would capture any savings.

The forms of documents related to the Series 2008B Bonds to be authorized and approved by the Resolution include the following:

- The Fifth Supplemental Subordinated Electric Revenue Bond Indenture;
- The Bond Purchase Agreement between the City and the Underwriter;
- The Letter of Credit and Reimbursement Agreement between the City and Dexia Credit Local, acting through its New York Branch;
- The Remarketing Agreement between the City and the Remarketing Agent;
- The Escrow Agreement between the City and The Bank of New York Trust Company, N.A.; and
- The Official Statement.

Also provided by Sidley Austin LLP, the City's Bond Counsel, is a memorandum in the form of an Executive Summary of the Transaction, including a descriptive purpose for each of the documents to be approved by the proposed resolution. Staff will present further scheduling information prior to the presentation of the Resolution approving documents and actions relating to the issuance of the Series 2008B Bonds, as outlined above. The Resolution and Executive Summary of the Transaction are attached, and all other documents are available in the Council offices and the City Clerk's office for review.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The sale and closing of the proposed Series 2008B Bonds are scheduled to occur in May, 2008. The proceeds will be used to redeem the Series 1998A Bonds on July 1, 2008. Redemption of the Series 1998A Bonds eliminates the higher fixed interest rates associated with them.

ECONOMIC/FISCAL IMPACT:

Retaining the swap allows the City to avoid a swap termination fee and captures the savings between the average fixed rate of 5.01% on the refunded Series 1998A Bonds and the 3.47% fixed rate that would be paid under the Swap Agreement. Expenses are estimated to be $725,000 including cost of issuance and underwriter's discount. Expenses will be paid from bond proceeds.

RECOMMENDATION:

That Council adopt a Resolution authorizing the issuance of City of Santa Clara Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B, approving form and execution of documents and authorizing certain other related actions consistent with projected economic and fiscal impacts as discussed above, and authorize the City Manager to execute all necessary documents, in substantially similar form as presented, to complete the transaction.

John C. Roukema
Acting Director of Electric Utility

Mary Ann Parrot
Director of Finance

APPROVED

Jennifer Sparacino
City Manager

Documents Related to this Report:

1) ***Resolution and Executive Summary of the Transaction***
2) ***Fifth Supplemental Subordinated Electric Revenue Bond Indenture***
3) ***Bond Purchase Agreement***
4) ***Letter of Credit and Reimbursement Agreement***
5) ***Remarketing Agreement***
6) ***Escrow Agreement***
7) ***Draft Official Statement***

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA AUTHORIZING AND APPROVING THE ISSUANCE OF NOT TO EXCEED $88 MILLION AGGREGATE PRINCIPAL AMOUNT OF CITY OF SANTA CLARA, CALIFORNIA VARIABLE RATE DEMAND SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 B; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A FIFTH SUPPLEMENTAL INDENTURE PURSUANT TO WHICH SUCH BONDS ARE TO BE ISSUED; APPROVING THE FORM OF AND AUTHORIZING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE, SECURING AND SALE OF SUCH BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS RELATING THERETO

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the City is a duly constituted charter city of the State of California authorized to exercise the powers granted by its Charter; and

WHEREAS, Section 1321 of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on April 30, 1985, the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds" (which resolution, as amended by Resolution No. 4966 of the City Council adopted on July 9, 1985, supplemented by Resolution No. 4967 of the City Council adopted on July 9, 1985, and amended

by Resolution No. 7314 of the City Council adopted on April 25, 2006, is herein referred to as the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter and the Procedural Resolution, the City entered into a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as supplemented by the First Supplemental Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "First Supplement"), the Second Supplemental Subordinated Electric Revenue Bond Indenture, dated as of September 1, 2003, the Third Supplemental Subordinated Electric Revenue Bond Indenture, dated as of September 1, 2003, and the Fourth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of April 1, 2008 (such indenture, as supplemented from time to time, herein called the "Indenture"), each between the City of Santa Clara (the "City") and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee"), for the purpose of securing the Bonds issued thereunder and any additional Bonds (as defined below) issued pursuant to any supplement thereto; and

WHEREAS, the City issued $89,275,000 aggregate principal amount of its Subordinated Electric Revenue Refunding Bonds, Series 1998A Bonds (the "Series 1998A Bonds") pursuant to the Indenture, of which $83,170,000 aggregate principal amount is currently outstanding and unpaid; and

WHEREAS, the Indenture provides that the City may issue additional subordinated electric revenue bonds (the "Bonds") as well as refunding Bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, in anticipation of refunding the Series 1998A Bonds, the City entered into an interest rate swap transaction in 2006 with Bear Stearns Capital Markets Inc. in an initial

notional amount of $83,440,000, effective May 29, 2008 (the "Swap Agreement"), for the purpose of converting the variable rate interest payments that the City would be obligated to make with respect to the refunding Bonds into substantially fixed rate payments; and

WHEREAS, the City has determined to authorize the issuance of a series of Bonds to be designated "City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B" (the "Series 2008 B Bonds") in a principal amount not to exceed $88,000,000 in order to provide moneys, together with moneys available under the First Supplement relating to the Series 1998A Bonds, to refund $80,530,000 aggregate principal amount of the outstanding Series 1998A Bonds, to fund a reserve for payment of the Series 2008 B Bonds, and to pay the costs of issuance associated with the Series 2008 B Bonds; and

WHEREAS, the Series 2008 B Bonds will to be issued pursuant to a Fifth Supplemental Subordinated Electric Revenue Bond Indenture (the "Fifth Supplement"); and

WHEREAS, the City intends to issue the Series 2008 B Bonds as variable rate demand bonds initially in a weekly interest rate period, and in order to secure credit and liquidity support for the payment of principal of, interest on, and the purchase price of the Series 2008 B Bonds, the City intends to enter into a Letter of Credit and Reimbursement Agreement (the "Reimbursement Agreement") between the City and the bank named therein to obtain a letter of credit to further secure the Series 2008 B Bonds; and

WHEREAS, the Series 2008 B Bonds shall be subject to remarketing upon the tender by the owners thereof, the City intends to enter into a Remarketing Agreement (the "Remarketing Agreement"), with the initial remarketing agent named therein (the "Remarketing Agent") with respect to the Series 2008 B Bonds identified in the Remarketing Agreement, pursuant to which

Remarketing Agent shall agree to remarket such variable rate Series 2008 B Bonds tendered by the owners thereof; and

WHEREAS, in order to provide for the refunding of such Series 1998A Bonds, the City intends to enter into an Escrow Agreement (the "Escrow Agreement") with the Trustee, as escrow agent; and

WHEREAS, pursuant to a Bond Purchase Agreement (the "Purchase Contract"), by and between the City and the underwriters named therein (the "Underwriters"), the Underwriters will purchase the Series 2008 B Bonds and the City will deliver the Series 2008 B Bonds to the Underwriters, upon certain conditions; and

WHEREAS, the Underwriters will distribute a final official statement relating to the Series 2008 B Bonds to prospective and actual purchasers of the Series 2008 B Bonds; and

WHEREAS, it is desirable that the City Council provide for the issuance, securing and sale of the Series 2008 B Bonds at this time; and

WHEREAS, the City Council has reviewed all proceedings previously taken relative to the transactions contemplated by the foregoing, and has found as a result of such review, and hereby determines and declares that all conditions, things and acts required by law to exist, happen or be performed precedent to the transactions contemplated by the foregoing do exist, and were performed in due time, form and manner as required by law, and the City Council is now authorized to undertake the transactions contemplated by the foregoing;

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. Authorization of Series 2008 B Bonds. The issuance of the Series 2008 B Bonds (including any subseries thereof) on the terms and conditions set forth in, and subject to the limitations specified in, the Fifth Supplement is hereby authorized and approved. The Series 2008 B Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Fifth Supplement as the same is completed as provided in this Resolution. The proposed form of the Series 2008 B Bonds, as set forth in the Fifth Supplement, is hereby approved and the City Manager of the City (the "City Manager") is hereby authorized and directed to execute for and on behalf of the City the Series 2008 B Bonds in substantially such form and the City Clerk of the City (the "City Clerk") is authorized and directed to attest thereto, and the Trustee is hereby authorized and directed to authenticate and deliver the Series 2008 B Bonds to the Underwriters in accordance with the Purchase Contract and the Fifth Supplement; provided, however, that (i) the aggregate principal amount of the Series 2008 B Bonds shall not exceed $88,000,000, (ii) the final maturity of any of the Series 2008 B Bonds shall not be later than July 1, 2027, and (iii) the maximum interest rate payable on the Series 2008 B Bonds shall be not more than twelve percent (12%) per annum, unless held by the bank providing liquidity support, in which case the maximum rate will be as set forth in the Reimbursement Agreement.

2. Approval of Fifth Supplement. The form of the Fifth Supplement is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk shall attest thereto, the Fifth Supplement, in substantially said form, with such changes therein (and additions thereto to reflect the terms of sale of the Series 2008 B

Bonds) as the City Manager or the Director of Finance of the City (the "Director of Finance") shall approve after consultation with the City's City Attorney and Sidley Austin LLP, the City's Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

3. Approval of Reimbursement Agreement. The form of Reimbursement Agreement, as submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk of the City shall attest thereto, the Reimbursement Agreement, in substantially the form as submitted to this meeting, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel.

4. Approval of Remarketing Agreement. The form of Remarketing Agreement, as submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Remarketing Agreement, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

5. Approval of Escrow Agreement. The form of Escrow Agreement, as submitted to this meeting, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Escrow Agreement, in substantially said form, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

6. Approval of Purchase Contract. The form of Purchase Contract, as submitted to this meeting, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Purchase Contract, with such changes therein (and additions thereto to reflect the terms of the sale of the Series 2008 B Bonds) as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof; provided, however, that the Underwriters' discount with respect to the Series 2008 B Bonds may not exceed half of one percent (0.5%) of the aggregate principal amount of the Series 2008 B Bonds purchased thereunder.

7. Approval of Official Statement. The City Council hereby approves the form of the official statement of the City relating to the Series 2008 B Bonds, as submitted to this meeting, with such additions thereto and changes therein (including such changes and additions to reflect the terms of any subseries of the Series 2008 B Bonds) as are approved by the City Manager or the Director of Finance after consultation with the City's City Attorney and Bond Counsel. The City Manager is hereby authorized to cause the preparation of an official statement and to authorize the Underwriters to distribute such official statement in connection with the marketing of the Series 2008 B Bonds.

8. Additional Actions. The City Manager, the Director of Finance, the Assistant Director of Finance, the Director of Electric Utility, the City Clerk and any and all other officers of the City are hereby authorized and directed, individually and collectively, to take all actions and execute any and all documents necessary: to engage The Bank of New York Trust Company, N.A. as trustee under the Fifth Supplement; to acknowledge its obligations in connection with any agreements, among or between such entities as necessary in connection therewith; to arrange

for the funding of the Series 2008 B Bond reserve fund, if any, with a letter of credit, surety bond or insurance policy pursuant to the terms of the Indenture as so supplemented if, upon the advice of the Underwriters, the funding of such Series 2008 B Bond reserve fund with a letter of credit, surety bond or insurance policy will be economically beneficial to the City; to effect the sale and delivery of the Series 2008 B Bonds pursuant to the Indenture as so supplemented; to enter into any amendment to the Swap Agreement to assign the Swap Agreement to JPMorgan Chase & Co., as swap provider, if appropriate, and to make payment of costs in connection therewith; and to do any and all things and to execute and deliver such other agreements, documents and certificates as may be necessary, convenient, or advisable in order to consummate the sale, execution and delivery of the Series 2008 B Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Series 2008 B Bonds, the Fifth Supplement, the Purchase Contract, the preliminary official statement and the final official statement and the transactions herein authorized. All such actions heretofore taken by such officers or their designees are hereby ratified, confirmed and approved.

9. Ratification of Initial Interest Rate Period of Series 2008 A Bonds. The issuance of the City's Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 A in a daily interest rate period is hereby ratified and confirmed.

10. Effective Date. That this resolution shall take effect immediately.

11. Constitutionality, severability. If any section, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have

passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF DULY HELD ON THE ____ DAY OF MAY, 2008, BY THE FOLLOWING VOTES:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

May 2, 2008

CITY OF SANTA CLARA, CALIFORNIA
VARIABLE RATE DEMAND
SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 B

Executive Summary of the Transaction

The Resolution authorizes the City to issue its Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B (the "Bonds") in an aggregate principal amount not to exceed $88,000,000 to refund a portion of the City's outstanding Subordinated Electric Revenue Refunding Bonds, Series 1998 A (the "Prior Bonds"). The structure of the proposed transaction is substantially identical to the recent refunding of the City's Subordinated Electric Revenue Bonds, Series 2003 B with the City's Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 A.

The Bonds will be payable solely from the revenues of the City's Electric Utility, after payment of operating expenses of the Electric Utility. The Bonds will be additionally secured by a letter of credit to be issued by the Dexia Credit Local, acting through its New York Branch (the "Bank"). The City's general fund is not obligated for the payment of the Bonds. The City will covenant in the bond indenture (and under the reimbursement agreement with the Bank described below) to fix rates in connection with the Electric Utility that are sufficient to pay debt service on the Bonds, including the outstanding and any future series of subordinate lien electric revenue bonds and any reimbursement obligations owing to the Bank.

The Bonds will be secured on a parity with the City's $141,730,000 outstanding Subordinated Electric Revenue Bonds, Series 2003 A and Series 2008 A. However, the letter of credit issued by the Bank will secure only the Bonds (and not any other Subordinated Bonds).

The Bonds will mature not later than July 1, 2027 which is approximately 19 years from the date of the Bonds. The Bonds will be variable rate demand bonds and will bear interest at a rate initially determined on a weekly basis. The interest rate on the Bonds shall not exceed twelve percent (12%) per annum, although the reimbursement obligation to the Bank may be higher (as described below). Staff believes that it is unlikely that a reimbursement obligation will be owed to the Bank. The Bonds can be converted to bear interest to another rate mode, such as a fixed rate, subject to the terms of the Supplemental Indenture (described below).

In 2006, the City entered into an interest rate swap agreement with Bear Stearns Capital Markets Inc. ("BSCM") in the notional amount of $83,440,000. The obligation of Bear Stearns is guaranteed by its parent, The Bear Stearns Companies Inc. ("Bear Stearns"). As described in the City Council memo, the obligations of Bear Stearns will be guaranteed by JPMorgan Chase & Co. as part of the acquisition arrangement. The swap will go into effect on May 29, 2008. On and after that date, the City will be obligated to pay BSCM a fixed rate of 3.47% and BSCM will pay the City a rate equal to 65% of LIBOR. Under certain circumstances the swap may be

terminated, requiring a termination payment to be made by the party which is "out of the money." Under the Resolution, the City authorizes the execution of any amendments to the swap agreement to permit JPMorgan Chase & Co. to assume BSCM's obligations as swap provider, and authorizes the payment of costs, if any, associated with such amendments.

The resolution will authorize the bond issue described above and approve the documents for such financing. The basic documents involved in the financing are as follows:

1. Fifth Supplemental Subordinated Electric Revenue Bond Indenture;
2. Bond Purchase Agreement with JPMorgan Chase & Co.;
3. Reimbursement Agreement with the Bank;
4. Remarketing Agreement with JPMorgan Chase & Co;
5. Escrow Agreement with The Bank of New York Trust Company, N.A.; and
6. Official Statement.

The Resolution also authorizes staff take other appropriate actions related to the issuance of the Bonds.

Set forth below is a brief explanation of the purpose of the financing documents submitted for approval pursuant to the resolution.

Fifth Supplemental Subordinated Electric Revenue Bond Indenture

The Bonds will be issued pursuant to the City's Subordinated Electric Revenue Bond Indenture originally executed in connection with the City's outstanding subordinate lien electric revenue bonds on March 1, 1998. The Fifth Supplemental Subordinated Electric Revenue Bonds Indenture (the "Fifth Supplement") provides the terms of the Bonds including the maturities, interest rate determination methodology, redemption and mandatory purchase and other provisions. The Fifth Supplement also describes the terms under which the City can convert the Bonds from a weekly interest rate mode to another interest rate mode.

Bond Purchase Agreement

The City will enter a Bond Purchase Agreement with JPMorgan Chase & Co., as Underwriter and Bear, Stearns & Co. Inc., as Co-Underwriter (collectively, the "Underwriters"). Under the Bond Purchase Agreement, the City will commit to sell the Bonds to the Underwriters for an agreed-upon purchase price, which includes an underwriter's discount of no more than 0.50%. The Underwriters are given the right to cancel the transaction and not purchase the Bonds, if certain calamitous events occur which adversely affect the marketability of the Bonds.

Reimbursement Agreement

The City will enter into a Reimbursement Agreement with the Bank, under which the Bank will agree to issue its letter of credit in support of the Bonds, and the City will agree to reimburse the Bank for draws made under the letter of credit. In consideration for issuing the letter of credit, the City will agree to pay the Bank a facility fee equal to 55 basis points per year during the term of the letter of credit. (The initial term of the letter of credit is three years.) In addition, the City agrees to reimburse the Bank for any increased costs caused by regulatory changes occurring after the closing, and to indemnify the Bank against any third party claims arising out of the Bond transaction. The City is advised by its bond counsel that the foregoing obligations are customary. In the unlikely event that the City is required to draw on the letter of credit to purchase tendered Bonds, the City is obligated to repay the Bank over a five year "term out" period, together with an escalating interest rate, based initially upon the higher of the prime rate or the federal funds rate plus 0.5%.

Remarketing Agreement

The City will enter into a Remarketing Agreement with JPMorgan Chase & Co., as remarketing agent for the Bonds. Under the Remarketing Agreement, the remarketing agent will agree to use its best efforts to reoffer any Bonds tendered for purchase by the owners. For such services, the City will pay the remarketing agent a fee equal to 7.5 basis points per annum.

Escrow Agreement

The City will enter into an Escrow Agreement with The Bank of New York Trust Company, N.A., as escrow trustee. The funds deposited with the escrow agent will be used to purchase securities that will mature and bear interest such that sufficient amounts will exist in the escrow fund to pay the redemption price and accrued interest on the Prior Bonds being refunded on July 1, 2008.

Official Statement

The resolution authorizes the distribution and use of an Official Statement by the underwriters for the initial offering of the Bonds. The Official Statement may also be used in the remarketing of the Bonds if tendered for sale by the owners. The Official Statement describes the terms and security for the Bonds, including a description of the letter of credit and of the Bank, as issuer of the letter of credit. Because the Bonds will be offered and sold solely upon the credit of the Bank, no description of the City's Electric Utility is included in the Official Statement. The City will make no representation as to accuracy of any information concerning the Bank or its credit. Bond counsel has advised that this "short form" Official Statement will meet the City's disclosure requirements under federal securities laws.

CITY OF SANTA CLARA

AGENDA MATERIAL ROUTE SHEET

Council Date: May 13, 2008

SUBJECT: Adoption of a Resolution Authorizing Documents and Actions Relating to the Issuance of City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008B and Use of Proceeds to Refund City of Santa Clara Subordinated Electric Revenue Bonds, Series 1998A

CERTIFICATION

The proposed Resolution

Regarding: Issuance of City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008B

has been reviewed and is hereby certified.

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 200__.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:
Title _____ *U.S.C. §* _____
(Titles run 1 through 50)

California Codes:
Code _____ *§* _____
(i.e., Government, Street and Highway, Public Resources)

Federal Regulations:
Title _____ *C.F.R. §* _____
(Titles run 1 through 50)

California Regulations:
Title _____ *California Code of Regulations §* _____
(Titles run 1 through 28)

City
City Charter § _____ *(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)*
City Code § _____

1. As to City Functions, by John C. Roukema
Department Head

2. As to Legality, by Helene Leichter
City Attorney's Office/CAO Assignment No. 08.0678

3. As to Environmental Impact Requirements, by
_____
Director of Planning and Inspection

4. As to Substance, by J. Sparacino
City Manager

Revision Date: June 7, 2005

FIFTH SUPPLEMENTAL SUBORDINATED ELECTRIC REVENUE BOND INDENTURE

between

CITY OF SANTA CLARA
SANTA CLARA COUNTY, CALIFORNIA

and

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

Dated as of _____, 2008

(Supplemental to the Subordinated Electric Revenue Bond Indenture dated as of March 1, 1998)

FIFTH SUPPLEMENTAL SUBORDINATED
ELECTRIC REVENUE BOND INDENTURE

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EXHIBIT A - Form of Series 2008 B Bonds A-1

Fifth Supplemental Subordinated Electric Revenue Bond Indenture
(Supplemental to the Subordinated Electric Revenue Bond Indenture
dated as of March 1, 1998)
Authorizing the Issuance of
$_____ Aggregate Principal Amount of
City of Santa Clara, California
Subordinated Electric Revenue Bonds,
Series 2008 B

This FIFTH SUPPLEMENTAL SUBORDINATED ELECTRIC REVENUE BOND INDENTURE, dated as of _____ 1, 2008 (the "Fifth Supplement"), between the CITY OF SANTA CLARA (the "City"), a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State of California, and THE BANK OF NEW YORK TRUST COMPANY, N.A., as trustee (the "Trustee"),

WITNESSETH:

WHEREAS, this Fifth Supplement is supplemental to the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), between the City and the Trustee, providing for the issuance of City of Santa Clara Subordinated Electric Revenue Bonds (the "Bonds"); and

WHEREAS, the Indenture provides that the City may issue Bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, Section 1321 of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on April 30, 1985 the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966 of the City Council adopted on July 9, 1985, supplemented by Resolution No. 4967 of the City Council adopted on July 9, 1985, and amended by Resolution No. 7314 of the City Council adopted on April 25, 2006 (the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter, the Procedural Resolution and the Indenture, as supplemented by the First Supplemental Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "First Supplement"), the City has heretofore issued $89,275,000 principal amount of its Subordinated Electric Revenue Refunding Bonds, Series 1998 A (the "Series 1998 A Bonds"), of which $83,170,000 principal amount is now outstanding and unpaid; and

WHEREAS, in 2006, the City entered into an interest rate swap transaction with Bear Stearns Capital Markets Inc. in an initial notional amount of $83,440,000 in anticipation of refunding the Series 1998 A Bonds with the proceeds of the City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008 B (the "Series 2008 B Bonds"), for the purpose of converting the floating rate interest payments that the City is obligated to make with respect to the Series 2008 B Bonds into substantially fixed rate payments; and

WHEREAS, the City Council has determined that it is in the best interests of the City to issue the Series 2008 B Bonds to provide for the refunding of the outstanding Series 1998 A Bonds, to fund a Series 2008 B Bond Reserve Fund, and to pay the costs of issuance of the Series 2008 B Bonds; and

WHEREAS, the City Council has determined that it is necessary and required that the City enter into this Fifth Supplement in order to establish and declare, in conjunction with the Indenture, the terms and conditions upon which the Series 2008 B Bonds shall be issued and secured and to secure the payment of the principal thereof and premium (if any) and interest thereon; and

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

NOW, THEREFORE, the parties hereto agree, as follows:

ARTICLE XV

SERIES 2008 B BONDS

Section 15.01 Amendment to Section 7.03 of the Indenture. With respect to the Series 2008 B Bonds, Section 7.03 of the Indenture is hereby amended by adding paragraphs (K) and (L), which shall read as follows:

(K) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by Electronic Means, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee instructions by Electronic Means and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such Electronic Means to submit instructions and directions to the Trustee, including without limitation the risk of the

Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(L) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 15.02 Definitions. The terms defined in this Section shall, for all purposes of this Fifth Supplement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Terms defined in the Indenture not otherwise defined herein shall have the meanings specified therein.

"Agent Member" shall mean a member of, or participant in, the Securities Depository who shall act on behalf of a Bidder.

"All Hold Rate" shall mean, as of any Auction Date, 55% of the Auction Rate Index in effect on such Auction Date.

"Alternate Credit Facility" or "Alternate Liquidity Facility" shall mean a letter of credit, insurance policy, line of credit, surety bond, standby purchase agreement or other security or liquidity instrument, as the case may be, issued in accordance with the terms hereof as a replacement or substitute for any Credit Facility or Liquidity Facility, as applicable, then in effect.

"Alternate Rate" shall mean, on any Rate Determination Date, for any Mode other than the Auction Rate Mode, a rate per annum equal to (1) the SIFMA Municipal Swap Index of Municipal Market Data, formerly the BMA Municipal Swap Index (the "SIFMA Rate") most recently available as of the date of determination, or (2) if such index is no longer available, or if the SIFMA Rate is no longer published, the Kenny Index (as such term is defined in the 1992 ISDA U.S. Municipal Counterparty Definitions), or if neither the SIFMA Rate nor the Kenny Index is published, the index determined to equal the prevailing rate determined by the Remarketing Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Remarketing Agent to be comparable under the circumstances to the criteria used by the Bond Market Association to determine the SIFMA Rate just prior to when the Bond Market Association stopped publishing the SIFMA Rate. If there is no Remarketing Agent, if the Remarketing Agent fails to make any such determination or if the Remarketing Agent has

suspended its remarketing efforts in accordance with the Remarketing Agreement, then the City shall retain an index agent to make such determinations.

"Auction" shall mean each periodic implementation of the Auction Procedures.

"Auction Agent" shall mean the auction agent appointed in accordance with Section 15.28(A) or Section 15.28(B).

"Auction Agreement" shall mean an agreement between the Auction Agent and the Trustee acceptable to the Credit Provider and Liquidity Provider pursuant to which the Auction Agent agrees to follow the procedures specified in Section 15.26, with respect to the Series 2008 B Bonds in the Auction Rate Mode, as such agreement may from time to time be amended or supplemented.

"Auction Date" shall mean during any period in which the Auction Procedures are not suspended in accordance with the provisions hereof, (1) if the Series 2008 B Bonds in the Auction Rate Mode are in a daily Auction Period, each Business Day, (2) if the Series 2008 B Bonds in the Auction Rate Mode are in a Special Auction Period, the last Business Day of the Special Auction Period, and (3) if the Series 2008 B Bonds in the Auction Rate Mode are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Series 2008 B Bonds (whether or not an Auction shall be conducted on such date); provided, that the last Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode in an Auction Period other than a daily Auction Period or a Special Auction Period shall be the earlier of (a) the Business Day next preceding the Interest Payment Date next preceding the Mode Change Date for such Series 2008 B Bonds and (b) the Business Day next preceding the Interest Payment Date next preceding the Maturity Date for such Series 2008 B Bonds; provided further, that if the Series 2008 B Bonds in the Auction Rate Mode are in a daily Auction Period, the last Auction Date shall be the earlier of (i) the Business Day next preceding the Mode Change Date for such Series 2008 B Bonds and (ii) the Business Day next preceding the Maturity Date for such Series 2008 B Bonds. The last Business Day of a Special Auction Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any. On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the conversion.

"Auction Period" shall mean, with respect to Series 2008 B Bonds in the Auction Rate Mode:

(a) a Special Auction Period;

(b) with respect to such Series 2008 B Bonds in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day;

(c) with respect to such Series 2008 B Bonds in a seven-day Auction Period, a period of generally seven days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series

2008 B Bonds) and ending on the day prior to the next Auction Period Day for such Series 2008 B Bonds (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(d) with respect to such Series 2008 B Bonds in a 28-day Auction Period, a period of generally 28 days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series 2008 B Bonds) and ending on the day prior to the fourth Auction Period Day for such Series 2008 B Bonds thereafter (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(e) with respect to such Series 2008 B Bonds in a 35-day Auction Period, a period of generally 35 days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series 2008 B Bonds) and ending on the day prior to the fifth Auction Period Day for such Series 2008 B Bonds thereafter (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(f) with respect to such Series 2008 B Bonds in a three-month Auction Period, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the day prior to the first Business Day of the month that is the third calendar month following the beginning date of such Auction Period; and

(g) with respect to such Series 2008 B Bonds in a six-month Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the day prior to the next succeeding Interest Payment Date;

provided, that if there is a conversion of such Series 2008 B Bonds (1) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the next succeeding Auction Period Day (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day), (2) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the Auction Period Day (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (3) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the Auction Period Day for such Series 2008 B Bonds (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such

date of conversion; and provided further, that any Auction Period that is greater than 35 days may be extended as set forth in Section 15.27(C)(iv).

"Auction Period Day" shall mean the day of the week on which seven-day, 28-day, 35-day and Special Auction Periods generally commence for the Series 2008 B Bonds (except as otherwise provided in this Fifth Supplement), as determined by the City from time to time.

"Auction Procedures" shall mean the procedures for conducting Auctions for the 2008 A Bonds in the Auction Rate Mode as set forth in Section 15.26.

"Auction Rate" shall mean the rate of interest to be borne by the Series 2008 B Bonds in the Auction Rate Mode during each Auction Period determined in accordance with Section 15.27(C), namely, (1) if Sufficient Clearing Bids exist, the Auction Rate shall be the Winning Bid Rate, provided, that if all of such Series 2008 B Bonds are the subject of Submitted Hold Orders, the Auction Rate shall be the All Hold Rate, and (2) if Sufficient Clearing Bids do not exist, the Auction Rate shall be the Maximum Rate.

"Auction Rate Index" shall have the meaning specified in Section 15.27(F).

"Auction Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Auction Rate.

"Auction Rate Period" shall mean any period of time commencing on a date the Series 2008 B Bonds bear interest at the Auction Rate to but not including a Mode Change Date.

"Authorized Denominations" shall mean (1) with respect to Series 2008 B Bonds in a Daily Mode or Weekly Mode, $100,000 and any integral multiple of $5,000 in excess thereof; (2) with respect to Series 2008 B Bonds in a Flexible Mode, $100,000 and any integral multiple of $1,000 in excess thereof; (3) with respect to Series 2008 B Bonds in a Long-Term Mode, $5,000 and any integral multiple thereof; and (4) with respect to Series 2008 B Bonds in the Auction Rate Mode, $25,000 and integral multiples thereof.

"Automatic Termination Event" shall mean an event of default set forth in the Reimbursement Agreement between the City and the Liquidity Provider which would result in the immediate termination of the Liquidity Facility prior to its stated expiration date without at least 30 days' prior notice from the Liquidity Provider to the Trustee, other than a termination upon the substitution of an Alternate Liquidity Facility.

"Available Amount" shall mean the amount available under the Credit Facility or Liquidity Facility, as applicable, to pay the principal of and interest on the Series 2008 B Bonds or the Purchase Price of the Series 2008 B Bonds, as applicable.

"Available Bonds" shall mean on each Auction Date, the aggregate principal amount of the Series 2008 B Bonds in the Auction Rate Mode that are not the subject of Submitted Hold Orders.

"Available Moneys" shall mean (1) moneys held by the Trustee (other than in the Rebate Fund or the Purchase Fund) for a period of at least 123 days and not commingled with any

moneys so held for less than said period and during which period no petition in bankruptcy was filed by or against, and no receivership, insolvency, assignment for the benefit of creditors or other similar proceeding has been commenced by or against the City, unless such petition or proceeding was dismissed and all applicable appeal periods have expired without an appeal having been filed; (2) investment income derived from the investment of moneys described in clause (1); or (3) any moneys with respect to which an opinion of nationally recognized bankruptcy counsel has been received by the Trustee to the effect that payments by the Trustee in respect of the Series 2008 B Bonds, as provided in the Indenture, derived from such moneys would not constitute transfers avoidable under 11 U.S.C. § 547(b) and recoverable from the Owners under 11 U.S.C. § 550(a) should the City be the debtor in a case under Title 11 of the United States Code, as amended.

"Beneficial Owner" shall mean, so long as the Series 2008 B Bonds are held in the Book-Entry System, any Person who acquires a beneficial ownership interest in a Series 2008 B Bond held by the Securities Depository. If at any time the Series 2008 B Bonds are not held in the Book-Entry System, Beneficial Owner shall mean Owner for purposes of the Indenture.

"Bid" has the meaning specified in Section 15.27(A)(i).

"Bidder" shall mean each Existing Owner and Potential Owner who places an Order.

"Book-Entry System" shall mean the system maintained by the Securities Depository.

"Broker-Dealer" shall mean any entity that is permitted by law to perform the function required of a Broker-Dealer described in Section 15.26 that is a member of, or a direct participant in, the Securities Depository, that has been selected by the City with the consent of the Credit Provider and that is a party to a Broker-Dealer Agreement with the Auction Agent.

"Broker-Dealer Agreement" shall mean an agreement among the Auction Agent, the City and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in Section 15.26, as such agreement may from to time be amended or supplemented.

"Business Day" shall mean any business day other than a Saturday or Sunday or a day on which the Trustee or Remarketing Agent are required or authorized to be closed or on which The New York Stock Exchange is closed.

"Credit Facility" shall mean a direct-pay letter of credit, insurance policy, surety bond, line of credit or other instrument then in effect which secures or guarantees the payment of principal of and interest on the Series 2008 B Bonds. The initial Credit Facility for the Series 2008 B Bonds shall be the Irrevocable Letter of Credit dated as of _____, 2008, issued by Dexia Credit Local, acting through its New York Branch.

"Credit Provider Failure" or "Liquidity Provider Failure" shall mean a failure of the Credit Provider or Liquidity Provider, as applicable, to pay a properly presented and conforming draw or request for advance under the Credit Facility or Liquidity Facility, as applicable, or the filing or commencement of any bankruptcy or insolvency proceedings by or against the Credit Provider or Liquidity Provider, as applicable, or the Credit Provider or Liquidity Provider, as

applicable, shall declare a moratorium on the payment of its unsecured debt obligations or shall repudiate the Credit Facility or Liquidity Facility, as applicable.

"Credit Provider" shall mean any bank, insurance company, pension fund or other financial institution which provides a Credit Facility or Alternate Credit Facility for the Series 2008 B Bonds. The initial Credit Provider for the Series 2008 B Bonds shall be Dexia Credit Local, acting through its New York Branch.

"Current Mode" shall have the meaning specified in Section 15.11(A)(i).

"Daily Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Daily Rate.

"Daily Rate" shall mean the per annum interest rate on any Series 2008 B Bond in the Daily Mode determined pursuant to Section 15.08(A).

"Daily Rate Period" shall mean the period during which a Series 2008 B Bond in the Daily Mode shall bear a Daily Rate, which shall be from the Business Day upon which a Daily Rate is set to but not including the next succeeding Business Day.

"Draw Request" means a request by the Tender Agent under a Liquidity Facility or an Alternate Liquidity Facility for the payment of the Purchase Price of Series 2008 B Bonds in accordance with the terms of the Indenture.

"Electronic Means" shall mean telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

"Existing Owner" shall mean a Person who is listed as the Beneficial Owner of the Series 2008 B Bonds in the records of the Auction Agent.

"Expiration Date" shall mean the stated expiration date of the Credit Facility or the Liquidity Facility, as it may be extended from time to time as provided in the Credit Facility or the Liquidity Facility, or any earlier date on which the Credit Facility or the Liquidity Facility shall terminate, expire or be cancelled.

"Favorable Opinion of Bond Counsel" shall mean, with respect to any action the occurrence of which requires such an opinion, an unqualified Opinion of Bond Counsel, to the effect that such action is permitted under the Bond Law and the Indenture and will not impair the exclusion of interest on the Series 2008 B Bonds from gross income for purposes of Federal income taxation or the exemption of interest on the Series 2008 B Bonds from personal income taxation under the laws of the State (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Series 2008 B Bonds).

"Fixed Rate" shall mean the per annum interest rate on any Series 2008 B Bond in the Fixed Rate Mode determined pursuant to Section 15.09(B).

"Fixed Rate Bond" shall mean a Series 2008 B Bond in the Fixed Rate Mode.

"Fixed Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Fixed Rate.

"Fixed Rate Period" shall mean for the Series 2008 B Bonds in the Fixed Rate Mode, the period from the Mode Change Date upon which such Series 2008 B Bonds were converted to the Fixed Rate Mode to but not including the Maturity Date for such Series 2008 B Bonds.

"Flexible Rate Bond" shall mean a Series 2008 B Bond in the Flexible Mode.

"Flexible Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Flexible Rate.

"Flexible Rate" shall mean the per annum interest rate on a Flexible Rate Bond determined for such Flexible Rate Bond pursuant to Section 15.07. The Flexible Rate Bonds may bear interest at different Flexible Rates.

"Flexible Rate Period" shall mean the period of from one to 270 calendar days (which period must end on a Business Day) during which a Flexible Rate Bond shall bear interest at a Flexible Rate, as established by the Remarketing Agent pursuant to Section 15.07. The Flexible Rate Bonds may be in different Flexible Rate Periods.

"Hold Order" has the meaning specified in Section 15.27(A)(i).

"Indenture" shall mean the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, by and between the City and the Trustee, as supplemented from time to time or as amended by any Supplemental Indenture delivered pursuant to the provisions thereof.

"Interest Accrual Period" shall mean the period during which a Series 2008 B Bond accrues interest payable on the next Interest Payment Date applicable thereto. With respect to any Mode, each Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from the date of original authentication and delivery of the Series 2008 B Bonds, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. If, at the time of authentication of any Series 2008 B Bond, interest is in default or overdue on the Series 2008 B Bonds, such Series 2008 B Bond shall bear interest from the date to which interest has previously been paid in full or made available for payment in full on Outstanding Series 2008 B Bonds.

"Interest Payment Date" shall mean each date on which interest is to be paid and is: (1) with respect to Flexible Rate Bonds, each Mandatory Purchase Date applicable thereto; (2) with respect to the Series 2008 B Bonds in the Daily Mode or Weekly Mode, the first Business Day of each month; (3) with respect to the Series 2008 B Bonds in a Long-Term Mode, the first day of the sixth calendar month following the month in which such Long-Term Mode takes effect, and the first day of each sixth calendar month thereafter or, upon the receipt by the Trustee of a Favorable Opinion of Bond Counsel, any other six-month interval chosen by the City (beginning with the first such day which is at least three months after the Mode Change Date) and, with respect to a Term Rate Period, the Remarketing Agent, or the final day of the current Interest Period if other than a regular six-month interval; (4) with respect to Series 2008

B Bonds in the Auction Rate Mode, (a) when used with respect to any Auction Period other than a daily Auction Period or a Special Auction Period, the Business Day immediately following such Auction Period, (b) when used with respect to a daily Auction Period, the first Business Day of the month immediately following such Auction Period, (c) when used with respect to a Special Auction Period of (i) seven or more but fewer than 92 days, the Business Day immediately following such Special Auction Period, or (ii) 92 or more days, each thirteenth Auction Period Day for such Series 2008 B Bonds after the first day of such Special Auction Period or the next Business Day if such Auction Period Day is not a Business Day and on the Business Day immediately following such Special Auction Period, and (d) each Mandatory Purchase Date; (5) (without duplication as to any Interest Payment Date set forth above) any Mode Change Date and each Maturity Date; and (6) with respect to any Liquidity Provider Bonds, the dates set forth in the Reimbursement Agreement. The first Interest Payment Date for the Series 2008 B Bonds shall be _____ 1, 2008.

"Interest Period" shall mean, for the Series 2008 B Bonds in a particular Mode, the period of time that such Series 2008 B Bonds bear interest at the rate (per annum) which becomes effective at the beginning of such period, and shall include a Flexible Rate Period, a Daily Rate Period, a Weekly Rate Period, a Term Rate Period, a Fixed Rate Period and an Auction Rate Period.

"Liquidity Facility" shall mean any letter of credit, line of credit, standby purchase agreement or other instrument, in each case acceptable to the Credit Provider, then in effect which provides for the purchase of Series 2008 B Bonds upon the tender thereof in the event remarketing proceeds are insufficient therefor. The initial Liquidity Facility for the Series 2008 B Bonds shall be the Irrevocable Letter of Credit dated as of _____, 2008 issued by Dexia Credit Local, acting through its New York Branch.

"Liquidity Facility Purchase Account" shall mean the account by that name established pursuant to Section 15.23(E).

"Liquidity Provider" shall mean any bank, insurance company, pension fund or other financial institution which provides a Liquidity Facility or Alternate Liquidity Facility for the Series 2008 Bonds. The initial Liquidity Provider for the Series 2008 B Bonds shall be Dexia Credit Local, acting through its New York Branch.

"Liquidity Provider Bonds" shall mean any Series 2008 B Bonds purchased by the Liquidity Provider with funds drawn on or advanced under the Liquidity Facility.

"Long-Term Mode" shall mean a Term Rate Mode or a Fixed Rate Mode.

"Mandatory Purchase Date" shall mean: (1) with respect to a Flexible Rate Bond the first Business Day following the last day of each Flexible Rate Period with respect to such Flexible Rate Bond, (2) for Series 2008 B Bonds in the Term Rate Mode, on the first Business Day following the last day of each Term Rate Period, (3) any Mode Change Date, (4) any date specified for a Mandatory Standby Tender pursuant to Section 15.14(D) or (5) any date specified for a mandatory tender for purchase upon the substitution, termination or expiration of the Liquidity Facility or Credit Facility pursuant to Section 15.14(D).

"Mandatory Standby Tender" shall mean the mandatory tender of Series 2008 Bonds of a Series pursuant to Section 15.14(D) hereof upon receipt by the Trustee of written notice from the Liquidity Provider that an event with respect to the Liquidity Facility has occurred which requires or gives the Liquidity Provider the option to terminate the Liquidity Facility upon notice and requires that all Outstanding Series 2008 B Bonds secured by such Liquidity Facility be tendered for purchase. Mandatory Standby Tender shall not include circumstances where the Liquidity Provider may suspend or terminate its obligations to purchase securities without notice, in which case there will be no mandatory tender.

"Maturity Date" with respect to any Series 2008 B Bond shall mean the dates set forth in Section 15.03(C), or, if established pursuant to Section 15.11(B)(v) upon a change to the Fixed Rate Mode, the Serial Maturity Date of such Series 2008 B Bond.

"Maximum Rate" shall mean (1) with respect to Liquidity Provider Bonds, the maximum rate set forth in the Liquidity Facility and (2) with respect to all other Series 2008 B Bonds, the lesser of a rate of interest of twelve percent (12%) per annum or the maximum interest rate permitted by law.

"Mode" shall mean, as the context may require, the Flexible Mode, the Daily Mode, the Weekly Mode, the Term Rate Mode, the Fixed Rate Mode or the Auction Rate Mode.

"Mode Change Date" shall mean with respect to the Series 2008 B Bonds in a particular Mode, the day on which another Mode for such Series 2008 B Bonds begins.

"Mode Change Notice" shall mean the notice from the City to the other Notice Parties of the City's intention to change the Mode with respect to Series 2008 B Bonds.

"New Mode" shall have the meaning specified in Section 15.11(A)(i).

"Notice Parties" shall mean the City, the Trustee, the Tender Agent, the Remarketing Agent, the Credit Provider and the Liquidity Provider.

"Order" shall mean a Hold Order, Bid or Sell Order.

"Owner" means the registered owner of any Series 2008 B Bond.

"Person" means an individual, corporation, firm, association, limited liability company, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Potential Owner" shall mean any Person, including any Existing Owner, who may be interested in acquiring a beneficial ownership interest in the Series 2008 B Bonds in addition to the Series 2008 B Bonds currently owned by such Person, if any.

"Principal Office" shall mean, with respect to the Auction Agent and the Tender Agent, the office thereof designated in writing to the City, the Trustee and each Broker-Dealer.

"Principal Payment Date" shall mean any date upon which the principal amount of the Series 2008 B Bonds is due under the Indenture, including the Maturity Date, any Serial

Maturity Date, any Redemption Date, or the date the maturity of any Series 2008 B Bond is accelerated pursuant to the terms of the Indenture or otherwise.

"Purchase Date" shall mean (1) for a Series 2008 B Bond in the Daily Mode or the Weekly Mode, any Business Day selected by the Beneficial Owner of said Series 2008 B Bond pursuant to the provisions of Section 15.14(A), and (2) any Mandatory Purchase Date.

"Purchase Fund" shall mean the fund by that name created in Section 15.23(E).

"Purchase Price" shall mean an amount equal to the principal amount of any Series 2008 B Bonds purchased on any Purchase Date, plus, in the case of any purchase of Series 2008 B Bonds in the Daily Mode or the Weekly Mode purchased on a date that is not an Interest Payment Date and Series 2008 B Bonds purchased on a Mandatory Purchase Date that is not an Interest Payment Date, accrued interest, if any.

"Rate Determination Date" shall mean any date on which the interest rate on Series 2008 B Bonds shall be determined, which, (1) in the case of the Flexible Mode, shall be the first day of an Interest Period; (2) in the case of the Daily Mode, shall be each Business Day commencing with the first day (which must be a Business Day) such Series 2008 B Bonds become subject to the Daily Mode; (3) in the case of the Weekly Mode, shall be the Tuesday immediately preceding each Weekly Rate Period after the first Weekly Rate Period, or, if Tuesday is not a Business Day, then the Business Day next succeeding such Tuesday; (4) in the case of the Term Rate Mode, shall be a Business Day no earlier than 15 Business Days and no later than the Business Day next preceding the first day of an Interest Period, as determined by the Remarketing Agent; and (5) in the case of the Fixed Rate Mode, shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date.

"Rating Agencies" shall mean Moody's, Standard & Poor's and Fitch, as appropriate.

"Rating Confirmation Notice" shall mean a written notice from the Rating Agencies then rating the Series 2008 B Bonds, confirming that the rating on the Series 2008 B Bonds (without giving effect to any Credit Facility) will not be lowered or withdrawn (other than a withdrawal of a short-term rating upon a change to a Long-Term Mode) as a result of the action proposed to be taken.

"Record Date" shall mean (1) with respect to Series 2008 B Bonds in a Short-Term Mode, the last Business Day before an Interest Payment Date, (2) with respect to Series 2008 B Bonds in a Long-Term Mode, the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date and (3) with respect to Series 2008 B Bonds in the Auction Rate Mode, the Business Day immediately preceding an Interest Payment Date.

"Redemption Date" shall mean the date fixed for redemption of Series 2008 B Bonds subject to redemption in any notice of redemption given in accordance with the terms of the Indenture.

"Reimbursement Agreement" shall mean any reimbursement agreement, credit agreement, line of credit agreement, standby purchase agreement or other agreement, by and between the Credit Provider or Liquidity Provider, as applicable, and the City. The initial

Reimbursement Agreement shall be the Letter of Credit and Reimbursement Agreement dated as of _____ 1, 2008 by and between the City and Dexia Credit Local, acting through its New York Branch.

"Remarketing Agent" shall mean any investment banking firm which may be appointed by the City as provided in Section 15.24. The initial Remarketing Agent for the Series 2008 B Bonds shall be JPMorgan Chase & Co.

"Remarketing Agreement" shall mean the agreement between the City and the Remarketing Agent setting forth the rights and obligations of the parties relating to the remarketing of the Series 2008 B Bonds, as it may be amended or supplemented from time to time in accordance with its terms.

"Remarketing Proceeds Account" shall mean the account by that name established pursuant to Section 15.23(E).

"Representations Letter" shall mean the Letter of Representations from the City, the Trustee and the Remarketing Agent to the Securities Depository in connection with the issuance of the Series 2008 B Bonds in the Book-Entry System, as supplemented and amended from time to time.

"Securities Depository" shall have the meaning assigned to such term in Section 15.34(A) hereof.

"Sell Order" has the meaning specified in Section 15.27(A)(i).

"Serial Bonds" shall mean the Series 2008 B Bonds maturing on the Serial Maturity Dates, as determined pursuant to Section 15.11(B).

"Serial Maturity Dates" shall mean the dates on which the Serial Bonds mature, as determined pursuant to Section 15.11(B).

"Serial Payments" shall mean the payments to be made in payment of the principal of the Serial Bonds on the Serial Maturity Dates.

"Series 2008 B Bond Reserve Fund" shall mean the fund by that name established pursuant to Section 15.03(D).

"Series 2008 B Bond Reserve Requirement" (i) shall mean an amount which is equal to one-half (½) the maximum aggregate Annual Debt Service for the Series 2008 B Bonds (based upon the Outstanding Series 2008 B Bonds as of the date of calculation); provided, that as of the date of calculation, the amounts on deposit in any unrestricted funds of the Enterprise available for the purpose of paying Operating Expenses and/or Debt Service (exclusive of any amounts on deposit in the Cost Reduction Fund of the City established pursuant to a motion of the City Council duly passed and adopted on May 20, 1997) shall be at least equal to one-half (½) the maximum aggregate Annual Debt Service for the Series 2008 B Bonds; or (ii) in the event that as of the date of calculation, the amounts on deposit in any unrestricted funds of the Enterprise available for the purpose of paying Operating Expenses and/or Debt Service (exclusive of any

amounts on deposit in the Cost Reduction Fund of the City established pursuant to a motion of the City Council duly passed and adopted on May 20, 1997) shall not be at least equal to one-half (½) the maximum Annual Debt Service for the Series 2008 B Bonds, shall mean an amount equal to the maximum aggregate Annual Debt Service for the Series 2008 B Bonds (based upon the Outstanding Series 2008 B Bonds as of the date of calculation); and provided, further, that in the event there is credited to the Series 2008 B Bond Reserve Fund any letter of credit, surety bond or insurance policy (or combination thereof as provided in Section 15.03(D)), the Series 2008 B Bond Reserve Requirement shall in no event be less than the stated amount of such letter of credit, surety bond or insurance policy collectively or individually as the case may be (or combination thereof). Upon the delivery of the Series 2008 B Bonds, the Series 2008 B Bond Reserve Requirement shall be $_____.

"Series 2008 B Costs of Issuance Fund" shall mean the fund by that name established pursuant to Section 15.32.

"Series 2008 B Bonds" shall mean the City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008 B, as described in Section 15.03(A) hereof.

"Short-Term Mode" shall mean the Daily Mode, the Weekly Mode or the Flexible Mode.

"Special Auction Period" for the Series 2008 B Bonds shall mean any period of not less than seven nor more than 1,092 days which is not another Auction Period and which begins on an Interest Payment Date and ends on the day prior to the Auction Period Day for the Series 2008 B Bonds, unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day.

"Submission Deadline" shall mean 1:00 p.m., New York City time, on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date for the Bonds in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent pursuant to the Auction Agreement as the time by which Broker-Dealers are required to submit Orders to the Auction Agent.

"Submitted Bid" has the meaning specified in Section 15.27(C)(ii).

"Submitted Hold Order" has the meaning specified in Section 15.27(C)(ii).

"Submitted Order" has the meaning specified in Section 15.27(C)(ii).

"Submitted Sell Order" has the meaning specified in Section 15.27(C)(ii).

"Substitution Date" shall mean the date upon which an Alternate Credit Facility or Alternate Liquidity Facility is substituted for the Credit Facility or Liquidity Facility then in effect.

"Sufficient Clearing Bids" shall mean with respect to the Series 2008 B Bonds in the Auction Rate Mode, an Auction for which the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Bids by Potential Owners specifying one or more rates

not higher than the Maximum Rate is not less than the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Rate.

"Tender Agent" means each Person qualified under Section 15.25(B) hereof to act as Tender Agent with respect to the Series 2008 B Bonds and so appointed by the City and so acting from time to time, and its successors. The initial Tender Agent shall be The Bank of New York Trust Company, N.A., in San Francisco, California.

"Tender Notice" shall mean a notice delivered by Electronic Means or in writing that states (1) the principal amount of such Series 2008 B Bond to be purchased pursuant to Section 15.14, (2) the Purchase Date on which such Series 2008 B Bond is to be purchased, (3) applicable payment instructions with respect to the Series 2008 B Bonds being tendered for purchase and (4) an irrevocable demand for such purchase.

"Tender Notice Deadline" shall mean (1) during the Daily Mode, 11:00 a.m., New York City time, on the applicable Purchase Date and (2) during the Weekly Mode, 5:00 p.m., New York City time, on the Business Day seven days prior to the applicable Purchase Date.

"Term Rate" shall mean the per annum interest rate for the Series 2008 B Bonds in the Term Rate Mode determined pursuant to Section 15.09(A).

"Term Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Term Rate.

"Term Rate Period" shall mean the period from (and including) the Mode Change Date, to (but excluding) the last day of the first period that the Series 2008 B Bonds shall be in the Term Rate Mode as established by the City for the Series 2008 B Bonds pursuant to Section 15.11(A)(i) and, thereafter, the period from (and including) the beginning date of each successive Interest Rate Period selected for the Series 2008 B Bonds by the City pursuant to Section 15.09(A) while the Series 2008 B Bonds are in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Interest Period, including another Term Rate Period. Except as otherwise provided in the Indenture, an Interest Period for the Series 2008 B Bonds in the Term Rate Mode must be at least 180 days in length.

"Undelivered Bond" means any Series 2008 B Bond which constitutes an Undelivered Bond under the provisions of Section 15.14(F) hereof.

"Weekly Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Weekly Rate.

"Weekly Rate" shall mean the per annum interest rate on the Series 2008 B Bonds in the Weekly Mode determined pursuant to Section 15.08(B).

"Weekly Rate Period" shall mean the period during which the Series 2008 B Bonds in the Weekly Mode shall bear interest at a Weekly Rate, which shall be the period commencing on Wednesday of each week to and including Tuesday of the following week, except the first Weekly Rate Period which shall be from the date of delivery of the Series 2008 B Bonds, to and including the Tuesday of the following week and the last Weekly Rate Period which shall be

from and including the Wednesday of the week prior to the Mode Change Date to and including the day next preceding the Mode Change Date.

"Winning Bid Rate" shall mean with respect to the Series 2008 B Bonds in the Auction Rate Mode, the lowest rate specified in any Submitted Bid which if selected by the Auction Agent as the Auction Rate would cause the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the aggregate principal amount of Available Bonds.

Section 15.03 Authorization; Series 2008 B Bond Reserve Fund.

(A)A fifth Series of Bonds to be issued under the Indenture is hereby created. Such Series shall be known as the "City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B" (the "Series 2008 B Bonds"). The Series 2008 B Bonds shall be issued in the aggregate principal amount of $_____ in accordance with the Bond Law and this Indenture for the purpose of refunding on a current basis all of the outstanding Series 1998 A Bonds, funding the Series 2008 B Bond Reserve Fund and paying the costs of issuance of the Series 2008 B Bonds.

(B)The Series 2008 B Bonds shall be issued in fully registered form and shall be initially issued registered in the name of "Cede & Co.," as nominee of The Depository Trust Company. Each Series 2008 B Bond may be assigned by the Trustee a distinctive number or letter and number, and a record of the same shall be maintained by the Trustee. Registered ownership of the Series 2008 B Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 15.34.

(C)The Series 2008 B Bonds shall be dated the date of delivery thereof, shall be Bonds which are Current Interest Indebtedness, shall be issued in Authorized Denominations and shall mature on July 1 in the following years in the following amounts:

Maturity Date (July 1)	Principal Amount	CUSIP Number
	$	

(D)The Series 2008 B Bonds shall initially bear interest as provided in Section 15.12.

(E)(i) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2008 B Bond Reserve Fund." On the date of issuance of the Series 2008 B Bonds, the Trustee shall deposit to the Series 2008 B Bond Reserve Fund from the proceeds of the Series 2008 B Bonds the amount of $_____, which amount, shall be equal to the Series 2008 B Bond Reserve Requirement. In addition, the Trustee shall deposit in the Series 2008 B Bond Reserve Fund, from any amount remaining in the Subordinated Net Revenue Fund, on any

interest payment date following the transfer to the Interest Fund and the Principal Fund as required by Section 4.02(A)(i) and (2) of the Indenture, that amount of money which shall be required either (i) to maintain the Series 2008 B Bond Reserve Fund in the full amount of the Series 2008 B Bond Reserve Requirement or (ii) to repay any and all obligations due and payable under the terms and conditions of any letter of credit provided in Section 15.03(E)(ii) or insurance policy or surety bond provided for in Section 15.03(E)(iii). No deposit need be made in the Series 2008 B Bond Reserve Fund so long as there shall be on deposit therein a sum equal to at least the amount required by this Section 15.03(E)(iii) to be on deposit therein. The Series 2008 B Bond Reserve Requirement shall be calculated and determined upon the issuance of the Series 2008 B Bonds and upon the issuance of any additional series of Bonds, and the City may, but need not, recalculate the requirement at any other time. Whenever the amount on deposit in the Series 2008 B Bond Reserve Fund is less than the Series 2008 B Bond Reserve Requirement, notice thereof shall be provided to the Credit Provider and such amount shall be increased to the Series 2008 B Bond Reserve Requirement as provided for in this Section 15.03(E)(i) not later than twelve months thereafter.

All amounts in the Series 2008 B Bond Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes of making up any deficiency in the Interest Fund or the Principal Fund, or (together with any other moneys available therefor) for the payment or redemption of all Series 2008 B Bonds then Outstanding, or for the payment of the final principal and interest payments of the Series 2008 B Bonds. Any amounts in the Series 2008 B Bond Reserve Fund in excess of the Series 2008 B Bond Reserve Requirement shall be transferred by the Trustee to the City on January 1 and July 1 of each year. Moneys in the Series 2008 B Bond Reserve Fund shall be invested, as directed by the City, in (i) Investment Securities or (ii) investment agreements with a domestic, or foreign bank or corporation (other than a life or property casualty insurance company) registered and operating within the United States of America, the long-term debt of which, or, in the case of a guaranteed corporation, the long-term debt or claims paying ability of the guarantor of which, or, in the case of a monoline financial guaranty insurance company, the claims paying ability of which, at the time of execution of such investment agreement is rated in at least the second highest Rating Category by the Rating Agencies then rating the long-term debt or claims paying ability of such entity ("Investment Agreements"), with a maturity date no later than the final maturity date of the Series 2008 B Bonds. All Investment Securities credited to the Series 2008 B Bond Reserve Fund shall be valued at the cost thereof and all Investment Agreements credited to the Series 2008 B Bond Reserve Fund shall be valued at the face amount invested thereunder.

(ii)The City may provide for all or part of the Series 2008 B Bond Reserve Fund by delivering to the Trustee an irrevocable letter of credit issued by a financial institution having unsecured debt obligations rated in one of the two highest Rating Categories of the Rating Agencies then rating such institution, securing an amount, together with moneys, Investment Securities, Investment Agreements or surety bonds or insurance policies (as described in Section 15.03(E)(iii)) on deposit in the Series 2008 B Bond Reserve Fund, equal to the Series 2008 B Bond Reserve Requirement. Such letter of credit shall have an original term of no less than three (3) years or, if less, to the maturity date of the Series 2008 B Bonds and such letter of credit shall provide by its terms that it may be drawn upon as provided in this Section 15.03(D). At least one year prior to the stated expiration of such letter of credit, the City shall either (i) deliver a replacement letter of credit, (ii) deliver an extension of the letter of credit for at least an

additional year or, if less, to the maturity date of the Series 2008 B Bonds or (iii) deliver to the Trustee a surety bond or an insurance policy satisfying the requirements of Section 15.03(E)(iii) below. Upon delivery of such replacement letter of credit, extended letter of credit, or surety bond or insurance policy, the Trustee shall deliver the then-effective letter of credit to or upon the order of the City. If the City shall fail to deposit a replacement letter of credit, extended letter of credit, surety bond or insurance policy with the Trustee, the City shall immediately commence to make monthly deposits with the Trustee so that an amount equal to the Series 2008 B Bond Reserve Requirement will be on deposit in the Series 2008 B Bond Reserve Fund no later than the stated expiration date of the letter of credit. If an amount equal to the Series 2008 B Bond Reserve Requirement as of the date following the expiration of the letter of credit is not on deposit in the Series 2008 B Bond Reserve Fund one week prior to the stated expiration date of the letter of credit (excluding from such determination the letter of credit), the Trustee shall draw on the letter of credit to fund the amount of any such deficiency in the Series 2008 B Bond Reserve Fund.

(iii)The City may also provide for all or part of the Series 2008 B Bond Reserve Fund by delivering to the Trustee a surety bond or an insurance policy securing an amount, together with moneys, Investment Securities, Investment Agreements or letters of credit on deposit in the Series 2008 B Bond Reserve Fund, equal to the Series 2008 B Bond Reserve Requirement. Such surety bond or insurance policy shall be issued by an insurance company whose unsecured debt obligations (or obligations secured by such insurance company's insurance policies) are rated in one of the two highest Rating Categories of Moody's and/or Fitch and Standard & Poor's. Such surety bond or insurance policy shall have a term of no less than the maturity date of the Series 2008 B Bonds. In the event that such surety bond or insurance policy for any reason lapses or expires, the City shall immediately implement (i) or (iii) of the preceding paragraph (2) or make the required deposits to the Series 2008 B Bond Reserve Fund.

(iv)All amounts in the Series 2008 B Bond Reserve Fund (including all amounts which may be obtained from letters of credit and surety bonds and insurance policies on deposit in the Series 2008 B Bond Reserve Fund) may be used and withdrawn by the Trustee, as hereinafter provided, solely for the purpose of making up any deficiency in the Interest Fund or the Principal Fund. In the event of any deficiency in the Interest Fund or Principal Fund for the payment of principal and interest payments for the Bonds, Subordinated Net Revenues shall be applied in accordance with Section 6.02 of the Indenture without regard to the existence of any reserve fund for any Series of Bonds. After first applying all cash and Investment Securities or Investment Agreements held in the Series 2008 B Bond Reserve Fund to pay the Bond Obligation of, Mandatory Sinking Account Payments with respect to, and interest on, the Series 2008 B Bonds when due, the Trustee shall, on a pro rata basis with respect to the portion of the Series 2008 B Bond Reserve Fund held in the form of letters of credit and amounts held in the form of surety bonds and insurance policies (calculated by reference to the maximum amounts of such letters of credit and surety bonds and insurance policies), draw under each letter of credit or surety bond or insurance policy issued with respect to the Series 2008 B Bond Reserve Fund, in a timely manner and pursuant to the terms of such letter of credit or surety bond or insurance policy to the extent necessary in order to obtain sufficient funds on or prior to the date such funds are needed to pay the Bond Obligation of, Mandatory Sinking Account Payments with respect to, and interest on, the Series 2008 B Bonds when due. In the event that the Trustee has written notice from the City or any Series 2008 B Bondholder that any payment of principal of, or

interest on, a Series 2008 B Bond has been recovered from a Series 2008 B Bondholder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee, pursuant to and provided that the terms of the letter of credit or surety bond or insurance policy, if any, credited to the Series 2008 B Bond Reserve Fund so provide, shall so notify the issuer thereof and draw on such letter of credit or surety bond or insurance policy to the lesser of the extent required or the maximum amount of such letter of credit or surety bond or insurance policy in order to pay to such Series 2008 B Bondholders the principal of and interest so recovered. All amounts in the Series 2008 B Bond Reserve Fund (other than amounts that may be obtained from letters of credit and surety bonds and insurance policies on deposit in the Series 2008 B Bond Reserve Fund) may be used and withdrawn by the Trustee, if so directed by the City, for the payment or redemption of all Series 2008 B Bonds then Outstanding, or for the payment of the final principal and interest payments of the Series 2008 B Bonds.

Section 15.04 Denominations, Medium, Method and Place of Payment and Dating of Series 2008 B Bonds.

The Series 2008 B Bonds shall be initially be Bonds which are Variable Rate Indebtedness. The Series 2008 B Bonds shall initially be delivered in an a Weekly Mode. The Series 2008 B Bonds shall be issued in fully registered form in Authorized Denominations. The principal of and premium, if any, and interest on the Series 2008 B Bonds shall be payable in lawful money of the United States of America. So long as the Series 2008 B Bonds are in the Book-Entry System, interest on the Series 2008 B Bonds shall be paid by the Trustee on each Interest Payment Date by wire transfer of immediately available funds to an account and by the time specified by the Securities Depository. The principal of and premium, if any, on each Series 2008 B Bond shall be payable on the Principal Payment Date of such Series 2008 B Bond upon surrender thereof at the office of the Trustee.

Except as may be specifically set forth herein, the Trustee, the Remarketing Agent and the City may treat the Owner of a Series 2008 B Bond as the absolute owner thereof for all purposes, whether or not such Series 2008 B Bond shall be overdue, and the Trustee, the Remarketing Agent and the City shall not be affected by any knowledge or notice to the contrary. Payment of the principal of and premium, if any, and interest on each Series 2008 B Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability of such Bond to the extent of the sum or sums so paid. All Series 2008 B Bonds at maturity or on earlier redemption paid pursuant to the provisions of this Section shall be cancelled by the Trustee.

Each Series 2008 B Bond shall be dated the date of delivery thereof and shall bear interest at the applicable rate or rates during each applicable Interest Accrual Period until the entire Principal Amount thereof has been paid.

Section 15.05 Payment of Principal and Interest of Series 2008 B Bonds; Acceptance of Terms and Conditions.

(A)The interest on each Series 2008 B Bond shall become due and payable on each Interest Payment Date of such Series 2008 B Bond to and including the Maturity Date of such

Series 2008 B Bond, and on each Redemption Date and on the date of any acceleration prior thereto. The principal of each Series 2008 B Bond shall become due and payable on the Principal Payment Date of such Series 2008 B Bond.

(B)By the acceptance of its Series 2008 B Bond or beneficial ownership interest therein, the Owner and each Beneficial Owner thereof shall be deemed to have agreed to all the terms and provisions of such Series 2008 B Bond as specified in such Series 2008 B Bond and the Indenture, including without limitation the applicable Interest Periods, interest rates (including any applicable Alternate Rate), Purchase Dates, Mandatory Purchase Dates, Purchase Prices, mandatory and optional purchase and redemption provisions applicable to such Series 2008 B Bond, method and timing of purchase, redemption and payment. Such Owner and each Beneficial Owner further agree that if, on any date upon which its Series 2008 B Bond is to be purchased, redeemed or paid at maturity or earlier due date, funds are on deposit with the Trustee to pay the full amount due on such Series 2008 B Bond, then such Owner or Beneficial Owner shall have no rights under the Indenture other than to receive such full amount due with respect to such Series 2008 B Bond and that interest on such Series 2008 B Bond shall cease to accrue as of such date.

(C)While any Series 2008 B Bonds are Liquidity Provider Bonds, such Liquidity Provider Bonds shall bear interest and be payable at the times and in the amounts required under the Liquidity Facility.

(D)There is hereby established and there shall be maintained with the Trustee a separate fund to be known as the "Series 2008 B Credit Facility Proceeds Account." The Series 2008 B Credit Facility Proceeds Account shall be held in trust for the exclusive benefit of the Bondholders of the Series 2008 B Bonds. Amounts held in the Series 2008 B Credit Facility Proceeds Account shall be held uninvested and separate and apart from all other funds and accounts.

(E)Notwithstanding anything to the contrary herein, so long as the Series 2008 B Bonds are secured by the initial Credit Facility, the Trustee shall pay the following from draws made under the initial Credit Facility, as and to the extent provided in the Credit Facility:

(i)the principal of Series 2008 B Bonds due upon the maturity thereof;

(ii)the interest on the Series 2008 B Bonds;

(iii)the Mandatory Sinking Account Payments for the Series 2008 B Bonds pursuant to Section 15.13(E);

(iv)the Redemption Price and any accrued interest due on the Series 2008 B Bonds upon the optional redemption thereof;

(v)the principal and interest due upon the acceleration of Series 2008 B Bonds pursuant to Section 6.02 of the Indenture;

provided, however, that if the Trustee has not received sufficient funds for making payments due under clauses (i), (ii), (iii), (iv) and (v) from the Credit Provider by 2:00 p.m., New York City

time, due to default, repudiation or dishonor by the Credit Provider, the Trustee shall notify the City by Electronic Means of such deficiency no later than 3:00 p.m., New York City time, and shall compensate for such deficiency by immediately transferring any necessary amounts from the Subordinated Net Revenue Fund to the Interest Fund and to the Principal Fund, as appropriate, to make such payments as provided in Section 4.02 of the Indenture. The Trustee shall make draws under the Credit Facility in accordance with its terms and in sufficient time so that proceeds from the Credit Facility will be available to make such payment on the Series 2008 B Bonds on a timely basis. The Trustee shall deposit in the Series 2008 B Credit Facility Proceeds Account all proceeds of draws made under the Credit Facility and shall make payments on the Series 2008 B Bonds from the Series 2008 B Credit Facility Proceeds Account to the extent described in this Section. The Trustee shall immediately reimburse the Credit Provider from moneys in the Principal Fund and Interest Fund, as applicable, or from moneys in the Series 2008 B Bond Reserve Fund as required.

(F)In no event shall the Trustee draw on the Credit Facility with respect to any payments made in connection with Series 2008 B Bonds not secured by the Credit Facility or Series 2008 B Bonds owned by the City.

Section 15.06 Calculation and Payment of Interest; Change in Mode; Maximum Rate.

(A)Interest on Series 2008 B Bonds in a Short-Term Mode shall be calculated on the basis of a 365 or 366 day year for the actual number of days elapsed. The initial interest rate borne by the Series 2008 B Bonds shall be as provided in Section 15.12. Interest on Series 2008 B Bonds in a Long-Term Mode shall be calculated on the basis of a 360 day year comprised of twelve 30-day months. Interest on Series 2008 B Bonds in the Auction Rate Mode shall be calculated on the basis of a 360 day year for the actual number of days elapsed if such Series 2008 B Bonds are in a mode of 180 days or less, and interest on Series 2008 B Bonds in the Auction Rate Mode shall be calculated on the basis of a 360 day year comprised of twelve 30-day months if such Series 2008 B Bonds are in a mode which is greater than 180 days. Payment of unpaid interest accrued on each Series 2008 B Bond during each Interest Accrual Period shall be made on the applicable Interest Payment Date for such Series 2008 B Bond to the Owner of record of such Series 2008 B Bond on the applicable Record Date.

(B)All of the Series 2008 B Bonds shall be in the same Mode at the same time; provided, that the Series 2008 B Bonds in any Mode other than a Fixed Rate Mode may be changed to any other Mode at the times and in the manner hereinafter provided. Subsequent to such change in Mode (other than a change to a Fixed Rate Mode), the Series 2008 B Bonds may again be changed to a different Mode at the times and in the manner hereinafter provided. A Fixed Rate Mode shall be in effect until the Maturity Date, or acceleration thereof prior to the Maturity Date, and Series 2008 B Bonds in a Fixed Rate Mode may not be changed to any other Mode.

(C)No Series 2008 B Bonds shall bear interest at an interest rate higher than the Maximum Rate.

(D)In the absence of manifest error, the determination of interest rates (including any determination of rates in connection with a New Mode) and Interest Periods by the Remarketing Agent or the Auction Agent and the record of interest rates maintained by the Trustee shall be

conclusive and binding upon the Remarketing Agent, the Auction Agent, each Broker-Dealer, the Trustee, the City, the Owners and the Beneficial Owners.

Section 15.07 Determination of Flexible Rates and Interest Periods During Flexible Mode.

An Interest Period for the Flexible Rate Bonds shall be of such duration of from one to 270 calendar days, ending on the day prior to a Business Day or the day prior to the Maturity Date, as the Remarketing Agent shall determine in accordance with the provisions of this Section. A Flexible Rate Bond may have an Interest Period, and bear interest at a Flexible Rate, different than another Flexible Rate Bond. In making the determinations with respect to Interest Periods, subject to limitations imposed by the second preceding sentence and in Section 15.06, on each Rate Determination Date for a Flexible Rate Bond, the Remarketing Agent shall select for such Series 2008 B Bond the Interest Period which would result in the Remarketing Agent being able to remarket such Series 2008 B Bond at par in the secondary market at the lowest average interest cost; provided, that if the Remarketing Agent has received notice from the City that the Series 2008 B Bonds are to be changed from the Flexible Mode to any other Mode, the Remarketing Agent shall select Interest Periods which do not extend beyond the resulting applicable Mandatory Purchase Date of the Series 2008 B Bonds.

Except while the Series 2008 B Bonds are registered in a Book-Entry System, in order to receive payment of the Purchase Price the Owner of any Flexible Rate Bond must present such Flexible Rate Bond to the Trustee, not later than 12:00 noon on the Rate Determination Date, in which case the Trustee shall pay the Purchase Price to such Owner not later than 2:30 p.m., New York City time, on the same day.

Not later than 1:00 p.m., New York City time, on each Rate Determination Date, the Remarketing Agent, with respect to each Flexible Rate Bond which is subject to adjustment on such date, shall determine the Flexible Rate(s) for the Interest Periods then selected for such Flexible Rate Bond and shall give notice by Electronic Means to the Trustee and the City of the Interest Period, the Purchase Date(s) and the Flexible Rate(s). The Remarketing Agent shall make the Flexible Rate and Interest Period available after 2:00 p.m., New York City time, on each Rate Determination Date by telephone or Electronic Means to any Beneficial Owner or Notice Party requesting such information.

Section 15.08 Determination of Interest Rates During the Daily Mode and the Weekly Mode.

The interest rate for the Series 2008 B Bonds in the Daily Mode or Weekly Mode shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, on the basis of an examination of obligations comparable to the Series 2008 B Bonds known by the Remarketing Agent to have been priced or traded under then-existing market conditions, would result in the sale of the Series 2008 B Bonds in the Daily Rate Period or Weekly Rate Period, as applicable, at a price equal to the principal amount thereof, plus interest, if any, accrued through the Rate Determination Date during the then current Interest Accrual Period.

(A)During the Daily Mode, the Remarketing Agent shall establish the Daily Rate not later than 9:30 a.m., New York City time, on each Rate Determination Date. The Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date. The Remarketing Agent shall make available by Electronic Means to the Trustee and the City (i) after 10:30 a.m., New York City time, on the Friday of each week (or, if such Friday is not a Business Day, the preceding Business Day), the Daily Rate for each Daily Rate Period in such week and, without duplication, (ii) after 10:30 a.m., New York City time, on the last Business Day of each month, the Daily Rate for each Daily Rate Period in the week that includes the last Business Day of such month.

(B)During the Weekly Mode, the Remarketing Agent shall establish the Weekly Rate not later than 4:00 p.m., New York City time, on each Rate Determination Date. The Weekly Rate shall be in effect during the applicable Weekly Rate Period. The Remarketing Agent shall make the Weekly Rate available by Electronic Means to the Trustee and the City on the Business Day after the Rate Determination Date.

Section 15.09 Determination of Term Rates and Fixed Rates.

(A)Term Rates. Except as provided in the immediately succeeding paragraph, once the Series 2008 B Bonds are changed to the Term Rate Mode, the Series 2008 B Bonds shall continue in the Term Rate Mode until changed to another Mode in accordance with Section 15.11. The Term Rate shall be determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Rate Determination Date, and the Remarketing Agent shall make the Term Rate available by telephone or by Electronic Means to any Notice Party requesting such rate. The Term Rate shall be the minimum rate which, in the sole judgment of the Remarketing Agent, would result in a sale of the Series 2008 B Bonds in the Term Rate Mode at a price equal to the principal amount thereof on the Rate Determination Date for the Interest Period selected by the City in writing delivered to the Remarketing Agent before such Rate Determination Date. If a new Interest Period is not selected by the City prior to a Rate Determination Date (for a reason other than a court prohibiting such selection), the new Interest Period shall be the same length as the current Interest Period (or such shorter period as shall be necessary to comply with the next sentence). No Interest Period in the Term Rate Mode may extend beyond the Maturity Date. The Remarketing Agent shall make the Term Rate available by telephone or Electronic Means after 5:00 p.m., New York City time, on the Rate Determination Date to any Notice Party requesting such Term Rate. Upon request of any Notice Party the Trustee shall give notice of such rate by Electronic Means.

(B)Fixed Rates. The Remarketing Agent shall determine the Fixed Rate for the Series 2008 B Bonds being converted to the Fixed Rate Mode in the manner and at the times as follows: not later than 4:00 p.m., New York City time, on the applicable Rate Determination Date, the Remarketing Agent shall determine the Fixed Rate (or Fixed Rates, if such Series 2008 B Bonds will have Serial Maturity Dates in accordance with Section 15.11(B)(v)). Except as set forth in Section 15.11(B)(v), the Fixed Rate shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of the Series 2008 B Bonds in the Fixed Rate Mode at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall make the Fixed Rate available by telephone or by Electronic Means after 5:00 p.m., New York City time, on the Rate Determination Date to any Notice Party

requesting such Fixed Rate. Upon request of any Notice Party the Trustee shall give notice of such Fixed Rate by Electronic Means. Subject to Section 15.11(B)(v), the Fixed Rate so established shall remain in effect until the Maturity Date of such Series 2008 B Bonds.

Section 15.10 Alternate Rates.

The following provisions shall apply in the event (i) the Remarketing Agent fails or is unable to determine the interest rate or Interest Period for the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode, (ii) the method by which the Remarketing Agent determines the interest rate or Interest Period with respect to the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode (or the selection by the City of the Interest Periods for Series 2008 B Bonds in the Term Rate Mode) shall be held to be unenforceable by a court of law of competent jurisdiction or (iii) if the Remarketing Agent suspends its remarketing effort in accordance with the Remarketing Agreement. These provisions shall continue to apply until such time as the Remarketing Agent (or the City, if applicable) again makes such determinations. In the case of clause (ii) of this Section, the Remarketing Agent (or the City, if applicable) shall again make such determination at such time as there is delivered to the Remarketing Agent and the City an Opinion of Bond Counsel to the effect that there are no longer any legal prohibitions against such determinations. The following shall be the methods by which the interest rates and, in the case of the Flexible and Term Rate Modes, the Interest Periods, shall be determined for the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode as to which any of the events described in clauses (i), (ii) or (iii) of this Section shall be applicable. Such methods shall be applicable to the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode from and after the date any of the events described in clauses (i), (ii) or (iii) of this Section first become applicable to such Series 2008 B Bonds until such time as the events described in clauses (i), (ii) or (iii) of this Section are no longer applicable to such Series 2008 B Bonds. These provisions shall not apply if the City fails to select an Interest Period for the Series 2008 B Bonds in the Term Rate Mode for a reason other than as described in clause (ii) of this Section.

(A)For Flexible Rate Bonds, the next Interest Period shall be from, and including, the first day following the last day of the current Interest Period for such Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate for such Series 2008 B Bonds shall be the applicable Alternate Rate in effect on the Business Day that begins an Interest Period.

(B)The Series 2008 B Bonds then in the Daily Mode or the Weekly Mode shall bear interest during each subsequent Interest Period at the Alternate Rate in effect on the first day of such Interest Period.

(C)The Series 2008 B Bonds then in the Term Rate Mode shall automatically convert to Flexible Rate Bonds, with an Interest Period commencing on the first day following the last day of the current Interest Period for such Series 2008 B Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate

for such Series 2008 B Bonds shall be the applicable Alternate Rate in effect at the beginning of each such Interest Period.

Section 15.11 Changes in Mode.

Subject to the provisions of this Section, the City may effect a change in Mode with respect to the Series 2008 B Bonds by following the procedures set forth in this Section. With respect to a change to or from Series 2008 B Bonds in the Auction Rate Mode, in the event of a conflict between the provisions of this Section and the provisions in Section 15.26, the provisions in Section 15.26 shall prevail.

(A)Changes to Modes Other Than Fixed Rate Mode. The Series 2008 B Bonds (other than Series 2008 B Bonds in the Fixed Rate Mode) may be changed from one Mode (other than the Fixed Rate Mode) to another Mode, as follows:

(i)Mode Change Notice; Notice to Owners. No later than a Business Day which is at least 30 days (or such shorter time as may be agreed to by the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent) preceding the proposed Mode Change Date, the City shall give written notice to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (for purposes of this Section, the "Current Mode") to another Mode (for purposes of this Section, the "New Mode") specified in such written notice, and, if the change is to a Term Rate Mode, the length of the initial Interest Period as set by the City. Notice of the proposed change in Mode shall be given by the Trustee to the Owners of such Series 2008 B Bonds not less than 15 days preceding the Mode Change Date. Such notice shall state: (A) the Series 2008 B Bonds to be converted, the Mode to which the conversion will be made and the Mode Change Date; (B) that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds; and (C) if the Book-Entry System is no longer in effect, information with respect to required delivery of Series 2008 B Bond certificates and payment of Purchase Price.

(ii)Determination of Interest Rates. The New Mode shall commence on the Mode Change Date and the interest rate(s) (together, in the case of a change to the Flexible Mode, with the Interest Period(s)) shall be determined by the Remarketing Agent (or the City in the case of Series 2008 B Bonds converted to the Term Rate Mode, or as specified in Section 15.26 in the case of Series 2008 B Bonds converted to the Auction Rate Mode) in the manner provided in Section 15.07, Section 15.08, and Section 15.09, as applicable, or as otherwise specified in Section 15.26.

(iii)Conditions Precedent.

(a) The Mode Change Date shall be:

(1) in the case of a change from the Flexible Mode, the next Mandatory Purchase Date for the Flexible Rate Bonds;

(2) in the case of a change from the Daily or Weekly Mode, any Business Day;

(3) in the case of a change from the Term Rate Mode to another Mode, or from a Term Rate Period to a Term Rate Period of a different duration, the Mode Change Date shall be limited to any Interest Payment Date on which such Series 2008 B Bonds are subject to optional redemption or to the last Interest Payment Date of the current Term Rate Period, as the case may be. Such Series 2008 B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof plus accrued interest, if any; provided, that if such Series 2008 B Bonds are to be purchased on an Interest Payment Date other than the last Interest Payment Date and would otherwise be subject to optional redemption on such Mode Change Date at a redemption price of more than 100% of the principal amount thereof plus accrued interest thereon, if any, such Series 2008 B Bonds shall be purchased at a Purchase Price equal to such redemption price; and

(4) in the case of a change from the Auction Rate Mode to another Mode, as specified in Section 15.27(I)(ii)(a).

(b) If such Series 2008 B Bonds to be converted are Flexible Rate Bonds, no Interest Period set after delivery by the City to the Remarketing Agent of the notice of the intention to effect a change in Mode shall extend beyond the proposed Mode Change Date.

(c) The following conditions shall have been met on or prior to the Mode Change Date:

(1) in the case of a change from a Short-Term Mode to a Long-Term Mode or from a Long-Term Mode to a Short-Term Mode, a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Notice Parties shall have been delivered to the Trustee and the Remarketing Agent;

(2) if there is to be an Alternate Liquidity Facility or Alternate Credit Facility delivered in connection with such change, the items required by Section 15.17(A) shall have been delivered to the Trustee and the Remarketing Agent; and

(3) a Rating Confirmation Notice, or if the Mode Change Date is a Mandatory Purchase Date, a notice from the Rating Agencies to be rating the Series 2008 B Bonds following such change in Mode of the rating(s) to be assigned to such Series 2008 B Bonds on such Mode Change Date.

(B)Change to Fixed Rate Mode. At the option of the City, the Series 2008 B Bonds may be changed to the Fixed Rate Mode with the prior written consent of each of the Credit Provider and Liquidity Provider as provided in this Section 15.11(B). On any Business Day which is at least 30 days (or such shorter time as may be agreed to by the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent, but in any event not less than the 15th day next preceding the Mode Change Date) before the proposed Mode Change Date, the City shall give written notice to the Notice Parties specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode and setting forth the proposed Mode Change Date. In addition, such notice shall state whether some or all of such Series 2008 B Bonds to be converted shall be converted to Serial Bonds and, if so, the applicable

Serial Maturity Dates and Serial Payments, all as determined pursuant to clause (v) of this subsection. Any such change in Mode shall be made as follows:

(i)Mode Change Date. The Mode Change Date shall be:

(a) in the case of a change from the Flexible Mode, the next Mandatory Purchase Date for the Flexible Rate Bonds;

(b) in the case of a change from the Daily or Weekly Mode, any Business Day;

(c) in the case of a change from the Term Rate Mode, the Mode Change Date shall be limited to any Interest Payment Date on which such Bonds are subject to optional redemption or to the next Mandatory Purchase Date for the Term Rate Bonds, as the case may be. Such Series 2008 B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof; provided, that if such Series 2008 B Bonds would otherwise be subject to optional redemption on such Mode Change Date at a redemption price of more than 100% of the principal amount thereof plus accrued interest thereon, if any, such Series 2008 B Bonds shall be purchased at a Purchase Price equal to such redemption price; and

(d) in the case of a change from the Auction Rate Mode, as specified in Section 15.27(I)(ii)(a).

(ii)Notice to Owners. Not less than the 15th day next preceding the Mode Change Date, the Trustee shall mail, in the name of the City, a notice of such proposed change to the Owners of such Series 2008 B Bonds specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode, setting forth the proposed Mode Change Date and stating that such Owner is required to tender such Owner's Series 2008 B Bonds for purchase on such proposed Mode Change Date.

(iii)General Provisions Applying to Change to Fixed Rate Mode. The change to the Fixed Rate Mode shall not occur unless the following items shall have been delivered to the City, the Trustee, the Credit Provider, the Liquidity Provider, if any, the Auction Agent, if any, the Broker-Dealer, if any, and the Remarketing Agent, if any, on or prior to the Mode Change Date:

(a) a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the City, the Trustee, and the Remarketing Agent;

(b) if there is to be Alternate Credit Facility delivered in connection with such change, the items required by Section 15.17(A) in connection with the delivery of an Alternate Credit Facility;

(c) a notice from the Rating Agencies to be rating the Series 2008 B Bonds following such change in Mode of the rating(s) to be assigned to such Series 2008 B Bonds on such Mode Change Date; and

(d) the written consents of the Credit Provider and Liquidity Provider to the change to the Fixed Rate Mode.

(iv)Determination of Interest Rate. The Fixed Rate (or Fixed Rates in the case of Serial Bonds) for the Series 2008 B Bonds to be converted to the Fixed Rate Mode shall be established by the Remarketing Agent on the Rate Determination Date applicable thereto pursuant to the provisions of Section 15.09(B). Such Fixed Rate shall remain in effect until the Maturity Date of such Series 2008 B Bonds. Such determination shall be conclusive and binding upon the City, the Trustee, the Credit Provider, if any, the Broker-Dealer, if any, the Auction Agent, if any, and the Owners of the Series 2008 B Bonds to which such rate will be applicable. Not later than 5:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall notify the City, the Trustee and the Credit Provider, if any, of such rate by telephone.

(v)Serialization and Sinking Fund; Price. Upon conversion of the Series 2008 B Bonds to the Fixed Rate Mode, such Bonds shall be remarketed at par, shall mature on the same Maturity Date and be subject to the same mandatory sinking fund redemption, if any, and optional redemption provisions as set forth in the Indenture for any prior Mode; provided, that if the City shall deliver to the Trustee, the Credit Provider and the Liquidity Provider, if any, a Favorable Opinion of Bond Counsel and with the prior written consent of each of the Credit Provider and Liquidity Provider, the City may elect to (A) have some of such Series 2008 B Bonds be Serial Bonds and some subject to sinking fund redemption even if such Series 2008 B Bonds were not Serial Bonds or subject to mandatory sinking fund redemption prior to such change, (B) change the optional redemption dates and/or premiums set forth in Section 15.13(C)(ii), and/or (C) sell some or all of such Series 2008 B Bonds at a premium or a discount to par.

(C)Failure to Satisfy Conditions Precedent to a Mode Change. In the event the conditions described in Section 15.11(A)(iii) or Section 15.11(B)(iii), as applicable, have not been satisfied by the applicable Mode Change Date, then the New Mode shall not take effect, provided that, except for a failed change in Mode from the Auction Rate Mode, any mandatory tender shall be made on such date if notice has been sent to the Owners stating that such Series 2008 B Bonds would be subject to mandatory purchase on such date). If the failed change in Mode was from the Flexible Mode, such Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the failed Mode Change Date in accordance with Section 15.07. If the failed change in Mode was from the Daily Mode, such Series 2008 B Bonds shall remain in the Daily Mode, and if the failed change in Mode was from the Weekly Mode, such Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 15.08 on and as of the failed Mode Change Date. If the failed change in Mode was from the Term Rate Mode, then such Bonds shall remain in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for such Series 2008 B Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the failed Mode Change Date in accordance with Section 15.09(A). If the failed change in Mode was from the Auction Rate Mode, the provisions of Section 15.27(C)(vi), Section 15.27(I)(ii) and Section 15.27(J)(vi) shall apply.

(D)Rescission of Election. Notwithstanding anything herein to the contrary (except with respect to a change to or from the Auction Rate Mode, in which case the provisions of Section 15.26 and not this Section 15.11(D) shall apply), the City may rescind any election by it to change a Mode pursuant to this Section prior to the Mode Change Date by giving written notice thereof to the Notice Parties prior to such Mode Change Date. If the Trustee receives notice of such rescission prior to the time the Trustee has given notice to the Owners of the Series 2008 B Bonds to be converted, then such notice of change in Mode shall be of no force and effect. If the Trustee receives notice from the City of rescission of a Mode change after the Trustee has given notice thereof to the Owners of the Series 2008 B Bonds to be converted, then if the proposed Mode Change Date would have been a Mandatory Purchase Date, such date shall continue to be a Mandatory Purchase Date. If the proposed change in Mode was from the Flexible Mode, the Series 2008 B Bonds to have been converted shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the proposed Mode Change Date in accordance with Section 15.07. If the proposed change in Mode was from the Daily Mode, the Series 2008 B Bonds to have been converted shall remain in the Daily Mode, and if the proposed change in Mode was from the Weekly Mode, the Series 2008 B Bonds to have been converted shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 15.08 on and as of the proposed Mode Change Date. If the proposed change in Mode was from the Term Rate Mode, then the Series 2008 B Bonds to have been converted shall remain in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for such Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the proposed Mode Change Date in accordance with Section 15.09(A). If the Remarketing Agent is unable to determine the interest rate on the proposed Mode Change Date, the provisions of Section 15.10 shall apply.

Section 15.12 Initial Interest Rate and Weekly Rate Period.

The initial Weekly Rate Period shall be the period commencing on the date of delivery of the Series 2008 A Bonds to and including Tuesday of the following week. For the initial Weekly Rate Period, the Series 2008 A Bonds shall bear interest at the rate of ____% per annum, calculated on the basis of a 365 or 366 day year for the actual number of days elapsed. Thereafter, the Series 2008 A Bonds shall bear interest at the Weekly Rate as provided in Section 15.08.

Section 15.13 Redemption of Series 2008 B Bonds.

(A)Optional Redemption of Flexible Rate Bonds. Series 2008 B Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. Series 2008 B Bonds in the Flexible Mode shall be subject to redemption at the option of the City in whole or in part on their respective Purchase Dates at a redemption price equal to the principal amount thereof, plus accrued interest thereon.

(B)Optional Redemption of Series 2008 B Bonds in the Daily Mode or the Weekly Mode. Series 2008 B Bonds in the Daily Mode or the Weekly Mode are subject to optional redemption by the City, in whole or in part (provided that no Series 2008 B Bonds shall remain Outstanding in other than Authorized Denominations) on any date, at a redemption price equal to

the Principal Amount thereof, plus accrued interest, if any, from the end of the preceding Interest Accrual Period to, but not including, the Redemption Date.

(C)Optional Redemption of Series 2008 B Bonds in the Term Rate or Fixed Rate Mode.

(i)Series 2008 B Bonds in the Term Rate Mode shall be subject to redemption, in whole or in part (provided that no Series 2008 B Bonds shall remain Outstanding in other than Authorized Denominations), on their individual Mandatory Purchase Dates, at the option of the City at a redemption price equal to the principal amount thereof.

(ii)Series 2008 B Bonds in the Term Rate Mode or Fixed Rate Mode with a Term Rate Period of greater than or equal to ten years are subject to redemption in whole on any date or in part on any Interest Payment Date on or after the tenth anniversary of the commencement of the Term Rate Period (and if in part, in such order of maturity as the City shall specify and within a maturity by lot or by such other method as the Trustee determines to be fair and reasonable) at a redemption price equal to the Principal Amount, or portions thereof, of the Series 2008 B Bonds to be redeemed, without premium, plus accrued interest, if any, to the Redemption Date.

(iii)The City, in connection with a change to a Long-Term Mode, may waive or otherwise alter its rights to direct the redemption of any such Series 2008 B Bonds so changed to a Long-Term Mode at any time without premium; provided, that notice describing the waiver or alteration shall be submitted to the Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

(D)Optional Redemption of Series 2008 B Bonds in the Auction Rate Mode. Series 2008 B Bonds in the Auction Rate Mode are subject to redemption in whole or in part at the option of the City at par plus accrued interest on the Interest Payment Date immediately following the end of an Auction Period; provided, that after any optional redemption the aggregate principal amount of Series 2008 B Bonds in the Auction Rate Mode shall be not less than $10,000,000 unless otherwise consented to by the Broker-Dealers.

(E)Mandatory Sinking Fund Redemption of Series 2008 B Bonds.

(i)The Series 2008 B Bonds shall be subject to mandatory redemption prior to their stated maturity, in part, by lot, from Mandatory Sinking Account Payments required by and as specified in subsection (ii) below, commencing on July 1, 20___, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

(ii)An account is hereby established within the Principal Fund created by Section 4.02 of the Indenture to be designated the "Series 2008 B Sinking Account." On or prior to the following payment dates, the Trustee shall transfer from the Series 2008 B Credit Facility Proceeds Account to the Series 2008 B Sinking Account an amount equal to the payment due on such date as set forth below:

Mandatory Sinking Account Payment Dates (July 1)	Mandatory Sinking Account Payments
	$
†	

† Final Maturity.

Moneys in the Series 2008 B Sinking Account shall be applied as provided in Section 4.02(A) and Section 4.04(B) of the Indenture.

(iii)If Series 2008 B Bonds in the Auction Rate Mode are subject to sinking fund redemption and the scheduled redemption date is not an Interest Payment Date, such Series 2008 B Bonds will be redeemed on the Interest Payment Date immediately preceding the scheduled sinking fund redemption date. Series 2008 B Bonds in the Auction Rate Mode in a Special Auction Period may be redeemed prior to the end of the Special Auction Period pursuant to the sinking fund redemption schedule.

(iv)Upon the redemption of Series 2008 B Bonds pursuant to subsection (E) below, the principal amount of such Series 2008 B Bonds shall be credited against remaining Minimum Sinking Account Payments, treating Minimum Sinking Fund Account Payments as if they were maturities given that Minimum Sinking Fund Account Payments shall remain as integral multiples of $100,000. In such event, Minimum Sinking Account Payments shall be reduced as specified in a Written Request of the City delivered in connection with such redemption or, if no specification is made, or a pro rata basis.

Minimum Sinking Fund Account Payments with respect to the Series 2008 B Bonds may be modified upon a conversion to the Fixed Rate in accordance with Section 15.11.

(F)Redemption of Liquidity Provider Bonds. Notwithstanding anything in the Indenture or the Series 2008 B Bonds to the contrary, Liquidity Provider Bonds shall be subject to redemption as provided in the Reimbursement Agreement.

(G)Selection of Series 2008 B Bonds for Redemption. Whenever provision is made in this Fifth Supplement for the redemption of less than all of the Series 2008 B Bonds of any maturity (and interest rate), the Trustee shall select the Series 2008 B Bonds to be redeemed, from all Series 2008 B Bonds of the respective maturity (and interest rate) not previously called for redemption, in authorized denominations, by lot in any manner which the Trustee in its sole

discretion shall deem appropriate and fair. The Trustee shall promptly notify the City in writing of the Series 2008 B Bonds so selected for redemption.

(H)Notice of Redemption of Series 2008 B Bonds. The City shall notify the Trustee at least forty-five (45) days prior to the Redemption Date for Series 2008 B Bonds pursuant to Section 15.13(A), (B), (C), (D) or (E). Notice of redemption shall be mailed by the Trustee, not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date, (i) to the respective Owners of any Series 2008 B Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee by first-class mail, (ii) to the Securities Depository by Electronic Means and by first-class mail, and (iii) to the Information Services by first-class mail. Notice of redemption shall be given in the form and in accordance with the terms of the Indenture.

With respect to any notice of optional redemption of Series 2008 B Bonds, unless, upon the giving of such notice, such Series 2008 B Bonds shall be deemed to have been paid within the meaning of Article IX of the Indenture, or unless the Trustee has cash or securities meeting the requirements of Section 9.03 of the Indenture sufficient to pay or redeem such Series 2008 B Bonds, such notice may state that a condition of such redemption shall be the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal or premium, if any, and interest due with respect to such Series 2008 B Bonds, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Trustee shall not be required to redeem such Series 2008 B Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

(I)Partial Redemption of Series 2008 B Bonds. Upon surrender of any Series 2008 B Bond redeemed in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Series 2008 B Bond of authorized denominations, and of the same maturity and interest rate, equal in aggregate principal amount to the unredeemed portion of the Series 2008 B Bond surrendered.

(J)Effect of Redemption of Series 2008 B Bonds. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the Redemption Date on, the Series 2008 B Bonds (or portions thereof) so called for redemption being held by the Trustee on the Redemption Date designated in such notice, the Series 2008 B Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in such notice, together with interest accrued thereon to the date fixed for redemption, interest on the Series 2008 B Bonds so called for redemption shall cease to accrue, said Series 2008 B Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Series 2008 B Bonds shall have no rights in respect thereof except to receive payment of said redemption price and accrued interest.

All Series 2008 B Bonds redeemed pursuant to the provisions of this Section shall be cancelled upon surrender thereof and destroyed.

Section 15.14 Optional Tenders and Mandatory Purchase of Series 2008 B Bonds.

(A)Optional Tenders During Daily Mode or Weekly Mode. Subject to Section 15.34(H), the Beneficial Owners of Series 2008 B Bonds in a Daily Mode or a Weekly Mode may elect to have their Series 2008 B Bonds (or portions of those Series 2008 B Bonds, provided that no Series 2008 B Bonds remain Outstanding in other than Authorized Denominations) purchased on any Business Day at a price equal to the Purchase Price, upon delivery of a Tender Notice to the Tender Agent by the Tender Notice Deadline. The Tender Agent shall promptly notify the Trustee and the Remarketing Agent by Electronic Means of any such Tender Notice received from a Beneficial Owner.

(B)Mandatory Tender for Purchase on Day Next Succeeding Last Day of Each Term Rate Period. On the first day following the last day of each Term Rate Period for a Series 2008 B Bond, unless such day is the Mode Change Date (in which case such Series 2008 B Bond shall be subject to mandatory purchase pursuant to Section 15.14(C) hereof) such Series 2008 B Bond shall be subject to mandatory tender for purchase at the Purchase Price, payable by wire transfer in immediately available funds, if such Series 2008 B Bond is delivered to the Tender Agent on or prior to 12:00 p.m., New York City time, on the Purchase Date, or if delivered after 12:00 p.m., New York City time, on the next succeeding Business Day. Interest shall cease to accrue on such Series 2008 B Bond on the last day of each Term Rate Period. The Purchase Price shall be payable only upon surrender of such Series 2008 B Bond to the Tender Agent at its Corporate Trust Office for delivery of Series 2008 B Bonds, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Owner or its duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange.

(C)Mandatory Tender for Purchase on Mode Change Date. The Series 2008 B Bonds shall be subject to mandatory tender for purchase on the Mode Change Date (or on the day which would have been the Mode Change Date had one of the events specified in Section 15.11(C) or Section 15.11(D) hereof not occurred which resulted in the Mode of Series 2008 B Bonds not being changed) at the Purchase Price, payable in immediately available funds, provided, however, that in the case of any failed change in Mode from the Auction Rate Mode, no mandatory purchase shall occur.

(D)Mandatory Tender for Purchase Upon Substitution, Termination or Expiration of Liquidity Facility or Credit Facility; Mandatory Standby Tender. If at any time that the Liquidity Provider is not in default under the Liquidity Facility or at any time that the Credit Provider is not in default under the Credit Facility, as appropriate, the Trustee gives notice, in accordance with Section 15.19 hereof, that the Series 2008 B Bonds shall, on the date specified in such notice, cease to be subject to purchase pursuant to the Liquidity Facility then in effect or cease to be paid from draws made under the Credit Facility then in effect as a result of (i) the substitution of that Liquidity Facility or Credit Facility, as the case may be, or the termination or expiration of the term, as extended, of that Liquidity Facility or Credit Facility, as the case may be, including but not limited to termination at the option of the City in accordance with the terms of such Liquidity Facility or Credit Facility, or (ii) the occurrence of a Mandatory Standby Tender, then, on the fifth (5th) Business Day preceding any such termination or expiration of such Liquidity Facility or Credit Facility, including any termination as a result of a Mandatory

Standby Tender, or on the date of substitution in the event of any substitution of such Liquidity Facility or Credit Facility, each Series 2008 B Bond shall be purchased or deemed purchased at the Purchase Price. Upon the occurrence of any of the events specified in the Liquidity Facility or Credit Facility that gives rise to an automatic termination or suspension of such Liquidity Facility or Credit Facility by the Liquidity Provider or Credit Provider, respectively, no mandatory tender of purchase of Series 2008 B Bonds shall occur.

(E)Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Series 2008 B Bonds in accordance with Section 15.14(C) or Section 15.14(D) hereof, the Trustee shall give the notice required by this Section 15.14(E) as a part of the notice given pursuant to Section 15.11(A)(i), Section 15.11(B)(ii), or Section 15.19 hereof. Such notice shall state (i) in the case of a mandatory tender for purchase pursuant to Section 15.14(C) hereof, the Mode to commence on such Mandatory Purchase Date; (ii) in the case of a mandatory tender for purchase pursuant to Section 15.14(D) hereof, that the Liquidity Facility or Credit Facility, as the case may be, will expire or terminate and that the 2008 Series A Bonds will no longer be payable from the Liquidity Facility or Credit Facility then in effect, as the case may be, and that any rating applicable to the 2008 Series A Bonds may be reduced or withdrawn and, in the case of a substitution, the name of the new Liquidity Provider or Credit Provider and that information about such new Liquidity Provider or new Credit Provider will be forthcoming; (iii) that the Purchase Price of any 2008 Series A Bond subject to mandatory tender for purchase shall be payable only upon surrender of a 2008 Series A Bond to the Tender Agent at its Corporate Trust Office for delivery of 2008 Series A Bonds, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Owner or its duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange; (iv) that, provided that moneys sufficient to effect such purchase shall have been provided through the remarketing of such 2008 Series A Bonds by the Remarketing Agent or through the Liquidity Facility, all 2008 Series A Bonds subject to mandatory tender for purchase shall be purchased on the Mandatory Purchase Date; and (v) that if any Owner of a 2008 Series A Bond subject to mandatory tender for purchase does not surrender that 2008 Series A Bond to the Tender Agent for purchase on the Mandatory Purchase Date, then that 2008 Series A Bond shall be deemed to be an Undelivered Bond, that no interest shall accrue on that 2008 Series A Bond on and after the Mandatory Purchase Date and that the Owner shall have no rights under the Indenture other than to receive payment of the Purchase Price.

(F)Irrevocable Tender Notice. The giving of a Tender Notice as provided in Section 15.14(A) hereof shall constitute the irrevocable tender for purchase of each Series 2008 B Bond with respect to which such Tender Notice is given regardless of whether such Series 2008 B Bond is delivered to the Tender Agent for purchase.

(G)Delivery of Series 2008 B Bonds to Tender Agent and Payment of Purchase Price. Series 2008 B Bonds shall be delivered, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Bondowner with the signature of such Bondowner guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange, not later than 12:00 p.m., New York City time, on the Purchase Date to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds; provided, that payment of the Purchase Price shall be made pursuant to this Section only if the Series 2008 B Bond so delivered to the Tender Agent conforms in all respects to the description thereof in the notice

described in this Section. Payment of the Purchase Price shall be made to the Owners of such tendered Series 2008 B Bonds by wire transfer in immediately available funds by the Tender Agent not later than 3:00 p.m., New York City time, on the Purchase Date. If such Series 2008 B Bonds are delivered to the Principal Office of the Tender Agent after 12:00 p.m., New York City time, on the Purchase Date, the Purchase Price shall be paid on the next succeeding Business Day. If, as a result of any Mandatory Standby Tender, substitution, expiration or termination of a Liquidity Facility, any 2008 Series A Bond is no longer subject to purchase pursuant to a Liquidity Facility, the Tender Agent shall present such 2008 Series A Bond to the Trustee for notation of such fact thereon.

(H)Undelivered Series 2008 B Bonds. The Tender Agent may refuse to accept delivery of any Series 2008 B Bond for which a proper instrument of transfer has not been provided. However, such refusal shall not affect the validity of the purchase of such Series 2008 B Bond as described in the Indenture. If any Owner of a Series 2008 B Bond who has given a Tender Notice pursuant to Section 15.14(A) hereof or any Owner of a Series 2008 B Bond subject to mandatory purchase pursuant to Section 15.14(A), Section 15.14(C) or Section 15.14(D) hereof, shall fail to deliver such Series 2008 B Bond to the Tender Agent at its Principal Office by 12:00 noon on the Purchase Date, or shall fail to deliver that Series 2008 B Bond properly endorsed, such Series 2008 Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Owner thereof on the Purchase Date and at the time specified, then from and after the Purchase Date and time of that required delivery, (A) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding under the Indenture; (B) interest shall no longer accrue on the Undelivered Bond; and (C) funds in the amount of the Purchase Price of the Undelivered Bond shall be held uninvested by the Trustee in a separate account for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of the Undelivered Bond to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds. Any money which the Tender Agent segregates and holds in trust for the payment of the Purchase Price of any Series 2008 B Bond which remains unclaimed for two (2) years after the date of purchase shall be paid to the City. After the payment of such unclaimed money to the City, the former Owner of such Series 2008 B Bond shall look only to the City for the payment thereof and then only to the extent of the amounts so received by the City. The City shall not be liable for any interest on unclaimed money and shall not be regarded as a trustee of such money.

Section 15.15 Liquidity Facility.

(A)Requirement to Maintain Liquidity Facility. A Liquidity Facility shall be maintained by the City, in an amount equal to the sum of outstanding principal and interest calculated at the Maximum Rate for 45 days, or such other amount as may be approved by the Rating Agencies then rating the Series 2008 B Bonds, for the Series 2008 B Bonds bearing interest at a Daily Rate or a Weekly Rate. No Liquidity Facility shall be required in connection with Series 2008 B Bonds bearing interest at an Auction Rate, a Flexible Rate, a Term Rate or a Fixed Rate.

(B)Draw Requests to Pay Purchase Price. If there is not a sufficient amount of money available to pay the Purchase Price pursuant to Section 15.22(A)(i) hereof on a Purchase Date on which Series 2008 B Bonds are required to be purchased pursuant to Section 15.14 hereof, the

Tender Agent shall make one or more Draw Requests under the Liquidity Facility in accordance with its terms, at the times and in the manner required by the Liquidity Facility and the Indenture to receive immediately available funds by 2:00 p.m., New York City time, on the Purchase Date sufficient to pay the balance of the Purchase Price. In the case of a mandatory tender for purchase upon substitution of the Liquidity Facility pursuant to Section 15.14(D), the Tender Agent shall make such Draw Requests under the existing Liquidity Facility, prior to the substitution of such Liquidity Facility, for the purpose of paying the Purchase Price of the Series 2008 B Bonds. A copy of any Draw Request shall be delivered by Electronic Means by the Tender Agent to the City and the Trustee. The Tender Agent agrees to deposit the proceeds of such Draw Requests in the Liquidity Facility Purchase Account pursuant to Section 15.22(A)(ii) hereof pending application of that money to the payment of the Purchase Price. In determining the amount of the Purchase Price then due, the Tender Agent shall not take into consideration any Liquidity Provider Bonds. No Draw Requests shall be made under a Liquidity Facility to pay the Purchase Price of Liquidity Provider Bonds or Series 2008 B Bonds held by or on behalf of the City. Series 2008 B Bonds owned by or on behalf of the City and Liquidity Provider Bonds may not be tendered for purchase at the option of the Liquidity Provider.

(C)Surrender of Liquidity Facility. If an Alternate Liquidity Facility is delivered to the Tender Agent pursuant to Section 15.17 hereof with the documents required by Section 15.17(A) hereof, then the Tender Agent shall accept the Alternate Liquidity Facility and surrender the Liquidity Facility previously held for cancellation, provided that no Liquidity Facility shall be surrendered until after the date on which Series 2008 B Bonds required to be purchased pursuant to Section 15.14(D) hereof have been purchased in accordance with Section 15.14(D) hereof. Upon the defeasance of Series 2008 B Bonds pursuant to the Indenture and at such time as the Series 2008 B Bonds are no longer subject to tender for purchase, the Tender Agent shall surrender the Liquidity Facility to the Liquidity Provider for cancellation in accordance with the terms of the Liquidity Facility. The Tender Agent shall comply with the procedures set forth in the Liquidity Facility relating to the termination thereof, and shall deliver any certificates reducing the stated amount of the Liquidity Facility in accordance with the provisions thereof.

(D)Notice by Trustee. In connection with a Mandatory Standby Tender resulting in a mandatory purchase of Series 2008 B Bonds as provided in Section 15.14(D) hereof, the Trustee shall give the notice of mandatory tender for purchase of such Series 2008 B Bonds as provided in Section 15.14(E) or Section 15.19 hereof.

(E)Notices from the City and Trustee.

(i)Notices from the City. The City shall give notice of any of the following events to the Trustee, the Remarketing Agent, the Tender Agent, the Credit Provider and the Liquidity Provider at least 35 days prior to the substitution, expiration, or termination of a Liquidity Facility, if applicable:

(1) the extension of the expiration date of a Liquidity Facility

(2) the substitution of an Alternate Liquidity Facility for a Liquidity Facility;

(3) the occurrence of any termination or suspension of a Liquidity Facility; and

(4) the appointment of a successor to any of the Credit Provider, Liquidity Provider, the Remarketing Agent or the Tender Agent.

(ii)Notices from Trustee to Owners of Series 2008 Bonds. The Trustee shall, promptly upon receipt of notice from: (A) the City of the occurrence of any of the events listed in subparagraph (1) above, give notice to the Owners of Outstanding Series 2008 B Bonds of the occurrence of that event and (B) the Liquidity Provider of notice of a Mandatory Standby Tender, give notice to the City, the Tender Agent, the Remarketing Agent and the Owners of Outstanding Series 2008 B Bonds of the occurrence of the Mandatory Standby Tender with the information set forth in Section 15.19 hereof.

Section 15.16 Liquidity Provider Bonds.

(i)Liquidity Provider Bonds in Book-Entry System. Any Series 2008 B Bonds purchased with payments made under a Liquidity Facility shall be registered in the name of, or as otherwise directed by, the Liquidity Provider and delivered to or upon the order of, or as otherwise directed by, such Liquidity Provider; provided, that if such Series 2008 B Bonds are maintained under the Book-Entry System, the Tender Agent shall immediately upon making any demand for payment on a Liquidity Facility pursuant to Section 15.15(B) hereof direct DTC to cause the beneficial ownership interest in any Series 2008 B Bonds purchased with the proceeds of such demand to be transferred to such account at DTC as directed by the Liquidity Provider, and such Series 2008 B Bonds shall be held in the name of or for the account of the Liquidity Provider or as may be directed by such Liquidity Provider.

(ii)Remarketing of Liquidity Provider Bonds. Unless otherwise provided in the Liquidity Facility, Liquidity Provider Bonds shall be remarketed by the Remarketing Agent prior to any other Series 2008 B Bonds tendered for purchase hereunder, and shall be remarketed pursuant to Section 15.23. Upon (i) receipt by the Tender Agent of written notification from the Liquidity Provider that its Liquidity Facility has been fully reinstated with respect to principal and interest (including principal of and interest on Liquidity Provider Bonds to be released and remarketed as described in this paragraph) and (ii) release by the Liquidity Provider of any Liquidity Provider Bonds which the Remarketing Agent has remarketed, such Series 2008 B Bonds shall be made available to the purchasers thereof and shall no longer constitute Liquidity Provider Bonds for purposes of this Indenture. The proceeds of any remarketing of Liquidity Provider Bonds shall be paid to the Liquidity Provider by the Tender Agent on such remarketing date in immediately available funds.

(iii)Notices to the Liquidity Provider. The Tender Agent agrees that it will, immediately upon receipt, send to the Liquidity Provider (by telephonic notice or Electronic Notice (promptly confirmed in writing)) a copy of every notice received by it hereunder relating to any Liquidity Provider Bonds.

(iv)Terms of Reimbursement Agreement. Notwithstanding anything to the contrary herein or in the Series 2008 B Bonds, all obligations of the City under or in connection

with any Reimbursement Agreement (including, without limitation, reimbursement obligations of the City to the Liquidity Provider with respect to a Liquidity Facility and any Liquidity Provider Bonds) shall be governed by the terms of such Reimbursement Agreement.

Section 15.17 Alternate Liquidity Facility or Alternate Credit Facility.

(A)Delivery by the City. At any time, not later than thirty-five (35) days prior to the expiration or termination of a Liquidity Facility or Credit Facility, in accordance with the terms of such Liquidity Facility or Credit Facility, the City may provide for the delivery to the Tender Agent of an Alternate Liquidity Facility or Alternate Credit Facility, as appropriate, that has a term of at least 360 days. Any Alternate Liquidity Facility or Alternate Credit Facility delivered to the Tender Agent pursuant to this Section 15.17 shall contain administrative provisions reasonably acceptable to the Tender Agent and the Remarketing Agent. On or prior to the date of the delivery of the Alternate Liquidity Facility or Alternate Credit Facility to the Tender Agent, the City shall furnish to the Tender Agent (a) a Favorable Opinion of Bond Counsel, (b) in the case of an Alternate Liquidity Facility, written evidence satisfactory to the Liquidity Provider of the provision for purchase from the Liquidity Provider of all Liquidity Provider Bonds, at a price equal to the principal amount thereof plus accrued and unpaid interest, and payment of all amounts due it under the Liquidity Facility on or before the effective date of such Alternate Liquidity Facility, and (c) an opinion of counsel to the provider of the Alternate Liquidity Facility or Alternate Credit Facility that is satisfactory to the City, the Tender Agent and the Remarketing Agent to the effect that such Alternate Liquidity Facility or Alternate Credit Facility is a valid and enforceable obligation of the provider thereof.

(B)Acceptance by Tender Agent. If at any time there is delivered to the Tender Agent (i) an Alternate Liquidity Facility or Alternate Credit Facility covering all of the Series 2008 B Bonds, (ii) the information, opinions and data required by Section 15.17(A) hereof, and (iii) all information required to give the notice of mandatory tender for purchases of the 2008 Series A Bonds if required by Section 15.14(E) hereof, then the Tender Agent shall accept such Alternate Liquidity Facility or Alternate Credit Facility and, after the date of the mandatory tender for purchase established pursuant to Section 15.14(D) hereof, promptly surrender the Liquidity Facility or Credit Facility then in effect, as appropriate, to the issuer thereof for cancellation in accordance with its terms or deliver any document necessary to reduce the coverage of such Liquidity Facility or Credit Facility due to the delivery of such Alternate Liquidity Facility or Alternate Credit Facility.

(C)Notice of Termination. The Trustee shall give notice to the Tender Agent, the Remarketing Agent and the Owners of the Series 2008 B Bonds of the substitution, termination or expiration of any Liquidity Facility or Credit Facility in accordance with its terms as provided in Section 15.19 hereof.

Section 15.18 Rights and Duties Under Liquidity Facility. The Tender Agent, by accepting its appointment as such, agrees without further direction, to make Draw Requests under the Liquidity Facility then in effect, if any, for the payment or purchase of Series 2008 B Bonds in accordance with the terms and conditions set forth in the Indenture and that Liquidity Facility at the times, in the manner and for the purposes set forth herein and therein.

Section 15.19 Notice of Termination, Event of Default or Other Change in Liquidity Facility or Credit Facility. The Trustee shall give notice by mail to the Owners of the Series 2008 B Bonds secured by a Liquidity Facility or Credit Facility (i) on or before the thirtieth (30th) day preceding the termination, expiration or substitution of such Liquidity Facility or Credit Facility (except in the case of a termination resulting from an event referred to in the following paragraph) in accordance with its terms, or (ii) in the case of any Mandatory Standby Tender under a Liquidity Facility, as soon as reasonably possible, but no later than the Business Day following the receipt by the Trustee of notice of the Mandatory Standby Tender. The notice shall be accompanied by directions for the purchase of the 2008 Series A Bonds pursuant to Section 15.14(E) hereof. The notice shall (A) state the date of such termination or expiration and the date of the proposed substitution of an Alternate Liquidity Facility or Alternate Credit Facility (if any), (B) state that the Series 2008 B Bonds will be purchased pursuant to Section 15.14(D) hereof on the fifth Business Day preceding such termination or expiration, including any termination as a result of a Mandatory Standby Tender, or on the date of substitution, in the case of substitution, and (C) any other information required in the notice to the Owners of the 2008 Series A Bonds by Section 15.14(E) hereof. The City shall provide the Trustee with written notice of any information required to enable the Trustee to give the foregoing notice.

If there should occur any event resulting in the immediate termination or suspension of the obligation of the Liquidity Provider to purchase Series 2008 B Bonds under the terms of any Liquidity Facility, then the Trustee shall as soon as practicably possible thereafter notify the Remarketing Agent and the Owners of all the 2008 Series A Bonds then Outstanding that: (i) the Liquidity Facility has been terminated or suspended, as the case may be; (ii) the Tender Agent will no longer be able to purchase 2008 Series A Bonds with moneys available under the Liquidity Facility; (iii) the rights of Owners to tender 2008 Series A Bonds for purchase has been suspended or terminated, as the case may be (unless the City in its sole discretion shall provide funds for such purpose pursuant to Section 15.22(A)(iii) hereof); (iv) the Liquidity Provider is under no obligation to purchase 2008 Series A Bonds or to otherwise advance moneys to fund the purchase of 2008 Series A Bonds; and (v) unless the City shall in its sole discretion provide funds pursuant to Section 15.22(A)(iii) hereof for the purchase of 2008 Series A Bonds upon the tender thereof, the 2008 Series A Bonds shall bear interest at the Maximum Rate until (a) such Liquidity Facility is reinstated, (b) an Alternate Liquidity Facility shall be in effect, or (c) the 2008 Series A Bonds are converted to a Long-Term Mode.

Section 15.20 Acceleration Upon Nonreinstatement or Event of Default under Liquidity Facility or Credit Facility. Upon the receipt of notice (i) from the Liquidity Provider or Credit Provider of the occurrence of an event of default, as defined under the Reimbursement Agreement, or (ii) from the Credit Provider that the Credit Facility then in effect shall not be reinstated, the Trustee shall cause all Outstanding Series 2008 B Bonds, and the interest accrued thereon, to be declared immediately due and payable as provided in Section 6.02 of the Indenture. In such an event, interest on the Series 2008 B Bonds shall immediately cease to accrue upon such declaration by the Trustee.

Section 15.21 Notice of Series 2008 B Bonds To Be Delivered for Purchase.

For purposes of Section 15.14 hereof, the Tender Agent shall determine timely and proper delivery of Series 2008 B Bonds pursuant hereto and the proper endorsement of Series 2008 B Bonds delivered. That determination shall be binding on the Owners of the Series 2008 B Bonds, the City, the Credit Provider, the Liquidity Provider and the Remarketing Agent, absent manifest error.

As soon as practicable upon its receipt, but not later than 11:00 a.m., New York City time, on the day of receipt of a Tender Notice with respect to Series 2008 B Bonds bearing interest at a Daily Rate, and not later than 12:00 noon on the following Business Day with respect to Series 2008 B Bonds bearing interest at a Weekly Rate, the Tender Agent shall notify the Remarketing Agent, the Credit Provider, the Liquidity Provider, the Trustee and the City by telephone, promptly confirmed in writing, or by Electronic Means, of the receipt of a Tender Notice pursuant to Section 15.14(A) hereof, specifying the principal amount of such Series 2008 B Bonds for which it has received such Tender Notice, the names of the Owners thereof and the date on which such Series 2008 B Bonds are to be purchased in accordance therewith.

Section 15.22 Source of Funds for Purchase of Series 2008 B Bonds.

(A)By the close of business on the date on which a Series 2008 B Bond is to be purchased pursuant to this Section, the Tender Agent shall purchase tendered Series 2008 B Bonds from the tendering Owners at the applicable Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price shall be derived solely from the following sources in the order of priority indicated and neither the Tender Agent, the Credit Provider, the Liquidity Provider nor the Remarketing Agent shall be obligated to provide funds from any other source:

(i)proceeds of the sale of Series 2008 B Bonds remarketed pursuant to Section 15.23(A) hereof and the Remarketing Agreement and furnished to the Tender Agent by the Remarketing Agent for deposit in the Remarketing Proceeds Account;

(ii)money furnished by the Liquidity Provider to the Tender Agent for deposit into the Liquidity Facility Purchase Account from Draw Requests on the Liquidity Facility; and

(iii)Available Moneys of the City provided to the Tender Agent by the City, at the City's discretion, then on deposit in the Purchase Account.

(B)Inadequate Funds for Tenders. If sufficient funds are not available for the purchase of all Series 2008 B Bonds tendered or deemed tendered and required to be purchased on any

Purchase Date, all such Series 2008 B Bonds shall bear interest at the Alternate Rate [plus three percent] from the date of such failed purchase until all such Series 2008 B Bonds are purchased as required in accordance with the Indenture, and, if applicable, shall be returned to their respective Owners. Notwithstanding any other provision of the Indenture, such failed purchase and return shall not constitute an Event of Default. Thereafter, the Tender Agent shall continue to take all such action available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient other funds from the Liquidity Provider. Any obligation of the Remarketing Agent, Credit Provider or Liquidity Provider to cause the deposit of such funds from remarketing proceeds or proceeds of the Credit Facility or Liquidity Facility, respectively, shall remain enforceable pursuant to the Indenture, and such obligation shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient to purchase all such Series 2008 B Bonds, together with any interest which has accrued on such Series 2008 B Bonds to the subsequent actual purchase date.

(C)No Purchases or Sales After Credit Provider or Liquidity Provider Failure. Anything in the Indenture to the contrary notwithstanding, if there shall have occurred and be continuing either a Credit Provider Failure or a Liquidity Provider Failure, the Remarketing Agent shall not remarket any Series 2008 B Bonds. All other provisions of the Indenture, including, without limitation, those relating to the setting of interest rates and Interest Periods and mandatory and optional purchases, shall remain in full force and effect during the continuance of such Credit Provider Failure or Liquidity Provider Failure.

Section 15.23 Remarketing of Series 2008 B Bonds; Notices.

(A)Remarketing of Series 2008 B Bonds. Upon a mandatory tender (other than a Mandatory Standby Tender) or notice of tender for purchase of Series 2008 B Bonds, the Remarketing Agent shall offer for sale and use its best efforts to sell such 2008 Series A Bonds on the same date designated for purchase thereof at a price equal to the Purchase Price therefor in accordance with Section 15.14 hereof and, if not remarketed on such date, thereafter until sold. The City shall not have any obligation to purchase 2008 Series A Bonds tendered for purchase if such 2008 Series A Bonds are not remarketed pursuant to this Section 15.23(A). The Remarketing Agent shall have the ongoing obligation to use its best efforts to remarket Liquidity Provider Bonds. 2008 Series A Bonds subject to a Mandatory Standby Tender shall not be remarketed unless (1) the Mode of such 2008 Series A Bonds is changed to a Fixed Rate Mode or to an Auction Rate Mode, or (2) an Alternate Liquidity Facility is delivered to the Tender Agent pursuant to Section 15.17(A) hereof and is in full force and effect, or (3) the Trustee has received written notice from the Liquidity Provider that all events of default under the Liquidity Facility have been cured and that the Liquidity Facility has been reinstated.

(B)The Remarketing Agent shall use its best efforts to offer for sale at par to parties other than the City:

(i)all Series 2008 B Bonds or portions thereof as to which a Tender Notice has been delivered pursuant to Section 15.14(A); and

(ii)all Series 2008 B Bonds required to be purchased on a Mandatory Purchase Date described in clauses (1), (2), (3) or (4) of the definition thereof; and

(iii)any Liquidity Provider Bonds (A) purchased on a Purchase Date described in clause (i) or (ii) of this subsection, (B) with respect to which an Alternate Liquidity Facility and Alternate Credit Facility is in effect (if a Credit Facility was in effect with respect to such Series 2008 B Bonds prior to such Series 2008 B Bonds becoming Liquidity Provider Bonds, which Credit Facility is no longer in effect), or (D) which are being marketed as Fixed Rate Bonds.

(C)Notice of Remarketing; Delivery of Remarketing Proceeds; New Bonds.

(i)Not later than 11:30 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall inform the Tender Agent by Electronic Means of the principal amount of Series 2008 B Bonds tendered for purchase and sold by the Remarketing Agent pursuant to Section 15.23(B) and such information as may be necessary to register such Series 2008 B Bonds and the registration instructions (i.e., the names, addresses and taxpayer identification numbers of the purchasers and the desired Authorized Denominations) with respect thereto;

(ii)promptly upon receipt of notice from the Remarketing Agent, but in any event no later than 11:45 a.m., New York City time, on the Purchase Date, the Tender Agent shall notify the City, the Trustee and the Liquidity Provider by Electronic Means as to the aggregate Purchase Price of Series 2008 B Bonds to be purchased and as to the amount of the difference between (1) the aggregate Purchase Price of Series 2008 B Bonds to be tendered pursuant to a Tender Notice or subject to mandatory tender for purchase on such Purchase Date, and (2) the aggregate Purchase Price of Series 2008 B Bonds that have been remarketed by the Remarketing Agent;

(iii)not later than 11:45 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall deliver to the Tender Agent the remarketing proceeds for which notice of remarketing was provided in accordance with Section 15.23(C)(i);

(iv)prior to 12:00 p.m., New York City time, on the Purchase Date, the Tender Agent shall submit a Draw Request under the Liquidity Facility pursuant to Section 15.15(B); and

(v)if the Series 2008 B Bonds are no longer in the Book-Entry System, the Tender Agent shall authenticate new Series 2008 B Bonds for the respective purchasers thereof which shall be available for pick-up by the Remarketing Agent not later than 2:30 p.m, New York City time.

(D)Delivery of Purchased Series 2008 B Bonds. On each date on which a Series 2008 B Bond is to be purchased pursuant to this Section, such Series 2008 B Bond shall be delivered as follows:

(i)Series 2008 B Bonds sold by the Remarketing Agent and described in Section 15.22(A)(i) shall be delivered by the Tender Agent as directed by the Remarketing Agent to the purchasers of such Series 2008 B Bonds not later than 3:00 p.m., New York City time;

(ii)Series 2008 B Bonds purchased by the Tender Agent with moneys described in Section 15.22(A)(ii) shall be held by the Tender Agent and registered immediately in the name

of the Liquidity Provider or its nominee (which may be the Securities Depository) not later than 3:00 p.m., New York City time; and

(iii) Series 2008 B Bonds purchased by the City with moneys described in Section 15.22(A)(iii) shall be registered immediately in the name of the City or its nominee not later than 3:00 p.m., New York City time. Series 2008 B Bonds so owned by the City shall continue to be Outstanding under the terms of the Indenture and be subject to all of the terms and conditions of the Indenture and shall be subject to remarketing by the Remarketing Agent.

(E)Purchase Fund. There is hereby established and there shall be maintained with the Tender Agent a separate fund to be known as the "Purchase Fund." The Trustee shall further establish separate accounts within the Purchase Fund to be known as the "Liquidity Facility Purchase Account" and the "Remarketing Proceeds Account" and the "Purchase Account." The Liquidity Facility Purchase Account, Remarketing Proceeds Account and Purchase Account shall be held in trust for the exclusive benefit of the Owners of the Series 2008 B Bonds. Amounts held in the Liquidity Facility Purchase Account, the Remarketing Proceeds Account and Purchase Account shall be held uninvested and separate and apart from all other funds and accounts.

(i)Remarketing Proceeds Account. Upon receipt of the proceeds of a remarketing of a Series 2008 B Bond on the date such Series 2008 B Bond is to be purchased, the Tender Agent shall deposit such proceeds in the Remarketing Proceeds Account for application to the Purchase Price of the Series 2008 B Bonds. Notwithstanding the foregoing, upon the receipt of the proceeds of a remarketing of Liquidity Provider Bonds, the Tender Agent shall immediately pay such proceeds to the Liquidity Provider to the extent of any amount owing to the Liquidity Provider.

(ii)Liquidity Facility Purchase Account. Upon receipt of the immediately available funds pursuant to Section 15.15(B) above, the Tender Agent shall deposit such money in the Liquidity Facility Purchase Account for application to the Purchase Price of the Series 2008 B Bonds to the extent that the moneys on deposit in the Remarketing Proceeds Account shall not be sufficient. Any amounts deposited in the Liquidity Facility Purchase Account and not needed with respect to the Purchase Price for any Series 2008 B Bonds shall be immediately returned to the Liquidity Provider.

(iii)Purchase Account. Upon receipt of a written request from the City, the Tender Agent shall deposit in the Purchase Account moneys received from the City for use pursuant to Section 15.22(A)(iii) above to pay the Purchase Price of Series 2008 B Bonds. Upon receipt of a written request from the City, the Tender Agent shall immediately refund to the City any amounts on deposit in the Purchase Account not theretofore used to pay the Purchase Price of any Series 2008 B Bonds.

Section 15.24 Remarketing Agent.

(A)Duties of Remarketing Agent. Each Remarketing Agent appointed by the City shall designate its principal office in the Remarketing Agreement. The Remarketing Agent shall signify its acceptance of the duties and obligations imposed upon it under the Indenture by a

written instrument of acceptance (which may be the Remarketing Agreement) delivered to the City, the Trustee, the Tender Agent and the Liquidity Provider, under which the Remarketing Agent shall agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the City, the Trustee and the Tender Agent at all reasonable times.

(B)Qualifications of Remarketing Agent. Each Remarketing Agent shall be a member of the National Association of Securities Dealers and authorized by law to perform all the duties imposed upon it hereunder and under the Remarketing Agreement. The Remarketing Agent for the Series 2008 B Bonds shall be acceptable to the Liquidity Provider.

(C)Resignation and Removal of Remarketing Agent. The Remarketing Agent may at any time resign and be discharged of the duties and obligations hereunder by giving notice to the City, the Trustee, the Tender Agent and the Liquidity Provider. Such resignation shall take effect on the thirtieth (30th) day after the receipt by the City of the notice of resignation. The Remarketing Agent may be removed at any time on thirty (30) days prior written notice, by an instrument signed by the City, approved by the Liquidity Provider, such consent not to be unreasonably withheld, and delivered to the Remarketing Agent, the Trustee, the City and the Tender Agent.

Section 15.25 Tender Agent.

(A) Duties of Tender Agent. Each Tender Agent appointed by the City shall designate to the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent, its Principal Office for delivery of notices and delivery of Series 2008 Bonds and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent. By acceptance of its appointment hereunder, the Tender Agent agrees:

(i)to hold all Series 2008 B Bonds delivered to it pursuant to Section 15.14 hereof as agent and bailee of, and in escrow for the benefit of, the respective Owners which have delivered such Series 2008 B Bonds until money representing the Purchase Price of such Series 2008 B Bonds shall have been delivered to or for the account of or to the order of such Owners;

(ii)to hold all Series 2008 B Bonds registered in the name of the new Owners thereof which have been delivered to it by the Trustee for delivery to the Remarketing Agent;

(iii)to hold Series 2008 B Bonds for the account of the Liquidity Provider as stated in Section 15.23(D)(ii) hereof; and

(iv)to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Trustee, the City, the Credit Provider, the Liquidity Provider and the Remarketing Agent at all reasonable times.

(B)Qualifications of Tender Agent. Each Tender Agent shall be a commercial bank with trust powers, a national banking association or a trust company duly organized under the laws of the United States of America or any state or territory thereof having a combined capital stock,

surplus and undivided profits of at least $100,000,000 and authorized by law to perform all the duties imposed upon it hereunder. A Tender Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least sixty (60) days' notice to the City, the Trustee, the Liquidity Provider and the Remarketing Agent. A Tender Agent may be removed at any time by an instrument signed by the City and filed with the Trustee. However, such resignation or removal shall not take effect prior to the date that a successor Tender Agent has been appointed by the City and has accepted such appointment, such appointment has been approved by the Liquidity Provider, and the Liquidity Facility, if any, has been transferred, in accordance with its terms, to that successor.

(C) Resignation and Removal of Tender Agent. Upon the effective date of resignation or removal of a Tender Agent, such Tender Agent shall deliver any Series 2008 B Bonds and money held by it in such capacity to its successor.

Section 15.26 Notices to Rating Agencies. The Trustee shall give notice to the Rating Agencies then rating the Series 2008 B Bonds of the occurrence of any of the following with respect to the Series 2008 B Bonds:

(i)the removal, resignation or appointment of the Trustee, Tender Agent, Remarketing Agent, Auction Agent or Broker-Dealer;

(ii)the execution of any amendment or supplement to the Indenture, the Credit Facility, the Liquidity Facility, the Reimbursement Agreement, the Remarketing Agreement, the Broker-Dealer Agreement or the Auction Agreement;

(iii)the expiration, termination, extension or substitution of the Liquidity Facility or Credit Facility;

(iv)the redemption in whole of the Outstanding Series 2008 B Bonds;

(v)the acceleration of all Outstanding Series 2008 B Bonds pursuant to Section 6.02 of the Indenture;

(vi)the defeasance of all Outstanding Series 2008 B Bonds; and

(vii)any change in Mode of the Series 2008 B Bonds to the Flexible Mode, the Term Rate Mode, the Fixed Rate Mode or the Auction Rate Mode.

Any notice to the Rating Agencies shall be given by first-class mail at the following addresses or to such other addresses as may be filed in writing by each Rating Agency with the Trustee:

Fitch Ratings
One State Street Plaza
New York, New York 10004
Attention: Public Finance Department
Facsimile: (212) 480-4435

Moody's Investors Services
7 World Financial Center
New York, New York 10007
Attention: Public Finance Department
Facsimile: (212) 553-4090

Standard & Poor's Rating Services
55 Water Street
New York, New York 10041
Attention: Public Finance Department
Facsimile: (212) 438-2157

Section 15.27 Auction Procedures for Auction Rate Mode.

(A)Orders by Existing Owners and Potential Owners.

(i)Prior to the Submission Deadline on each Auction Date:

(a) each Existing Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, information as to:

(1) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period without regard to the rate determined by the Auction Procedures for such Auction Period;

(2) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period if the rate determined by the Auction Procedures for such Auction Period shall not be less than the rate per annum then specified by such Existing Owner (and which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or the same day in the case of a daily Auction Period) if the rate determined by the Auction Procedures for the next succeeding Auction Period shall be less than the rate per annum then specified by such Existing Owner); and/or

(3) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or on the same day in the case of a daily Auction Period) without regard to the rate determined by the Auction Procedures for the next succeeding Auction Period;

(b) for the purpose of implementing the Auctions and thereby to achieve the lowest possible interest rate on the Series 2008 B Bonds in the Auction Rate Mode, the Broker-Dealers shall contact Potential Owners, including Persons that are Existing Owners, to determine the principal amount of the Series 2008 B Bonds, if any, which each such Potential Owner irrevocably offers to purchase if the rate determined by the Auction Procedures for the

next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes hereof, an Order containing the information referred to in clause (a)(1) of this subsection is herein referred to as a "Hold Order," an Order containing the information referred to in clause (a)(2) or (b) of this subsection is herein referred to as a "Bid," and an Order containing the information referred to in clause (a)(3) of this subsection is herein referred to as a "Sell Order."

(ii)(a) A Bid by an Existing Owner shall constitute an irrevocable offer to sell:

(1) the principal amount of the Series 2008 B Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified therein; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds to be determined as described in Section 15.27(D)(i)(e) if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(3) a lesser principal amount of the Series 2008 B Bonds to be determined as described in Section 15.27(D)(ii)(d) if such specified rate shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

(b) A Sell Order by an Existing Owner shall constitute an irrevocable offer to sell:

(1) the principal amount of the Series 2008 B Bonds specified in such Sell Order; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds as described in Section 15.27(D)(ii)(d) if Sufficient Clearing Bids do not exist.

(c) A Bid by a Potential Owner shall constitute an irrevocable offer to purchase:

(1) the principal amount of the Series 2008 B Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified therein; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds as described in Section 15.27(D)(i)(f) if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(iii)Anything herein to the contrary notwithstanding:

(a) for purposes of any Auction, any Order which specifies the Series 2008 B Bonds to be held, purchased or sold in a principal amount which is not $25,000 or an integral multiple thereof shall be rounded down to the nearest $25,000, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

(b) for purposes of any Auction other than during a daily Auction Period, any portion of an Order of an Existing Owner which relates to a Series 2008 B Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted;

(c) for purposes of any Auction other than during a daily Auction Period, no portion of a Series 2008 B Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction; and

(d) the Auction Procedures shall be suspended with respect to the Series 2008 B Bonds in the Auction Rate Mode during the period commencing on the date of the Auction Agent's receipt of notice from the Trustee of the occurrence of a default of the City in the payment of principal, sinking fund installment, interest or premium on any Series 2008 B Bond after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date (provided, that for purposes of this provision only, payment by the Credit Provider shall be deemed to cure such default and no such suspension of the Auction Procedures shall occur), but shall resume two Business Days after the date on which the Auction Agent receives notice from the Trustee that such default has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

(B)Submission of Orders by Broker-Dealers to Auction Agent.

(i)Each Broker-Dealer shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, including such electronic communication acceptable to the parties, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and specifying, if requested, with respect to each Order:

(a) the name of the Bidder placing such Order;

(b) the aggregate principal amount of the Series 2008 B Bonds, if any, that are the subject of such Order;

(c) to the extent that such Bidder is an Existing Owner:

(1) the principal amount of the Series 2008 B Bonds, if any, subject to any Hold Order placed by such Existing Owner;

(2) the principal amount of the Bonds, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and

(3) the principal amount of the Series 2008 B Bonds, if any, subject to any Sell Order placed by such Existing Owner; and

(d) to the extent such Bidder is a Potential Owner, the rate specified in such Bid.

(ii)If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(iii)If an Order or Orders covering all of the Series 2008 B Bonds held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of the Series 2008 B Bonds held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, that if there is a conversion from one Auction Period to another Auction Period or the definitions of defined terms used in Section 15.26 have been amended pursuant to Section 15.27(G)(ii) and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of the Series 2008 B Bonds held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of the Series 2008 B Bonds held by such Existing Owner not subject to Orders submitted to the Auction Agent.

(iv)If one or more Orders covering in the aggregate more than the principal amount of Outstanding Series 2008 B Bonds held by any Existing Owner are submitted to the Auction Agent, such Orders shall be considered valid as follows:

(a) all Hold Orders shall be considered Hold Orders, but only up to and including in the aggregate the principal amount of the Series 2008 B Bonds held by such Existing Owner;

(b) (1) any Bid of an Existing Owner shall be considered valid as a Bid of an Existing Owner up to and including the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds subject to Hold Orders referred to in clause (a) of this subsection;

(2) subject to clause (1) of this paragraph, all Bids of an Existing Owner with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds held by such Existing Owner subject to Hold Orders referred to in clause (a) of this subsection;

(3) subject to clause (1) of this paragraph, if more than one Bid with different rates is submitted on behalf of such Existing Owner, such Bids shall be considered Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds held by such Existing Owner subject to Hold Orders referred to in clause (a) of this subsection; and

(4) the principal amount, if any, of such Series 2008 B Bonds subject to Bids not considered to be Bids of an Existing Owner under this clause (b) shall be treated as the subject of a Bid by a Potential Owner; and

(c) all Sell Orders shall be considered Sell Orders, but only up to and including a principal amount of the Series 2008 B Bonds equal to the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the sum of the principal amount of the Series 2008 B Bonds considered to be subject to Hold Orders pursuant to clause (i) of this subsection and the principal amount of the Series 2008 B Bonds considered to be subject to Bids of such Existing Owner pursuant to clause (b) of this subsection.

(v)If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted with the same rate shall be aggregated and considered a single Bid and each Bid submitted with a different rate shall be considered a separate Bid with the rate and the principal amount of the Series 2008 B Bonds specified therein.

(vi)Neither the City, the Trustee nor the Auction Agent shall be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Owner or Potential Owner.

(C)Determination of Auction Rate.

(i)Not later than 9:30 a.m., New York City time, on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall advise the Broker-Dealers and the Trustee by telephone or other electronic communication acceptable to the parties of the All Hold Rate and the Auction Rate Index for such Series 2008 B Bonds.

(ii)Promptly after the Submission Deadline on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(iii)Promptly after the Auction Agent has made the determinations pursuant to subsection (ii) of this Section, the Auction Agent shall advise the Trustee by telephone (promptly confirmed in writing), telex or facsimile transmission or other electronic communication acceptable to the parties of the Auction Rate for the next succeeding Auction Period and the Trustee shall promptly notify the Securities Depository of such Auction Rate.

(iv)In the event the Auction Agent shall fail to calculate or, for any reason, fails to provide the Auction Rate on any Auction Date for any Auction Period, (i) if the preceding Auction Period was a period of 35 days or less, the new Auction Period shall be the same as the preceding Auction Period and the Auction Rate for the new Auction Period shall be the same as the Auction Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than 35 days, the preceding Auction Period shall be extended to the same calendar day of the next week (or if such day is not followed by a Business Day then to the next

succeeding day which is followed by a Business Day) and the Auction Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event the Auction Period is extended as set forth in clause (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended, which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended.

(v)For so long as the Auction Procedures are suspended pursuant to Section 15.27(A)(iii)(d) with respect to any Series 2008 B Bonds in the Auction Rate Mode, the Auction Rate for each succeeding Auction Period shall be the Maximum Rate.

(vi)In the event of a failed conversion from the Auction Rate Mode to another Mode or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(vii)For so long as the Series 2008 B Bonds in the Auction Rate Mode are not rated or the Series 2008 B Bonds are not held in the Book-Entry System, the Auction Procedures shall be suspended and the Auction Rate shall be the Maximum Rate.

(viii)The Auction Rate to be applicable to the Series 2008 B Bonds in the Auction Rate Mode during each Auction Period shall be determined by the Auction Agent and notice thereof shall be given as provided Sections 14.15.

(D)Allocation of Series 2008 B Bonds.

(i)In the event of Sufficient Clearing Bids for the Series 2008 B Bonds in the Auction Rate Mode, subject to the further provisions of subsections (iii) and (iv) of this Section, Submitted Orders for such Series 2008 B Bonds shall be accepted or rejected as follows in the following order of priority:

(a) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Hold Order;

(b) the Submitted Sell Order of each Existing Owner shall be accepted and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell the Series 2008 B Bonds that are the subject of such Submitted Sell Order or Submitted Bid;

(c) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid;

(d) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid;

(e) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid, but only up to and including the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of Outstanding Series 2008 B Bonds which are not the subject of Submitted Hold Orders described in clause (a) of this subsection or of Submitted Bids described in clauses (c) or (d) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of the Series 2008 B Bonds;

(f) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of Outstanding Series 2008 B Bonds which are not the subject of Submitted Hold Orders described in clause (a) of this subsection or of Submitted Bids described in clauses (c), (d) or (e) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(g) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(ii)In the event there are not Sufficient Clearing Bids for the Series 2008 B Bonds in the Auction Rate Mode, subject to the further provisions of subsections (iii) and (iv) of this Section, Submitted Orders for such Series 2008 B Bonds shall be accepted or rejected as follows in the following order of priority:

(a) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Hold Order;

(b) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid;

(c) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid;

(d) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of the Series 2008 B Bonds subject to Submitted Bids described in clause (c) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the principal amount of Outstanding Series 2008 B Bonds subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of the Series 2008 B Bonds; and

(e) the Submitted Bid of each Potential Owner specifying any rate that is higher than Maximum Rate shall be rejected.

(iii)If, as a result of the procedures described in subsection (i) or (ii) of this Section, any Existing Owner or Potential Owner would be required to purchase or sell an aggregate principal amount of the Series 2008 B Bonds which is not an integral multiple of $25,000 on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, round up or down the principal amount of the Series 2008 B Bonds to be purchased or sold by any Existing Owner or Potential Owner on such Auction Date so that the aggregate principal amount of the Series 2008 B Bonds purchased or sold by each Existing Owner or Potential Owner on such Auction Date shall be an integral multiple of $25,000, even if such allocation results in one or more of such Existing Owners or Potential Owners not purchasing or selling any Series 2008 B Bonds on such Auction Date.

(iv)If, as a result of the procedures described in subsection (i) of this Section, any Potential Owner would be required to purchase less than $25,000 in principal amount of the Series 2008 B Bonds on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate the Series 2008 B Bonds for purchase among Potential Owners so that the principal amount of Series 2008 B Bonds in the Auction Rate Mode purchased on such Auction Date by any Potential Owner shall be an integral multiple of $25,000, even if such allocation results in one or more of such Potential Owners not purchasing the Series 2008 B Bonds on such Auction Date.

(E)Notice of Auction Rate.

(i)On each Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall notify by telephone or other telecommunication device or other electronic communication acceptable to the parties or in writing each Broker-Dealer that participated in the Auction held on such Auction Date of the following:

(a) the Auction Rate determined on such Auction Date for the succeeding Auction Period;

(b) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(c) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected and the principal amount of the Series 2008 B Bonds, if any, to be sold by such Existing Owner;

(d) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected and the principal amount of the Series 2008 B Bonds, if any, to be purchased by such Potential Owner;

(e) if the aggregate principal amount of the Series 2008 B Bonds to be sold by all Existing Owners on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate principal amount of the Series 2008 B Bonds to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the principal amount of the Series 2008 B Bonds to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(f) the immediately succeeding Auction Date.

(ii)On each Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall: (i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Existing Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the principal amount of the Series 2008 B Bonds to be purchased pursuant to such Bid (including, with respect to the Series 2008 B Bonds in a daily Auction Period, accrued interest if the purchase date is not an Interest Payment Date for such Series 2008 B Bonds) against receipt of such Series 2008 B Bonds; and (iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected, in whole or in part, to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the principal amount of the Series 2008 B Bonds to be sold pursuant to such Bid or Sell Order against payment therefor.

(F)Auction Rate Index.

(i)The Auction Rate Index on any date with respect to Series 2008 B Bonds in an Auction Period of 35 days or less shall be One-Month LIBOR on such date. The Auction Rate

Index on any date with respect to Series 2008 B Bonds in an Auction Period of greater than 35 days shall be the rate on United States Treasury Securities having a maturity that most closely approximates the length of the Auction Period, as most recently published in The Bond Buyer. If either rate is unavailable, the Auction Rate Index shall be an index or rate agreed to by all Broker-Dealers and the Credit Provider and consented to by the City. "One-Month LIBOR" means, on any date of determination, the offered rate (rounded up to the next highest one one-thousandth of one percent (0.001%)) for deposits in U.S. dollars for a one-month period which appears on Telerate Page 3750 at approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market.

(ii)If for any reason on any Auction Date the Auction Rate Index shall not be determined as provided in subsection (a) of this Section, the Auction Rate Index shall be the Auction Rate Index for the Auction Period ending on such Auction Date.

(iii)The determination of the Auction Rate Index as provided herein shall be conclusive and binding upon the City, the Trustee, the Broker-Dealers, the Auction Agent and the Owners of the Series 2008 B Bonds.

(G)Miscellaneous Provisions Regarding Auctions.

(i)In Section 15.27, each reference to the purchase, sale or holding of the Series 2008 B Bonds shall refer to beneficial ownership interests in the Series 2008 B Bonds, unless the context clearly requires otherwise.

(ii)During an Auction Rate Period with respect to the Series 2008 B Bonds, the provisions of Section 15.27 and the definitions of defined terms used in Section 15.27, including without limitation the definitions of All Hold Rate, Auction Rate (provided that in no event shall the Auction Rate exceed the Maximum Rate with respect to Series 2008 B Bonds other than Liquidity Provider Bonds), Auction Rate Index, Maximum Rate, Interest Payment Date (with respect to Series 2008 B Bonds in the Auction Rate Mode) may be amended pursuant to the Indenture by obtaining the consent of the Credit Provider and owners of all Outstanding Series 2008 B Bonds in the Auction Rate Mode as follows; provided, that no such amendment shall materially and adversely affect the rights of Owners of Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode. If on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed amendment to the Owners of Series 2008 B Bonds in the Auction Rate Mode, (i) the Auction Rate which is determined on such date is the Winning Bid Rate and (ii) there is delivered to the City and the Trustee an Opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of the Series 2008 B Bonds or any exemption from federal income tax to which the interest on the Series 2008 B Bonds would otherwise be entitled, the proposed amendment shall be deemed to have been consented to by the Owners of all affected Outstanding Series 2008 B Bonds in the Auction Rate Mode.

(iii)During any Auction Rate Period, so long as the Series 2008 B Bonds are held in the Book-Entry System, an Existing Owner or a Beneficial Owner may sell, transfer or otherwise dispose of a Series 2008 B Bond only pursuant to a Bid or Sell Order in accordance

with the Auction Procedures or to or through a Broker-Dealer; provided, that (i) in the case of all transfers other than pursuant to Auctions such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of the Series 2008 B Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the Owner of such Series 2008 B Bonds to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Owner of the Series 2008 B Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

(H)Changes in Auction Period or Auction Date.

(i)Changes in Auction Period. (a) During any Auction Rate Period, the City may from time to time on any Interest Payment Date change the length of the Auction Period with respect to all of the Series 2008 B Bonds in the Auction Rate Mode among daily, seven-days, 28-days, 35-days, three months, six months and a Special Auction Period in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by such Bonds; provided, that in the case of a change from a Special Auction Period, the date of such change shall be the Interest Payment Date immediately following the last day of such Special Auction Period. The City shall initiate the change in the length of the Auction Period by giving written notice to the Trustee, the Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least 10 Business Days prior to the Auction Date for such Auction Period. No such notice shall be required to be given by the City in connection with the 28-day Auction Periods to commence on the Auction Period Day following the first Auction Date for the Series 2008 B Bonds.

(b) Any such changed Auction Period shall be for a period of one day, seven-days, 28-days, 35-days, three months, six months or a Special Auction Period and shall be for all of the Series 2008 B Bonds in the Auction Rate Mode.

(c) The change in the length of the Auction Period for such Series 2008 B Bonds shall not be allowed unless Sufficient Clearing Bids existed at both the Auction for such Series 2008 B Bonds before the date on which the notice of the proposed change was given as provided in this subsection (i) and the Auction for such Series 2008 B Bonds immediately preceding the proposed change.

(d) The change in length of the Auction Period for such Series 2008 B Bonds shall take effect only if (A) the Trustee and the Auction Agent receive, not later than 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, a certificate from the City consenting to the change in the length of the Auction Period specified in such certificate (which consent shall be deemed to have been given by the City in connection with the 28-day Auction Periods to commence on the Auction Period Day following the first Auction Date for the Series 2008 B Bonds), (B) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period and (C) for any change to an Auction Period longer than 35 days, the prior written consent of the Credit Provider. If either of the conditions referred to in clauses (A) and (C) of this paragraph is not met, the Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the

Auction Period shall be the Auction Period determined without reference to the proposed change. If the conditions referred to in clauses (A) and (C) of this paragraph are met but the condition referred to in clause (B) of this paragraph is not met, the Auction Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(e) For purposes of the Auction for the first Auction Period, and on the date for the Series 2008 B Bonds in the Auction Rate Mode selected for conversion from one Auction Period to another, any Series 2008 B Bonds in the Auction Rate Mode which are not the subject of a specific Hold Order or Bid shall be deemed to be subject to a Sell Order.

(ii)Changes in Auction Date. During any Auction Rate Period, the Auction Agent, with the written consent of the City, may specify an earlier Auction Date for the Series 2008 B Bonds in the Auction Rate Mode (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on such Series 2008 B Bonds. The Auction Agent shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the Trustee, the City, the Broker-Dealers and the Securities Depository. In the event the Auction Agent specifies an earlier Auction Date, the days of the week on which an Auction Period begins and ends, the day of the week on which a Special Auction Period ends and the Interest Payment Date relating to a Special Auction Period shall be adjusted accordingly.

(I)Conversions to and from the Auction Rate Mode.

(i)Conversions to the Auction Rate Mode. At the option of the City, all but not less than all of the Series 2008 B Bonds may be converted from any Mode other than the Fixed Rate Mode to the Auction Rate Mode with the prior written consent of the Credit Provider. Any such conversion shall be made as follows:

(a) In any such conversion from a Daily Mode or a Weekly Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which interest is payable for the Mode from which the conversion is to be made. In any such conversion from a Flexible Mode, the Mode Change Date shall be the last regularly scheduled Interest Payment Date on which interest is payable for any Interest Period theretofore established for the Series 2008 B Bonds to be converted. In any such conversion from a Term Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which a new Term Rate Period would otherwise have commenced or the date on which all such Series 2008 B Bonds have been redeemed pursuant to Section 15.13(C).

(b) The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to clause (c) of this subsection. Such notice shall specify the Series 2008 B Bonds to be converted, the Mode Change Date and the length of the initial Auction Period. Together with such notice,

the City shall file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the effect that the conversion of such Series 2008 B Bonds to the Auction Rate Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No such change to the Auction Rate Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(c) Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Bonds to be converted, the Mode Change Date, that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds; provided, that the Trustee shall not mail such written notice if converting from the Flexible Mode until it has received a written confirmation from the Remarketing Agent that no Interest Period for the Series 2008 B Bonds to be converted extends beyond the day prior to the Mode Change Date.

(d) The Auction Rate for the Auction Period commencing on the Mode Change Date shall be the lowest rate which, in the judgment of the Broker-Dealer, is necessary to enable such Series 2008 B Bonds to be remarketed at a price equal to the principal amount thereof, plus accrued interest, if any, on the Mode Change Date. Such determination shall be conclusive and binding upon the City, the Trustee, the Auction Agent and the Owners of the Series 2008 B Bonds to which such rate will be applicable.

(e) Not later than 5:00 p.m., New York City time, on the date of determination of the Auction Rate, the Broker-Dealer shall notify the Trustee, the City and the Auction Agent of the Auction Rate by telephone, promptly confirmed in writing.

(f) At any time prior to the setting of the Auction Rate by the Broker-Dealer, the City may withdraw its notice of conversion. If on a Mode Change Date there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be converted on the failed Mode Change Date, that if such Series 2008 B Bonds are otherwise subject to mandatory tender such Series 2008 B Bonds will be purchased on the failed Mode Change Date, and that if such Series 2008 B Bonds are not otherwise subject to mandatory tender, such Series 2008 B Bonds will not be purchased on the failed Mode Change Date and will be returned to their Owners.

(g) On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be converted on the failed Mode Change Date. If such Series 2008 B Bonds are otherwise

subject to mandatory tender, such Series 2008 B Bonds shall be purchased on such Mandatory Purchase Date. If such Series 2008 B Bonds are not otherwise subject to mandatory tender, such Series 2008 B Bonds will not be purchased on the failed Mode Change Date and will be returned to their Owners.

(h) No Series 2008 B Bonds may be converted to the Auction Rate Mode when the Series 2008 B Bonds are not held in the Book-Entry System.

(ii)Conversions from the Auction Rate Mode. At the option of the City, all but not less than all of the Series 2008 B Bonds may be converted from the Auction Rate Mode to any Mode other than the Fixed Rate Mode with the prior written consent of the Credit Provider. Any such conversion shall be made as follows:

(a) The Mode Change Date shall be the Interest Payment Date following the final Auction Period.

(b) The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to clause (c) of this subsection. Such notice shall specify the Series 2008 B Bonds to be converted, the Mode Change Date, the Mode and the Interest Period to which the conversion will be made. Together with such notice, the City shall file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the effect that the conversion of the Series 2008 B Bonds to be converted to such Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No change to such Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(c) Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Series 2008 B Bonds to be converted, the Mode to which the conversion will be made, the Mode Change Date, that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds.

(d) At any time prior to 10:00 a.m., New York City time, on the Business Day three days prior to the Mode Change Date, the City may withdraw its notice of conversion and the Auction for such Series 2008 B Bonds will be held on such Auction Date as if no conversion notice had ever been given. If on a Mode Change Date from an Auction Rate Mode, there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be purchased on the failed Mode Change Date, that the Auction Agent will continue to implement the Auction Procedures on the Auction Dates with respect to the Series 2008 B Bonds which otherwise would have been converted excluding, however, the Auction

Date falling on the Business Day next preceding the failed Mode Change Date, and that the interest rate will continue to be the Auction Rate; provided, that the interest rate borne by such Series 2008 B Bonds during the Auction Period commencing on such failed Mode Change Date will be the Maximum Rate, and the Auction Period will be the seven-day Auction Period.

(e) A Liquidity Facility or Alternate Liquidity Facility meeting the requirements of Section 15.15 shall be in effect on the Mode Change Date.

(f) On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be subject to mandatory tender, will be returned to their Owners, will automatically convert to a seven-day Auction Period and will bear interest at the Maximum Rate for the Auction Period commencing on the failed Mode Change Date.

(J)Fixed Rate Conversion at Option of the City. At the option of the City, all but not less than all of the Series 2008 B Bonds in the Auction Rate Mode may be converted to the Fixed Rate Mode with the prior written consent of the Credit Provider as follows:

(i)The Mode Change Date shall be the Interest Payment Date following the final Auction Period.

(ii)The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to subsection (iii) of this Section. Such notice shall specify the Series 2008 B Bonds to be converted and the Mode Change Date. Together with such notice, the City shall file with the Trustee an Opinion of Bond Counsel to the effect that the conversion of the Series 2008 B Bonds to be converted to the Fixed Rate Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No conversion to the Fixed Rate Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(iii)Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode, setting forth the proposed Mode Change Date and stating that such Owner is required to tender such Owner's Series 2008 B Bonds for purchase on such proposed Mode Change Date.

(iv)Not later than 12:00 noon on the Business Day prior to the Mode Change Date, the Remarketing Agent shall determine the Fixed Rate for the Series 2008 B Bonds to be converted in accordance with Section 15.09(B) and Section 15.11(B).

(v)Such determination shall be conclusive and binding upon the City, the Trustee, each Broker-Dealer, the Auction Agent and the Owners of the Series 2008 B Bonds to which such rate will be applicable. Not later than 5:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall notify the Trustee and the City of such rate by telephone.

(vi)At any time prior to 10:00 a.m., New York City time, on the Business Day three days prior to the proposed Mode Change Date, the City may withdraw its notice of conversion and the Auction for such Series 2008 B Bonds will be held on such Auction Date as if no conversion notice had ever been given. If on a Mode Change Date there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be purchased on the failed Mode Change Date, that the Auction Agent will continue to implement the Auction Procedures on the Auction Dates with respect to the Series 2008 B Bonds which otherwise would have been converted excluding, however, the Auction Date falling on the Business Day next preceding the failed Mode Change Date, and that the interest rate will continue to be the Auction Rate; provided, that the interest rate borne by such Series 2008 B Bonds during the Auction Period commencing on such failed Mode Change Date will be the Maximum Rate, and the Auction Period will be the seven-day Auction Period.

(vii)On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be subject to mandatory tender, will be returned to their Owners, will automatically convert to a seven-day Auction Period and will bear interest at the Maximum Rate for the Auction Period commencing on the failed Mode Change Date.

Section 15.28 Auction Agent For Auction Rate Mode.

(A)Auction Agent.

(i)The Auction Agent shall be appointed by the Trustee at the written direction of the City, to perform the functions specified herein. The Auction Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument, delivered to the City, the Trustee and each Broker-Dealer, which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the City and the Trustee.

(ii)Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in the Series 2008 B Bonds with the same rights as if such entity were not the Auction Agent.

(B)Qualifications of Auction Agent; Resignation; Removal.

The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least $30,000,000, or (b) a member of NASD having a capitalization of at least $30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by the Indenture and a member of or a participant in, the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least 90 days' notice to the City, the Credit Provider and the Trustee. The Auction Agent may be removed at any time by the City by written notice, delivered to the Auction Agent, the City, the Credit Provider and the Trustee, and the City shall, to the extent otherwise permitted by the terms hereof, take all reasonable actions necessary to replace any Auction Agent for failure to perform its duties in accordance with the Indenture and the related Auction Agreement, including seeking any necessary approvals. Upon any such resignation or removal, the Trustee at the written direction of the City shall appoint a successor Auction Agent designated by the City and approved by the Credit Provider and meeting the requirements of this Section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver to its successor any moneys and the Bonds held by it in such capacity. The Auction Agent shall continue to perform its duties until its successor has been appointed by the Trustee. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving 30 days' notice to the City and the Trustee even if a successor Auction Agent has not been appointed. The Trustee shall not liable for any actions or omissions of the Auction Agent.

(C)Notice to Auction Agent. The City shall promptly deliver to the Auction Agent written notice of the adoption of any Supplemental Indenture.

Section 15.29 Form of Series 2008 B Bonds. Subject to the provisions of this Fifth Supplement, while the Series 2008 B Bonds are in a Weekly Mode, the Series 2008 B Bonds and the certificate of authentication and registration to be executed thereon shall be in substantially the form set forth as Exhibit A hereto. The Series 2008 B Bond designation letters and numbers, maturity dates and principal amounts shall be inserted therein in conformity with Section 15.03. Upon a change in Mode to another Mode, and upon any subsequent change in the Series 2008 B Bonds from one Mode to another Mode, a new form of Series 2008 B Bond shall be prepared, if and to the extent necessary, which contains the terms of the Series 2008 B Bonds applicable in the new interest rate Mode.

Section 15.30 Issuance of Series 2008 B Bonds. At any time after the execution and delivery of this Fifth Supplement, the City may execute and the Trustee shall authenticate and deliver the Series 2008 B Bonds in the aggregate principal amount of $_____ upon the Order of the City.

Section 15.31 Application of Proceeds of Series 2008 B Bonds.

(A)The net proceeds of the sale of the Series 2008 B Bonds in the amount of $_____ (computed as $_____ aggregate principal amount of Series 2008 B Bonds less $_____ underwriter's discount), together with $_____ transferred

from the Series 2003 Bond Reserve Fund, shall be received by the Trustee on behalf of the City and held in trust and set aside as follows:

(i)The Trustee shall deposit in the Series 2008 B Bond Reserve Fund, established pursuant to Section 15.03(D), $_____ representing an amount which shall be equal to the Series 2008 B Bond Reserve Requirement, to be applied in accordance with Section 15.03(D); and

(ii)The Trustee shall deposit in the Series 2008 B Costs of Issuance Fund $_____, to be applied in accordance with Section 15.32.

(iii)The Trustee shall deposit $_____ in the Series 2003 B Bond Redemption Fund established under Section 15.33 to pay the Redemption Price of and interest on the Series 1998 A Bonds as the same become due on [July 1, 2008], as provided in Section 11.03(A) of the First Supplement.

The Trustee may, in its discretion, establish any temporary fund or account to facilitate the foregoing deposits and transfers.

Section 15.32 Establishment and Application of Series 2008 B Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2008 B Costs of Issuance Fund," which fund is hereby created and which fund the Trustee hereby agrees to maintain with the Trustee until _____, 2008. The Trustee shall deposit to the Series 2008 B Costs of Issuance Fund the amount specified in Section 15.31. All money in the Series 2008 B Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Series 2008 B Bonds upon receipt of Requisitions of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On _____, 2008, or upon the earlier Request of the City, any remaining balance in the Series 2008 B Costs of Issuance Fund shall be transferred to the City.

Section 15.33 Establishment and Application of Series 2003 B Bond Redemption Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2003 B Bond Redemption Fund," which fund is hereby created within the Redemption Fund established under Section 4.05 of the Indenture, and which fund the Trustee hereby agrees to maintain with the Trustee until _____, 2008. The Trustee shall deposit to the Series 2003 B Bond Redemption Fund the amount specified in Section 15.31(A)(iii). All money in the Series 2003 B Bond Redemption Fund shall be used and withdrawn by the Trustee for the sole and exclusive purpose of paying the Redemption Price of the Series 1998 A Bonds upon the redemption thereof, and any accrued interest thereon, on _____, 2008. Following the redemption of the Series 1998 A Bonds, any remaining balance in the Series 2003 B Bond Redemption Fund shall be transferred to the City.

Section 15.34 Book-Entry System.

(A)Notwithstanding the foregoing provisions of this Article II, the Series 2008 B Bonds shall initially be issued in the form of one typewritten fully registered Bond for each maturity,

without coupons, for the aggregate principal amount of the Series 2008 B Bonds, which Series 2008 B Bonds shall be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company ("DTC"). Except as provided in Section 15.34(G), all Series 2008 B Bonds shall be registered in the registration books kept by the Trustee in the name of Cede and Co., as nominee of DTC; provided that if DTC shall request that the Series 2008 B Bonds be registered in the name of a different nominee, the Trustee shall exchange all or any portion of the Series 2008 B Bonds for an equal aggregate principal amount of Series 2008 B Bonds registered in the name of such nominee or nominees of DTC. No Person other than DTC or its nominee shall be entitled to receive from the City or the Trustee either a Bond or any other evidence of ownership of the Series 2008 B Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2008 B Bonds on the registration books maintained by the Bond Trustee, in connection with discontinuing the book entry system as provided in Section 15.34(G) or otherwise.

(B)So long as the Series 2008 B Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal, Purchase Price or Redemption Price of or interest on such Series 2008 B Bonds shall be made to DTC or its nominee in same day funds on the dates provided for such payments under this Indenture. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the City or the Trustee with respect to the principal, Purchase Price or Redemption Price of or interest on the Series 2008 B Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2008 B Bonds Outstanding, the Trustee shall not require surrender by DTC or its nominee of the Series 2008 B Bonds so redeemed, but DTC or its nominee may retain such Series 2008 B Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that, in each case the Trustee shall request, and DTC shall deliver to the Trustee, a written confirmation of such partial redemption and thereafter the records maintained by the Trustee shall be conclusive as to the amount of the Series 2008 B Bonds which have been redeemed.

(C)The City, the Credit Provider, the Liquidity Provider and the Trustee may treat DTC or its nominee as the sole and exclusive owner of the Series 2008 B Bonds registered in its name for the purposes of payment of the principal or Redemption Price of, Purchase Price of, or interest on the Series 2008 B Bonds, selecting the Series 2008 B Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners under this Indenture, registering the transfer of Series 2008 B Bonds, obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever; and none of the City, Credit Provider, Liquidity Provider or the Trustee shall be affected by any notice to the contrary. None of the City, Credit Provider, Liquidity Provider or the Trustee shall have any responsibility or obligation to any participant in DTC, any Person claiming a beneficial ownership interest in the Series 2008 B Bonds under or through DTC or any such participant, or any other Person which is not shown on the registration books of the Bond Trustee as being a Bondholder, with respect to any of the following: (i) the Series 2008 B Bonds; or (ii) the accuracy of any records maintained by DTC or any such participant; or (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of, Purchase Price of, or interest on, the Series 2008 B Bonds; or (iv) the delivery to any such participant or any Person claiming a beneficial ownership interest in the Series 2008 B Bonds of any notice which is permitted or required to be given to Owners under this Bond Indenture; or (v) the selection by DTC or any

such participant of any Person to receive payment in the event of a partial redemption of the Series 2008 B Bonds; or (vi) any consent given or other action taken by DTC as Owner.

(D)So long as the Series 2008 B Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Owners under this Indenture shall be given to DTC as provided in the Representation Letter in such form as is acceptable to the Trustee, the City and DTC.

(E)In connection with any notice or other communication to be provided to Owners pursuant to this Indenture by the City or the Trustee with respect to any consent or other action to be taken by Owners, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, unless the City or the Trustee has established a special record date for such consent or other action. The City or the Trustee shall give DTC notice of such special record date not fewer than fifteen (15) calendar days in advance of such special record date to the extent possible.

(F)At or prior to the issuance of the Series 2008 B Bonds, the City and the Trustee have executed the applicable Representation Letter. Any successor Trustee shall, in its written acceptance of its duties under this Indenture, agree to take any actions necessary from time to time to comply with the requirements of the Representations Letter.

(G)The Book-Entry System for registration of the ownership of the Series 2008 B Bonds may be discontinued at any time if either: (i) DTC determines to resign as Depository for the Series 2008 B Bonds; or (ii) the City determines (and City provides thirty (30) days' notice of such discontinuation to the Trustee and DTC) to discontinue the Book-Entry System (or through a successor Securities Depository). Upon occurrence of either such event, the City may attempt to establish a book-entry relationship with another depository. If the City does not do so, or is unable to do so, and after the City has notified DTC and upon surrender to the Trustee of the Series 2008 B Bonds held by DTC, the City will issue and the Trustee will authenticate and deliver the Series 2008 B Bonds in registered certificate form in Authorized Denominations, at the expense of the City, to such Persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the City or the Trustee for the accuracy of such designation. Whenever DTC requests the City or the Trustee to do so, the City or the Trustee shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another depository to maintain custody of certificates evidencing the Series 2008 B Bonds.

(H)Anything herein to the contrary notwithstanding, so long as any Series 2008 B Bonds are registered in the name of DTC or any nominee thereof, in connection with any purchase of Series 2008 B Bonds upon the demand of an Owner, a Beneficial Owner of such Series 2008 B Bonds must give notice of its election to have its Series 2008 B Bonds purchased, through its participant, to the Tender Agent, and shall effect delivery of the Series 2008 B Bonds by causing DTC's direct participant to transfer the participant's interest in the Series 2008 B Bonds on DTC's records to the Tender Agent. The requirement for physical delivery of the Series 2008 B Bonds in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2008 B Bonds are transferred by direct participants on DTC's records.

(I)Upon any purchase of the Series 2008 B Bonds in accordance with the terms hereof, payment of the Purchase Price shall be made to DTC and no surrender of certificates shall be required. Such sales shall be made through DTC participants (including the Remarketing Agent) and the new Beneficial Owners of such Series 2008 B Bonds shall not receive delivery of Bond certificates. DTC shall transmit payments to DTC participants, and DTC participants shall transmit payments to Beneficial Owners whose Series 2008 B Bonds were purchased pursuant to a remarketing. Neither the City, the Trustee nor the Remarketing Agent is responsible for transfers of payments to DTC participants or Beneficial Owners. In the event of the purchase of less than all of the Series 2008 B Bonds Outstanding, the Bond Trustee shall not require surrender by DTC or its nominee of the Series 2008 B Bonds so purchased for transfer, but DTC or its nominee may retain such Series 2008 B Bonds and make an appropriate notation on its records; provided that, in each case, DTC shall deliver to the Trustee, a written confirmation of such purchase.

Section 15.35 Terms of Series 2008 B Bonds Subject to the Indenture. Except as in this Fifth Supplement expressly provided, every term and condition contained in the Indenture shall apply to the Fifth Supplement and to the Series 2008 B Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to the Fifth Supplement, provided, however, that notwithstanding anything in Section 4.01 of the Indenture, the proceeds of the Liquidity Facility and the Credit Facility shall be for the exclusive benefit of the Owners of the Series 2008 B Bonds.

The Fifth Supplement and all the terms and provisions herein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby subject to the next sentence. For the purpose of this Fifth Supplement, whenever reference is made in the definition of Investment Securities found in Section 1.02 of the Indenture to the rating on the Bonds, such reference shall refer to the rating on the Series 2008 B Bonds without giving effect to any Credit Facility.

Section 15.36 Effective Date of Fifth Supplement. The Fifth Supplement shall take effect upon its execution and delivery.

Section 15.37 Execution in Counterparts. The Fifth Supplement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

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

CITY OF SANTA CLARA

By: _____
City Manager

(Seal)

ATTEST:

By: _____
City Clerk

THE BANK OF NEW YORK TRUST COMPANY, N.A., as Trustee

By: _____
Vice President

EXHIBIT A

(FORM OF SERIES 2008 B BOND)

No. 1 $_____

CITY OF SANTA CLARA, CALIFORNIA
SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 B

Unless this certificate is presented by an authorized representative of The Depository Trust Company a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Maturity Date	Interest Rate Per Annum	Dated Date	CUSIP
July 1, ____	Variable	_____, 2008	801444 ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The CITY OF SANTA CLARA, a municipal corporation and chartered city duly organized and existing under the Constitution and the laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Subordinated Net Revenues and funds hereinafter referred to) to the registered owner named above or registered assigns, on the Maturity Date specified above (subject to any right of prior redemption or payment as provided in the hereinafter mentioned Indenture), the principal sum specified above together with interest thereon until the principal hereof shall have been paid, as provided in the Indenture. Such interest on this Bond shall be paid from and including the most recent Interest Payment Date to which interest has been paid in full or duly provided for, or, if it is the first payment of interest on this Bond, from the Dated Date set forth above, payable on each Interest Payment Date at the rates per annum determined as described herein and in the Indenture mentioned below until the principal sum hereof is paid.

This bond is one of a duly authorized issue of City of Santa Clara, California Subordinated Electric Revenue Bonds (the "Bonds") of the series and designation indicated on the face hereof. Said authorized issue of Bonds is not limited in aggregate principal amount, except as otherwise provided in said Indenture, and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in said Indenture provided, all issued and to be issued pursuant to the provisions of the Bond Law (as defined in the Indenture). This Bond is issued pursuant to a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, between the Trustee and the City, providing for the issuance of the Bonds, and a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____ 1, 2008 (the "Fifth Supplement"), between the Trustee and the City (said indenture as amended and supplemented, including as supplemented by the Fifth Supplement, the "Indenture"), authorizing the issuance of a series of bonds of which this Bond is one (the "Series 2008 B Bonds"). Reference is hereby made to the Indenture and to the Bond Law for a description of the terms under which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Subordinated Net Revenues (as that term is defined in the Indenture), and the rights of the registered owners of the Bonds; and all the terms of the Indenture and the Bond Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued, and indebtedness may be incurred, on a parity with the Bonds of this authorized issue, but only subject to the conditions and limitations contained in the Indenture.

The Bonds and the interest thereon (to the extent set forth in the Indenture), together with the Parity Debt (as defined in the Indenture) hereafter issued by the City, and the interest thereon, are payable from, and are secured by a charge and lien on, the Subordinated Net Revenues. All of the Bonds and Parity Debt are equally secured by a pledge of, and charge and lien upon, all of the Subordinated Net Revenues, provided, however, that the proceeds of the Liquidity Facility and the Credit Facility shall be for the exclusive benefit of the holders of the Series 2008 B Bonds. The Subordinated Net Revenues constitute a trust fund for the security and payment of the interest on and principal of the Bonds, but nevertheless out of Subordinated Net Revenues certain amounts may be applied for other purposes as provided in the Indenture.

The Bonds are limited obligations of the City and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Subordinated Net Revenues and certain funds held under the Indenture. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Bonds or the interest thereon. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Subordinated Net Revenues and said funds held under the Indenture. No registered owner of this Bond shall ever have the right to compel any exercise of the taxing power of the City to pay this Bond or the interest hereon.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One bond certificate with respect to each of the dates on which the Bonds are stated to mature, registered in the name of the Cede & Co, are being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held

in the Bonds by the Securities Depository participants, beneficial ownership of the Bonds in Authorized Denominations being evidenced in the records of such Securities Depository participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Securities Depository participants pursuant to rules and procedures established by the Securities Depository and its Securities Depository participants. The City and the Trustee will recognize Cede & Co., while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on this Bond and (ii) notices. Transfer of principal, interest and any redemption premium payments to Securities Depository participants, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such Securities Depository participants and other nominees of such beneficial owners. The City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, Cede & Co., its Securities Depository participants or persons acting through such Securities Depository participants. While Cede & Co. is the owner of this Bond, notwithstanding any other provision hereof, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements between the Trustee or its successors under the Indenture and the Securities Depository.

The Bonds are issuable as fully registered Bonds in Authorized Denominations. This Bond is being issued initially in a Weekly Mode and shall initially bear interest from the date of delivery thereof through the Tuesday of the following week at the interest rate determined by the underwriters of this Bond prior to delivery thereof, which rate shall be calculated on the basis of a 365 or 366-day year for the actual number of days elapsed. Thereafter, and for so long as this Bond shall remain in a Weekly Mode, this Bond shall bear interest at the Weekly Rate determined by the Remarketing Agent, as provided in the Indenture. So long as this Bond shall be in a Weekly Mode, the Interest Payment Date therefor shall be the first Business Day of each month.

So long as this Bond is maintained in the book-entry system, interest on this Bond will be paid on each Interest Payment Date by wire transfer of immediately available funds to the registered owner hereof. All payments on this Bond shall be made in lawful money of the United States of America. The principal hereof and premium, if any, hereon are payable when due upon surrender at the corporate trust office of The Bank of New York Trust Company, N.A., as trustee (together with any successor as trustee under said Indenture, the "Trustee"), in San Francisco, California, in lawful money of the United States of America. The principal hereof and premium, if any, and interest hereon shall be payable in lawful money of the United States of America.

As provided in and subject to the terms and conditions of the Indenture, the Bonds (other than Bonds in a Fixed Rate Mode) may, from time to time, be changed from one interest rate Mode (other than the Fixed Rate Mode) to another Mode. Any election to change a Mode is subject to rescission by the City as provided in the Indenture.

This Bond is subject to purchase and redemption prior to maturity as provided in the Indenture.

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its attorney duly authorized in writing, at the corporate trust office of the Trustee in San Francisco, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer or exchange a new fully registered Bond or Bonds without coupons, of authorized denomination or denominations, of the same series, tenor, maturity and interest rate for the same aggregate principal amount will be issued to the registered owner in exchange herefor.

The City, the Trustee and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Trustee and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of the Bonds.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the City pertaining to the Subordinated Net Revenues, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture or the Bond Law.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

IN WITNESS WHEREOF, THE CITY OF SANTA CLARA has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the City Manager of the City and attested by the facsimile signature of the City Clerk, and the seal of the City to be impressed hereon, and this Bond to be dated as of the ___ day of _____, 2008.

CITY OF SANTA CLARA

By: _____
City Manager

(SEAL)

Attested:

By: _____
City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION
AND REGISTRATION]

This is one of the Bonds described in the within mentioned Indenture and registered on the date set forth below.

Dated: _____, 2008

THE BANK OF NEW YORK
TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received _____ hereby sell, assign and transfer unto _____ the within Bond and hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the City at the office of the Trustee, with full power of substitution in the premises.

_____

NOTE: The signature to this Assignment must correspond with the name on the face of the within registered bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guaranteed by:

_____

NOTE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

$_____
CITY OF SANTA CLARA
VARIABLE RATE DEMAND
SUBORDINATED ELECTRIC REVENUE BONDS
SERIES 2008 B

BOND PURCHASE AGREEMENT

_____, 2008

City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050

Ladies and Gentlemen:

J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc. as co-underwriters (collectively, the "Underwriter"), understands that the City of Santa Clara (the "City"), proposes to issue and sell $_____ aggregate principal amount of Variable Rate Demand Subordinated Electric Revenue Bonds Series 2008 B (the "Series 2008 B Bonds"), to be issued pursuant to a resolution adopted by the City on _____, 2008 (the "Resolution"), certain procedural resolutions of the City pursuant to the City's charter (the "Charter"), and a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), between the City and the Trustee, as set forth in the Official Statement, dated _____, 2008 prepared for use by the Underwriter in making an offering of the Series 2008 B Bonds (the "Official Statement"). The Bonds will mature on the dates and will bear interest at the rates set forth in Schedule I hereto.

The proceeds of the sale of the Series 2008 B Bonds will be used to (i) refund on a _____ basis $80,530,000 aggregate principal amount of the City's $89,275,000 original principal amount Subordinated Electric Revenue Refunding Bonds, Series 1998 A Bonds (the "Series 1998 A Bonds"), (ii) fund a reserve fund with respect to the Series 2008 B Bonds, and (iii) pay costs of issuance with respect to the Series 2008 B Bonds, all as set forth in the Indenture.

Dexia Credit Local (the "Bank") has agreed to issue its Letter of Credit dated as of _____, 2008 (the "Letter of Credit"), to provide credit enhancement and liquidity support for the Series 2008 B Bonds.

Section 1. Purchase, Sale and Delivery of Bonds. On the basis of the representations and agreements contained herein, but subject to the terms and conditions herein set forth, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, all (but not less than all) of the Series 2008 B Bonds at a purchase price equal to $_____ (representing the par amount thereof, less an underwriter's discount of $_____). The City

will deliver the Series 2008 B Bonds to the order of the Underwriter (with CUSIP numbers printed thereon) against payment of the purchase price therefor in immediately available funds at 8:00 a.m. California time, on _____, 2008, or at such other time thereafter as may be mutually agreed upon by the parties, such time being hereinafter referred to as the "Closing Date."

The maturities, principal amounts, interest rate determination method and other terms and conditions of the Series 2008 B Bonds shall be as set forth in the Indenture and described in the Official Statement.

Section 2. Delivery of Official Statement. The City hereby ratifies the use of the Official Statement by the Underwriter in the marketing of the Series 2008 B Bonds. The City shall provide or cause to be provided to the Underwriter, prior to the Closing Date, a reasonable quantity of Official Statements adequate to enable the Underwriter to market and remarket the Series 2008 B Bonds.

Section 3. Financing Documents. On or prior to the Closing Date, the Underwriter shall have received duly executed copies of the following:

(a) the Indenture;

(b) the Official Statement;

(c) the Remarketing Agreement (the "Remarketing Agreement"), dated as of _____, 2008, between the City and J.P. Morgan Securities Inc., as remarketing agent (the "Remarketing Agent");

(d) the Letter of Credit;

(e) the Letter of Credit and Reimbursement Agreement, dated as of _____, 2008 (the "Reimbursement Agreement"), between the City and the Bank;

(f) the Escrow Agreement, dated as of _____, 2008 (the "Escrow Agreement"), between the City and the Trustee, as escrow agent;

(g) the Resolution.

The Bonds shall be secured under provisions of the Indenture and will be payable solely (except to the extent payable from the proceeds of the Series 2008 B Bonds and earnings from temporary investment thereof) out of the amounts pledged therefor under the Indenture. The Underwriter proposes to offer and sell the Series 2008 B Bonds as set forth in the Official Statement.

The documents described in clauses (a) through (g) above are referred to herein as the "Financing Documents."

Section 4. Representations of the City. The City makes the following representations and warranties to the Underwriter.

(a) The information in the Official Statement under the captions "THE CITY AND THE ELECTRIC UTILITY" and "ABSENCE OF MATERIAL LITIGATION," to the extent that the

information under such captions pertains to the City, as of the date thereof, does not include any untrue statement of a material fact or fail to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) The City is a charter city of the State of California (the "State") authorized to issue electric revenue bonds pursuant to Section 1321 of its Charter.

(c) The City has complied with all material provisions of the Charter, the procedural resolution pursuant to the Charter and the Revenue Bond Law of 1941, and all the provisions of the Constitution and other laws of the State applicable to the Series 2008 B Bonds and has full legal right, power and authority to issue the Series 2008 B Bonds and to enter into this Bond Purchase Agreement, to authorize the execution and delivery of the Financing Documents to which it is a party (collectively, the "City's Documents") and to authorize the distribution of the Official Statement by the Underwriter, to sell and deliver the Series 2008 B Bonds to the order of the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents.

(d) The Resolution duly authorized the execution by the City of the City's Documents, the execution and delivery by the City of this Bond Purchase Agreement, and the Series 2008 B Bonds, the distribution of the Official Statement and the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by the City's Documents.

The execution and delivery of this Bond Purchase Agreement, the City's Documents, and other agreements contemplated hereby and thereby, is in compliance with the provisions hereof and thereof, and the refinancing of the Project with the proceeds of the sale of the Series 2008 B Bonds will not conflict, in any material respect, with or constitute a material breach of or a default under any law, administrative regulation, court decree or resolution or, to the best of the City's knowledge after due inquiry, any agreement to which the City is subject.

Section 5. Termination. The Underwriter may terminate its obligations hereunder by written notice to the other parties hereto if at or prior to the Closing Date:

(a) (i) Legislation shall have been enacted by the Congress, or recommended to the Congress for passage by the President of the United States or the U.S. Department of the Treasury or the Internal Revenue Service or any member of the United States Congress or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (iii) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service, in each case referred to in clauses (i), (ii) and (iii), with the purpose or effect, directly or indirectly, of including in gross income for federal income tax purposes interest to be received by any owners of the Series 2008 B Bonds;

(b) Legislation shall have been enacted, or action taken by the Securities and Exchange Commission, that, in the opinion of counsel to the Underwriter, has the effect of requiring the contemplated offering of the Series 2008 B Bonds to be registered under the Securities Act of 1933, as amended (the "1933 Act"), or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended; or

(c) There shall have occurred after the date hereof a general suspension of trading in securities, or the declaration of a general banking moratorium by the United States of America, the State of New York or the Commonwealth, or any war (or threat of war) involving the United States or other national calamity (including, without limitation, an act of terrorism), the effect of which, in the Underwriter's reasonable judgment, will adversely affect the marketability of the Series 2008 B Bonds.

Section 6. Conditions to Obligation of Underwriter. The obligation of the Underwriter hereunder to purchase and pay for the Series 2008 B Bonds shall be subject to the accuracy of the representations and warranties of the City herein, to the accuracy of statements to be made on behalf of the City, to the performance by the City of its obligations hereunder, and to the following additional conditions:

(a) All official or corporate action of the City relating to this Bond Purchase Agreement, the City's Documents, and the Series 2008 B Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter.

(b) The Underwriter shall have received the approving legal opinion of Sidley Austin LLP, San Francisco, California, Bond Counsel, dated the Closing Date with respect to the Series 2008 B Bonds, in substance acceptable to the Underwriter, together with a supplemental opinion in substantially the form attached hereto as Exhibit A. Sidley Austin LLP, San Francisco, California, in its role as Disclosure Counsel to the City, shall further provide a 10b-5 opinion to the Underwriter, either in the supplemental opinion or as a separate opinion.

(c) The Underwriter shall have received an opinion of its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California, dated the Closing Date, as to such matters and in such form as the Underwriter may reasonably request. In rendering such opinion, such counsel may rely upon the opinions of Bond Counsel and on the other certificates and opinions delivered hereunder with respect to the matters of State law covered therein.

(d) The Underwriter shall have received a certificate, dated the Closing Date and signed by an authorized officer of the Trustee, to the effect that (i) he or she is an authorized officer of the Trustee; (ii) the Indenture has been duly executed and delivered by the Trustee; (iii) the Trustee has all necessary corporate and trust powers required to carry out the trust created by the Indenture; and (iv) to the best of his or her knowledge, the acceptance by the Trustee of the duties and obligations of the Trustee under the Indenture and compliance with the provisions thereof will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject.

(e) The Underwriter shall have received an opinion of counsel to the Trustee in substantially the form attached as Exhibit B hereto.

(f) The Underwriter shall have received a certificate, dated the Closing Date and signed on behalf of the City, to the effect that, subject to the concluding paragraph of this paragraph 6 (g):

(i) the City is in compliance with its covenants, representations and warranties contained in this Bond Purchase Agreement and the City's Documents;

(ii) by official action of the City prior to or concurrently with the acceptance hereof, the City has adopted the Resolution, has approved the distribution of the Official Statement, has duly authorized the use of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in this Bond Purchase Agreement and the City's Documents;

(iii) the execution and delivery of the Series 2008 B Bonds, this Bond Purchase Agreement and the City's Documents, and the compliance with the provisions of each thereof, does not, in any material respect, conflict with or constitute a material breach of or default under any law, administrative regulation, judgment or decree, or, to the best of the City's knowledge, after due inquiry, any loan agreement, note, resolution, agreement or other instrument to which the City is a party or to which it or any of its property is otherwise subject;

(iv) no litigation or other proceedings in which the City has been served with process are pending or, to the knowledge of the person or persons signing the certificate, threatened in any court or other tribunal of competent jurisdiction, state or federal, in any way (A) restraining or enjoining the issuance, sale or delivery of the Series 2008 B Bonds, (B) questioning or affecting the validity of this Bond Purchase Agreement, the Series 2008 B Bonds, the Indenture, the pledge to the Owners of any money or other security provided under the Indenture, or any other transaction referred to in the Official Statement, (C) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution, issuance or delivery of the Series 2008 B Bonds, (D) questioning or affecting the organization or existence of the City or the title to any office of the executive officers thereof or (E) questioning or affecting the power and authority of the City to issue the Series 2008 B Bonds, or to execute this Bond Purchase Agreement, the Series 2008 B Bonds or the City's Documents; and

(v) the information in the Official Statement under the captions "THE ISSUER" and "ABSENCE OF MATERIAL LITIGATION" (with respect to the City) does not contain any untrue statement of a material fact or fail to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(g) The Underwriter shall have received evidence, acceptable to Bond Counsel, that all public hearings and approvals of appropriate government officials with respect to the issuance of the Series 2008 B Bonds have been accomplished in satisfaction of the requirements of the Internal Revenue Code of 1986, as amended (the "Code").

(h) The Underwriter shall have received arbitrage certifications by the City in form and substance satisfactory to Bond Counsel.

(i) Standard & Poor's Ratings Service and Fitch Ratings Inc. shall have issued and not withdrawn a rating of "____/___" and "____/___," respectively, on the Series 2008 B Bonds.

(j) The Underwriter shall have received an opinion of the City Attorney to the City in substantially the form attached hereto as Exhibit C.

(k) The Underwriter shall have received an opinion of Chapman & Cutler LLP, Chicago, Illinois, counsel to the Bank, in substantially the form attached hereto as Exhibit D.

(l) The Underwriter shall have received such additional certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance by the City and the Trustee with legal requirements of closing, and to certify the truth and accuracy, as of the Closing Date, of the representations of the City contained herein and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each of them.

Section 7. Covenants. The City covenants and agrees with the Underwriter as follows:

(a) If between the date on which the Official Statement is delivered pursuant to Section 2 hereof, and 25 days after the Closing Date (or such longer period as the City and the Underwriter shall agree), an event occurs which would cause the information in the Official Statement with respect to it to contain an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter (or if such event is discovered by the Underwriter, the Underwriter shall notify the City of such an event), and, if in the opinion of the City and the Underwriter such event requires an amendment or supplement to the Official Statement, the City, at the sole expense of the City, will amend or supplement the Official Statement in a form and in a manner approved by the City and the Underwriter; provided, however, if such event shall occur on or prior to the Closing Date, the Underwriter in its sole discretion shall have the right to terminate its obligations hereunder by written notice to the other parties hereto; and provided further that nothing herein will require the City to amend the Official Statement as to information concerning the Bank unless the Bank provides such information and pays the costs of making such amendment.

(b) To the extent required by the Indenture, the City shall take all necessary actions to cause the Series 2008 B Bonds to comply with the provisions of the laws and regulations of the State pursuant to which the Series 2008 B Bonds are issued and of the Code, and the City will not knowingly take any action over which it exercises control, or permit any action within its control to be taken, in violation of such provisions or that would cause interest on the Series 2008 B Bonds to be included in gross income for federal income tax purposes.

Section 8. Payment of Costs of Financing. (a) If the Series 2008 B Bonds are sold to the Underwriter by the City, the City shall pay all expenses incident to the performance of its obligations hereunder and the issuance of the Series 2008 B Bonds, including but not limited to (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of the Financing Documents described herein and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby, (ii) the fees and disbursements of Bond Counsel, (iii) any fees charged by counsel and advisors to the City, (iv) the initial or acceptance fee of the Trustee, (v) any fees charged by the Rating Agency for the rating of the Series 2008 B Bonds, (vi) all fees and expenses of the Bank, including the fees and expenses of its counsel, and (vii) except as otherwise provided in the following paragraph, all other costs of issuance of the Series 2008 B Bonds.

(b) The Underwriter shall pay all expenses incurred by it in connection with the public offering and distribution of the Bonds including, but not limited to, (i) all advertising expenses in connection with the offering of the Series 2008 B Bonds; and (ii) all out-of-pocket disbursements and expenses incurred by the Underwriter in connection with the offering and distribution of the Bonds, including the costs of its counsel.

Section 9. Survival of Covenants and Representations. The respective agreements, covenants, representations, warranties and other statements of the City, the Underwriter, and of their respective officers set forth in or made pursuant to this Bond Purchase Agreement will remain in full force and effect during the term of this Bond Purchase Agreement, and shall survive the delivery of and payment for the Series 2008 B Bonds.

Section 10. Notices. Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing to the City at its address set forth above, with copies of such notices as provided in the Indenture. Any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to J.P. Morgan Securities Inc., 1999 Avenue of the Stars, 31st Floor, Los Angeles, California 90067, Attention: Managing Director.

Section 11. Governing Law. This Bond Purchase Agreement shall be governed by the internal laws of the State of California without regard to conflicts of laws principles.

Section 12. Effectiveness. This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by the City.

Section 13. Counterparts. This Bond Purchase Agreement may be executed in one or more counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed copy of this Bond Purchase Agreement, whereupon it will become a binding agreement between the Underwriter and the City in accordance with its terms.

Very truly yours,

J.P. MORGAN SECURITIES INC.

By: _____
Principal

The foregoing is confirmed and accepted as of the date first above written.

CITY OF SANTA CLARA

By: _____
City Manager

SCHEDULE I
MATURITY AND PRINCIPAL AMOUNT AND INTEREST RATE

Maturity Date	Principal Amount	Initial Interest Rate	Price

EXHIBIT A

(Form of Bond Counsel Supplemental Opinion)

[Closing Date]

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
Los Angeles, California

City of Santa Clara
Santa Clara, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Dear Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the authorization and issuance of the above-captioned bonds (the "Bonds") by the City of Santa Clara (the "City").

We have examined originals, or copies certified or otherwise identified to our satisfaction, of (a) a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), (b) the Bond Purchase Agreement, dated _____, 2008 (the "Bond Purchase Agreement"), between J.P. Morgan Securities Inc., on behalf of itself and the Bear, Stearns & Co. Inc., as co-underwriters (collectively, the "Underwriter"), and the City; (c) the Official Statement (the "Official Statement") relating to the Series 2008 B Bonds; and (d) the opinions and certificates required to be delivered to the Underwriter pursuant to Section 6 of the Bond Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the same meanings as set forth in the Indenture.

On the basis of the foregoing, and our review of such other information, records and documents as in our judgment is necessary or advisable, we are of opinion as follows:

1. Under existing laws, the Series 2008 B Bonds may be offered and sold without registration under the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

2. The statements made in the Official Statement under the headings "INTRODUCTION," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "THE BONDS," "TAX MATTERS" and "APPENDIX A—SUMMARY OF THE INDENTURE" are, to the

extent that such statements are summaries of documents or legal matters referred to therein, accurate summaries of the information purported to be shown.

We have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement. However, in the course of our participation in the preparation of the Official Statement, as disclosure counsel to the City, we have been in contact with representatives of the City and such other persons as we deemed appropriate. Based on the foregoing and without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to us in the course of our participation in the preparation of the Official Statement, nothing has come to our attention which would lead us to believe that the Official Statement, including the cover page and all appendices thereto (but excluding therefrom financial statements and statistical data, information regarding The Depository Trust Company and its book entry system, and information regarding the Bank, as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In rendering this opinion, we have relied upon the opinions and certificates delivered pursuant to the Bond Purchase Agreement.

Very truly yours,

EXHIBIT B

(Form of Opinion of Counsel to the Trustee)

[Closing Date]

City of Santa Clara
Santa Clara, California

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
Los Angeles, California

The Bank of New York Trust Company, N.A.
San Francisco, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Ladies and Gentlemen:

We have acted as counsel for The Bank of New York Trust Company, N.A. (the "Trustee"), in connection with the Trustee serving as trustee under that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, between the City and the Trustee, as supplemented and amended by a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008, between the City and the Trustee (such indenture, as supplemented and amended, the "Indenture"), relating to the issuance by the City of the above-referenced Bonds (the "Bonds"). All capitalized terms used in this opinion and not otherwise defined shall have the meaning set forth in the Indenture.

In connection with the opinions rendered herein, we have examined and relied upon the following matters and documents:

(a) The organizational documents of the Trustee;

(b) Resolutions adopted by the Trustee relating to the execution and performance of the Indenture;

(c) The Trustee's Certificate to be executed and delivered by the Trustee to the City relating to the issuance of the Series 2008 B Bonds;

(d) The Indenture and the Reimbursement Agreement (collectively, the "Transaction Documents");

(e) Discussions with officers of the Trustee regarding certain matters set forth herein.

Based on our review of the foregoing and subject to the assumptions and qualifications set forth herein, it is our opinion that, as of the date of this letter:

1. The Trustee is a national banking association, duly incorporated, validly existing and in good standing under the laws of the United States of America, and has all requisite corporate power, authority and legal right to execute and deliver the Transaction Documents, to accept the trusts created under the Indenture and to perform its obligations under the Transaction Documents.

2. The Trustee has taken all corporate action necessary to authorize its performance of its duties and obligations under the Transaction Documents.

3. The Trustee has duly authorized the execution and delivery of the Transaction Documents, and assuming each of such documents is legally valid and binding upon the other parties thereto, then each of the Transaction Documents, when fully executed and delivered, will constitute the valid, legal and binding obligations of the Trustee in its capacity as Trustee, enforceable against the Trustee in accordance with its terms, subject to the following:

(i) applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally; and

(ii) the exercise of judicial discretion in accordance with general principles of equity.

4. Other than routine filings required to be made with governmental agencies in order to preserve the Trustee's authority to perform trust business, no consent, approval or orders of any governmental banking authority or banking agency having jurisdiction over the Trustee is required as a condition precedent to the Trustee's execution and delivery of the Transaction Documents or the performance by the Trustee of its duties and obligations under the Transaction Documents, or if required, the same has been obtained and is in full force and effect;

5. The acceptance by the Trustee of its duties and obligations under the Transaction Documents and compliance with the provisions thereof will not conflict with or result in the breach of or default under any laws of the State of California or federal law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject, and will not contravene the Trustee's organizational documents.

6. To our knowledge, there is no litigation pending or threatened against the Trustee contesting or affecting the existence of powers (including trust powers) of the Trustee, seeking to restrain the Trustee's participation in the transactions to be effected by the Transaction Documents or affecting the Trustee's ability to fulfill its duties and obligations under the Transaction Documents.

Very truly yours,

EXHIBIT C

(Form of Opinion of City Attorney)

[Closing Date]

Sidley Austin LLP
San Francisco, California

J.P. Morgan Securities Inc.
Los Angeles, California

The Bank of New York Trust Company, N.A.
San Francisco, California

Bear, Stearns & Co. Inc.
Los Angeles, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Dear Ladies and Gentlemen:

I am the City Attorney of the City of Santa Clara and have acted as counsel to the City of Santa Clara (the "City"), in connection with the authorization and issuance of the bonds referenced above (the "Bonds"). We advise you that we have examined (a) certified copies of the resolution of the City adopted on _____, 2008 (the "Resolution") approving and authorizing the execution of the Bond Purchase Agreement, dated _____, 2008 (the "Bond Purchase Agreement"), by and between J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc., as co-underwriters (collectively, the "Underwriter") and the City, (b) the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as supplemented and amended by a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008, between the City and the Trustee (such indenture, as supplemented and amended, the "Indenture"); (c) the Bond Purchase Agreement; (d) the Reimbursement Agreement, dated as of _____, 2008, between the City and Dexia Credit Local, (e) the Escrow Agreement, dated as of _____, 2008 (the "Escrow Agreement"), between the City and the Trustee, acting as escrow agent, (f) the final Official Statement, dated _____, 2008, relating to the Series 2008 B Bonds (the "Official Statement"); and (g) such other documents, instruments and certificates of public officials, officers and representatives of the City, and others, as we have deemed necessary or appropriate to render the opinions hereinafter expressed. (The Bond Purchase Agreement, the Indenture, the Escrow Agreement and the Reimbursement Agreement are collectively referred to herein as the "City's Documents.")

In making our examination of documents and instruments executed by parties other than the City, we have assumed that such parties have the power and authority, corporate and otherwise, to enter into and perform all obligations thereunder and have also assumed the due authorization of such documents and instruments by all requisite action, corporate and otherwise, of such parties, proper execution and delivery of such documents and instruments by authorized representatives of such parties and the validity and binding effect thereof on such parties. We have also assumed, with respect to all documents, the genuineness of all

signatures, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as certified or photostatic copies thereof.

As to various questions of fact relevant to this opinion letter, we have made no independent investigation of the accuracy, completeness, or fairness of such factual matters, but have relied instead upon certifications, representations, and warranties made by or on behalf of the City in the City's Documents and upon other certifications, representations, and warranties of officers or representatives of the City and others.

The laws addressed by this opinion letter are limited to the laws of the State of California.

Based upon and subject to the foregoing, we are of the opinion that:

1. The City is a charter city of the State of California, and has the power and authority to carry out and consummate all transactions contemplated by the City's Documents and the Series 2008 B Bonds.

2. The City's Documents have each been duly executed and delivered by the City and each constitutes the legal, valid, and binding agreement of the City, enforceable against the City in accordance with its respective terms, subject to the qualifications that (a) the enforceability of such document or instrument may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law); (b) rights to indemnification or contribution may be limited by applicable law or equitable principles or otherwise unenforceable as against public policy; and (c) we express no opinion as to enforceability of forum selection clauses or choice of law provisions.

3. The Official Statement has been duly approved by the City, and the City has duly authorized the use of the Official Statement by the Underwriter in connection with the offering and sale of the Series 2008 B Bonds.

4. All authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities required to be obtained or effected by the City for the City's execution and delivery of or performance under the Series 2008 B Bonds and the City's Documents have been obtained or effected.

We express no opinion with respect to (i) the excludability from gross income or the exemption of interest on the Series 2008 B Bonds for purposes of federal or state income taxation; and (ii) the application of or compliance with the securities laws and regulations of the United States of America or the securities laws and regulations of any state or other jurisdiction thereof.

This opinion letter is rendered upon request to the addressees hereof solely in connection with the transactions contemplated by the Series 2008 B Bonds and the City's Documents and may not be used or relied upon by any other person or for any other purpose without prior written consent.

Very truly yours,

Exhibit D

(Form of Opinion of Counsel of the Bank)

[Closing Date]

City of Santa Clara
Santa Clara, California

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
San Francisco, California

The Bank of New York Trust Company, N.A.
San Francisco, California

[Rating Agency]

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Ladies and Gentlemen:

I have served as counsel the Bank of America, N.A. ("the Bank"). I have acted in such capacity in connection with the execution and delivery by the Bank of a Letter of Credit, dated as of _____, 2008 (the "Letter of Credit"), between the Bank and The Bank of New York Trust Company, N.A. (the "Trustee"), in its capacity as trustee under the Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City of Santa Clara (the "City") and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), pursuant to which the captioned Series 2008 B Bonds (the "Series 2008 B Bonds") are issued. As such counsel, I have examined and reviewed such documents of the Bank, as I have deemed appropriate, including, *inter alia*, the Letter of Credit and the Reimbursement Agreement, dated as of _____, 2008, between the City and the Bank. I have also examined and relied on the originals or copies certified or otherwise identified to my satisfaction of all such corporate records of the Bank and such other instruments and other certificates of public officials and such other persons, and I have made such investigations of law, as I have deemed appropriate as a basis for the opinions expressed below. I have assumed that the Letter of Credit and other agreements required as a condition to the Bank's execution and delivery of the Letter of Credit have been duly authorized, executed and delivered by the Trustee (in the case of the Letter of Credit) and by the respective other parties thereto (in the case of such other agreements), in each case in accordance with

the requirements of such agreements, and that each of such agreements constitutes a legal, valid and binding obligation of the Trustee and the other parties thereto (excluding the Bank), as the case may be.

Based on the foregoing, I advise you that in my opinion:

(a) The Bank is a national banking association, duly incorporated, validly existing and in good standing under the laws of the United States of America, with full power and authority to execute, deliver and perform the Letter of Credit.

(b) The Letter of Credit has been duly and validly authorized, executed and delivered by the Bank and constitutes the legal, valid and binding obligation of the Bank, and is enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt or other similar laws affecting the enforcement of creditors' rights generally (as such bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt and similar laws would be applied to the Bank), and subject to the qualification that the remedies of specific performance, injunction and other forms of equitable relief may not be available because they are subject to certain tests of equity jurisdiction, equitable defenses and the discretion of the court before which any proceeding therefor may be brought.

(c) Any required approval, authorization, consent or action of the Bank has been received or taken, and no approval, authorization, consent, action of, or filing with, any governmental or public regulatory body or authority that has not previously been received or taken, or deemed by statute to have been received or taken, is required for the due authorization of the Letter of Credit or is otherwise required in connection with the valid execution, delivery and performance of the terms thereof by the Bank.

(d) Neither the execution or delivery of the Letter of Credit, nor the fulfillment of or compliance with the terms and provisions thereof by the Bank, (i) violates any law or regulation or any order, writ, injunction or decree of any court or governmental instrumentality binding on the Bank, (ii) results in a breach of any of the terms or provisions of or constitutes a default under, or an event which with notice or lapse of time or both would constitute a default under, the provisions of any mortgage, indenture, agreement or instrument to which the Bank is a party or by which it is or its property is bound, or (iii) results in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Bank pursuant to the terms of the Bylaws of the Bank or any such mortgage, indenture, agreement or instrument.

(e) The information in the sections of the Official Statement relating to the Series 2008 B Bonds, entitled "THE BANK" and "THE LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT," to the extent that such information and definitions purport to summarize the Bank, the Letter of Credit and the Reimbursement Agreement, constitutes fair and accurate summaries thereof in all material respects.

(f) The Letter of Credit is exempt from registration under the Securities Act of 1933, as amended.

Very truly yours,

REIMBURSEMENT AGREEMENT

Between

DEXIA CREDIT LOCAL,
acting through its New York Branch

and

THE CITY OF SANTA CLARA

Relating to

$_____
City of Santa Clara, California
Subordinated Electric Revenue Bonds
Series 2008B

Dated as of _____, 2008

REIMBURSEMENT AGREEMENT
(This Table of Contents is not a part of
this Letter of Credit and Reimbursement Agreement
and is only for
convenience of reference)

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Signature 40

REIMBURSEMENT AGREEMENT

Dated as of _____, 2008

City of Santa Clara, Finance Department
1500 Warburton Avenue
Santa Clara, California 95050

Ladies and Gentlemen:

The Applicant (such term and each other capitalized term used herein having the meaning set forth in Article One hereof) desires to secure a source of funds to be devoted exclusively to the payment by the Trustee, when and as due, of the principal of and interest on the Bonds, and has applied to the Bank for issuance by the Bank of the Letter of Credit in the Original Stated Amount of $_____. Further, the Bank has been requested by the Applicant to provide a liquidity facility in the form of a Liquidity Drawing under the Letter of Credit. The Bank has agreed to issue the Letter of Credit and to provide such liquidity facility in the following manner and subject to the following terms and conditions. Accordingly, the Applicant and the Bank hereby agree as follows:

ARTICLE ONE
DEFINITIONS

Section 1.1. Definitions. As used in this Agreement:

"Agreement" - means this Reimbursement Agreement, as amended and supplemented.

"Alternate Credit Facility" - has the meaning set forth in the Supplemental Indenture.

"Amortization Commencement Date" means, with respect to each Liquidity Advance, the earlier to occur of (a) sixty (60) days immediately succeeding the related Purchase Date and (b) the Termination Date; *provided, however,* that an Amortization Commencement Date shall occur only if (x) no Potential Default or Event of Default shall have occurred and be continuing on any Amortization Commencement Date and (y) the representations of warranties set forth in Article Four hereof are true and correct on any Amortization Commencement Date.

"Amortization End Date" means the earliest to occur of (a) the fifth (5th) anniversary of the date the related Advance was made, (b) the Conversion Date and (c) the Substitution Date.

"Amortization Payment Date" means (a) the first Business Day of the sixth calendar month immediately succeeding the related Amortization Commencement Date and the first Business Day of each sixth calendar month occurring thereafter prior to the related Amortization End Date and (b) the related Amortization End Date.

"Applicant" - means the City of Santa Clara, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State.

"Available Amount" - has the meaning set forth in the Letter of Credit.

"Bank" - means Dexia Credit Local, acting through its New York Branch, and its successors and assigns.

"Bank Bonds" - means any Bonds purchased with the proceeds of any Liquidity Drawing pursuant to the Letter of Credit and registered in the name of the Bank or its nominee pursuant to the Indenture.

"Bank Rate" means the rate of interest per annum with respect to a Liquidity Advance (a) for any day commencing on the date such Liquidity Advance is made to and including the earlier to occur of (i) the sixtieth (60th) day next succeeding the date such Liquidity Advance was made or (ii) the Amortization Commencement Date, equal to the greater of (x) the Base Rate from time to time in effect and (y) the Maximum Bond Interest Rate; (b) for any day commencing on the sixty-first (61st) day next succeeding the date such Liquidity Advance was made to and including the earlier to occur of (i) the ninetieth (90th) day next succeeding the date such Liquidity Advance was made or (ii) the Amortization Commencement Date, equal to the sum of the Base Rate from time to time in effect plus one percent (1.00%); and (c) for any day commencing on the Amortization Commencement Date and thereafter, equal to the sum of the Base Rate from time to time in effect plus two percent (2.00%); *provided, however,* that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, "Bank Rate" shall mean the Default Rate; *provided further, however,* that the Bank Rate shall not be less than the per annum rate of interest applicable to Bonds that are not Bank Bonds.

"Banking Arrangements" means (a) the agreements of the Bank and the Applicant set forth in this Agreement and the Letter of Credit and the transactions contemplated thereby, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the Applicant, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the Applicant, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

"Base Rate" - means, for any day, the greater of (i) the Prime Rate and (ii) the Federal Funds Rate plus 1/2 of 1.0% (0.50%).

"Bond Counsel" - means Sidley Austin LLP (or another nationally recognized bond counsel selected by the Applicant).

"Bond Documents" - means the Original Indenture, the Fifth Supplemental Indenture, the Remarketing Agreement and the Bonds.

"Bond Laws" - has the meaning set forth in the Original Indenture.

"Bondholder" - has the meaning set forth in the Original Indenture.

"Bonds" - means the $_____ aggregate principal amount of the Issuer's Subordinated Electric Revenue Bonds, Series 2008B.

"Business Day" - has the meaning set forth in the Letter of Credit.

"Capital Lease" - means any lease of Property which in accordance with GAAP would be required to be capitalized on the balance sheet of the lessee.

"Capitalized Lease Obligation" - means the amount of the liability shown on the balance sheet of any Person in respect of a Capital Lease as determined in accordance with GAAP.

"Change of Law" means the adoption, after the Effective Date, of any rule, regulation or statute of any Governmental Authority or the application or requirements thereof, or any change in the interpretation of any rule, regulation or statute by any Governmental Authority.

"Closing Date" - means the date on which the Letter of Credit is issued.

"Code" - means the Internal Revenue Code of 1986, and any successor statute thereto.

"Conversion Date" means the date on which the interest rate or all of the Bonds has been converted to bear interest at a rate other than a Covered Mode.

"Covered Rate" - means the Weekly Rate and the Daily Rate.

"Daily Rate" has the meaning set forth in the Fifth Supplemental Indenture.

"Default Rate" means a fluctuating interest rate per annum equal to the greater of the sum of the Base Rate from time to time in effect plus three percent (3.00%); *provided, however,* that the Default Rate shall not be less than the per annum rate of interest applicable to Bonds that are not Bank Bonds.

"Drawing" - means and includes an Interest Drawing, a Liquidity Drawing, a Redemption Drawing and a Stated Maturity Drawing.

"Enterprise" has the meaning set forth in the Original Indenture.

"Environmental Law" - means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

"ERISA" - means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

"Event of Default" - has the meaning set forth in Section 6.1 hereof.

"Excess Interest" - has the meaning set forth in Section 2.11 hereof.

"Federal Funds Rate" - means for any day the rate of interest per annum as determined by the Bank at which overnight Federal Funds are offered to the Bank for such day by major banks in the interbank market, with any change in such rate to become effective as to the Applicant on the date of any change in such rate. Each determination of the Federal Funds Rate by the Bank shall be deemed conclusive and binding on the Applicant absent manifest error.

"Fifth Supplemental Indenture" – means that certain Fifth Supplemental Subordinated Electric Revenue Bond Indenture, between the Applicant and the Trustee, dated as of _____, 2008.

"Fitch" shall mean Fitch, Inc., or any successor rating agency.

"GAAP" - means generally accepted accounting principles in the United States as in effect from time to time, applied by the Applicant on a basis consistent with the Applicant's most recent financial statements furnished to the Bank pursuant to Section 5.1 hereof.

"Governmental Approval" - means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

"Governmental Authority" means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, agency,

body, authority, bureau or entity (including the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

"Gross Available Amount" - means with respect to the Letter of Credit, as of any date, the Available Amount of the Letter of Credit without taking into account any temporary reductions thereto in effect on such date.

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation (whether arising by virtue of partnership arrangement, by agreement to keep well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement condition or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

"Indebtedness" of any person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Indebtednesss of others secured by a lien on any asset of such Person, whether or not such Indebtednesss are assumed by such Person, (f) all Guarantees by such Person of Indebtednesss of other Persons, other than Guarantees pursuant to financial guaranty insurance policies or similar instruments and (g) all Hedging Instruments.

"Indenture" means, collectively, the Original Indenture and the Fifth Supplemental Indenture.

"Indenture Event of Default" means an "event of default" as defined in the Indenture or any of the other Related Documents.

"Interest Drawing" - means a drawing under the Letter of Credit resulting from a presentation of a certificate by the Trustee to the Bank in the form of Exhibit B to the Letter of Credit.

"Interest Payment Date" - has the meaning set forth in the Fifth Supplemental Indenture and, with respect to each Bank Bond, means each day set forth for the payment of interest thereon pursuant to Section 2.3 hereof.

"Issuer" - means the Applicant.

"Letter of Credit" means the irrevocable transferable letter of credit issued by the Bank for the account of the Applicant in favor of the Trustee, in the form of Appendix I hereto with appropriate insertions, as amended.

"Lien" means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"Liquidity Advance" has the meaning set forth in Section 2.3(a) hereof.

"Liquidity Drawing" means a drawing under the Letter of Credit resulting from the presentation of a certificate in the form of Exhibit D to the Letter of Credit.

"Material Adverse Effect" means (a) with respect to any Person, a materially adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects, *provided* that in the case of the Applicant, solely as such effect relates to the Enterprise, and (b) with respect to any Person's obligations under this Agreement or any other Related Document to which such Person is a party, a materially adverse effect upon the binding nature, validity or enforceability of such Person's obligations hereunder or thereunder, or such Person's ability to perform its material obligations hereunder or thereunder.

"Maximum Bond Interest Rate" means the maximum rate of interest per annum applicable to the Bonds (other than Bank Bonds) pursuant to the terms of the Indenture.

"Maximum Rate" means the lesser of (a) the maximum non-usurious lawful rate of interest permitted by applicable law and (b) 25% per annum.

"Moody's" means Moody's Investors Service, Inc., and its successors and assigns.

"Obligations" means the fees relating to the Letter of Credit, any and all Reimbursement Obligations (which includes amounts owing to the Bank secured by Bank Bonds), and all other obligations of the Applicant owed to the Bank arising under or in relation to this Agreement or any Related Document.

"Offering Document" means the Applicant's official statement relating to the Bonds, as the same may be amended and supplemented from time to time.

"Original Indenture" means that certain Subordinated Electric Revenue Bond Indenture of Trust, by and between the Applicant and the Trustee dated as of March 1, 1998 as amended and supplemented.

"Original Stated Amount" has the meaning set forth in Section 2.1(a) hereof.

"Other Taxes" has the meaning set forth in Section 7.1 hereof.

"Outstanding" or *"Bonds outstanding"* has the same meaning set forth in the Original Indenture.

"Parity Debt" has the meaning set forth in the Original Indenture.

"Payment Account" means the following account, or such account as may be designated by the Bank in writing to the Applicant and the Paying Agent: Citibank, N.A., Account No. 36240356, ABA No. 021000089, in favor of Dexia Credit Local, New York Branch, Reference: F-_____, City of Santa Clara, California Subordinated Electric Revenue Bonds, series 2008B.

"Person" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

"Plan" means, with respect to the Applicant and each Subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code.

"Potential Default" means an event or condition which, but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

"Prime Rate" means the per annum rate announced by the Bank from time to time at its New York office as its prime commercial rate for domestic commercial loans, the Prime Rate to change when and as such prime lending rate changes. Such rate is not necessarily the lowest rate charged by the Bank to its best customers for the use of money. Interest on loans made by the Bank may be at such rate, in excess of such rate or less than such rate.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired comprising part of the Enterprise.

"Rating Agencies" means, collectively, Fitch, Moody's and S&P.

"Redemption Drawing" means a drawing under the Letter of Credit resulting from the presentation of a certificate by the Trustee to the Bank in the form of Exhibit C to the Letter of Credit.

"Reimbursement Obligations" means any and all obligations of the Applicant to reimburse the Bank for any Drawings under the Letter of Credit and all obligations to repay the Bank for any Liquidity Advance, including in each instance all interest accrued thereon which obligations are secured by the Bank Bonds.

"Related Documents" means, collectively, this Agreement, the Letter of Credit, the Bond Documents and any other agreement or instrument relating thereto.

"Remarketing Agent" means _____, as Remarketing Agent under the Indenture and the Remarketing Agreement, and its successors and assigns pursuant thereto.

"Remarketing Agreement" means the Remarketing Agreement dated as of _____, 2008, between the Remarketing Agent and the Applicant, as amended and supplemented, and any successor agreement thereto entered into by the Applicant and a successor Remarketing Agent.

"Revenues" has the meaning set forth in the Original Indenture.

"S&P" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and its successors and assigns.

"State" means the State of California.

"Stated Expiration Date" shall have the meaning set forth in the Letter of Credit.

"Stated Maturity Drawing" means a drawing under the Letter of Credit resulting from the presentation of a certificate by the Trustee to the Bank in the form of Exhibit F to the Letter of Credit.

"Subordinated Net Revenues" has the meaning set forth in the Original Indenture.

"Subsidiary" means, as to the Applicant, as applicable, any corporation or other entity of which more than 50% of the outstanding stock or comparable equity interests entitled to vote in the election of the board of directors or similar governing body of such entity is directly or indirectly owned by the Applicant, by one or more of their respective Subsidiaries or by the Applicant, and one or more of their respective Subsidiaries.

"Substitution Date" means the date on which an Alternate Credit Facility is accepted by the Trustee and becomes effective.

"Supplemental Indenture" means the Fifth Supplemental Indenture.

"Taxes" has the meaning set forth in Section 7.1 hereof.

"Tender Agent" has the meaning set forth in the Fifth Supplemental Indenture.

"Termination Date" has the meaning set forth in the Letter of Credit.

"Trustee" - means The Bank of New York Trust Company, N.A., as Trustee under the Indenture, and any successor trustee thereunder.

"Weekly Rate" has the meaning set forth in the Fifth Supplemental Indenture.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. Any capitalized terms used herein which are not specifically defined herein shall have the same meanings herein as in the Fifth Supplemental Indenture or Original Indenture, as applicable. All references in this Agreement to times of day shall be references to New York time unless otherwise expressly provided herein. Unless otherwise inconsistent with the terms of this Agreement, all accounting terms shall be interpreted and all accounting determinations hereunder shall be made in accordance with GAAP.

ARTICLE TWO
LETTER OF CREDIT

Section 2.1. Issuance of Letter of Credit. Upon the terms, subject to the conditions and relying upon the representations and warranties set forth in this Agreement or incorporated herein by reference, the Bank agrees to issue the Letter of Credit. The Letter of Credit shall be in the original stated amount of $_____ (the *"Original Stated Amount"*), which is equal to the sum of (i) $_____, the principal amount of the Bonds outstanding on the Closing Date, *plus* (ii) $_____, which is at least _____ days' accrued interest on said principal amount of the Bonds at an assumed rate of interest of twelve percent (12%) per annum and assuming a year of 365 days.

Section 2.2. Letter of Credit Drawings. The Trustee is authorized to make Drawings under the Letter of Credit in accordance with the Letter of Credit's respective terms. The Applicant hereby directs the Bank to make payments under the Letter of Credit in the manner therein provided. The Applicant hereby irrevocably approves reductions and reinstatements of the Available Amount as provided in the Letter of Credit.

Section 2.3. Reimbursement of Certain Liquidity Drawings Under the Letter of Credit; Prepayment; Interest. (a) If the conditions precedent contained in Section 3.2 hereof are satisfied at the time of payment by the Bank of any Liquidity Drawing under the Letter of Credit, each Liquidity Drawing made under the Letter of Credit shall constitute an advance (*"Liquidity Advance"*) to the Applicant. The Applicant promises to reimburse the Bank for each Liquidity Advance on the earliest to occur of (i) the date on which the Letter of Credit is replaced by an Alternate 2008 Credit Facility pursuant to the terms of the Indenture (the *"Substitution Date"*); (ii) the date on which any Bonds purchased with funds disbursed under the Letter of Credit in connection with such Liquidity Drawing are redeemed, prepaid or canceled pursuant to the Indenture; (iii) the date on which any Bonds purchased with funds disbursed under the Letter of Credit are remarketed pursuant to the Supplemental Indenture; (iv) the date which is fifteen (15) days following the Conversion Date on which all of the Bonds are converted to a rate other than a Covered Rate and (v) if the conditions precedent set forth in Section 3.2 hereof are not satisfied on the Amortization Commencement Date, on the Amortization Commencement Date. The Applicant's obligations to repay each Advance and to pay interest thereon as hereinafter provided shall be secured by the Bank Bonds. The Applicant also promises to repay to the Bank interest on the unpaid principal amount of each Advance from the date such Advance is made until it is paid in full as provided herein, at a rate per annum equal to the Bank Rate from time to time in effect and shall be payable monthly in arrears on the first day of each month for the immediately preceding calendar month (commencing on the first such date to occur after the

making of the related Advance), and on the date that the final principal installment of such Advance is payable as herein provided. Unless otherwise paid in full on one of the dates provided above, and subject to the conditions that no Potential Default or Event of Default shall have occurred and be continuing and that the representations and warranties continued in Article Four of this Agreement be true and correct in all material respects, in each case, on the related Amortization Commencement Date, the principal of each Advance shall be payable by the Applicant in semiannual installments (*"Semiannual Principal Payments"*) on each Amortization Payment Date, with the final installment in an amount equal to the entire then outstanding principal amount of such Advance due and payable on the Amortization End Date (the period commencing on the Amortization Commencement Date and ending on the Amortization End Date is herein referred to as the *"Amortization Period"*). Each Semiannual Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Semiannual Principal Payments over the applicable Amortization Period.

(b) Any Liquidity Advance may be prepaid in whole or in part on the day such liquidity Advance is made. Any Liquidity Advance created pursuant to paragraph (a) above may be prepaid in whole or in part without premium or penalty on any other Business Day upon one (1) Business Day's prior written notice.

(c) Upon the Bank's receipt of any payment or prepayment of any Liquidity Advance, the amount of such Liquidity Advance shall be reduced by the amount of such payment or prepayment.

(d) Upon the Bank's honoring any Liquidity Drawing under the Letter of Credit, the Bank shall be deemed to have purchased the Bank Bonds in respect of which such Drawing is made, and the Applicant shall cause the Tender Agent to hold such Bank Bonds for the benefit of the Bank and register such Bank Bonds in the name of the Bank or its nominee, or to otherwise deliver such Bank Bonds as directed by the Bank pursuant to the Indenture. During such time as the Bank is the owner of any Bonds, the Bank shall have all the rights granted to a Bondholder under the Indenture and such additional rights as may be granted to the Bank hereunder. To the extent that the Bank actually receives payment in respect to principal of or interest on any Bank Bond held by the Bank, the Liquidity Advance made in connection with the purchase of such Bank Bond shall be deemed to have been reduced *pro tanto*, with the Bank crediting any payment on such Bank Bond received by them, first to the payment of any outstanding interest accrued on the related Liquidity Advance, and second to the payment of the principal of such Liquidity Advance. Any such payment or prepayment to be applied to principal of Liquidity Advances hereunder shall be applied to the prepayment of related Liquidity Advances in chronological order of their issuance hereunder, and within each Liquidity Advance in inverse order of the principal installments payable thereon. Following the occurrence of an Event of Default, any payments received by the Bank hereunder shall be applied by the Bank to the payment of the Obligations in such order as the Bank shall in its sole discretion determine.

(e) In connection with any purchase by the Bank of any Bank Bond pursuant to any Liquidity Drawing, the Applicant shall cause the Remarketing Agent to have any such Bank Bond assigned a CUSIP number (such CUSIP number to be different from the CUSIP assigned to the Bonds).

Section 2.4. Reimbursement of Redemption Drawings, Interest Drawings, Stated Maturity Drawings and Certain Liquidity Drawings. The Applicant agrees to reimburse the Bank for the full amount of any Liquidity Drawing under the Letter of Credit (but only if the conditions precedent contained in Section 3.2 hereof are not satisfied on the date of payment by the Bank of such Liquidity Drawing under the Letter of Credit) and all Interest Drawings, Redemption Drawings and Stated Maturity Drawings made under the Letter of Credit immediately upon payment by the Bank of each such Drawing and on the date of each such payment. If the Applicant does not make such reimbursement on such date, such reimbursement obligation shall bear interest at the Default Rate.

Section 2.5. Fees.

(a) *Letter of Credit Fees.* The Applicant agrees to pay to the Bank a non-refundable Letter of Credit Fee payable quarterly in arrears on the first Business Day of each January, April, July and October (commencing on July 1, 2008, for the period from and including the Closing Date to and including June 30, 2008) occurring prior to the Termination Date and on the Termination Date in an amount equal to the rate per annum associated with the Rating (as defined below) of the Applicant, as specified below (the *"Letter of Credit Fees Rate"*) on the Gross Available Amount of the Letter of Credit (without regard to any temporary reductions of the Stated Amount of the Letter of Credit) (the *"Letter of Credit Fees"*) during each related period.

LEVEL	MOODY'S RATING	FITCH RATING	S&P RATING	FACILITY FEE RATE
Level 1	A2 or above	A or above	A or above	0.55%
Level 2	A3	A-	A-	0.65%
Level 3	Baa1	BBB+	BBB+	0.90%
Level 4	Baa2	BBB	BBB	1.15%
Level 5	Baa3	BBB-	BBB-	1.40%
Level 6	Below Baa3	Below BBB-	Below BBB-	3.15%

The term *"Rating"* as used above shall mean the lowest long-term unenhanced debt ratings assigned by each of Moody's, S&P and Fitch to any Indebtedness of the Applicant payable from or secured by a lien on the Subordinated Net Revenues or Revenues which is senior to or on a parity with the Bonds. Any change in the Letter of Credit Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The Applicant acknowledges, and the Bank agrees, that as of the Closing Date the Letter of Credit Fee Rate is that specified above for Level 1. In the event that any Rating is suspended,

withdrawn or otherwise unavailable from any Rating Agencies (for credit related reasons only) or upon the occurrence and during the continuance of an Event of Default, the Letter of Credit Fee Rate shall be that set forth in Level 6 above. The Letter of Credit Fees shall be payable quarterly in arrears, together with interest on the Letter of Credit Fees from the date payment is due until payment in full at the Default Rate.

(b) *Drawing Fee.* The Applicant hereby agrees to pay to the Bank a drawing fee of $250 for each Drawing under the Letter of Credit, payable on the date of such Drawing.

(c) *Transfer Fee.* The Applicant hereby agrees to pay to the Bank a transfer fee of $1,500, payable upon each transfer of the Letter of Credit to any successor trustee under the Indenture.

(d) *Amendment Fee.* The Applicant hereby agrees to pay to the Bank on the date of any amendment to this Agreement or the Letter of Credit an amendment fee of $1,500 plus the reasonable fees of any legal counsel retained by the Bank in connection therewith.

Section 2.6. Method of Payment; Etc. All payments to be made by the Applicant under this Agreement shall be made at the Payment Account of the Bank not later than 3:00 p.m., New York City time, on the date when due and shall be made in lawful money of the United States of America in freely transferable and immediately available funds. Any payments received by the Bank later than 3:00 p.m. (New York time) on any day shall be deemed to have been paid on the next succeeding Business Day and interest shall accrue thereon until such next Business Day at the rate applicable thereto.

Section 2.7. Computation of Interest and Fees. All computations of interest and fees payable by the Applicant under this Agreement shall be made on the basis of a 360 day year and the actual number of days elapsed. Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof.

Section 2.8. Payment Due on Non-Business Day to Be Made on Next Business Day. If any sum becomes payable pursuant to this Agreement on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees.

Section 2.9. Late Payments. If the principal amount of any Obligation is not paid when due, such Obligation shall bear interest until paid in full at a rate per annum equal to the Default Rate, payable upon demand.

Section 2.10. Source of Funds. All payments made by the Bank pursuant to the Letter of Credit shall be made from funds of the Bank, and not from the funds of any other Person.

Section 2.11. Maximum Rate; Payment of Fee. If the rate of interest on any Obligation payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (a) interest at the Maximum Rate shall be due and payable with respect to such interest period; and, (b) to the extent permitted by law, interest at the rate equal to the difference between

(i) the rate of interest calculated in accordance with the terms hereof without regard to the limitation of the Maximum Rate; and (ii) the Maximum Rate (the *"Excess Interest"*), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Applicant shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Bank to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Bank. Upon the termination of the Letter of Credit, in consideration for the limitation of the rate of interest otherwise payable hereunder, to the extent permitted by law, the Applicant shall pay to the Bank a fee equal to the amount of all unpaid deferred Excess Interest.

Section 2.12. Termination of the Letter of Credit by the Applicant. (a) Notwithstanding any provisions of this Agreement to the contrary, the Applicant agrees not to terminate this Agreement or the Letter of Credit prior to the Stated Expiration Date, except upon (i)(A) the payment by the Applicant to the Bank of a termination fee in an amount equal to the Letter of Credit Fees payable pursuant to Section 2.5(a) hereof (based upon the Stated Amount equal to that in effect on the Closing Date) for a term beginning on the Closing Date and ending on the Stated Expiration Date at the Letter of Credit Fee Rate in effect as of the date of such termination, less the actual amount of Letter of Credit Fees the Applicant has previously paid to the Bank pursuant to Section 2.5(a) hereof, (B) the withdrawal, suspension or reduction in the rating assigned to the Bank's senior unsecured short-term obligations by Moody's, Fitch or S&P, respectively; provided, however, that for purposes of this clause (i)(B), the ratings of the Bank shall be the short-term ratings assigned to the Bonds by Moody's, Fitch or S&P, respectively or (C) the Bank shall impose increased costs or Taxes or Other Taxes on the Applicant pursuant to Section 7.1 or 7.2 hereof, (ii) the payment to the Bank of all Obligations payable hereunder and (iii) Applicant providing the Bank with thirty (30) days prior written notice of its intent to terminate this Agreement and the Letter of Credit; *provided* that all payments to the Bank referred to in clause (a)(i)(A) and (a)(ii) above shall be made immediately available funds; *provided, however,* that any such termination of this Agreement of the Letter of Credit shall be in compliance with the terms and conditions of the Indenture.

Section 2.13. Extension of Stated Expiration Date. If the Applicant, not later than one hundred twenty (120) days prior to the Stated Expiration Date of the Letter of Credit, submits to the Bank a written request for an extension of the Stated Expiration Date for the Letter of Credit for a period as specified in such written request, the Bank will make reasonable efforts to respond to such request within forty-five (45) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested with respect to the Letter of Credit. The Bank may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Bank shall have consented thereto in writing. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance reasonably satisfactory to the Bank and consistent with this Agreement. If such an extension request is

accepted by the Bank in its absolute discretion, the then current Stated Expiration Date for the Letter of Credit shall be extended to the date agreed to by the Applicant and the Bank.

Section 2.14. Security. The obligation of the Applicant with respect to the payment of all Obligations pursuant to this Agreement and the Indenture are special, limited obligations of the Applicant which are payable from and secured by the Subordinated Net Revenues and all funds and accounts pledged to repayment of the Bonds and all Parity Debt, all as more fully set forth in the Indenture.

ARTICLE THREE
CONDITIONS PRECEDENT

Section 3.1. Conditions Precedent to Issuance of Letter of Credit. As conditions precedent to the obligation of the Bank to issue the Letter of Credit, (a) the Applicant shall provide to the Bank on the Closing Date, in form and substance satisfactory to the Bank and its counsel, Chapman and Cutler LLP (hereinafter, *"Bank's counsel"*):

(a) *Representations.* On the Effective Date (and after giving effect to the issuance of the Bonds and the effectiveness hereof), (i) there shall exist no Potential Default or Event of Default: (ii) all representations and warranties made by the Applicant herein, in any of the other Related Documents to which it is a party shall be true and correct in all material respects with the same effect as though such representations and warranties had been made at and as of such time, except as described in the Offering Document and any other documents provided by the Applicant to the Bank; (iii) no change shall have occurred having a Material Adverse Affect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise between the date of the Applicant's most recent audited financial statements and the Effective Date; (iv) no transactions or obligations having a Material Adverse Effect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise, whether or not arising from transactions in the ordinary course of the Applicant's business, shall have been entered into by the Applicant; and (v) no material change in any law, rule, guideline or regulation applicable to the Applicant shall have occurred, subsequent to the date of the Applicant's most recent audited financial statements having a Material Adverse Affect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise.

(b) *Documents.* (i) On the Closing Date, the Bank shall have received executed copies of each of the following documents, which documents shall be in full-force and effect on the Effective Date and in form and substance satisfactory to the Bank:

(A) the Fifth Supplemental Indenture (including a specimen Bond);

(B) the Offering Document;

(C) the Remarketing Agreement;

(D) the Purchase Contract;

(E) a certified copy of the Original Indenture (including all amendments and supplements to the Effective Date); and

(F) this Agreement.

(ii) All filings, recordings, re-filings and re-recordings shall have been made, notices given, all filing fees, taxes and expenses in connection therewith shall have been paid and all such action shall have been taken, which are necessary or advisable on the Closing Date.

(c) *Legal Opinions.* The Bank shall have received legal opinions, in form and substance satisfactory to the Bank, addressed to the Bank (or upon which the Bank is authorized to rely) and dated the Effective Date, of:

(i) Bond Counsel to the effect that this Agreement has been and, when executed and delivered, will be, duly authorized, executed and delivered by the Applicant and is the valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its respective terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the Applicant and equitable principles relating to or affecting creditors' rights generally from time to time;

(ii) the City Attorney to the effect that (A) this Agreement has been and, when executed and delivered, will be, duly authorized, executed and delivered by the Applicant and is the valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its respective terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the Applicant and equitable principles relating to or affecting creditors' rights generally from time to time, (B) the execution and delivery by the Applicant of this Agreement and the performance by the Applicant of its obligations under this Agreement and the Related Documents do not and will not violate the Constitution or laws of the State, and (C) the Applicant has taken all actions, and has obtained any approvals, necessary to the authorization, execution, delivery, and performance by the Applicant of this Agreement;

(d) *Supporting Documents of the Applicant.* There shall have been delivered to the Bank such information and copies of documents, approvals (if any) and records certified, where appropriate, of corporate and legal proceedings as the Bank may have requested relating to the Applicant's entering into and performing this Agreement, the other Related Documents to which it is a party and the transactions contemplated hereby and thereby. Such documents shall, in any event, include:

(i) A certificate of the Applicant, in form and substance satisfactory to the Bank, executed by an executive officer of the Applicant, dated the Effective Date; to the effect that the conditions set forth in Sections 3.1(a) and (b)(ii) hereof have been satisfied

as of such date and that all actions required to be taken by, and all resolutions required to be adopted by, the Applicant, any Governmental Authority having jurisdiction over the Applicant, the State and otherwise required by applicable law have been done and adopted in due and strict compliance by the Applicant, any such Governmental Authority and the State pursuant to such entity's articles of organization, charter, by-laws, authorizing statute and/or applicable law;

(ii) An incumbency and signature certificate with respect to the officers or agents of the Applicant who are authorized to execute any documents or instruments on behalf of the Applicant under this Agreement and the other Related Documents to which the Applicant is a party; and

(iii) The Applicant's most recent audited financial statements and current annual budget.

(e) *Other Supporting Documents.* There shall have been delivered to the Bank such information and copies of documents, approvals (if any) and records (certified, where appropriate) of corporate and legal proceedings as the Bank may have requested relating to any party (other than the Applicant and the Bank) entering into and performance by each of such parties thereto, of each of the Related Documents or the transactions contemplated thereby or the tax exempt status of the Bonds.

(f) *Other Closing Documents.* The Bank shall have received an executed copy of all documents required to be furnished by or to the Applicant, or any other party, to the extent said documents are reasonably available to the Applicant or such party, as a condition to (i) the issuance of the Bonds pursuant to the Indenture, (ii) the effectiveness of the Remarketing Agreement and (iii) the due issuance, sale and purchase of the Bonds including, without limitation, (A) evidence of the due authorization, execution and delivery by the parties thereto (other than the Applicant) of the Related Documents and (B) certificates of duly authorized officers of such other parties certifying the names and true signatures of such officers authorized to sign the Related Documents, including, without limitation, the officers of the Tender Agent authorized to deliver a Notice of Bank Purchase under this Agreement.

(g) *Rating.* The Bank shall have received satisfactory evidence that the Bonds shall have been given long and short term ratings of "AA" and "A-1+," respectively, by S&P and "AA+" and "F-1+," respectively, by Fitch, and that the Parity Debt of the Applicant shall have, as of the Effective Date, an unenhanced long-term credit rating of at least "___" by S&P, "___" by Moody's and "___" by Fitch.

(h) *Payment of Fees and Expenses.* Evidence that the invoices for the fees and expenses and all other amounts (including attorneys fees and expenses) payable on the Effective Date pursuant to Section 7.14 hereof shall have been received and accepted by the Applicant.

(i) *Proceedings.* The Bank shall have received such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates or executed copies thereof) or opinions as the Bank may reasonably request.

Section 3.2. Conditions Precedent to Liquidity Advances. Following any payment by the Bank under the Letter of Credit pursuant to a Liquidity Drawing, a Liquidity Advance shall be made available to the Applicant *only if* on the date of payment of such Liquidity Drawing by the Bank the following statements shall be true:

(a) the representations and warranties of the Applicant contained in Article Four of this Agreement and in the other Related Documents to which the Applicant is a party are correct in all material respects on and as of the date of such payment as though made on and as of such date; and

(b) no event has occurred and is continuing, or would result from such payment, which constitutes a Potential Default or Event of Default.

Unless the Applicant shall have previously advised the Bank in writing that one or both of the above statements is no longer true, the Applicant shall be deemed to have represented and warranted on the date of such payment that both of the above statements are true and correct.

ARTICLE FOUR
REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to enter into this Agreement, the Applicant represents and warrants to the Bank as follows:

Section 4.1. Organization, Powers, Etc. The Applicant is a municipality and chartered city of the State of California duly organized and validly existing under and pursuant to the Constitution and laws of the State of California, including its City Charter and has: (a) full power and authority under the Constitution and the laws of the State of California and (b) all material governmental licenses, authorization, consents and approvals required to carry on its business as now conducted, to borrow under this Agreement and to issue, execute and deliver the Bonds under the Fifth Supplemental Indenture.

Section 4.2. Authorization, No Contravention. The execution, delivery and performance by the Applicant of this Agreement and each other Related Document to which the applicant is a party are within the Applicant's powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any Governmental Authority. The execution, delivery and performance by the Applicant of this Agreement and the Related Documents to which it is a party do not and will not violate (a) any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the Applicant is subject including, without limitation, the Bond Laws and any Environmental Laws to which the Applicant is subject; (b) result in a breach of or constitute a default under the provisions of any resolution, indenture, loan or credit agreement or any other agreement, lease or instrument to which the Applicant may be or is subject or by which it, or its property, is bound; or (c) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature or with respect to any of the properties of the Applicant other than as provided herein and therein; and the Applicant is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree,

determination or award or any such resolution, indenture, agreement, lease or instrument including, without limitation, the Bond Laws and any environmental laws to which the Applicant is subject.

Section 4.3. Binding Effect. (a) This Agreement, the Bonds and each other Related Document constitute legal, valid and binding obligations of the Applicant, enforceable against the Applicant in accordance with their respective terms, except as such enforceability may be limited by the Applicant's bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally, (b) each Bond (including all Bank Bonds) has been or will be duly and validly issued under the Fifth Supplement and entitled to the benefits thereof and (c) each of the Related Documents to which the Applicant is a party is or will be on the Closing Date in full force and effect.

Section 4.4. Financial Information. All information supplied by the Applicant to the Bank relating to the Applicant is true and accurate in all material respects including, without limitation, the audited income statements and balance sheets of the Applicant as of December 31, 2007 and the unqualified opinion letter dated [_____], 2008, of [_____], independent certified public accountants, copies of which have been delivered to the Bank, is in all respects complete and correct and fairly present the financial condition of the Applicant as at such dates for the periods covered by such statements, all in conformity with GAAP. Since December 31, 2007, there has been no material adverse change in the condition (financial or otherwise) of the business or operations of the Applicant. To the best of the knowledge of the Applicant, no information, exhibit or report furnished by the Applicant to the Bank in connection with the negotiation of this Agreement contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading.

Section 4.5. Litigation. Except as has been disclosed in writing to the Bank or in the Official Statement, there is no action, suit or proceeding pending against or, to the best knowledge of the Applicant, threatened against or affecting the Applicant or relating to the Bond Laws, this Agreement, the Bonds, or any other Related Document before any court or other Governmental Authority in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business, financial position or results of operations of the Applicant or which in any manner draws into question the validity or enforceability of the Bond Laws, this Agreement, the Bonds or any other Related Document or the authority or ability of the Applicant to perform its obligations under this Agreement, the Bonds or any other Related Document.

Section 4.6. Employee Benefit Plans, Etc. The Applicant is not subject to Title I reporting and disclosure requirements, Title II or Title IV of ERISA and has no obligation or liability under or in respect of any "employee benefit plan" within the meaning of Section 3(3) of ERISA or any other form of bonus, incentive compensation, deferred compensation or other similar plan or arrangement.

Section 4.7. Environmental Laws. Except as disclosed in writing to the Bank or in the Official Statement, the Applicant has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental,

health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to result in a material adverse effect with respect to the assets, financial condition, properties, business or operations of the Applicant, the Subordinated Net Revenues or the performance of the obligations of the Applicant under this Agreement or the other Related Documents to which the Applicant is a party.

Section 4.8. No Sovereign Immunity. The Applicant is not entitled to claim the defense of sovereign immunity in any action, suit or proceeding arising under or relating to this Agreement or any Related Document (a) for monetary damages or (b) for the execution or enforcement of any judgment (subject to applicable bankruptcy or insolvency laws or limitations on legal remedies against public agencies in the State of California), nor may there be attributed to the Applicant any such immunity (whether or not claimed).

Section 4.9. Disclosure. No representation, warranty or other statement made by the Applicant in or pursuant to this Agreement or any Related Document, or any other document or financial statement provided by the Applicant to the Bank in connection with this Agreement or any other Related Document, contains any untrue statement of a material fact or omits (as of the date made or furnished) any material fact necessary to make the statements herein or therein not misleading in light of the circumstances under which they are made. There is no fact known to the Applicant which the Applicant has not disclosed to the Bank in writing which materially adversely affects or, so far as the Applicant can now reasonably foresee, is likely to materially adversely affect the ability (financial or otherwise) of the Applicant to perform its obligations or under the Related Documents.

Section 4.10. Status of Obligations. The Obligations constitute a limited obligation of the Applicant, for the payment of which the Applicant has pledged the funds and accounts created under the Indenture and the moneys, including, without limitation, the Subordinated Net Revenues, on deposit therein, to pay the principal of and interest on the Reimbursement Obligations and all other Obligations owed to the Bank hereunder. Upon making any payment pursuant to the Letter of Credit, the Bank shall be subrogated to the rights of the Bondholders and entitled to the benefit of the security securing the Bonds under the Fifth Supplement and the other Related Documents.

Section 4.11. Incorporated Representations. The Applicant makes each of the representations, warranties and covenants contained in the Related Documents to which it is a party to, and for the benefit of, the Bank as if the same were set forth at length herein together with all applicable definitions thereto. No amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank. The representations and warranties of the Applicant in all of the Related Documents are true and correct in all material respects.

Section 4.12. Pending Legislation. There is no amendment, or to the knowledge of the Applicant, proposed amendment certified for placement on a ballot within the State of California or the City or any State of California or City law, or any legislation that has passed either house of the United States Congress, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect the Bonds, or any holder thereof in its capacity as such, or the ability of the Applicant to perform its obligations under this Agreement or the other Related Documents.

Section 4.13. Bank Bonds. The Bonds purchased pursuant to Article Two will be transferred to or held for the benefit of the Bank, free and clear of all liens, security interests or claims of any Person other than the Bank, except for consensual liens or other security interests as may be created by the Bank.

Section 4.14. No Maximum Rate of Interest. The Applicant is authorized to execute and deliver this Agreement and the transactions contemplated hereby and thereby are authorized under the Bond Laws. In accordance with the Bond Laws, the obligations of the Applicant hereunder are not subject to any limitation as to maximum rate of interest.

Section 4.15. Compliance. The Applicant is in substantial compliance with all laws, ordinances, orders, rules and regulations applicable to it, except to the extent noncompliance could not reasonably be expected to have a material adverse effect on the operations of the Applicant or which might materially adversely affect the ability of the Applicant to comply with its obligations hereunder or under the Related Documents to which it is a party or in connection with the transactions contemplated hereby or thereby.

Section 4.16. Default. The Applicant is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Related Document or other resolution, agreement or instrument to which it is a party which could have a material adverse effect on the ability of the Applicant to perform its obligations hereunder or the other Related Documents or which could affect the enforceability hereof or thereof. No Potential Event of Default or Event of Default has occurred and is continuing.

Section 4.17. Margin Stock. The Applicant is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no portion of the proceeds of any Bonds or any Drawing will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

Section 4.18. Trustee, Tender Agent and Remarketing Agent. The Bank of New York Trust Company, N.A. (or a successor or assign approved in writing by the Bank) is the duly appointed and acting Trustee and Tender Agent and _____ (or a successor or assign approved in writing by the Bank) is the duly appointed and acting Remarketing Agent.

Section 4.19. Tax Exempt Status. The Applicant has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other person or

entity, which action, if taken or omitted, would adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation or the exemption of such interest from State of California income taxes.

Section 4.20. Security: Limited Liability. The Indenture creates a valid security interest in the funds and accounts created under the Indenture and the moneys, including, without limitation, the Subordinated Net Revenues on deposit therein, as security for the punctual payment of the interest and principal due with respect to the Bonds and all Reimbursement Obligations owing to the Bank. All action necessary to create a first and Parity Lien on such funds and accounts and on moneys on deposit therein, including the Subordinated Net Revenues, have been duly and validly taken. All obligations payable under this Agreement are special limited obligations of the Applicant payable solely from Subordinated Net Revenues, and the Applicant shall not be required to advance money from any other source other than Subordinated Net Revenues.

ARTICLE FIVE
COVENANTS

The Applicant will do, or will refrain from doing, as applicable, the following so long as any amounts may be drawn under the Letter of Credit or any Obligations remain outstanding under this Agreement, unless the Bank shall otherwise consent in writing:

Section 5.1. Reporting Requirements. The Applicant shall furnish to the Bank:

(a) as soon as available and in any event within ____ days after the end of each fiscal year, a balance sheet of the Applicant as of the end of such Fiscal Year, all prepared in accordance with GAAP and in reasonable detail showing in comparative form the figures for the previous Fiscal Year, accompanied by an opinion thereon of [_____] or another firm of independent public accountants of recognized national standing, selected by the Applicant, to the effect that the financial statements described herein have been prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial condition of the Applicant as of the close of Fiscal Year and the results of their operations for the Fiscal Year then ended and that an examination of such accountants in connection with such financial statements has been made in accordance with GAAP and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances;

(b) simultaneously with the delivery of each set of financial statements referred to in clause (i) above, a certificate of the Applicant stating that, to the best knowledge of the chief financial officer (or his/her designee) of the Applicant, there exists on the date of such certificate no Event of Default or Potential Default or, if any Event of Default or Potential Default then exists, setting forth the details thereof and the action which the Applicant is taking or proposes to take with respect thereto;

(c) promptly after knowledge thereof by the Applicant, written notice of the occurrence of any Default or Potential Default, together with a statement of the Applicant setting forth the details thereof and the action which the Applicant is taking or proposes to take with respect thereto;

(d) promptly after process has been served on the Applicant, notice of any action, suit or proceeding before any court or Governmental Authority in which there is a reasonable probability of an adverse decision which could (A) materially adversely affect the business, financial position or results of operations of the Enterprise or the ability of the Applicant to perform its obligations hereunder or under any other Related Document or (B) draw into question the validity or enforceability of this Agreement or any other Related Document;

(e) promptly upon the availability thereof, a copy of any official statement, offering memorandum or other disclosure documents relating to the offering of any Parity Debt;

(f) promptly after obtaining knowledge thereof, written notice of any change in the long-term ratings assigned by an Rating Agency to unenhanced Parity Debt;

(g) as soon as available to the Applicant, copies of all enacted legislation which, to the best knowledge of the Applicant, relates to, in any material way, or impacts upon this Agreement or the other Related Documents or the ability of the Applicant to perform its obligations in connection herewith or therewith;

(h) promptly upon the adoption thereof, a copy of the Applicant's four-year financial plan and the Applicant's budget, together with each amendment or supplement thereto that may be adopted from time to time during each fiscal year; and

(i) time to time such additional information regarding the financial position, operations, business or prospects of the Applicant as the Bank may reasonably request.

Section 5.2. Notices. In addition to the notices described in Section 5.1(a), the Applicant will provide promptly to the Bank the following:

(a) notice of any event known to the Applicant which might materially adversely affect the properties, business, condition (financial or otherwise) or results of operations of the Applicant;

(b) notice of the failure by the Remarketing Agent, the Tender Agent or the Trustee to perform any of their respective obligations under any Related Document to which any such entity is a party; and

(c) notice of any proposed amendment or supplement to the Fifth Supplement or any Related Document and copies of all such amendments and supplements promptly following the execution thereof.

Section 5.3. Further Assurances. The Applicant shall execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Bank, all such instruments and documents as in the opinion of the Bank are necessary or advisable to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.4. Inspection of Property, Books and Record. The Applicant shall keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of the Applicant; and at any reasonable time and from time to time upon reasonable notice thereof, permit the Bank or any agents or representatives thereof, at the expense of the Bank, to examine and make copies of and abstracts from the records and books of account of, and to the extent permitted by applicable law, visit the properties of, the Applicant and to discuss the affairs, finances and accounts of the Applicant with any of the Applicant's officers, trustees and independent auditors (and by this provision, the Applicant authorizes said auditors to discuss with the Bank or its representatives the affairs, finances and accounts of the Applicant).

Section 5.5. Amendments to Fifth Supplement and other Related Documents. The Applicant will not agree to any amendment to, or waive any default under, the Fifth Supplement or any other Related Document without the prior written consent of the Bank.

Section 5.6. Waiver of Immunity. To the fullest extent permitted by law, the Applicant agrees not to assert the defense of sovereign immunity, if available, in any proceeding to enforce any of the obligations of the Applicant under this Agreement or any other Related Document (a) for monetary damages or (b) for the execution or enforcement of any judgment (subject to applicable bankruptcy or insolvency laws or limitations on legal remedies against public agencies in the State of California) in any federal or state court of competent jurisdiction located in the State of California or New York.

Section 5.7. Compliance with Laws. The Applicant covenants that it will comply with the requirements of (a) all applicable law of any Governmental Authority having jurisdiction over the Applicant including, without limitation, the Bond Laws, any environmental laws applicable to the Applicant and its Properties and ERISA, and (b) all investment policy guidelines of the Applicant; in each case, the non-compliance with which would materially adversely affect its ability to perform its obligations under this Agreement, the Bank Note or the other Related Documents to which it is a party, unless the same is being contested in good faith and by appropriate proceedings and such contest shall operate to stay the material adverse effect of any such non-compliance

Section 5.8. Bond Proceeds; Application of Drawings. The Applicant shall use the proceeds of the Bonds for the purposes set forth in the Indenture. The Applicant will not take or omit to take any action, nor direct the Trustee to take any action, which action or omission will in any way result in the proceeds of the Drawings being applied for any purpose other than to pay principal of, the purchase price of and interest on Bonds as and when the same become due and payable.

Section 5.9. Disclosure to Participants. The Applicant shall permit the Bank to disclose any information received by the Bank in connection herewith including, without limitation, the financial information described in Section 5.01(a) hereof, to any Participant.

Section 5.10. Incorporation of Covenants. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank, the Applicant agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all the agreements, covenants, obligations and undertakings contained in the provisions of the Related Documents, regardless of whether any indebtedness is now or hereafter remains outstanding thereunder, together with the related definitions, exhibits and ancillary provisions, all of which are incorporated herein by reference, *mutatis mutandis*, and made a part hereof to the same extent and with the same force and effect as if the same had been herein set forth in their entirety, and no amendment, modification or waiver to any of the foregoing shall in any manner constitute an amendment, modification or waiver of the provisions thereof as incorporated herein unless consented to in writing by the Bank.

Section 5.11. Official Statement. The Applicant shall not include in an offering document for the Bonds (or any other securities of which it is the issuer) any information concerning the Bank that is not supplied in writing, or otherwise consented to, by the Bank expressly for inclusion therein. The Applicant shall not make any changes in reference to the Bank, the Letter of Credit or this Agreement in any revision of the Official Statement without the Bank's prior written consent thereto, which consent shall not be unreasonably withheld. The Bank hereby consents to the inclusion of its name as provider of the Letter of Credit in the Official Statement and the reference to the Bank, the Letter of Credit and this Agreement on the cover page to the Official Statement and in the Official Statement under "APPENDIX K – INFORMATION ABOUT THE LETTER OF CREDIT PROVIDER."

Section 5.12. Maintenance of Tax-Exempt Status of the Bonds. The Applicant shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest on the Bonds or any tax-exempt Parity Debt from gross income for purposes of federal income taxation or the exemption of such interest from California income taxes.

Section 5.13. Insurance Requirements. The Applicant shall insure its properties against loss or damage and shall maintain general liability insurance coverage against such risks and in such amounts as is customarily maintained by entities similarly situated and operating like properties and businesses to that of the Applicant by insurance companies believed by the Applicant to be responsible (as determined in its reasonable discretion). Notwithstanding the foregoing, the Applicant may provide self-insurance in order to provide for the coverage described in the immediately preceding sentence.

Section 5.14. Liens; Debt; Consolidation and Mergers. (a)The Applicant will not create any Lien which either directly or indirectly creates an adverse effect on the Subordinated Net Revenues or the Property of the Applicant on which the Bank has a Lien pursuant to this Agreement and the Indenture, *provided*, that nothing herein shall preclude the Applicant from issuing additional Parity Debt as provided in Section 5.14(b).

(b) The Applicant will not issue or incur any additional Debt unless such issuance or incurrence complies with the Constitution and other laws of the State of California, including the Bond Laws and with the Indenture.

(c) The Applicant will not consolidate or merge with or into any entity or sell, lease or otherwise transfer all or substantially all of its assets to any other entity except as permitted by the Indenture and the Bond Laws.

Section 5.15. Trustee, Tender Agent and Remarketing Agent. The Applicant shall not remove the Trustee, the Tender Agent or the Remarketing Agent or appoint a successor Trustee, Tender Agent or Remarketing Agent without the prior written consent of the Bank, except as otherwise permitted by the Fifth Supplemental Indenture. The Applicant shall use its best efforts to replace the Trustee or the Remarketing Agent upon the request of the Bank if such request is made for cause.

Section 5.16. Federal Reserve Regulations. No proceeds from moneys received hereunder shall be used by the Applicant to purchase Margin Stock in violation of Regulation U, as amended, promulgated by the Board of Governors of the Federal Reserve System.

Section 5.17. Accounting Changes. The Applicant shall not change its method of accounting or the times of commencement or termination of Fiscal Years or other accounting periods without first disclosing in writing such change to the Bank.

Section 5.18. Maintenance of Property. The Applicant shall maintain, preserve and keep all of its Properties in good repair, working order and condition (ordinary wear and tear excepted) and will, from time to time, make all needful and proper repairs, renewals, replacements, and additions and betterments thereto so that at all times the efficiency thereof shall be full preserved and maintained.

Section 5.19. Selection of Bonds for Redemption. The Applicant shall select, or cause to be selected, for redemption any and all Bank Bonds prior to selecting, or causing to be selected, for redemption any Bonds that are not Bank Bonds.

Section 5.20. Alternate Credit Facility. (a) The Applicant agrees to use its best efforts to (i) obtain an Alternate Credit Facility to replace the Letter of Credit or (ii) convert the interest on the Bonds to a rate other than a Covered Rate in the event the Bank (x) has exercised its remedies under Section 6.2 hereof or (y) shall determine not to extend the Stated Expiration Date. In the event that the Applicant is unable to obtain an Alternate Credit Facility, the Applicant shall use its best efforts to convert the interest rate on the Bonds to a rate other than a Covered Rate.

(b) The Applicant agrees that any Alternate Credit Facility will require, as a condition to the effectiveness of the Alternate Credit Facility, that the issuer of the Alternate Credit Facility will provide funds, on the Substitution Date, for the purchase of all Bank Bonds at par plus accrued interest (at the Bank Rate) through and including the day immediately preceding the Substitution Date to the extent not paid by the Applicant or any other Person. On such

Substitution Date, any and all amounts due hereunder, under the Bank Bonds and under the Indenture (including the Fifth Supplemental Indenture) due to the Bank shall be payable in full to the Bank.

(c) The Applicant shall not permit an Alternate Credit Facility to become effective with respect to less than all of the Bonds without the prior written consent of the Bank.

Section 5.21. Conversions; Defeasance. The Applicant (a) will promptly furnish, or cause to be furnished, to the Bank, not later than its furnishing the same to the Remarketing Agent, a copy of any written notice furnished by the Applicant to the Remarketing Agent pursuant to the Fifth Supplemental Indenture, indicating a proposed Conversion of the interest rate period for the Bonds; and (b) shall not permit a Conversion of the Bonds from the Covered Rate without the prior written consent of the Bank if, after giving effect to such Conversion, any Bonds remain as Bank Bonds. In addition, the Applicant shall not permit the pledge of the Subordinated Net Revenues and all covenants, agreements and other obligations of the Applicant to the owners of the Bonds to cease, terminate and become void and be discharged and satisfied, unless (i) the Applicant shall pay or cause to be paid, or there shall otherwise be paid, to the owners of the Bonds the principal or redemption price thereof, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture and (ii) all amounts due to the Bank have been paid.

ARTICLE SIX
DEFAULTS

Section 6.1. Events of Default and Remedies. If any of the following events shall occur, each such event shall be an *"Event of Default"*:

(a) any representation or warranty made by the Applicant in this Agreement (or incorporated herein by reference) or in any of the other Related Documents to which the Applicant is a party or in any certificate, document, instrument, opinion or financial or other statement contemplated by or made or delivered pursuant to or in connection with this Agreement or with any of the other Related Documents to which the Applicant is a party, shall prove to have been incorrect, incomplete or misleading in any material respect;

(b) any Indenture Event of Default or any *"event of default"* shall have occurred and be continuing beyond the applicable grace period under any of the Related Documents (as defined respectively therein) or any "event of default" in connection with any Parity Debt shall occur and continue beyond any grace period applicable thereto;

(c) the Applicant fails to pay, or cause to be paid, when due (i) any Reimbursement Obligations and any interest thereon, (ii) any principal of or interest on any Bonds for any reason other than the failure of any Bank to perform its obligations hereunder or (iii) any other Obligation owed to the Bank hereunder;

(d) default in the due observance or performance by the Applicant of any covenant set forth in Section 5.12, 5.14, 5.15, 5.19, 5.20 or 5.21;

(e) default in the due observance or performance by the Applicant of any other term, covenant or agreement set forth in (or incorporated by reference in) this Agreement (other than those referred to in Sections 6.1(a), 6.1(b), 6.1(c) and 6.1(d)) and the continuance of such default for thirty (30) days after the occurrence thereof;

(f) (i) a court or other Governmental Authority with jurisdiction to rule on the validity of this Agreement, the Original Indenture, the Fifth Supplemental Indenture or any other Related Document to which the Applicant is a party shall find, announce or rule that (A) any material provision of this Agreement and any other Related Document to which the Applicant is a party; or (B) any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, is not a valid and binding agreement of the Applicant; or (ii) the Applicant shall contest the validity or enforceability of this Agreement, any other Related Document to which the Applicant is a party or any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or shall seek an adjudication that this Agreement, any other Related Document to which the Applicant is a party or any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, is not valid and binding on the Applicant;

(g) any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or any Related Document to which the Applicant is a party, except for any Remarketing Agreement which has been terminated due to a substitution of the Remarketing Agent, or any material provision thereof shall cease to be in full force or effect, or the Applicant or any Person acting by or on behalf of the Applicant shall deny or disaffirm the Applicant's obligations under the Indenture or any other Related Document to which the Applicant is a party;

(h) one or more judgments, decrees or orders for the payment of money, which is not subject to insurance (or for which the carrier has denied or disputed coverage other than a routine reservation of rights) in excess of $_____ and either (i) enforcement proceedings shall have been commenced by any creditor or creditors upon any such judgment, decree, or order in such aggregate amount, or (ii) there shall be a period of ninety (90) consecutive days during which either a stay of enforcement of such judgment, decree or order, by reason of a pending appeal or otherwise, shall not be in effect or such judgment shall not be fully bonded; ;

(i) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any obligation secured by a lien, charge or encumbrance upon the Revenues or

Subordinated Net Revenues; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the Applicant seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; (iii) the Applicant seeks appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of the Applicant's property, or the Applicant shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the Applicant any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the Applicant any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 days from the entry thereof; (vi) the Applicant takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv) or (v) above; or (vii) the Applicant shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(j) any of Moody's, Fitch or S&P shall have downgraded its long-term unenhanced rating of any Indebtedness of the Applicant secured by a lien on and pledge of the Subordinate Net Revenues or Revenues that ranks senior to or on a parity with the Bonds to below "Baa3" (or its equivalent), "BBB-" (or its equivalent) or "BBB-" (or its equivalent), respectively, or suspended or withdrawn its rating of the same; or

(k) The Applicant shall (i) default in any payment of any obligation (other than the Bonds, the Drawings and the Liquidity Advances) secured by a charge, lien or encumbrance on the Subordinate Net Revenues or Revenues that ranks senior to or on a parity with the Bonds (*"Secured Debt"*), beyond the period of grace, if any, provided in the instrument or agreement under which such Secured Debt was created, or (ii) default in the observance or performance of any agreement or condition relating to any Secured Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Secured Debt (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Secured Debt to become due prior to its stated maturity;

Section 6.2. Remedies. Upon the occurrence of any Event of Default, the Bank may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

(a) by written notice to the Applicant require that the Applicant immediately prepay to the Bank in immediately available funds an amount equal to the Available Amount (such amount to be held by the Bank as collateral security for the Obligations); *provided, however*, that in the case of an Event of Default described in Section 6.1(i)

hereof, such prepayment of an amount equal to the Available Amount shall automatically become immediately due and payable without any notice (unless the coming due of such Obligations is waived by the Bank in writing);

(b) by notice to the Applicant, so long as Event of Default has occurred under Section 6.01 of the Indenture, declare all Obligations to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Applicant; *provided* that upon the occurrence of an Event of Default under Section 6.1(i) hereof, so long as Event of Default has occurred under Section 6.01 of the Indenture, such acceleration shall automatically occur (unless such automatic acceleration is waived by the Bank in writing);

(c) give notice of the occurrence of any Event of Default to the Trustee directing the Trustee to cause a mandatory tender of the Bonds pursuant to the terms of the Indenture (which such notice may also provide that the interest component of the Letter of Credit will not be reinstated in accordance with the terms of the Letter of Credit), thereby causing the Letter of Credit to expire fifteen (15) days thereafter (unless the Bank has rescinded its notice of the occurrence of an Event of Default to the Trustee);

(d) pursue any rights and remedies it may have under the Related Documents; or

(e) pursue any other action available at law or in equity.

ARTICLE SEVEN
MISCELLANEOUS

Section 7.1. Net of Taxes, Etc.

(a) *Taxes.* Any and all payments to the Bank by the Applicant hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings imposed as a result of a Change of Law, and all liabilities with respect thereto, excluding taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Bank and such jurisdiction or political subdivision, other than a connection resulting solely from executing, delivering or performing its obligations or receiving a payment under, or enforcing, this Agreement (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as *"Taxes"*). If as a result of a Change of Law, the Applicant shall be required by law to withhold or deduct any Taxes imposed by the United States or any political subdivision thereof from or in respect of any sum payable hereunder to the Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 7.1), the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Applicant shall make such deductions and (iii) the Applicant shall pay the full amount deducted to the relevant taxation authority or other

authority in accordance with applicable law. If the Applicant shall make any payment under this Section 7.1 to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States then the Bank shall pay to the Applicant an amount equal to the amount by which such other taxes are actually reduced; *provided* that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the Applicant with respect to such Taxes. In addition, the Applicant agrees to pay any present or future stamp, recording or documentary taxes and, if as a result of a Change of Law, any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America, the State of California or the State of New York from any payment made hereunder or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as *"Other Taxes"*). The Bank shall provide to the Applicant within a reasonable time a copy of any written notification it receives with respect to Other Taxes owing by the Applicant to the Bank hereunder *provided* that the Bank's failure to send such notice shall not relieve the Applicant of its obligation to pay such amounts hereunder.

(b) *Indemnity.* To the extent permitted by law, the Applicant shall indemnify the Bank for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 7.1 paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the Applicant shall not be obligated to indemnify the Bank for any penalties, interest or expenses relating to Taxes or Other Taxes incorrectly paid by the Bank or arising from the Bank's gross negligence or willful misconduct. The Bank agrees to give notice to the Applicant of the assertion of any claim against the Bank relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Bank's failure to notify the Applicant promptly of such assertion shall not relieve the Applicant of its obligation under this Section 7.1. Payments by the Applicant pursuant to this indemnification shall be made within thirty (30) days from the date the Bank makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Bank agrees to repay to the Applicant any refund (including that portion of any interest that was included as part of such refund and including any credit or deduction for such Taxes or Other Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States) with respect to Taxes or Other Taxes paid by the Applicant pursuant to this Section 7.1 received by the Bank for Taxes or Other Taxes that were paid by the Applicant pursuant to this Section 7.1

(c) *Notice.* Within thirty (30) days after the date of any payment of Taxes by the Applicant, the Applicant shall furnish to the Bank, the original or a certified copy of a receipt evidencing payment thereof. To the extent permitted by law, the Applicant shall compensate the Bank for all reasonable losses and expenses sustained by the Bank as a result of any failure by the Applicant to so furnish such copy of such receipt.

(d) *Survival of Obligations.* The obligations of the Applicant under this Section 7.1 shall survive the termination of this Agreement.

(e) To the best of the Bank's knowledge, as of the Closing Date, no pending Change in Law exists which would cause Taxes or Other Taxes to be due and owing.

Section 7.2. Increased Costs. (a) In the event that after the date of the execution hereof the application, enactment or adoption of, or any change in, any law, rule, regulation, treaty, guideline or directive or the occurrence of the effective date of any law, rule, regulation, treaty, guideline or directive, or any provision thereof enacted or adopted on the date of the execution hereof but which has not yet become effective, or the application, interpretation or enforcement of any of the foregoing by any court, central bank, administrative or Governmental Authority charged with the administration thereof (whether or not having the force of law) shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Bonds or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Bonds or any Banking Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Bonds or any Banking Arrangements;

and the result of any of the foregoing shall be to increase the cost to the Bank or any Participant of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank or such Participant in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's or such Participant's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank or such Participant similar to those of the Applicant, of the aggregate of such cost increases or yield reductions resulting from such event), then, within forty-five (45) days of written demand by the Bank, the Applicant shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank or such Participant for all such increased costs or reductions in yield. Notwithstanding the foregoing, no Participant shall be entitled to any such additional amount from the Applicant in excess of that to which the Bank would have been entitled had the Bank not granted such Participant a participation in this Agreement. The Bank shall submit to the Applicant, at or prior to the making of each such demand, a certificate setting forth in

reasonable detail such increased costs or yield reduction incurred by the Bank or such Participant as a result of any of the foregoing.

(b) If the Bank shall have determined that the adoption of any law, rule, regulation or guideline (whether or not having the force of law) regarding capital adequacy by any Governmental Authority having regulatory jurisdiction over the Bank, or any change in applicable law, rule, regulation or guideline, as the case may be, or any change in the enforcement or interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof, or compliance by the Bank (or any lending office thereof) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder or its purchase or holding of Bank Bonds to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, then within thirty (30) days after demand by the Bank, the Applicant shall pay to the Bank from time to time as specified by the Bank such additional amount or amounts as will compensate the Bank for such reduction from the date of such adoption, change or compliance with respect to such law, rule, regulation, guideline, request or directive, together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full thereof or the date on which such payment is due at the Bank Rate.

(c) Each demand for compensation pursuant to Section 7.2 shall be shall be accompanied by a certificate of the Bank in reasonable detail setting forth the computation of such compensation (including the reason therefor), which certificate shall be conclusive, absent manifest error, as against all other Persons, including, without limitation, the Applicant, the Tender Agent and any Bank Bond owner. Notwithstanding anything contained in paragraphs (a) or (b) of this Section, the Applicant shall have no liability to the Bank for any increased costs, capital, or reduction return to the extent incurred by the Bank more than ninety (90) days prior to the above-described certificate is provided to the Applicant.

(d) If such costs are to be incurred on a continuing basis and the Applicant shall be so notified by the Bank in writing as to the amount thereof, then such costs shall be payable by the Applicant to the Bank on each Interest Payment Date to the extent therefore incurred.

Section 7.3. Reserved.

Section 7.4. Liability of Banks. (a) With respect to the Bank, the Applicant assumes all risks of the acts or omissions of the Trustee and its agents in respect of their use of this Agreement or any amounts made available by the Bank hereunder. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (i) the use which may be made of this Agreement or the Letter of Credit or any amounts made available by the Bank under the Letter of Credit or for any acts or omissions of the Trustee or the Remarketing Agent or its agents in connection therewith; (ii) the validity, sufficiency or genuineness of documents (other than the validity of this Agreement as to the Bank), or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or

forged; or (iii) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except only that the Applicant shall have a claim against the Bank and the Bank shall be liable to the Applicant to the extent, but only to the extent, of any direct, as opposed to consequential, damages suffered by the Applicant which the Applicant prove were caused by the Bank's gross negligence or willful failure to make payment under the Letter of Credit in accordance with the terms thereof. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(b) The Applicant assumes all risks associated with the acceptance by the Bank of documents received by telecommunication, it being agreed that the use of telecommunication devices is for the benefit of the Applicant and that the Bank assumes no liabilities or risks with respect thereto.

Section 7.5. Unconditional Obligations. The obligations of the Applicant under this Agreement shall be absolute, unconditional, irrevocable in accordance with the terms of the Indenture and this Agreement, under all circumstances whatsoever, including, without limitation, the following:

(a) any lack of validity or enforceability of this Agreement, the Letter of Credit or, to the extent permitted by law, the Bonds, the Indenture or any other Related Document;

(b) any amendment or waiver of or any consent to departure from the terms of the Indenture or all or any of the Related Documents to which the Bank has not consented in writing;

(c) the existence of any claim, counterclaim, setoff, recoupment, defense or other right which any Person may have at any time against the Bank, the Applicant, the Trustee, the Remarketing Agent, or any other Person, whether in connection with this Agreement, the Indenture, the Related Documents, or any other transaction related thereto;

(d) any statement or any other document presented pursuant hereto or pursuant to the Letter of Credit which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently proves to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(e) payment by the Bank of a Drawing or an Advance against presentation of a request which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently is found not to comply with the terms of this Agreement; *provided* that such payment shall not have constituted gross negligence of the Bank; and

(f) any other circumstances or happening whatsoever whether or not similar to any of the foregoing.

Section 7.6. Participants. The Bank shall have the right to grant participations in the Letter of Credit to one or more other banking institutions, and such participants shall be entitled to the benefits of this Agreement, including, without limitation, Sections 7.1, 7.2, 7.4 and 7.14 hereof (provided that the Applicant shall be liable only to the extent of the Bank's legal expenses incurred (and not the legal expenses of any participant) pursuant to any of the foregoing sections), to the same extent as if they were a direct party hereto; *provided, however,* that no such participation by any such participant shall in any way affect the obligation of the Bank under the Letter of Credit and the Applicant shall continue to deal solely and directly with the Bank in connection with this Agreement and the Letter of Credit; and *provided further* that no such participant shall be entitled to receive payment hereunder of any amount greater than the amount which would have been payable had the Bank not granted a participation to such participant.

Section 7.7. Survival of this Agreement. All covenants, agreements, representations and warranties made in this Agreement shall survive the issuance by the Bank of the Letter of Credit and shall continue in full force and effect so long as the Letter of Credit shall be unexpired or any Obligations shall be outstanding and unpaid. The obligation of the Applicant to reimburse the Bank pursuant to Sections 7.1, 7.2, 7.4 and 7.14 hereof shall survive the payment of the Bonds and termination of this Agreement or the Letter of Credit.

Section 7.8. Modification of this Agreement. No amendment, modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Bank and the Applicant and no amendment, modification or waiver of any provision of the Letter of Credit, and no consent to any departure by the Applicant therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Applicant in any case shall entitle the Applicant to any other or further notice or demand in the same, similar or other circumstances.

Section 7.9. Waiver of Rights by the Bank. No course of dealing or failure or delay on the part of the Bank in exercising any right, power or privilege hereunder or under the Letter of Credit or this Agreement shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right or privilege. The rights of the Bank under the Letter of Credit and the rights of the Bank under this Agreement are cumulative and not exclusive of any rights or remedies which the Bank would otherwise have.

Section 7.10. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7.11. GOVERNING LAW. (a) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES; *PROVIDED, HOWEVER,* THAT THE OBLIGATIONS OF

THE APPLICANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CALIFORNIA.

(b) The Bank hereby waives the benefit of Article 15 of the French Civil Code relating to general and exclusive jurisdiction in any action or proceeding arising out of or relating to this Agreement, the Letter of Credit or any of the Related Documents. The waiver made pursuant to this Section 7.11(b) shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement or the Letter of Credit.

Section 7.12. Notices. All notices hereunder shall be given by United States certified or registered mail or by telecommunication device capable of creating written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed:

If to the Bank with respect to operating and funding matters, a copy to:	Dexia Credit Local New York Branch 445 Park Avenue, 8th Floor New York, New York 10022 Telecopy No.: (212) 753-7522 Telephone No.: (212) 515-7007 Attention: Manager - Operations
If to the Bank, with respect to Credit Administration Matters, a copy to:	Dexia Credit Local New York Branch 445 Park Avenue, 8th Floor New York, New York 10022 Telecopy No.: (212) 753-5516 Telephone No.: (212) 515-7003 Attention: Manager of Public Finance Department
If to the Applicant, to	City of Santa Clara _____ _____ Telecopy No.: _____ Telephone No.: _____ Attention: _____ Tax Identification Number: _____
If to the Trustee, to	The Bank of New York Trust Company, N.A. _____ _____ Telecopy No.: _____ Telephone No.: _____ Attention: _____

Section 7.13. Successors and Assigns. The Bank may transfer or assign some or all of its obligations and rights under this Agreement with the prior written consent of the Applicant (which such consent shall not be unreasonably withheld); *provided* that the Applicant has

received written notice from Moody's and S&P that the transfer or assignment shall not cause the lowering, withdrawal or suspension of any ratings then existing on the Bonds. The rights and duties of the Applicant hereunder, however, may not be assigned or transferred, except as specifically provided in this Agreement or with the prior written consent of the Bank, and all obligations of the Applicant hereunder shall continue in full force and effect notwithstanding any assignment by the Applicant of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Applicant to, any supplement or amendment to any of the Related Documents.

Section 7.14. Costs and Expenses; Reimbursement. The Applicant shall pay (a)(i) on the Closing Date, all reasonable costs and expenses incurred by the Bank and its counsel in connection with the preparation, execution and delivery of this Agreement, the Letter of Credit and any other documents and instruments that may be delivered in connection therewith (including fees in an amount not to exceed $40,000 plus any out-of-pocket expenses of Chapman and Cutler LLP, special counsel for the Bank, fees in an amount not to exceed $1,500 of French counsel for the Bank and out-of-pocket expenses of the Bank in an amount not to exceed to $4,500), (ii) all costs and expenses incurred by the Bank, including reasonable fees and out-of-pocket expenses of counsel for the Bank, otherwise arising in connection with the amendment or enforcement of this Agreement, the Letter of Credit, the Indenture and the Related Documents, or the protection of the rights of the Bank hereunder or thereunder, and (iii) any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection herewith.

(b) To the extent permitted by law, the Applicant agrees to reimburse and hold harmless the Bank, its officers, directors, employees and agents (each a *"Reimbursed Party"*) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever which a Reimbursed Party may incur or be subject to (or which may be claimed against a Reimbursed Party by any Person) by reason of or in connection with the execution and delivery of and consummation of the transactions contemplated under this Agreement, the Letter of Credit the Indenture and the Related Documents, including, without limitation, (i) the offering, sale, remarketing or resale of Bonds (including, without limitation, by reason of any untrue statement or alleged untrue statement contained or incorporated by reference in any preliminary official statement or official statement, or in any supplement or amendment thereof, prepared with respect to the Bonds, or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they are or were made, not misleading or the failure to deliver a preliminary official statement or an official statement to any offeree or purchaser of Bonds) and (ii) the execution and delivery of, or payment or failure to pay by any Person (other than the Bank as and when required by the terms and provisions of the Letter of Credit) under, this Agreement; *provided, however,* that the Applicant shall not be required to reimburse the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (a) the willful misconduct or gross negligence of the Bank (including without limitation, with respect to the Bank, failure of the Bank to honor its obligations to purchase Bonds upon the satisfaction of the applicable conditions precedent set forth herein and in accordance with the terms of this Agreement and the Letter of Credit) or (b) the material inaccuracy of any information included or incorporated by

reference in any offering document referred to in Section 5.6 hereof concerning the Bank which was furnished in writing by the Bank expressly for inclusion or incorporated by reference therein. Nothing in this Section 7.14 is intended to limit the obligations of the Applicant under the Bonds or of the Applicant to pay its obligations hereunder, under the Master Resolution and under the Related Documents.

(c) The provisions of this Section 7.14 and Sections 7.1 and 7.2 hereof shall survive the termination of this Agreement and the payment in full of the Bonds and the obligations of the Applicant hereunder. The Bank shall notify the Applicant of any amounts which are owed to such party pursuant to this Section 7.14.

Section 7.15. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 7.16. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all taken together to constitute one instrument.

Section 7.17. Entire Agreement. This Agreement constitutes the entire understanding of the parties with respect to the subject matter thereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby.

Section 7.18. Waiver of Jury Trial; Venue. THE APPLICANT AND THE BANK HEREBY WAIVE TO THE EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING ARISING UNDER OR RELATING TO THIS AGREEMENT OR A RELATED DOCUMENT. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, THE APPLICANT AND THE BANK HEREBY CONSENT TO THE ADJUDICATION OF ANY AND ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, AND THE JUDICIAL REFEREE SHALL BE EMPOWERED TO HEAR AND DETERMINE ANY AND ALL ISSUES IN SUCH REFERENCE WHETHER FACT OR LAW. THE APPLICANT AND THE BANK REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF ITS CHOICE ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

Section 7.19. USA PATRIOT Act Notice. The Bank hereby notifies the Applicant that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Act*"), it is required to obtain, verify and record information that identifies the Applicant, which information includes the name and address of the Applicant and other information that will allow the Bank to identify the Applicant in accordance with the Act.

Section 7.20. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that

any payment in respect of such assigned obligations made by the Applicant to the Bank in accordance with the terms of this Agreement shall satisfy the Applicant's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

[SIGNATURE PAGES TO FOLLOW]

Please signify your agreement and acceptance of the foregoing by executing this Agreement in the space provided below.

Very truly yours,

DEXIA CREDIT LOCAL, acting through its
New York Branch

By: _____
Name: _____
Title: _____

Accepted and agreed to:

CITY OF SANTA CLARA

By: _____
Name: _____
Title: _____

APPENDIX I

IRREVOCABLE TRANSFERABLE LETTER OF CREDIT

_____, 2008

**U.S. $_____

No. _____

The Bank of New York Trust Company, N.A., as trustee (the *"Trustee"*) and tender agent (the *"Tender Agent"*) under the Fifth Supplemental Indenture of Trust dated as of _____, 2008 (the *"Supplemental Indenture"*), between The City of Santa Clara (the *"Issuer"*), and the Trustee

_____

_____

Attention: _____

Ladies and Gentlemen:

We hereby establish in your favor as Trustee and Tender Agent for the benefit of the holders of the Bonds (as hereinafter defined), our irrevocable transferable Letter of Credit No. _____ for the account of the City of Santa Clara (the *"Applicant"*), whereby we hereby irrevocably authorize you to draw on us from time to time, from and after the date hereof to and including the earliest to occur of our close of business on: (i) _____, 2011 (as extended from time to time, the *"Stated Expiration Date"*), (ii) the date which is fifteen (15) days following receipt from you of a certificate in the form set forth as Exhibit A hereto, and (iii) the date which is fifteen (15) days following receipt by you of a written notice from us specifying the occurrence of an Event of Default under the Reimbursement Agreement dated as of _____ 1, 2008 (the *"Reimbursement Agreement"*), between the Applicant and us and directing you to cause a mandatory tender of the Bonds (the earliest of the foregoing dates herein referred to as the *"Termination Date"*), a maximum aggregate amount not exceeding $_____ (the *"Original Stated Amount"*) to pay principal of, premium, if any, and accrued interest on, or the purchase price of, the $_____ aggregate principal amount of the City of Santa Clara, California Subordinated Electric Revenue Bonds, Series 2008B (the *"Bonds"*), in accordance with the terms hereof (said $_____ having been calculated to be equal to (A) $_____, the original principal amount of the Bonds, plus (B) $_____ which is at least ___ days' accrued interest on said principal amount of the Bonds at the rate of 12% per annum (the *"Cap Interest Rate"*) and assuming a year of 365 days. This credit is available to you against presentation of the following documents (the *"Payment Documents"*) presented to Dexia Credit Local, acting through its New York Branch (the *"Bank"*) as described below:

A certificate (with all blanks appropriately completed) (i) in the form attached as Exhibit B hereto to pay accrued interest on the Bonds as provided for under Section ___ of the Supplemental Indenture (an *"Interest Drawing"*), (ii) in the form attached as Exhibit C hereto to pay the principal amount of, premium, if any, and accrued interest on the Bonds in respect of any redemption of the Bonds as provided for in Section___ of the Supplemental Indenture (a *"Redemption Drawing"*), *provided* that in the event the date of redemption coincides with an Interest Payment Date (as defined in the Indenture), the Redemption Drawing shall not include any accrued interest on the Bonds (which interest is payable pursuant to an Interest Drawing), (iii) in the form attached as Exhibit D hereto, to allow the Tender Agent, to pay the purchase price of Bonds tendered for purchase as provided for in Section ___ of the Supplemental Indenture which have not been successfully remarketed or for which the purchase price has not been received by the Trustee by 10:00 A.M., New York time, on the purchase date (a *"Liquidity Drawing"*); *provided* that in the event the purchase date coincides with an Interest Payment Date, the Liquidity Drawing shall not include any accrued interest on the Bonds (which interest is payable pursuant to an Interest Drawing), or (v) in the form attached as Exhibit F hereto to pay the principal amount of Bonds maturing on the applicable maturity dates described in Section ___ of the Supplemental Indenture (a *"Stated Maturity Drawing"*), each certificate to state therein that it is given by your duly authorized officer and dated the date such certificate is presented hereunder. No Drawings shall be made under this Letter of Credit for Bonds bearing interest at a rate other than the Covered Rate, Bank Bonds (each as defined in the Reimbursement Agreement) or for Bonds owned by or on behalf of the Applicant.

All drawings shall be made by presentation of each Payment Document at our office at 445 Park Avenue, 8th Floor, New York, New York 10022, as aforesaid (at telecopier number (212) 753-7522), Attention: Manager-Operations, without further need of documentation, including the original of this Letter of Credit, it being understood that each Payment Document so submitted is to be the sole operative instrument of drawing. You shall use your best efforts to give telephonic notice of a Drawing to the Bank to Manager-Operations ((212) 515-7007) on the Business Day preceding the day of such Drawing (but such notice shall not be a condition to Drawing hereunder and you shall have no liability for not doing so).

We agree to honor and pay the amount of any Interest, Redemption, Liquidity or Stated Maturity Drawing if presented in compliance with all of the terms of this Letter of Credit. If any such Drawing, other than a Liquidity Drawing, is presented prior to 2:00 P.M., New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 10:00 A.M., New York time, on the following Business Day. If any such Drawing, other than a Liquidity Drawing, is presented at or

after 2:00 P.M., New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 1:30 P.M., New York time, on the following Business Day. If a Liquidity Drawing is presented prior to 12:00 Noon, New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 2:00 P.M., New York time, on the same Business Day. If a Liquidity Drawing is presented at or after 12:00 Noon, New York time, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 10:00 A.M., New York time, on the following Business Day. Payments made hereunder shall be made by wire transfer to you or by deposit into your account with us in accordance with the instructions specified by the Trustee in the drawing certificate relating to a particular Drawing hereunder. *"Business Day"* means any day which is not (i) a Saturday, Sunday or legal holiday on which banking institutions in the State of California, the State of New York, or the state in which the Principal Office (as defined in the Indenture) of the Trustee or Tender Agent or, if applicable the office of the Bank at which demands for payment under this Letter of Credit are to be presented is located are authorized by law to close or (ii) a day on which the New York Stock Exchange is closed.

The Available Amount (as hereinafter defined) will be reduced automatically by the amount of any Drawing hereunder; *provided, however,* that the amount of any Interest Drawing hereunder, less the amount of the reduction in the Available Amount attributable to interest as specified in a certificate in the form of Exhibit C or G hereto, shall be automatically reinstated on the close of business on the ninth day after any payment of any Interest Drawing by the amount of such Interest Drawing unless you shall have received on or before the close of business on the ninth day after payment of such Interest Drawing, notice from us that an Event of Default under the Reimbursement Agreement has occurred and is continuing and that we have elected not to reinstate such amount. After payment by the Bank of a Liquidity Drawing, the obligation of the Bank to honor Drawings under this Letter of Credit will be automatically reduced by an amount equal to the Original Purchase Price of any Bonds (or portions thereof) purchased pursuant to said Drawing. In addition, in the event of the remarketing of the Bonds (or portions thereof) previously purchased with the proceeds of a Liquidity Drawing, the Bank's obligation to honor Drawings hereunder will be automatically reinstated concurrently upon receipt by the Bank, or the Trustee on behalf of the Bank, of an amount equal to the Original Purchase Price of such Bonds (or portion thereof); the amount of such reinstatement shall be equal to the Original Purchase Price of such Bonds (or portions thereof). *"Original Purchase Price"* shall mean the principal amount of any Bond purchased with the proceeds of a Liquidity Drawing plus the amount of accrued interest on such Bond paid with the proceeds of a Liquidity Drawing (and not pursuant to an Interest Drawing) upon such purchase.

Upon receipt by us of a certificate of the Trustee in the form of Exhibit C or G hereto, the Letter of Credit will automatically and permanently reduce the amount available to be drawn hereunder by the amount specified in such certificate. Such reduction shall be effective as of the next Business Day following the date of delivery of such certificate.

Upon any permanent reduction of the amounts available to be drawn under this Letter of Credit, as provided herein, we may deliver to you a substitute Letter of Credit in exchange for

this Letter of Credit or an amendment to this Letter of Credit substantially in the form of Exhibit H hereto only to reflect any such reduction. If we deliver to you such a substitute Letter of Credit you shall simultaneously surrender to us for cancellation the Letter of Credit then in your possession. The "*Available Amount*" shall mean the Original Stated Amount (i) less the amount of all prior reductions pursuant to Interest, Redemption, Liquidity or Stated Maturity Drawings, (ii) less the amount of any reduction thereof pursuant to a reduction certificate in the form of Exhibit C or G hereto to the extent such reduction is not already accounted for by a reduction in the Available Amount pursuant to (i) above, (iii) plus the amount of all reinstatements as above provided.

Prior to the Termination Date, we may extend the Stated Expiration Date from time to time at the request of the Applicant by delivering to you an amendment to this Letter of Credit in the form of Exhibit J hereto designating the date to which the Stated Expiration Date is being extended. Each such extension of the Stated Expiration Date shall become effective on the Business Day following delivery of such notice to you and thereafter all references in this Letter of Credit to the Stated Expiration Date shall be deemed to be references to the date designated as such in such notice. Any date to which the Stated Expiration Date has been extended as herein provided may be extended in a like manner.

Upon the Termination Date this Letter of Credit shall automatically terminate and be delivered to the Bank for cancellation.

This Letter of Credit is transferable in whole only to your successor as Trustee. Any such transfer (including any successive transfer) shall be effective upon receipt by us (which receipt shall be subsequently confirmed in writing to the transferor and the transferee by the Bank) of a signed copy of the instrument effecting each such transfer signed by the transferor and by the transferee in the form of Exhibit I hereto (which shall be conclusive evidence of such transfer) and, in such case, the transferee instead of the transferor shall, without the necessity of further action, be entitled to all the benefits of and rights under this Letter of Credit in the transferor's place; provided that, in such case, any certificates of the Trustee to be provided hereunder shall be signed by one who states therein that he is a duly authorized officer or agent of the transferee.

Communications with respect to this Letter of Credit shall be addressed to us at Dexia Credit Local, New York Branch, 445 Park Avenue, 8th Floor, New York, New York 10022, Attention: Manager-Operations, specifically referring to the number of this Letter of Credit.

To the extent not inconsistent with the express provisions hereof, this Letter of Credit shall be governed by the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Publication No. 600 (the "*Uniform Customs*"), except for Article 32, the second sentence of Article 38(d) and Article 38(e) thereof and notwithstanding the provisions of the second sentence of Article 36 of the Uniform Customs, if this Letter of Credit expires during an interruption of business (as defined in Article 36 of the Uniform Customs), the Bank agrees to effect payment under this Letter of Credit if a Drawing which strictly conforms to the terms and conditions of this Letter of Credit is made within 15 days after the resumption of business and, as to matters not governed by the Uniform Customs, this Letter of Credit shall be governed by the

internal laws of the State of New York, including, without limitation, the Uniform Commercial Code as in effect in the State of New York.

All payments made by us hereunder shall be made from our funds and not with the funds of any other person.

This Letter of Credit sets forth in full the terms of our undertaking, and such undertaking shall not in any way be modified or amended by reference to any other document whatsoever.

DEXIA CREDIT LOCAL, acting through its
New York Branch

By:_____
Name:_____
Title:_____

EXHIBIT A
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

NOTICE OF TERMINATION

[Date]

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Letter of Credit No. _____ dated April 2, 2008 (the *"Letter of Credit"*), which has been established by you for the account of the City of Santa Clara in favor of the Trustee.

The undersigned hereby certifies and confirms that **[(i) no Bonds (as defined in the Letter of Credit) remain Outstanding within the meaning of the Indenture, (ii) all Drawings required to be made under the Indenture and available under the Letter of Credit have been made and honored or (iii) an Alternate Credit Facility (as defined in the Indenture hereinafter referred to) has been issued to replace the Letter of Credit pursuant to Section 410 of the Fifth Supplemental Indenture]** and, accordingly, the Letter of Credit shall be terminated in accordance with its terms.

All defined terms used herein which are not otherwise defined shall have the same meaning as in the Letter of Credit.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT B
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

INTEREST DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the *"Beneficiary"*), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the *"Letter of Credit"*), issued by Dexia Credit Local, acting through its New York Branch (the *"Bank"*) in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee (as defined in the Letter of Credit) under the Indenture.

2. The Beneficiary is entitled to make this Drawing in the amount of $_____ under the Letter of Credit pursuant to the Indenture with respect to the payment of interest due on all Bonds outstanding on the Interest Payment Date (as defined in the Indenture) occurring on [insert applicable date], other than Bonds that bear interest at a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant.

3. The amount of the drawing is equal to the amount required to be drawn by the Trustee pursuant to Section ___ of the Supplemental Indenture.

4. The amount of the drawing made by this Certificate was computed in compliance with the terms of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, 20___.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT C
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

REDEMPTION DRAWING AND REDUCTION CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ _____ (the *"Beneficiary"*), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the *"Letter of Credit"*), issued by Dexia Credit Local, acting through its New York Branch (the *"Bank"*) in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee (as defined in the Letter of Credit) under the Indenture.

2. The Beneficiary is entitled to make this drawing in the amount of $_____ under the Letter of Credit pursuant to Section ___ of the Supplemental Indenture.

3. (a) The amount of this drawing is equal to (i) the principal amount of Bonds to be redeemed by the Issuer (as defined in the Letter of Credit) pursuant to Section _____ of the Supplemental Indenture on [insert applicable date] (the *"Redemption Date"*) other than Bonds that bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit), or Bonds owned by or on behalf of the Applicant, *plus* (ii) interest on such Bonds accrued from the immediately preceding Interest Payment Date (as defined in the Indenture) to the Redemption Date, provided that in the event the Redemption Date coincides with an Interest Payment Date this drawing does not include any accrued interest on such Bonds.

(b) Of the amount stated in paragraph 2 above:

(i) $_____ is demanded in respect of the principal amount of the Bonds referred to in subparagraph (a) above; and

(ii) $_____ is demanded in respect of accrued interest on such Bonds.

4. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

5. The amount of the drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

6. Upon payment of the amount drawn hereunder, the Bank is hereby directed to permanently reduce the Available Amount by $[insert amount of reduction] and the Available Amount shall thereupon equal $[insert new Available Amount]. The Available Amount has been reduced by an amount equal to the principal of Bonds paid with this drawing and an amount equal to ___ days' interest thereon at a rate of interest equal to 12% per annum.

7. Of the amount of the reduction stated in paragraph 6 above:

(i) $_____ is attributable to the principal amount of Bonds redeemed; and

(ii) $_____ is attributable to interest on such Bonds (*i.e.*, ___ days' interest thereon at a rate of interest equal to 12% per annum).

8. The amount of the reduction in the Available Amount has been computed in accordance with the provisions of the Letter of Credit.

9. Following the reduction, the Available Amount shall be at least equal to the aggregate principal amount of the Bonds outstanding (to the extent such Bonds are not Bank Bonds (as defined in the Letter of Credit)), plus ___ days' interest thereon at a rate of interest equal to 12% per annum.

10. In the case of a redemption pursuant to Section ___ of the Fifth Supplemental Indenture, the Trustee, prior to giving notice of redemption to the owners of the Bonds, received written evidence from the Bank that the Bank has consented to such redemption.

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT D
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

LIQUIDITY DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the "*Beneficiary*") hereby certifies as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. The Beneficiary is entitled to make this drawing under the Letter of Credit in the amount of $_____ with respect to the payment of the purchase price of Bonds tendered for purchase in accordance with Section ___ of the Supplemental Indenture and to be purchased on [insert applicable date] (the "*Purchase Date*") which Bonds have not been remarketed as provided in the Indenture or the purchase price of which has not been received by the Tender Agent (as defined in the Letter of Credit) by 11:30 A.M., New York time, on said Purchase Date.

3. (a) The amount of the drawing is equal to (i) the principal amount of Bonds to be purchased pursuant to the Indenture on the Purchase Date other than Bonds the bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant, *plus* (ii) interest on such Bonds accrued from the immediately preceding Interest Payment Date (as defined in the Indenture) (or if none, the date of issuance of the Bonds) to the Purchase Date, provided that in the event the Purchase Date coincides with an Interest Payment Date this drawing does not include any accrued interest on such Bonds.

(b) Of the amount stated in paragraph (2) above:

(i) $_____ is demanded in respect of the principal portion of the purchase price of the Bonds referred to in subparagraph (2) above; and

(ii) $_____ is demanded in respect of payment of the interest portion of the purchase price of such Bonds.

4. The amount of the drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. The Beneficiary will register or cause to be registered in the name of the Bank (or the Applicant at the written direction of the Bank), upon payment of the amount drawn hereunder, Bonds in the principal amount of the Bonds being purchased with the amounts drawn hereunder and will deliver such Bonds to the Trustee in accordance with the Indenture.

6. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT E
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

EVENT OF DEFAULT CERTIFICATE

[TRUSTEE]

_____

_____

Attention:

The undersigned individual, a duly authorized representative of Dexia Credit Local hereby notifies the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the *"Letter of Credit"*), issued by Dexia Credit Local, acting through its New York Branch (the *"Bank"*) in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

[Insert one of the following paragraphs as appropriate]

[an *"Event of Default"* has occurred under Section 6.1 of the Reimbursement Agreement dated as of _____, 2008, between the Bank and the City of Santa Clara and the Bank has elected to direct the Trustee to cause a mandatory tender of the Bonds, whereby the Letter of Credit will terminate fifteen (15) days following the receipt by the Trustee of this Event of Default Certificate.]

[the Bank has not been reimbursed for an Interest Drawing under the Letter of Credit or any *"Event of Default"* has occurred under Section 6.1 of the Reimbursement Agreement dated as of _____, 2008, between the Bank and the City of Santa Clara and, as a result thereof, the amount of such Interest Drawing will not be reinstated and the Bank has elected to direct the Trustee to cause a mandatory tender of the Bonds.]

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, 20___.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT F
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

STATED MATURITY DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the "*Beneficiary*"), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. The Beneficiary is entitled to make this drawing in the amount of $_____ under the Letter of Credit pursuant to Section ___ of the Supplemental Indenture.

3. The amount of this drawing is equal to the principal amount of Bonds outstanding on _____, 20___, the maturity date thereof as specified in Section 202 of the Supplemental Indenture, other than Bonds that bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant.

4. The amount of this Drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

EXHIBIT G
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

REDUCTION CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned hereby certifies with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the *"Letter of Credit"*), issued by Dexia Credit Local, acting through its New York Branch (the *"Bank"*) in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. Upon receipt by the Bank of this Certificate, the Available Amount (as defined in the Letter of Credit) shall be reduced by $_____ and the Available Amount shall thereupon equal $_____. $_____ of the new Available Amount is attributable to interest.

3. The amount of the reduction in the Available Amount has been computed in accordance with the provisions of the Letter of Credit.

4. Following the reduction, the Available Amount shall be at least equal to the aggregate principal amount of the Bonds outstanding (other than Bonds that bear interest of a rate other than the Covered Rate Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant) plus $_____ which is at least ___ days' accrued interest on said principal amount of the bonds at the rate borne by the Bonds and assuming a year of 365 days, or an acceleration of the Bonds pursuant to Section ____ of the Supplemental Indenture.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, ____.

_____
as Trustee

By _____
[Title of Authorized Representative]

EXHIBIT H
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

NOTICE OF AMENDMENT

[Date]

[TRUSTEE]
_____
_____

Attention:

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), established by us in your favor as Beneficiary. We hereby notify you that, in accordance with the terms of the Letter of Credit and that certain Reimbursement Agreement dated as of _____, 2008, between The City of Santa Clara and us, the Available Amount (as defined in the Letter of Credit) has been reduced to $_____.

This letter should be attached to the Letter of Credit and made a part thereof.

DEXIA CREDIT LOCAL, acting through its
New York Branch

By:_____
Name: _____
Title: _____

EXHIBIT I
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

No. _____

TRANSFER CERTIFICATE

[Date]

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

Ladies and Gentlemen:

Reference is made to that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the *"Letter of Credit"*), which has been established by the Bank in favor of _____.

The undersigned, a duly authorized officer or agent of [Name of Transferor], has transferred and assigned (and hereby confirms to you said transfer and assignment), without recourse, all of its interests in and under said Letter of Credit to [Name of Transferee] and confirms that [Name of Transferor] no longer has any rights or obligations under or interest in said Letter of Credit.

Transferor and Transferee have indicated on the face of said Letter of Credit that it has been transferred and assigned to Transferee.

The undersigned, a duly authorized officer or agent of the Transferee, hereby certifies that the Transferee is a duly authorized Transferee under the terms of said Letter of Credit and is accordingly entitled, upon presentation of the documents called for therein, to receive payment thereunder.

_____
Name of Transferor

By _____
[Title of Authorized Officer of Transferor]

_____
Name of Transferee

By _____
[Title of Authorized Officer of Transferee]

EXHIBIT J
TO
LETTER OF CREDIT NO. _____

NOTICE OF EXTENSION

[PAYING AGENT]
_____
_____
_____
Attention: _____

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Direct-Pay Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), established by us in your favor as Beneficiary. We hereby notify you that, in accordance with the terms of the Letter of Credit and that certain Reimbursement Agreement dated as of _____, 2008, by and between the Applicant (as defined in the Letter of Credit) and the Bank (as defined in the Letter of Credit), the Stated Expiration Date, as defined in the Letter of Credit, has been extended to _____.

This letter should be attached to the Letter of Credit and made a part thereof.

DEXIA CREDIT LOCAL, acting through its New York Branch

By _____
Name: _____
Title: _____

REMARKETING AGREEMENT

by and between

CITY OF SANTA CLARA, CALIFORNIA

and

J.P. MORGAN SECURITIES INC.

Dated as of _____ 1, 2008

CITY OF SANTA CLARA, CALIFORNIA
VARIABLE RATE DEMAND
SUBORDINATED ELECTRIC REVENUE BONDS
SERIES 2008 B

REMARKETING AGREEMENT

This REMARKETING AGREEMENT, dated as of _____ 1, 2008, is by and between CITY OF SANTA CLARA, CALIFORNIA, a charter city of the State of California (the "City"), and J.P. MORGAN SECURITIES INC., a corporation organized and existing pursuant to the laws of the State of New York (the "Remarketing Agent").

WITNESSETH:

WHEREAS, the City desires to issue and sell its City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B (the "Series 2008 B Bonds") pursuant to a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as amended and supplemented, including a Fifth Supplemental Indenture, dated as of _____ 1, 2008 (the "Supplemental Indenture"), providing for the issuance of the Series 2008 B Bonds (collectively, the "Indenture"), by and between the City and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee"), and as authorized pursuant to the Bond Law (as hereinafter defined); and

WHEREAS, the City has, pursuant to the terms and provisions of the Indenture, appointed the Remarketing Agent to undertake the duties and responsibilities of Remarketing Agent under the Indenture in respect the Series 2008 B Bonds, and the Remarketing Agent has agreed to accept such duties and responsibilities upon the terms and conditions set forth in this Remarketing Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. Definitions. The following words and terms as used in this Remarketing Agreement shall have the following meanings:

"Bank" means Dexia Credit Local.

"Bond Law" shall mean Section 1321 of the City's Charter (the "Charter"), a number of resolutions adopted pursuant to the Charter, the Revenue Bond Law of 1941, to the extent incorporated by such procedural resolutions, and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement, dated _____, 2008, by and between the City and J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc., as co-underwriters, executed in connection with the issuance and sale of the Series 2008 B Bonds.

"Closing Date" shall mean the date upon which the Series 2008 B Bonds will be issued and delivered by the City to or upon the order of the purchasers thereof, which date shall be _____, 2008.

"Letter of Credit" shall mean the irrevocable direct pay Letter of Credit dated as of _____, 2008 issued by the Bank for the benefit of the Trustee to provide credit enhancement and liquidity support for the Series 2008 B Bonds.

"Official Statement" shall mean the Official Statement to be prepared and distributed by the City in connection with the issuance and sale of the Series 2008 B Bonds (including the cover page thereof and all appendices included therein or attached thereto).

"Tender Agent" shall mean the entity serving as Tender Agent as provided in the Indenture.

Other terms used herein but not defined herein shall have the same meaning as that assigned to such terms in the Indenture unless the context indicates otherwise.

Section 2. Acceptance. The Remarketing Agent accepts its appointment as the Remarketing Agent for the Series 2008 B Bonds. This Remarketing Agreement shall constitute any written instrument of acceptance which may be referred to in the Supplemental Indenture, and counterparts of this Remarketing Agreement, or true copies thereof, shall be delivered to the City and the Tender Agent.

Section 3. Remarketing Agent's Duties and Obligations. The Remarketing Agent agrees that, commencing on the Closing Date, it will:

(a) At the times and in the manner set forth in the applicable provisions of the Indenture, determine the initial interest rate on the Series 2008 B Bonds, which shall be a Weekly Interest Rate ending on _____, 2008, and thereafter determine (i) with respect to Series 2008 B Bonds bearing Interest at a Weekly Interest Rate, the Weekly Interest Rate applicable to such Series 2008 B Bonds; (ii) with respect to Series 2008 B Bonds bearing Interest at a Daily Interest Rate, the Daily Interest Rate applicable to such Series 2008 B Bonds; (iii) with respect to the Short-Term Interest Rate Period, the Bond Interest Term Rate and the duration of the Bond Interest Term applicable to such Series 2008 B Bonds; and (iv) with respect to the Long-Term Interest Rate Period, the Long-Term Interest Rate applicable to such Series 2008 B Bonds.

(b) In accordance with the applicable provisions of the Indenture, give notification of the interest rates and rate periods so determined.

(c) Subject to the provisions of Section 9 hereof and the Indenture, use its best efforts to remarket (i) all Series 2008 B Bonds which are subject to mandatory tender, and (ii) all Series 2008 B Bonds bearing interest at a Weekly Interest Rate or at a Daily Interest Rate which are subject to optional tender for purchase pursuant to the Supplemental Indenture.

(d) In accordance with and at the times specified in the Supplemental Indenture, give immediate notice to the Tender Agent specifying the principal amount of Series 2008 B Bonds subject to optional or mandatory purchase which have been remarketed and the amount thereof which has not been remarketed and to deliver to the Tender Agent in accordance with and at the times set forth in the Supplemental Indenture in immediately available funds, an amount equal to remarketing proceeds.

(e) Hold all Series 2008 B Bonds delivered to it in trust for the benefit of the respective owners which shall have delivered such Series 2008 B Bonds until moneys representing the purchase price of such Series 2008 B Bonds shall have been delivered to, for the account of, or to the order of such Bondholders.

(f) Hold all moneys delivered to it for the purchase of Series 2008 B Bonds for the benefit of the person or entity which shall have so delivered such moneys until the Series 2008 B Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity.

(g) Perform all duties and obligations of the Remarketing Agent under the Supplemental Indenture.

Section 4. Remarketing Agent Compensation.

(a) In consideration of the services to be performed by the Remarketing Agent under this Remarketing Agreement, the City shall pay to the Remarketing Agent the following fees: (i) an annual fee equal to _____ percent of the weighted average daily principal amount of Bonds outstanding during such periods in which the Series 2008 B Bonds shall bear interest at a Weekly Interest Rate or a Bond Interest Term Rate or Bond Interest Term Rates, (ii) an annual fee equal to _____ percent of the weighted average daily principal amount of Bonds outstanding during such periods in which the Series 2008 B Bonds shall bear interest at a Daily Interest Rate; (iii) in connection with, or in anticipation of, the establishment of a Long-Term Interest Rate Period, an amount as shall be agreed to by the City and the Remarketing Agent at that time, and (iv) expenses incurred by the Remarketing Agent in connection with its services hereunder. It is understood and agreed that payment of the fees referred to in clauses (i) and (ii) of the first sentence of this Section shall be made by the City as soon as practicable upon receipt of an invoice therefor from the Remarketing Agent, such invoice to be sent quarterly in arrears and that payment of the fee referred to in clause (iii) of the first sentence of this Section shall be made by the City on the effective date of the Long-Term Interest Rate Period.

(b) In addition, the City shall pay all reasonable expenses and costs of the Remarketing Agent incurred in connection with the transactions contemplated hereby (including, without limitation, the expenses and costs of the preparation of any blue sky and legal investment surveys for the public marketing or remarketing of the Series 2008 B Bonds and the preparation, printing, photocopying, execution and delivery of any revised or updated Official Statements, and further including, the fees and expenses of counsel to the Remarketing Agent in connection therewith), unless and to the extent that such expenses and costs are paid by the underwriter pursuant to the Bond Purchase Agreement.

Section 5. Remarketing Agent Not Acting as Underwriter. It is understood and agreed that the Remarketing Agent is only obligated hereunder to act as agent for the City and is undertaking such obligations on a best efforts basis. The City agrees that while this Remarketing Agreement is in effect, the Remarketing Agent shall be the exclusive remarketing agent of the Series 2008 B Bonds. The Remarketing Agent shall not act, nor shall be deemed to be acting, as an underwriter for the Series 2008 B Bonds in connection with any remarketing of such Series 2008 B Bonds and shall be in no way obligated to advance its own funds to purchase any such Series 2008 B Bonds upon a conversion of the Series 2008 B Bonds to a Short-Term Interest Rate Period or a Long-Term Interest Rate Period.

The Remarketing Agent may, if it determines to do so, purchase Series 2008 B Bonds as principal and, if it does so, it will have the same rights as any other person owning Series 2008 B Bonds.

Section 6. Representations by the City.

(a) The City, by acceptance hereof, and upon the date of each remarketing of the Series 2008 B Bonds, represents and warrants to the Remarketing Agent that it has full power and authority to take all actions required or permitted to be taken by it by or under, and to perform and observe the covenants and agreements on its part contained in, this Remarketing Agreement and any other agreement or instrument relating thereto to which the City is a party, including without limitation the Indenture, and when duly executed and delivered by the respective parties thereto, this Remarketing Agreement and such other related agreements or instruments will constitute legal, valid and binding obligations of the City enforceable against the City in accordance with the respective terms thereof, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity and to limitations on legal remedies against public agencies within the State of California ("Creditors' Rights Limitations").

(b) The City agrees that, in connection with the issuance, sale and any remarketing of the Series 2008 B Bonds, it will not make any untrue statement of a material fact, or omit to state a material fact which is required or necessary to be stated therein in order to make any statements made by the City, in the light of the circumstances under which they were made, not misleading (except the City makes no representations as to the Excluded Information (as defined below)), and that it will not employ any device, scheme or artifice to defraud or engage in any act, practice or course of conduct which would operate as a fraud or deceit. The City represents and warrants that the financial statements of the City delivered or to be delivered to the Remarketing Agent in connection with the remarketing of the Series 2008 B Bonds on and after the Closing Date will be in accordance with the related books and records, and will be complete and correct and fairly present the financial position as of the dates set forth therein and the results of operations for the periods set forth therein, all in conformity, to the best knowledge of the City, with generally accepted accounting principles and practices, it being understood that, in the case of interim reports, such reports will be subject to year-end adjustments.

(c) The City hereby confirms to the Remarketing Agent the representations and warranties made by the City in the Bond Purchase Agreement as if the Remarketing Agent were a party to the Bond Purchase Agreement, all of which, for such purpose, are hereby incorporated by such reference.

(d) The City shall immediately notify the Remarketing Agent by telephone, confirmed in writing, of:

(i) the occurrence or existence of any event or condition which becomes known to the City and which would make any of its representations contained herein or incorporated herein by reference (as set forth in (a) and (b) above) incorrect or untrue in any material respect if made on and as of any day during the term of this Remarketing Agreement; and

(ii) any reduction or termination of the commitment or obligation of the Bank with respect to its Letter of Credit; and

(iii) any resignation or removal of, and appointment of a successor for, the Tender Agent or Trustee for the Series 2008 B Bonds.

(e) The City will notify the Remarketing Agent of any amendment made to the Indenture.

(f) The City hereby agrees to provide such information, execute such instruments and take such other action in cooperation with the Remarketing Agent as the Remarketing Agent may reasonably request in order to qualify the Series 2008 B Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states as the Remarketing Agent may designate; provided however, that the City shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determinations in any jurisdiction.

Section 7. Representations by the Remarketing Agent. The Remarketing Agent represents to the City that it has been duly incorporated and is validly existing and in good standing under the laws of the State of New York; that it has full power and authority to enter into and perform its obligations under this Remarketing Agreement; that it will not in connection with remarketing of the Series 2008 B Bonds knowingly make any untrue statement of a material fact, or omit to state a material fact which is required or necessary to be stated in order to make any statements made in light of the circumstances under which they were made, not misleading by the Remarketing Agent; that it will not employ any device, scheme or artifice to defraud or engage in any act, practice or course of conduct which would operate as a fraud or deceit; and that this Remarketing Agreement constitutes the legal, valid and binding obligation of the Remarketing Agent enforceable against the Remarketing Agent in accordance with its terms, except as the enforcement thereof may be limited by Creditors' Rights Limitations.

Section 8. Furnishing of Offering Materials.

(a) The City hereby agrees that, as promptly as practicable prior to the Closing Date, it will deliver an executed copy of the Official Statement to the Remarketing Agent. The City hereby authorizes the Official Statement and the information contained therein to be used in connection with the remarketing of the Series 2008 B Bonds by the Remarketing Agent.

(b) The City agrees to cooperate with the Remarketing Agent to update and supplement the Official Statement at the City's expense when and as appropriate, and the City agrees that it will provide to the Remarketing Agent copies of any supplements to the Official Statement and any revised Official Statements.

(c) The City agrees to furnish to the Remarketing Agent sufficient copies of a reoffering statement (the "Reoffering Statement"), in a preliminary and final form, in form and substance satisfactory to the Remarketing Agent, and any other related material (including, if applicable, a continuing disclosure undertaking), as the Remarketing Agent reasonably determines may be necessary in connection with any remarketing of the Series 2008 B Bonds that constitutes a "primary offering" within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Further, the City agrees to cooperate in the preparation of and to make available to the Remarketing Agent revised Reoffering Statements or amendments or supplements thereto such as may be required so that the Reoffering Statement required for use in any such "primary offering" will not contain any misstatement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Any costs or expenses incurred in connection with the preparation of a Reoffering Statement and any amendments or supplements thereto shall be the responsibility of the City. The representations contained in this paragraph (c) shall not apply to information in

the Official Statement or any amendments or supplements thereto relating to the Bank, the Insurer, the Depository Trust Company, the Letter of Credit, the price or yield information on the cover of the Official Statement, or to any statements or omissions based upon information furnished in writing by the underwriters of the Series 2008 B Bonds expressly for use therein (collectively, the "Excluded Information").

(d) If, at any time after the Closing Date, any event known to the City relating to or affecting the City, the Bank, the Trustee, the Indenture, the Letter of Credit, this Remarketing Agreement or the Series 2008 B Bonds shall occur which materially adversely affects the Series 2008 B Bonds or the remarketing thereof, the City shall promptly notify the Remarketing Agent in writing of the circumstances and details of such event.

(e) The City will cooperate with the Remarketing Agent and will supply the Remarketing Agent with any additional materials to which the City has access and which the Remarketing Agent believes are necessary in connection with its remarketing of the Series 2008 B Bonds.

(f) The City will not amend or supplement, or request the amendment or supplementation of, the Official Statement prior to notifying the Remarketing Agent in writing of the proposed amendment or supplement thereto.

(g) No later than 180 days following the end of each fiscal year of the City, the City will provide the audited financial statements of the City for such fiscal year to the Remarketing Agent.

Section 9. Term and Termination.

(a) This Remarketing Agreement shall become effective upon the execution hereof by the parties hereto and shall continue to be in effect for as long as any Series 2008 B Bonds remain outstanding; provided, however, that the Remarketing Agent or the City may terminate their obligations under this Remarketing Agreement upon 30 days' written notice to the other party so long as a replacement remarketing agent has been appointed and upon 90 days' written notice to the other party if no replacement remarketing agent has been appointed; provided further, however, that the City may terminate its obligations under this Remarketing Agreement upon three Business Days written notice to the Remarketing Agent in the event that the Remarketing Agent elects not to (or is unable to) determine the Weekly Interest Rate or Daily Interest Rate other than as a result of the occurrence of any event described in paragraph (b) below.

(b) In addition, the City or the Remarketing Agent may terminate this Agreement and the Remarketing Agent shall have no obligation to remarket or attempt to remarket Series 2008 B Bonds if any one or more of the following events has occurred:

(i) The marketability of the Series 2008 B Bonds or the contemplated offering prices thereof, in the opinion of the Remarketing Agent, shall have been materially adversely affected by any federal or state legislation, effective, pending or favorably reported out of any legislative committee, or by any decision of any federal or state court or by any order, ruling or regulation (final, temporary or proposed) of the Treasury Department or the Internal Revenue Service of the United States or other federal or state authority or regulatory body, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue

Service of the United States, affecting the status of the City, its property or income, obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, or the interest thereon, or any tax exemption with respect to obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, or the interest thereon, granted or authorized by the Internal Revenue Code of 1986, as amended; or

(ii) Legislation shall be introduced by amendment or otherwise in or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a Court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of obligations of the general character of the Series 2008 B Bonds, or the Series 2008 B Bonds, as contemplated hereby; or

(iii) Any information shall have become known which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, as the information contained therein has been supplemented or amended by other information, or causes the Official Statement, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required or necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the City, the City fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable in form and content to the Remarketing Agent; or

(iv) Any of the following events shall have occurred:

(A) the engagement or escalation of activities by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak or hostilities or escalation thereof or national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States of America being such as, in the reasonable opinion of the Remarketing Agent, would materially adversely affect the ability of the Remarketing Agent to market the Series 2008 B Bonds;

(B) a general suspension of trading on the New York Stock Exchange or the American Stock Exchange or other national securities exchange;

(C) the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange;

(D) the declaration of a banking moratorium either by federal, New York, French or other state authorities or by authorities in the country in which the Remarketing Agent is organized;

(E) an event occurs as a result of which the Official Statement, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading which, in the opinion of the Remarketing Agent, requires an amendment or supplement to the Official Statement and, in the reasonable opinion of the Remarketing Agent, materially adversely affects the marketability of the Series 2008 B Bonds or the contemplated offering prices thereof and upon the receipt of notice by the City, the City fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable in form and content to the Remarketing Agent; or

(F) the market for the Series 2008 B Bonds or the sale thereof by the Remarketing Agent at the contemplated offering prices shall have been materially and adversely affected, in the reasonable opinion of the Remarketing Agent;

(v) The short term credit ratings on the Series 2008 B Bonds is reduced to below ____ by Standard & Poor's or _____ by Fitch Ratings; or

(vi) If the Remarketing Agent reasonably determines that a disclosure document is required for distribution to prospective purchasers and that such document is not available or, if available, is not satisfactory to the Remarketing Agent, in form or substance, or if the Remarketing Agent reasonably determines that Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 is applicable to the Series 2008 B Bonds and additional documents, instruments, agreements or action is required to comply with same, including but not limited to the City having entered into a written agreement or contract for the benefit of the holders of the Series 2008 B Bonds to provide the annual financial information, operating data, required event notices, and other information required by, and in accordance with, Rule 15c2-12, and such additional documents, instruments, agreements or action is not available or taken, or if available or taken, is not satisfactory to the Remarketing Agent, in form or substance, or if the Remarketing Agent shall receive an opinion of counsel that substantial grounds exist upon which the exclusion of interest on the Series 2008 B Bonds from gross income for federal income tax purposes can be challenged, or the exemption of the Series 2008 B Bonds from registration under the Securities Act of 1933, as amended, or the exemption of the Indenture from qualification under the Trust Indenture Act of 1939, as amended, can be challenged or if any default under the Indenture shall have occurred and be continuing.

(c) Notwithstanding anything in this Section 9 to the contrary, in the event that the Remarketing Agent elects not to (or is unable to) remarket the Series 2008 B Bonds as a result of the occurrence of any event described in paragraph (b) above, the City may immediately terminate this Agreement and appoint a substitute remarketing agent, in which event the City is not required to provide the 30-day notice or 90-day notice, as applicable, required under the

provisions of paragraph (a) above, and such substitute remarketing agent shall provide the services contemplated by this Remarketing Agreement.

Section 10. Indemnification.

(a) To the extent permitted by law, the City hereby indemnifies and holds the Remarketing Agent, the officers, directors, employees, members and agents of the Remarketing Agent and each person, if any, who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended (each an "Indemnified Party") harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which an Indemnified Person may incur or which may be claimed against any Indemnified Person by any person or entity by reason of any untrue statement or alleged untrue statement of any material fact which is contained in any offering documents or disclosure documents provided by the City and used by the Remarketing Agent in any remarketing of the Series 2008 B Bonds (an "Offering Document") or the omission or alleged omission to state therein a material fact which is required or necessary to be stated therein in order to make statements made therein, in the light of the circumstances under which they were made, not misleading; provided that such indemnification shall not extend to the Excluded Information.

In case any action or proceeding shall be brought against one or more of the Indemnified Parties based upon any of the above and in respect of which indemnity may be sought against the City, such Indemnified Party shall promptly notify the City in writing, enclosing a copy of all papers served, but the failure so to notify the City of any such action shall not relieve the City of any liability which it may be determined to have by a court of law to any Indemnified Party pursuant to applicable law. In case any such action or proceeding shall be brought against any Indemnified Party and it shall notify the City of the commencement thereof, the City shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof with counsel satisfactory to such Indemnified Party and, after notice from the City to such Indemnified Party of the City's election so to assume the defense thereof, the City shall not be liable to such Indemnified Party for any legal or other expenses. Any Indemnified Party shall have the right to employ its own counsel in any such action or proceeding, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the City shall have agreed to pay the fees and expenses of such counsel, (ii) such Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the City and the Indemnified Party in the conduct of the defense of such action or proceeding (in which case the City shall not have the right to direct the defense of such action or proceeding on behalf of the Indemnified Party) or (iii) the City shall not in fact have employed counsel satisfactory to such Indemnified Party to assume the defense of such action. The City shall not be liable for any settlement of any action or claim effected without its written consent.

To the extent permitted by law, the provisions of this Section 10(a) shall survive the termination of this Remarketing Agreement.

(b) The Remarketing Agent agrees to indemnify and hold the City, the directors, trustees, members, officers and employees of the City and each person, if any, who controls the City within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended (each an "Indemnified Entity") harmless, from and against any and all losses, claims, damages, liabilities or expenses which an Indemnified Entity may incur or which may be claimed against any Indemnified Entity by any

person or entity by reason of any untrue statement or alleged untrue statement of any material fact contained in any Offering Document or the omission or alleged omission to state therein a material fact which is required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that such untrue or alleged untrue statement or omission or alleged omission was made in the price or yield information on the cover of the Offering Document, in the Offering Document under the section captioned "Underwriting" or in any of the information furnished in writing by the Remarketing Agent for inclusion in the Offering Document.

In case any action or proceeding shall be brought against one or more of the Indemnified Entities based upon any of the above in respect of which indemnity may be sought against the Remarketing Agent, such Indemnified Entity shall promptly notify the Remarketing Agent in writing, enclosing a copy of all papers served, but the failure so to notify the Remarketing Agent of any such action shall not relieve the Remarketing Agent of any liability which it may be determined to have by a court of law to any Indemnified Entity pursuant to applicable law. In case any such action or proceeding shall be brought against any Indemnified Entity and it shall notify the Remarketing Agent of the commencement thereof, the Remarketing Agent shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof with counsel satisfactory to such Indemnified Entity and, after notice from the Remarketing Agent to such Indemnified Entity of the Remarketing Agent's election so to assume the defense thereof, the Remarketing Agent shall not be liable to such Indemnified Entity for any legal or other expenses. Any Indemnified Entity shall have the right to employ its own counsel in any such action or proceeding, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Entity unless (i) the Remarketing Agent shall have agreed to pay the fees and expenses of such counsel, (ii) such Indemnified Entity shall have reasonably concluded that there may be a conflict of interest between the Remarketing Agent and the Indemnified Entity in the conduct of the defense of such action or proceeding (in which case the Remarketing Agent shall not have the right to direct the defense of such action or proceeding on behalf of the Indemnified Entity) or (iii) the Remarketing Agent shall not in fact have employed counsel satisfactory to such Indemnified Entity to assume the defense of such action. The Remarketing Agent shall not be liable for any settlement of any action or claim effected without its written consent.

To the extent permitted by law, the provisions of this Section 10(b) shall survive the termination of this Remarketing Agreement.

Section 11. Events of Default.

The failure by the City to make any payment required by this Remarketing Agreement when due shall constitute an "event of default" hereunder and shall entitle the Remarketing Agent to take whatever action at law or in equity, including specific performance, that is necessary or desirable to collect the amounts then due and thereafter to become due to them or to enforce observance or performance of any covenant, condition or agreement of the City hereunder.

Section 12. Miscellaneous.

(a) Books and Records. The Remarketing Agent agrees to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the City and the Tender Agent at all times.

(b) Amendments. This Remarketing Agreement may be amended from time to time by an instrument in writing executed by all parties hereto, without the consent of the holders of Bonds then outstanding. A copy of any amendment to this Remarketing Agreement will be provided promptly to the Tender Agent.

(c) Notices. Except as otherwise provided, it shall be sufficient service of any notice, request, complaint, demand or other paper required to be given to or filed with the City, the Tender Agent and the Remarketing Agent if the same shall be duly mailed by registered or certified mail. Any service by wail or a delivery service shall be addressed, and service by telephone shall be given, as follows:

(1) To the City:

City of Santa Clara, California
1500 Warburton Avenue
Santa Clara, CA 95050
Attn: Mary Ann Parrot

(2) To the Remarketing Agent:

J.P. Morgan Securities Inc.
270 Park Avenue, 6th Floor
New York, New York 10017
Attn: Timothy Self

(3) To the Tender Agent:

The Bank of New York Trust Company, N.A.
550 Kearny Street, Suite 600
San Francisco, CA 94108
Attn: Manager, Securities Servicing Corporate Trust Services

(4) To the Syndicate Agent on behalf of the Bank:

JPMorgan Chase Bank, National Association
270 Park Avenue, 20th Floor
New York, NY 10017
Attn: Timothy Self

(5) To the owners of the Series 2008 B Bonds:

Addressed to each owner of Series 2008 B Bonds at the time outstanding, as shown by the list of Bond owners required by the Indenture to be kept at the principal corporate office of the Registrar.

(d) Payments Due on Saturdays, Sundays and Holidays. Whenever the provisions of this Remarketing Agreement call for any payment or the performance of any act on a date which is not a Business Day, then such payment or such performance shall be required on the next succeeding Business Day.

(e) Defined Terms. All capitalized terms used in this Remarketing Agreement and not otherwise defined herein have the same meaning as in the Indenture.

(f) Counterparts. This Remarketing Agreement can be signed in one or more counterparts, each of which shall be an original and all of which shall constitute but one and the same document.

(g) Effective Date. This Remarketing Agreement shall become effective upon the execution hereof by the parties hereto.

(h) Additional Documents. The City represents and warrants that it has delivered to the Remarketing Agent the following executed documents, agreements, letters or opinions as the same may have been amended or supplemented to date:

(1) Indenture;

(2) Letter of Credit

(3) Letter of Credit and Reimbursement Agreement; and

(4) Bond Purchase Agreement.

(i) Governing Law. The validity, interpretation and performance of this Remarketing Agreement shall be governed by the laws of the State of New York provided, however, that the powers, duties and obligations of the City shall be governed by California law.

(j) Principal Office of Remarketing Agent. The Remarketing Agent designates the address listed in Section 12(c)(2) hereof as the principal office of the Remarketing Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Remarketing Agreement to be duly executed and delivered by their respective officers thereunder duly authorized as of the date first above written.

CITY OF SANTA CLARA, CALIFORNIA

By: _____
City Manager

J.P. MORGAN SECURITIES INC.

By: _____
Managing Director

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of May 1, 2008, is between THE CITY OF SANTA CLARA, CALIFORNIA (the "City") and The Bank of New York Trust Company, N.A., as Escrow Trustee (the "Escrow Trustee").

WITNESSETH:

WHEREAS, the City has previously issued its Subordinated Electric Revenue Refunding Bonds, Series 1998 A identified on Exhibit A (the "Refunded Bonds"), such Refunded Bonds having been issued pursuant to an Indenture dated as of March 1, 1998 (the "Original Indenture"), by and between the City and The Bank of New York Trust Company, N.A. or its predecessor in interest, as trustee (the "Trustee"), as amended and supplemented, including as supplemented by a First Supplemental Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "First Supplement"; such Original Indenture, as amended and supplemented from time to time, herein called the "Indenture"), between the City and the Trustee, under which the Refunded Bonds are presently outstanding in the amount of $80,530,000; and

WHEREAS, the Indenture provides that the Refunded Bonds may be paid by depositing with the Escrow Trustee, in trust, lawful money of the United States of America in the amount necessary to pay when due or redeem any Refunded Bonds issued under the First Supplement then Outstanding (as defined in the Indenture); and

WHEREAS, the Escrow Trustee has agreed to accept the deposit of the amount set forth on Exhibit A from the proceeds of the City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B (the "Refunding Bonds"), for the purpose of providing funds in an amount sufficient to assure the timely payment of the principal of and premium, if any, and interest on the Refunded Bonds to and including their maturity or optional redemption on the redemption date set forth on Exhibit A, pursuant to the First Supplement, at a redemption price set forth on Exhibit A;

WHEREAS, the City has taken action to cause to be delivered to the Escrow Trustee certain securities and investments (the "Escrow Securities") set forth on Exhibit B, in a total amount that, together with a cash deposit and income or interest to accrue on such securities, has been calculated by [JPMorgan Chase & Co.] to be sufficient to pay when due all principal of, interest on, and the redemption premium on the Refunded Bonds as set forth herein;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Establishment of Escrow Fund. There is hereby created and established with the Escrow Trustee a special and irrevocable escrow fund designated the "1998 A Escrow Fund" (the "Escrow Fund") to be held in the custody of the Escrow Trustee separate and apart from other funds of the City or the Escrow Trustee. The Escrow Trustee may not commingle the funds or securities in the Escrow Fund.

2. Amount To Be Deposited. The City hereby deposits with the Escrow Trustee, in trust, $_____ (the "Escrow Deposit") for the Escrow Fund. The source of funds, the amount of cash, and the amounts and types of securities to be held in the Escrow Fund are set forth on Exhibit B, the principal of and interest on which have been calculated by [JPMorgan Chase & Co.] as providing moneys sufficient to pay when due the principal of, interest and redemption premium due and payable on the Refunded Bonds to and including optional redemption on July 1, 2008, pursuant to the First Supplement, at a redemption price of 102%.

3. Certification of Deposit. The Escrow Trustee hereby certifies that it has deposited at least the amount of the Escrow Deposit to the credit of the Escrow Fund.

4. Investment in Escrow Securities. The District hereby directs that the amount of the Escrow Deposit be invested in Escrow Securities as set forth on Exhibit B, which investments are hereby acknowledged by the Escrow Trustee.

5. Reinvestment. The Escrow Trustee shall not reinvest any cash portion of the Escrow Fund and shall hold such cash portion uninvested. The Escrow Trustee shall, upon written request of the City, reinvest any cash portion of the Escrow Fund in direct obligations of the United States of America or obligations the payment of the principal of and interest on which is guaranteed by a pledge of the full faith and credit of the United States of America, provided that the obligations so purchased shall mature (i) on or prior to the date upon which the proceeds thereof are needed to pay the principal of, interest on, and redemption premium on the Refunded Bonds to and including optional redemption, and to redeem the Refunded Bonds on July 1, 2008, and (ii) in amounts, together with other moneys available therefor, sufficient to pay the principal of, interest on, and redemption premium on the Refunded Bonds to and including optional redemptionon July 1, 2008, if the aforementioned request of the City is accompanied by (x) an unqualified opinion of nationally recognized bond counsel, addressed to the City and the Escrow Trustee, to the effect that such reinvestment will not adversely affect the exclusion from gross income from federal income tax purposes of interest payable on the Refunded Bonds and that such reinvestment complies with this Section and (y) a report of a firm of nationally recognized independent certified public accountants, addressed to the City and the Escrow Trustee, to the effect that such reinvestment will not adversely affect the sufficiency of the amount of securities, investments, and moneys on deposit in the Escrow Fund for Refunded Bonds to pay the principal of and interest on such Refunded Bonds to and including optional redemption on July 1, 2008, and to redeem the Refunded Bonds on July 1, 2008.

6. Certain Calculations. The Escrow Trustee acknowledges receipt of certain calculations prepared by [JPMorgan Chase & Co.], a copy of which has been provided to the Escrow Trustee, and the Escrow Trustee may rely upon such calculations that the Escrow Securities described in Exhibit B shall mature and bear interest payable in such amounts and at such times as shall be sufficient to pay the principal of and interest and redemption premium on the Refunded Bonds at their redemption on July 1, 2008, at the redemption price of 102%.

7. Disposition of Escrow Securities. EXCEPT AS SPECIFICALLY PROVIDED BELOW, THE ESCROW TRUSTEE MAY NOT SELL, TRANSFER, REQUEST THE REDEMPTION OF, OR OTHERWISE DISPOSE OF THE ESCROW SECURITIES INITIALLY PURCHASED HEREUNDER. Upon the written direction of the City, subject to the conditions and limitations herein set forth and applicable governmental rules and regulations thereto, the Escrow Trustee shall sell, transfer, and request the redemption of or otherwise dispose of the Escrow Securities in the Escrow Fund initially purchased hereunder or later substituted for such Escrow Securities pursuant to this Section, provided that there are substituted therefor other Escrow Securities in the Escrow Fund as hereinafter provided. The City hereby covenants and agrees that it will not request the Escrow Trustee nor will the Escrow Trustee be required to take any action that would adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds. The Escrow Trustee shall purchase such substituted Escrow Securities with proceeds derived from the sale, transfer, redemption, or other disposition of Escrow Securities in an Escrow Fund initially purchased or later substituted therefor pursuant to this Section, and substitution may be effected only by a simultaneous transaction and only if (i) a nationally recognized firm of independent certified public accountants acceptable to the Escrow Trustee shall certify to the City and the Escrow Trustee that (a) the Escrow Securities to be substituted in an Escrow Fund, together with the Escrow Securities that will continue to be held in that Escrow Fund, will mature in such principal amounts and earn interest in such amounts and at such times so that sufficient moneys without reinvestment will be available from such maturing principal and interest to pay, as the same mature and become due, all principal of, interest on and redemption premium on the Refunded Bonds that has not previously been paid, and (b) the amounts and dates of the anticipated transfers from that Escrow Fund in accordance with Section 9 hereof will not be diminished or postponed thereby, and (ii) the City and the Escrow Trustee shall receive an opinion of Sidley Austin LLP or other nationally recognized bond counsel acceptable to the Escrow Trustee to the effect that such sale, transfer, redemption, or other disposition and substitution of Escrow Securities in the Escrow Fund will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds and that such substitution complies with this Section.

8. Rights and Duties of Escrow Trustee. The Escrow Trustee shall have only the duties set forth herein or referred to in the Indenture with no liability in connection with any act or omission to act hereunder, except for its own negligence or willful misconduct, and no liability for payments on the Refunded Bonds except from the funds herein pledged for that purpose. The provisions of the Indenture pertaining to the rights (including, without limitation, any and all rights to indemnification) and duties of the Trustee shall be applicable to the rights and duties of the Escrow Trustee with respect to this Agreement.

9. Transfer of Amounts in Escrow Fund. On July 1, 2008, the Escrow Trustee is irrevocably instructed to, and shall transfer, the amounts listed in Exhibit B from the Escrow Fund to itself as Trustee to pay the principal of, interest on, and redemption premium on the Refunded Bonds becoming due on such date upon optional redemption of the Refunded Bonds.

10. Funds and Securities Held in Trust. The Escrow Trustee shall hold funds and securities in the Escrow Fund irrevocably in trust for the benefit of the Owner (as described in the Indenture) or Owners of the Refunded Bonds until such Refunded Bonds and interest due thereon are paid upon optional redemption pursuant to the First Supplement or upon retirement of the Refunded Bonds. The Owners of the Refunded Bonds shall have an express lien on such funds on deposit in the Escrow Fund until used and applied in accordance with this Agreement.

11. Transfer of Remaining Funds. After all transfers from an Escrow Fund to itself as Trustee for payment of the principal of, interest on and redemption premium on the Refunded Bonds pursuant to Section 9, any remaining moneys and Escrow Securities, together with any interest thereon, in the Escrow Fund shall be [transferred to the Interest Fund for the Refunding Bonds to pay debt service on such Refunding Bonds].

12. No Liability for Loss. The Escrow Trustee shall not have any lien whatsoever upon any of the moneys in the Escrow Fund for the payment of fees and expenses for services rendered. No provisions in this Agreement shall require the Escrow Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of its duties hereunder.

13. Insufficient Funds. In the event that the Escrow Trustee is furnished with a certificate of a nationally recognized firm of independent certified public accountants, or otherwise determines, that the funds and securities in the Escrow Fund will not provide sufficient moneys to pay, as the same mature and become due, all principal of and interest on the Refunded Bonds to July 1, 2008, and to redeem the Refunded Bonds on July 1, 2008, the City will deposit with the Escrow Trustee immediately upon demand therefor an amount of money as to which a nationally recognized firm of independent certified public accountants shall certify that such amount of money, together with the funds and securities in the Escrow Fund, will be sufficient to pay, upon optional redemption, all principal of and interest on the Refunded Bonds to July 1, 2008, and to redeem the Refunded Bonds on July 1, 2008. The Escrow Trustee shall also receive an opinion of nationally recognized bond counsel to the effect that such deposit of moneys will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds.

14. Termination. This Agreement shall terminate when all transfers required to be made by the Escrow Trustee under the provisions hereof shall have been made.

15. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the City or the Escrow Trustee to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severed from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement. The City shall provide prompt notice to Standard & Poor's Ratings Services ("S&P") and Fitch Ratings ("Fitch") of any such determination.

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

17. Fees and Expenses. The City agrees to pay the reasonable fees and expenses of the Escrow Trustee (including the reasonable fees and expenses of its counsel) in connection with the exercise of its duties under this Agreement and any future duties under the Indenture and agrees that its obligations to the Escrow Trustee relating to indemnification and the payment of expenses shall survive the discharge of the First Supplement and Indenture.

18. Resignation and Removal. The Escrow Trustee may resign at any time upon 30 days' written notice to the City. The City may, upon written notice to the Escrow Trustee, remove the Escrow Trustee at any time. Upon any such resignation or removal, the City shall appoint a successor Escrow Trustee by an instrument in writing.

Any resignation or removal of the Escrow Trustee and appointment of a successor Escrow Trustee shall become effective upon acceptance of appointment by the successor Escrow Trustee. If no successor Escrow Trustee shall have been appointed and have accepted appointment within 45 days of giving notice of resignation or removal as aforesaid, the Escrow Trustee resigning or being removed may petition any court of competent jurisdiction for the appointment of a successor Escrow Trustee and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Escrow Trustee. Any successor Escrow Trustee appointed under this Agreement shall signify its acceptance of such appointment by executing and delivering to the City and to its predecessor Escrow Trustee a written acceptance thereof, and thereupon such successor Escrow Trustee, without any further act, deed or conveyance, shall become vested with all the monies, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Escrow Trustee, with like effect as if originally named Escrow Trustee herein; but, nevertheless, at the request of the City or the successor Escrow Trustee, such predecessor Escrow Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Escrow Trustee all the right, title and interest of such predecessor Escrow Trustee in and to any property held by it hereunder and shall pay over, transfer, assign and deliver to the successor Escrow Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Escrow Trustee, the City shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Escrow Trustee all such monies, estates, properties, rights, powers, trusts duties and obligations.

Any Escrow Trustee appointed under the provisions hereof in succession to the Escrow Trustee shall be a trust company or bank having corporate trust powers, having a combined capital and surplus of at least $75,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this

subsection the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

19. Amendment. This Agreement may be amended from time to time by written agreement of the parties hereto, either:

(a) Without the consent of the Owners of the Refunded Bonds, for the following purposes:

(i) the insertion of unintentionally omitted material, or the correction of mistakes or clarification of ambiguities;

(ii) the pledging of additional security for the benefit of the Owners of the Refunded Bonds;

(iii) the deposit of additional funds or securities to the Escrow Fund;

(iv) to preserve the tax-exempt status of the Refunded Bonds; or

(v) any other amendments which S&P and Fitch have confirmed will not result in the lowering or withdrawal of the rating on the Prior Bonds;

provided that no amendment described in this subsection shall adversely affect the interests of the Owners of the Refunded Bonds; or

(b) With the consent of the Owners of 100% in aggregate principal amount of the Refunded Bonds, for any other reason.

No such amendment shall be effective unless the Escrow Trustee shall have received an opinion of Sidley Austin LLP or other nationally recognized bond counsel to the effect that such amendment will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds and that such amendment complies with this Section.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF SANTA CLARA, CALIFORNIA

By:_____
City Manager

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

By:_____
Authorized Signatory

Exhibit A

Refunded Bonds Being Redeemed				
Maturity Date (July 1)	Amount	Escrow Deposit†	Redemption Date	Redemption Price
2011	$ 2,680,000	$	7/1/08	102%
2012	2,885,000		7/1/08	102
2013	3,095,000		7/1/08	102
2014	3,325,000		7/1/08	102
2015	3,555,000		7/1/08	102
2016	3,800,000		7/1/08	102
2017	4,055,000		7/1/08	102
2027	57,135,000		7/1/08	102

† Equals the full amount of the escrow deposit for the entire amount of related bonds being redeemed.

Exhibit B

1998 A Escrow Fund

Escrow Deposit	
-Refunding Bonds Proceeds	$
-[Cash Deposit from City]	
Total	$
Escrow Transfers	
-7/1/08 Redemption	$
Principal payment	
Interest payment	
Redemption Premium	
Subtotal	
Total	$

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NEW ISSUE - BOOK-ENTRY ONLY **Ratings: See "Ratings" herein**

In the opinion of Sidley Austin LLP, San Francisco, California, Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions and assuming compliance with certain covenants in the documents pertaining to the Series 2008 B Bonds and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as described herein, interest on the Series 2008 B Bonds is not includable in the gross income of the owners of the Series 2008 B Bonds for federal income tax purposes. In the further opinion of Bond Counsel, interest on the Series 2008 B Bonds is not treated as an item of tax preference in calculating the federal alternative minimum taxable income of individuals and corporations. Interest on the Series 2008 B Bonds, however, is included as an adjustment in the calculation of federal corporate alternative minimum taxable income and may therefore affect a corporation's alternative minimum tax liability. In the further opinion of Bond Counsel, interest on the Series 2008 B Bonds is exempt from personal income taxes imposed by the State of California. See "TAX MATTERS" herein.

$_____
City of Santa Clara, California
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Dated: Delivery Date Price: 100% CUSIP: _____† Due: _____

Bond Terms and Authority for Issuance. The Series 2008 B Bonds will initially bear interest at a Weekly Rate as determined by the Remarketing Agent as described herein. Interest on the Series 2008 B Bonds shall be payable on the first Business Day of each month, commencing _____ 1, 2008. The Series 2008 B Bonds are being issued under a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as heretofore amended and supplemented, and a Fifth Supplemental Subordinated Electric Revenue Bonds Indenture dated as of _____ 1, 2008 (collectively, the "Indenture"), each by and between the City of Santa Clara, California (the "City") and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee").

The initial Remarketing Agent for the Series 2008 B Bonds will be JPMorgan Chase & Co..

The Series 2008 B Bonds may be converted from a Weekly Mode to certain other Modes, as described herein. If the interest rate is adjusted to any other Mode, the Series 2008 B Bonds will be subject to mandatory tender for purchase.

Financing Purpose. The Series 2008 B Bonds are being issued (i) to refund, on a current basis, a portion of the City's Subordinated Electric Revenue Bonds, Series 1998 A (the "Prior Bonds") on a current basis, and (ii) to fund a reserve fund with respect to the Series 2008 B Bonds and (iii) to pay costs of issuance of the Series 2008 B Bonds. The Series 2008 B Bonds are limited obligations of the City payable solely from and secured by a pledge of the Subordinated Net Revenues of the Electric Utility and the other funds pledged therefor under the Indenture, including the proceeds of draws on the Letter of Credit referenced below, which pledge of Subordinated Net Revenues is on a parity with the City's outstanding subordinate lien bonds and any additional subordinate lien bonds, as more fully described herein. The City has no outstanding bonds or other obligations which are senior to the Series 2008 B Bonds, and has covenanted not to issue any such bonds or other obligations. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2008 B BONDS."

The Electric Utility. The City owns and operates an electric utility located in the City of Santa Clara, California. The rating on the Series 2008 B Bonds is based upon the Letter of Credit referenced below. Accordingly, detailed information on the Electric Utility is not provided in this Official Statement.

Book-Entry Form. The Series 2008 B Bonds will be issued in fully registered form only and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2008 B Bonds. Individual purchases will be made in book-entry form only. The Series 2008 B Bonds will be issued in denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000 while in a Daily Mode or a Weekly Mode. Purchasers of the Series 2008 B Bonds will not receive physical certificates representing their beneficial ownership interests in the Series 2008 B Bonds purchased. Payments of principal of and interest on the Series 2008 B Bonds will be paid by the Trustee to DTC, which is obligated in turn to remit such principal, premium, if any, and interest to its DTC participants for subsequent disbursement to the beneficial owners of the Series 2008 B Bonds as described herein. See "APPENDIX C – BOOK-ENTRY ONLY SYSTEM."

Redemption and Tender. **The Series 2008 B Bonds are subject to optional and mandatory redemption and optional and mandatory tender, as described herein.**

Letter of Credit. Payment of the principal of and interest on, and purchase price of, the Series 2008 B Bonds will initially have the benefit of an Irrevocable Transferable Letter of Credit dated as of May __, 2008 (the "Letter of Credit") to be issued by Dexia Credit Local, acting through its New York Branch (the "Bank") as the initial Credit Facility under the Indenture. The initial expiration date of the Letter of Credit is May __, 2011, as extended or earlier terminated prior thereto as described herein. The Letter of Credit and any Alternate Credit Facility or Alternate Liquidity Facility are defined under the Indenture as the "Credit Facility" or "Liquidity Facility," as appropriate. See "THE BANK" and "THE LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT."

[Dexia logo]

ANY INVESTMENT DECISION TO PURCHASE THE SERIES 2008 B BONDS SHOULD BE MADE SOLELY ON THE BASIS OF THE CREDITWORTHINESS OF THE BANK. ACCORDINGLY, DETAILED INFORMATION ON THE ELECTRIC UTILITY IS NOT PROVIDED IN THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT DESCRIBES THE SERIES 2008 B BONDS ONLY DURING THE PERIOD THAT THE SERIES 2008 B BONDS BEAR INTEREST AT A WEEKLY RATE OR A DAILY RATE AND ARE SECURED BY THE LETTER OF CREDIT. INVESTORS SHOULD NOT RELY ON THIS OFFICIAL STATEMENT IF THE INTEREST RATE ON THE SERIES 2008 B BONDS IS ADJUSTED TO ANY OTHER MODE OR IF THE SERIES 2008 B BONDS ARE NO LONGER SECURED BY THE LETTER OF CREDIT.

THE SERIES 2008 B BONDS ARE LIMITED OBLIGATIONS OF THE CITY AND ARE PAYABLE, BOTH AS TO PRINCIPAL AND INTEREST, AND AS TO PREMIUM UPON THE REDEMPTION THEREOF, OUT OF THE SUBORDINATED NET REVENUES AND CERTAIN FUNDS HELD UNDER THE INDENTURE, INCLUDING THE PROCEEDS OF DRAWS ON THE LETTER OF CREDIT. THE GENERAL FUND OF THE CITY IS NOT LIABLE, AND THE CREDIT OR TAXING POWER OF THE CITY IS NOT PLEDGED, FOR THE PAYMENT OF THE SERIES 2008 B BONDS OR THE INTEREST THEREON. THE SERIES 2008 B BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF THE CITY, OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE SUBORDINATED NET REVENUES AND SAID FUNDS HELD UNDER THE INDENTURE. NO REGISTERED OWNER OF THE SERIES 2008 B BONDS SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY TO PAY THE SERIES 2008 B BONDS OR THE INTEREST THEREON.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Potential investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used on this cover page not otherwise defined shall have the meanings set forth herein.

The Series 2008 B Bonds are offered by the Underwriters when, as and if issued by the City and accepted by the Underwriters, subject to the approval of legality and certain other legal matters by Sidley Austin LLP, San Francisco, California, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed upon for the City by the City Attorney of the City of Santa Clara and for the Underwriters by Jones Hall, A Professional Law Corporation, San Francisco, California. Certain legal matters will be passed upon for the Bank by Chapman and Cutler, LLP, Chicago, Illinois. It is expected that the Series 2008 B Bonds in book-entry form will be available for delivery through the facilities of DTC in New York, New York, on or about May __, 2008.

[JPMorgan logo] **[Bear Stearns logo]**

The date of this Official Statement is: May __, 2008.

† Copyright 2008, American Bankers Association. CUSIP data herein are provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., and are provided for convenience of reference only. Neither the City nor the Underwriter assumes any responsibility for the accuracy of these CUSIP data.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

The information set forth herein has been provided by the City and other sources that are believed by the City to be reliable, including the Bank, which has provided the information under the heading "THE BANK." The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expression of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in affairs of the City since the date hereof. This Official Statement, including any supplement or amendment hereto, is intended to be deposited with one or more repositories.

No dealer, broker, salesperson, or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby, and, if given or made, such information or representations must not be relied upon as having been authorized by the City, the Bank, or the Underwriter. This Official Statement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

THE SERIES 2008 B BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT.

CITY OF SANTA CLARA, CALIFORNIA

City Council
Patricia M. Mahan, Mayor
Dominic J. Caserta, Member
Will Kennedy, Member
Kevin Moore, Member
Joe Kornder, Member
Pat Kolstad, Member
Jamie McLeod, Member

Administration
Jennifer Sparacino, City Manager
Helene Leichter, Esq., City Attorney
Mary Ann Parrot, Director of Finance

ELECTRIC UTILITY

John Roukema, Acting Director of Electric Utility
Mike Pretto, Division Manager, Market Analysis & Pricing
Ann Hatcher, Division Manager, Risk Manager
Martin Hopper, Division Manager
Thai-Hoa Tran, Electric Division Manager

SPECIAL SERVICES

Trustee
The Bank of New York Trust Company, N.A.
San Francisco, California

Financial Advisor
John S. Dey Municipal Consultants
Chatham, New Jersey

Bond Counsel and Disclosure Counsel
Sidley Austin LLP
San Francisco, California

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OFFICIAL STATEMENT

$_____
City of Santa Clara, California
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

INTRODUCTION

This Introduction is subject in all respects to the more complete information included and referred to elsewhere in this Official Statement, and the offering of the Series 2008 B Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used in this Introduction and not otherwise defined shall have the respective meanings assigned to them elsewhere in this Official Statement. See "APPENDIX A – SUMMARY OF INDENTURE" for summaries of various documents referred to herein and definitions of certain words and terms used herein.

General

This Official Statement, including the cover page and the appendices hereto, is provided to furnish certain information in connection with the sale and issuance by the City of Santa Clara, California (the "City") of $_____ aggregate principal amount of the City's Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B (the "Series 2008 B Bonds"). The Series 2008 B Bonds are being issued by the City (i) to refund, on a current basis, $80,530,000 aggregate principal amount of the City's Subordinated Electric Revenue Refunding Bonds, Series 1998 A (the "Refunded Bonds"), (ii) to fund a reserve fund with respect to the Series 2008 B Bonds and (iii) to pay the costs of issuance of the Series 2008 B Bonds, as more fully described herein. See "REFUNDING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS."

Authority for Issuance

The City is a duly constituted charter city of the State of California authorized to issue electric revenue bonds pursuant to Section 1321 of the City's Charter (the "Charter"). The Series 2008 B Bonds will be issued under the Charter, a number of resolutions adopted pursuant to the Charter, the Revenue Bond Law of 1941, to the extent incorporated by such procedural resolutions, and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the "Bond Law"), a resolution of the City, adopted May __, 2008, and the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "Original Indenture"), as amended and supplemented, including as amended and supplemented by the Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of May 1, 2008 (the "Fifth Supplement"), relating to the Series 2008 B Bonds, each by and between the City and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee"). The Original Indenture, as supplemented, including as amended and supplemented by the Fifth Supplement, is sometimes referred to herein as the "Indenture."

The City's Electric Utility and the Project

The City provides electric service within the City through an electric utility department (the "Electric Utility") under the trademarked name "Silicon Valley Power – Electricity and Energy Services from the City of Santa Clara." The City owns and operates the Electric Utility, which includes generation, transmission and distribution facilities. The City also purchases power and transmission services from others and participates in other utility-type arrangements. For the fiscal year ended June 30, 2007, the

Electric Utility served 51,111 customers, had total sales of 2,809 GWh and a peak demand of 486.5 MW. Approximately 87% of the City's energy sales are made to large commercial and industrial customers.

The City issued its Subordinated Electric Revenue Refunding Bonds, Series 1998 A (the "Series 1998 A Bonds") and its Subordinated Electric Revenue Bonds, Series 2003 A to finance the costs of the design, acquisition, construction and installation of a 122 MW baseload/147 MW gas fired combined cycle generating facility. Construction of the project was completed in 2005.

The rating on the Series 2008 B Bonds is based upon the Irrevocable Transferable Letter of Credit dated as of May __, 2008 (the "Letter of Credit") to be issued by Dexia Credit Local, acting through its New York Branch (the "Bank"), for the benefit of the Trustee, as the initial Credit Facility under the Indenture. Accordingly, detailed information on the finances and operations of the City and the Electric Utility is not provided in this Official Statement.

Variable Rate Bonds

Under the Indenture, the Series 2008 B Bonds are multi-modal bonds that are authorized to be issued in the Daily Mode, Weekly Mode, Flexible Mode, Term Rate Mode, Fixed Rate Mode and Auction Rate Mode (as those terms are defined in the Indenture). Initially, the Series 2008 B Bonds will be issued in the Weekly Mode. See "THE SERIES 2008 B BONDS."

THIS OFFICIAL STATEMENT DESCRIBES THE SERIES 2008 B BONDS ONLY DURING THE PERIOD THAT THE SERIES 2008 B BONDS BEAR INTEREST AT A WEEKLY RATE OR A DAILY RATE AND ARE SECURED BY THE LETTER OF CREDIT. INVESTORS SHOULD NOT RELY ON THIS OFFICIAL STATEMENT IF THE INTEREST RATE ON THE SERIES 2008 B BONDS IS ADJUSTED TO ANY OTHER MODE OR IF THE SERIES 2008 B BONDS ARE NO LONGER SECURED BY THE LETTER OF CREDIT.

Security for the Series 2008 B Bonds

ANY INVESTMENT DECISION TO PURCHASE THE SERIES 2008 B BONDS SHOULD BE MADE SOLELY ON THE BASIS OF THE CREDITWORTHINESS OF THE BANK.

Letter of Credit. Payment of the principal of and interest on, and purchase price of, the Series 2008 B Bonds will initially will be made from proceeds of draws on the Letter of Credit. The initial scheduled expiration date of the Letter of Credit is May __, 2011 (the "Expiration Date"), as may be extended or earlier terminated prior thereto as described herein. The Letter of Credit and any Alternate Credit Facility or Alternate Liquidity Facility are defined under the Indenture as the "Credit Facility" or "Liquidity Facility," as appropriate. The Letter of Credit is being issued under the terms of a Reimbursement Agreement, dated as of May __, 2008 (the "Reimbursement Agreement") between the Bank and the City. See "THE BANK" and "THE LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT."

The Series 2008 B Bonds are limited obligations of the City and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Subordinated Net Revenues and certain funds held under the Indenture, including the proceeds of draws under the Letter of Credit. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Series 2008 B Bonds or the interest thereon. The Series 2008 B Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Subordinated Net Revenues and said funds held under the Indenture. No registered owner of the

Series 2008 B Bonds shall ever have the right to compel any exercise of the taxing power of the City to pay the Series 2008 B Bonds or the interest thereon.

Set forth below is a summary of certain provisions of the Indenture and the Fifth Supplement. Reference is made to Appendix A for a complete description of such provisions.

Pledge of Subordinated Net Revenues. The Series 2008 B Bonds are revenue obligations of the City payable solely from and secured solely by a pledge of the Subordinated Net Revenues of the Electric Utility and the other funds pledged therefor under the Indenture, including the proceeds of draws under the Letter of Credit. The City is obligated to make payments to certain joint action agencies, including payments with respect to bonds issued by such agencies as operating expenses of the Electric Utility which are payable prior to payment of the Series 2008 B Bonds (the "Joint Powers Agency Obligations"). The City has no outstanding bonds or other obligations which are senior to the Series 2008 B Bonds, and has covenanted not to issue any such bonds or other obligations.

The term "Subordinated Net Revenues" means, generally, for any period the sum of (a) the Revenues of the Electric Utility for such period plus (b) for purposes of determining compliance with the City's rate covenant (see "Rate Covenant" below) and for any calculation made prior to December 31, 2010 (except for amounts on deposit in the Rate Stabilization Fund which may be included beyond such date), the amounts on deposit in the Rate Stabilization Fund and any other unrestricted funds of the Electric Utility designated by the City Council by resolution and available for the purpose of paying Operating Expenses and/or Debt Service for such period (which amounts shall be deposited in the Subordinated Net Revenue Fund in accordance with the Indenture) and any interest income derived from the investment of funds as provided in the Indenture, less the sum of all Operating Expenses for such period.

The term "Revenues" means, generally, for any period, all gross income and revenue received or receivable by the City from the ownership and operation of the Electric Utility calculated in accordance with the Generally Accepted Accounting Principles Applicable to Governments, including all rates, fees and charges received by the City from the Electric Utility or arising from the Electric Utility, but excluding any gain or loss on the extinguishment of any debt of the City.

"Operating Expenses" under the Indenture generally consist of the reasonable and necessary costs of the City for maintaining and operating the Electric Utility, including the cost of supply and transmission of electric energy under long-term contracts or otherwise and all reasonable and necessary operating expenses, pension charges and proportionate payments to such compensation and other insurance and accident reserve funds as the City or the City Council may establish, but excluding depreciation, amortization, replacement and obsolescence charges or reserves therefor, interest expense and amortization of intangibles or other bookkeeping entries of a similar nature and costs and expenses attributable to Special Facilities. As noted above, the City's expenses under "take or pay" agreements with the various joint powers agencies in which it participates constitute Operating Expenses.

The term "Parity Debt" means any indebtedness, installment sale obligation, lease obligation or other obligation of the City for borrowed money or interest rate swap agreement incurred in connection with the Electric Utility having an equal lien and charge upon the Subordinated Net Revenues and therefore payable on a parity with the Bonds with respect to such Net Revenues (whether or not any Bonds are Outstanding).

Rate Covenant. In the Indenture, the City has covenanted at all times while any of the Bonds remain outstanding to fix, proscribe and collect rates, fees and charges in connection with services and facilities furnished by the Electric Utility so as to yield Revenues in each fiscal year sufficient so that the

sum of the Subordinated Net Revenues for such year shall be at least equal to 1.0 times the amount of Debt Service on all Bonds and Parity Debt for such fiscal year. The Indenture provides that if and to the extent that the City has determined that amounts on deposit in any unrestricted fund of the Electric Utility are to be included in Subordinated Net Revenues, in accordance with the definition thereof, for the purpose of complying with the Rate Covenant, such amounts are to be deposited by the City in the Subordinated Net Revenue Fund at the time of such determination. The City has covenanted not to permit any use of the Electric Utility free of charge by any private or public person or entity. The Indenture provides that nothing therein shall prevent the City, in its sole and exclusive discretion, from permitting other parties from selling electricity to retail customers within the service area of the Electric Utility provided that permitting such sales shall not relieve the City of its obligations thereunder, See "APPENDIX A – SUMMARY OF INDENTURE" herein.

Series 2008 B Bond Reserve Fund. Pursuant to the Indenture, the Series 2008 B Bond Reserve Fund is required to be maintained in an amount equal to the Series 2008 B Bond Reserve Requirement. In lieu of funding the Series 2008 B Bond Reserve Fund with cash, the City may provide for all or part of the Series 2008 B Bond Reserve Fund by delivering to the Trustee an irrevocable letter of credit or surety bond or an insurance policy meeting the requirements of the Indenture. Upon delivery of the Series 2008 B Bonds, there will be deposited in the Series 2008 B Bond Reserve Fund from the proceeds of the Series 2008 B Bonds, an amount equal to the Series 2008 B Bond Reserve Requirement as of the date of issuance of the Series 2008 B Bonds. Amounts on deposit in the Series 2008 B Bond Reserve Fund will be applied to make up any deficiency in the Interest Fund or the Principal Fund, or (together with any other moneys available therefor), for the payment or redemption of all Series 2008 B Bonds then Outstanding, or for the payment of the final principal and interest payments of the Series 2008 B Bonds. The Series 2008 B Bond Reserve Fund is not available to pay any other Series of Bonds or Parity Debt.

The term "Series 2008 B Bond Reserve Requirement" shall mean the amount equal to [one-half (½) the maximum aggregate Annual Debt Service for the Series 2008 B Bonds (based upon the Outstanding Series 2008 B Bonds as of the date of calculation)].

Parity Debt and Additional Bonds. As of the date of delivery, the Series 2008 B Bonds will be secured by and payable from Subordinated Net Revenues on a parity with $2,640,000 aggregate principal amount of outstanding Subordinated Electric Revenue Refunding Bonds, Series 1998 A, $92,075,000 aggregate principal amount of outstanding Subordinated Electric Revenue Bonds, Series 2003 A and $49,655,000 aggregate principal amount of outstanding Subordinated Electric Revenue Bonds, Series 2008 A (collectively, the "Subordinated Electric Revenue Bonds") and any additional bonds hereafter issued under the Indenture and Parity Debt that may be hereafter issued or incurred by the City (the outstanding Subordinated Electric Revenue Bonds, the Series 2008 B Bonds, and any such additional bonds issued under the Indenture being herein referred to, collectively, as the "Parity Debt"); provided, however, that the Letter of Credit will secure only the Series 2008 B Bonds. Additional Bonds under the Indenture and Parity Debt may be issued or incurred at any time in such principal amounts as is determined by the City so long as no Event of Default exists under the Indenture at the time of issuance thereof and so long as the City has received a Rating Confirmation Notice for all Outstanding Parity Debt upon the issuance of such additional Bonds. The City has no outstanding bonds or other obligations which are senior to the Series 2008 B Bonds and has covenanted not to issue any such bonds or other obligations.

Alternate Credit Facility or Alternate Liquidity Facility. Under the terms of the Indenture, the City may elect to replace any Credit Facility or Liquidity Facility with an Alternate Credit Facility or Alternate Liquidity Facility, respectively, conforming to the requirements of the Indenture. No less than 35 days prior to the date of the proposed substitution, the City will give written notice to the Trustee, the Remarketing Agent and the Bank. No less than 30 days prior to the proposed substitution, the Trustee will

deliver to the Owners a notice of such proposed substitution and the mandatory tender of the Series 2008 B Bonds.

References to Documents

The brief descriptions of the City, the Series 2008 B Bonds, the Indenture, the Credit Facility, the Liquidity Facility, the Letter of Credit, the Reimbursement Agreement and other documents, statutes, reports, and other instruments included in this Official Statement do not purport to be complete, comprehensive, or definitive. All references to the Indenture and other documents, statutes, reports, and other instruments are qualified in their entirety by reference to such document, statute, report, or instrument, and all references to the Series 2008 B Bonds are qualified in their entirety by reference to the forms of the Series 2008 B Bonds set forth in the Indenture.

During the period of the offering of the Series 2008 B Bonds, copies of the Indenture, the Letter of Credit and the Reimbursement Agreement may be obtained at the offices of [JPMorgan Chase & Co.], 1999 Avenue of the Stars, 31st Floor, Los Angeles, California 90067, and thereafter at the office of the Trustee, 550 Kearny Street, Suite 600, San Francisco, California 94108.

PLAN OF FINANCE

A portion of the proceeds of the Series 2008 B Bonds will be used to refund, on a current basis, the portion of the Series 1998 A Bonds identified below. The Refunded Bonds are expected to be redeemed on July 1, 2008.

The table below sets forth the par amount and maturities of the Refunded Bonds.

Refunded Bonds

Maturity Date (July 1)	Principal Amount being refunded by Series 2008 B Bonds
2011	$ 2,680,000
2012	2,885,000
2013	3,095,000
2014	3,325,000
2015	3,555,000
2016	3,800,000
2017	4,055,000
2027	57,135,000

Following the issuance of the Series 2008 B Bonds, $2,640,000 aggregate principal amount of the Series 1998 A Bonds will remain outstanding.

To refund the Refunded Bonds, the City will deposit $_____ with The Bank of New York Trust Company, N.A., as escrow agent (the "Escrow Agent") under the Escrow Agreement, dated as of May __, 2008 (the "Escrow Agreement"), between the City and the Escrow Agent. Such amount will be used to purchase non-callable direct obligations of, or obligations that the principal of and interest on are unconditionally guaranteed by, the United States of America (the "Escrow Securities"). The Escrow Securities will mature at such times and in such amounts and will bear interest payable at such times and in such amounts, together with any available cash in the escrow fund, such that sufficient moneys will be available in the escrow fund to provide for the payment of the redemption price of, and accrued interest

on, the Refunded Bonds on July 1, 2008. Upon such deposit, the Refunded Bonds will be deemed defeased and no longer outstanding. Neither the maturing principal of the Escrow Securities nor the interest income thereon will be available to make payments on the Series 2008 B Bonds. The deposit of moneys and Escrow Securities into the escrow fund will constitute an irrevocable deposit for the benefit of the Owners of the Refunded Bonds.

In 2006, in anticipation of refunding the Refunded Bonds with the proceeds of the Series 2008 B Bonds, the City entered into an interest rate swap transaction (the "Swap Transaction") with Bear Stearns Capital Markets Inc. (the "Swap Provider") in an initial notional amount of $83,440,000, for the purpose of converting the variable rate interest payments that the City is obligated to make with respect to the Series 2008 B Bonds into substantially fixed rate payments. Based upon the merger agreement between JPMorgan Chase & Co. ("JPMorgan") and The Bear Stearns Companies Inc., the obligations of the Swap Provider have been guaranteed by JPMorgan and may be assumed by JPMorgan following the consummation of the merger.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds related to the Series 2008 B Bonds, exclusive of accrued interest.

Sources of Funds:	
Par Amount of the Series 2008 B Bonds	$_____
[City's contribution for interest payment on Refunded Bonds on July 1, 2008]	_____
TOTAL SOURCES	$_____
Uses of Funds:	
Deposit to Escrow Fund for Refunded Bonds	$_____
Deposit to Reserve Fund	_____
Costs of Issuance[1]	_____
TOTAL USES	$_____

[1] Includes underwriter's discount, fees of the Bank, legal fees, printing costs, fees of the City, the Trustee and the rating agencies, and other miscellaneous expenses.

THE CITY AND THE ELECTRIC UTILITY

The City is a duly constituted charter city of the State of California authorized to issue electric revenue bonds pursuant to the Bond Law. The City provides electric service within the City through its Electric Utility and owns and operates the Electric Utility, which includes generation, transmission and distribution facilities. The City's Electric Utility is located at 1500 Warburton Avenue in Santa Clara, California.

The City owns and operates the Electric Utility, which includes generation, transmission and distribution facilities. The City also purchases power and transmission services from others and participates in other utility-type arrangements. For the fiscal year ended June 30, 2007, the Electric Utility served 51,111 customers, had total sales of 2,809 GWh and a peak demand of 486.5 MW. Approximately 87% of the City's energy sales are made to large commercial and industrial customers.

The rating on the Series 2008 B Bonds is based upon the Letter of Credit. Accordingly, detailed information on the City and the Electric Utility is not provided in this Official Statement.

ANY INVESTMENT DECISION TO PURCHASE THE SERIES 2008 B BONDS SHOULD BE MADE SOLELY ON THE BASIS OF THE CREDITWORTHINESS OF THE BANK.

THE SERIES 2008 B BONDS

Book-Entry Only System

The Series 2008 B Bonds will be issued in fully registered form only and, when initially issued, will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Series 2008 B Bonds (the "Security Depository"). Purchasers of the Series 2008 B Bonds will not receive physical certificates representing their beneficial ownership interests in the Series 2008 B Bonds purchased. Payments of principal and interest on the Series 2008 B Bonds will be paid by the Trustee to DTC, which is obligated in turn to remit such principal and interest to its DTC Participants for subsequent disbursement to the beneficial owners of the Series 2008 B Bonds. See "APPENDIX C – BOOK-ENTRY ONLY SYSTEM" herein.

Variable Rate Bonds

General. Under the Indenture, the Series 2008 B Bonds are multi-modal bonds that are authorized to be issued in the Daily Mode, the Weekly Mode, the Flexible Mode (all of which are referred to herein as Short-Term Modes), the Term Rate Mode or the Fixed Rate Mode (both of which are referred to herein as Long-Term Modes) and the Auction Rate Mode (as those terms are defined in the Indenture). Initially, the Series 2008 B Bonds will be issued in the [Weekly Mode].

Adjustment of the Interest Rate on the Series 2008 B Bonds. At the option of the City, the interest rate on the Outstanding Series 2008 B Bonds may be adjusted to another Short-Term Mode (either a [Weekly Mode] or Flexible Mode), a Long-Term Mode (either a Term Rate Mode or Fixed Rate Mode) or an Auction Rate Mode. The Series 2008 B Bonds are subject to mandatory tender and purchase on the effective date of such adjustment (the "Mode Change Date"), as set forth in the Indenture. See "Optional Tender of Series 2008 B Bonds" and "Mandatory Tender for Purchase of Series 2008 B Bonds" below.

THIS OFFICIAL STATEMENT DESCRIBES THE SERIES 2008 B BONDS ONLY DURING THE PERIOD THE SERIES 2008 B BONDS BEAR INTEREST AT A WEEKLY OR A DAILY RATE AND ARE SECURED BY THE LETTER OF CREDIT. INVESTORS SHOULD NOT RELY ON THIS OFFICIAL STATEMENT IF THE INTEREST RATE ON THE SERIES 2008 B BONDS IS ADJUSTED TO A MODE OTHER THAN A [WEEKLY MODE] OR IF THE SERIES 2008 B BONDS ARE NO LONGER SECURED BY THE LETTER OF CREDIT.

General Bond Terms

Calculation and Payment of Interest. The Series 2008 B Bonds will initially bear interest in the [Weekly Mode]. While the Series 2008 B Bonds are in a Daily Mode or a Weekly Mode, interest will be calculated based on a 365 or 366 day year, as applicable, for the number of days actually elapsed during an Interest Period.

While the Series 2008 B Bonds bear interest in the Daily Mode or the Weekly Mode, interest on the Series 2008 B Bonds will be payable on the first Business Day of each month, commencing

_____ 1, 2008. The Series 2008 B Bonds will continue to bear interest at a Daily Rate until the conversion thereof to a different Short-Term Mode, a Long-Term Mode or an Auction Rate Mode. See "Adjustment of the Interest Rate on the Series 2008 B Bonds" below.

Authorized Denominations. Ownership interests in the Series 2008 B Bonds while in the Daily Mode or the Weekly Mode will be in denominations of $100,000 or any integral multiple of $5,000 in excess of $100,000.

Daily Mode and Weekly Mode

Remarketing Agent. The initial Remarketing Agent of the Series 2008 B Bonds shall be JPMorgan Chase & Co..

Determination of Daily Rate. When the Series 2008 B Bonds are in the Daily Mode, the Series 2008 B Bonds will bear interest at the Daily Rate, which will be determined by the Remarketing Agent not later than 9:30 a.m., New York City time, on each Business Day commencing with the first day (which must be a Business Day) such Series 2008 B Bonds become subject to the Daily Mode (the "Rate Determination Date" with respect to Series 2008 B Bonds in the Daily Mode) for the period commencing on the Business Day in which the Daily Rate is set to, but not including, the next succeeding Business Day (the "Daily Rate Period"). The Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date.

Determination of Weekly Rate. When the Series 2008 B Bonds are in the Weekly Mode, the Series 2008 B Bonds will bear interest at the Weekly Rate, which will be determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on each Tuesday, or if Tuesday is not a Business Day, the following Business Day (the "Rate Determination Date" with respect to Bonds in the Weekly Mode) for the period commencing on Wednesday of each week to and including Tuesday of the following week (each, a "Weekly Rate Period").

The interest rate for the Series 2008 B Bonds in the Daily Mode or Weekly Mode will be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, in the opinion of the Remarketing Agent under then-existing market conditions, would result in the sale of the Series 2008 B Bonds in the Daily Rate Period or Weekly Rate Period, as applicable, at a price equal to the principal amount thereof plus interest, if any, accrued through the Rate Determination Date during the then current Interest Accrual Period. If for any reason the Daily Rate or the Weekly Rate cannot be determined, the Daily Rate or the Weekly Rate, as applicable, during each subsequent Interest Period shall be the Alternate Rate (defined below) in effect on the first day of such Interest Period.

Alternate Rate. The "Alternate Rate" is defined in the Indenture as: a rate per annum equal to (1) the SIFMA Municipal Swap Index of Municipal Market Data, formerly the BMA Municipal Swap Index (the "SIFMA Rate") most recently available as of the date of determination, or (2) if such index is no longer available, or if the SIFMA Rate is no longer published, the Kenny Index (as such term is defined in the 1992 ISDA U.S. Municipal Counterparty Definitions), or if neither the SIFMA Rate nor the Kenny Index is published, the index determined to equal the prevailing rate determined by the Remarketing Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Remarketing Agent to be comparable under the circumstances to the criteria used by the Bond Market Association to determine the SIFMA Rate just prior to when the Bond Market Association stopped publishing the SIFMA Rate. If there is no Remarketing Agent, or if the Remarketing Agent fails to make any such determination or if the Remarketing Agent has suspended its remarketing efforts in

accordance with the Remarketing Agreement, then the City shall retain an index agent to make such determination.

Change in Mode. At least 30 days prior to any proposed Mode Change Date (or such shorter time as may be agreed to by the City, the Trustee, the Bank and the Remarketing Agent), the City shall give written notice to the Trustee, the Remarketing Agent and the Bank of its intention to effect a change in the Mode. Notice of the proposed change in Mode shall be given by the Trustee to the Owners of such Series 2008 B Bonds not less than 15 days before the proposed Mode Change Date. Such notice shall state:

(a) the Series 2008 B Bonds to be converted, the Mode to which the conversion will be made and the Mode Change Date; and

(b) that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds, as described below under "Optional Tender of Series 2008 B Bonds" and "Mandatory Tender for Purchase of Series 2008 B Bonds."

Upon the satisfaction of certain conditions precedent described in the Indenture, the Series 2008 B Bonds shall be purchased on such Mode Change Date at a purchase price equal to 100% of the principal amount thereof, plus accrued interest, if any (the "Purchase Price").

Failure to Satisfy Conditions Precedent to a Mode Change. In the event the conditions precedent to a Mode Change described in the Indenture have not been satisfied by the applicable Mode Change Date, then the New Mode shall not take effect (provided that any mandatory tender shall be made on such date if notice has been sent to the Owners stating that such Series 2008 B Bonds would be subject to mandatory purchase on such date). If the failed change in Mode was from the Weekly Mode, such Series 2008 B Bonds shall remain in the Weekly Mode, with interest rates established in accordance with the provisions of the Indenture described above under "Determination of Weekly Rate," on and as of the failed Mode Change Date.

Rescission of Election. Notwithstanding anything in the Indenture to the contrary, the City may rescind any election by it to change the Mode of the Series 2008 B Bonds prior to the Mode Change Date by giving written notice thereof to the Trustee, the Tender Agent, the Bank and the Remarketing Agent prior to such Mode Change Date. If the Trustee receives notice of such rescission prior to the time the Trustee has given notice to the Owners of the Series 2008 B Bonds to be converted, then such notice of change in Mode shall be of no force and effect, and the Series 2008 B Bonds to have been converted shall remain in the Daily Mode or Weekly Mode, as applicable. If the Trustee receives notice from the City of rescission of a Mode change after the Trustee has given notice thereof to the Owners of the Series 2008 B Bonds to be converted, then if the proposed Mode Change Date would have been a Mandatory Purchase Date, such date shall continue to be a Mandatory Purchase Date.

Interest Rate Conclusive. The determination of the interest rate on the Series 2008 B Bonds by the Remarketing Agent will be conclusive and binding upon the Owners of the Series 2008 B Bonds, the City, the Bank and the Trustee.

Interest Rate and Tender Summary. The following table summarizes certain information regarding interest rates and terms for the tender of Bonds while the Series 2008 B Bonds are in a Daily Mode or a Weekly Mode.

RATE AND TENDER SUMMARY TABLE
FOR THE SERIES 2008 B BONDS WHILE IN A DAILY MODE OR WEEKLY MODE*

	Daily Mode	Weekly Mode
Interest Payment Date	First Business Day of each month; any Mode Change Date; the maturity date	First Business Day of each month; any Mode Change Date; the maturity date
Record Date	Last Business Day before an Interest Payment Date	Last Business Day before an Interest Payment Date
Rate Determination Date	Not later than 9:30 a.m., New York City time, on each Business Day; the Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date	Not later than 4:00 p.m., New York City time, on each Tuesday immediately preceding each Weekly Rate Period, or if Tuesday is not a Business Day, then the Business Day next succeeding such Tuesday
Weekly Rate Period	N/A	Date of delivery of the Series 2008 B Bonds to the following Tuesday; thereafter, each Wednesday to the following Tuesday
Commencement of Rate Period	Day of conversion to the Daily Mode (which day must be a Business Day) and each Business Day thereafter	Day of conversion to the Weekly Mode and each Wednesday thereafter
Optional Tender Date	Any Business Day	Any Business Day
Notice Deadline for Optional Tender	Written or electronic notice not later than 11:00 a.m., New York City time, on any Business Day	Written or electronic notice not later than 5:00 p.m., New York City time, on any Business Day not less than seven days prior to the Purchase Date

* The information in this table is subject to DTC settlement procedures and is provided for the convenience of the Bondholders and is not meant to be comprehensive.

Redemption of the Series 2008 B Bonds

The Series 2008 B Bonds are subject to redemption prior to maturity as set forth below.

Optional Redemption. While the Series 2008 B Bonds are in a Daily Mode or a Weekly Mode, the Series 2008 B Bonds are subject to optional redemption by the City, in whole or in part (provided that no Series 2008 B Bonds shall remain Outstanding in other than Authorized Denominations) on any date,

at a redemption price equal to the principal amount thereof, plus accrued interest, if any, from the end of the preceding Interest Accrual Period to, but not including, the Redemption Date.

Mandatory Sinking Fund Redemption. The Series 2008 B Bonds are subject to mandatory redemption prior to their stated maturity, in part, by lot, from Mandatory Sinking Account Payments, commencing on July 1, 2018, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium, as shown in the table below:

Redemption Date (July 1)	Principal Amount
2018	$4,320,000
2019	4,605,000
2020	4,900,000
2021	5,210,000
2022	5,545,000
2023	5,890,000
2024	6,250,000
2025	6,475,000
2026	6,800,000
2027*	7,140,000

* Final Maturity

Whenever less than all of the Series 2008 B Bonds of any maturity (and interest rate) are subject to redemption, the Trustee shall select the Series 2008 B Bonds to be redeemed, from all Series 2008 B Bonds of the respective maturity (and interest rate) not previously called for redemption, in authorized denominations, by lot in any manner which the Trustee in its sole discretion shall deem appropriate and fair.

Notice of Redemption of Series 2008 B Bonds. The City shall notify the Trustee at least 45 days prior to the Redemption Date for Series 2008 B Bonds pursuant to the Indenture. Notice of redemption shall be mailed by the Trustee, not less than 30 nor more than 60 days prior to the Redemption Date, (i) to the respective Owners of any Series 2008 B Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee by first class mail (i.e., Cede & Co., as nominee for DTC so long as the Series 2008 B Bonds are subject to the DTC book-entry system), (ii) to the Securities Depository by facsimile, e-mail transmission or other similar electronic means of communication ("Electronic Means") and by first class mail, and (iii) to the Information Services by first class mail.

With respect to any notice of optional redemption, such notice may state that a condition of such redemption shall be the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal or premium, if any, and interest due with respect to such Series 2008 B Bonds, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Trustee shall not be required to redeem such Series 2008 B Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Each notice of redemption is required to state the date of such notice, the date of the issue of the Series 2008 B Bonds, the redemption date, the redemption price (including any premium), the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP

number (if any) of the maturity or maturities (provided that neither the City nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any Bond or in any redemption notice with respect thereto) and, if less than all the Series 2008 B Bonds of any maturity of a particular Bond are to be redeemed, the distinctive certificate numbers of the Series 2008 B Bonds of such maturity to be redeemed and, in the case of the Series 2008 B Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed.

Failure by the Trustee to give notice under the Indenture, failure of any Owner to receive notice or the insufficiency of any such notice, will not affect the sufficiency of the proceedings for redemption.

Effect of Redemption. If moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the Series 2008 B Bonds (or portions thereof) so called for redemption are held by the Trustee, on the redemption date designated in such notice, the Series 2008 B Bonds (or portions thereof) so called for redemption will become due and payable at the Redemption Price specified in such notice and interest accrued thereon to the redemption date, interest on the Series 2008 B Bonds so called for redemption will cease to accrue from and after the redemption date, said Series 2008 B Bonds (or portions thereof) will cease to be entitled to any benefit or security under the Indenture, and the Owners of said Series 2008 B Bonds will have no rights in respect thereof except to receive payment of the Redemption Price. All Series 2008 B Bonds redeemed under the provisions of the Indenture will be cancelled upon surrender thereof.

Optional Tender of Series 2008 B Bonds

While the Series 2008 B Bonds are in the Daily Mode or the Daily Mode, the Beneficial Owners (or if the Series 2008 B Bonds are not Book-Entry Bonds, the Holders) of Series 2008 B Bonds may elect to have their Series 2008 B Bonds (or portions of those Series 2008 B Bonds, provided that no Series 2008 B Bonds remain Outstanding in other than Authorized Denominations) purchased on any Business Day at a price equal to the Purchase Price, (i) while the Series 2008 B Bonds are in a Daily Mode, upon delivery of a Tender Notice to the Tender Agent by 11:00 a.m., New York City time, on any Business Day, or (ii) while the Series 2008 B Bonds are in a Weekly Mode, upon delivery of a Tender Notice to the Tender Agent by 5:00 p.m., New York City time, on a Business Day seven days prior to the applicable Purchase Date (each, a "Tender Notice Deadline").

Mandatory Tender for Purchase of Series 2008 B Bonds

Mandatory Tender for Purchase on Mode Change Date. The Series 2008 B Bonds shall be subject to mandatory tender for purchase on the Mode Change Date or on the proposed Mode Change Date, in the case of a failed change in Mode or a rescission of an election to change the Mode, at the Purchase Price, payable in immediately available funds.

Mandatory Tender for Purchase Upon Substitution, Termination or Expiration of Liquidity Facility; Mandatory Standby Tender. If at any time that the Liquidity Provider is not in default under the Liquidity Facility or at any time that the Credit Provider is not in default under the Credit Facility, as appropriate, the Trustee gives notice, in accordance with the Indenture, that the Series 2008 B Bonds shall, on the date specified in such notice, cease to be subject to purchase pursuant to the Liquidity Facility then in effect or cease to be paid from draws made under the Credit Facility then in effect as a result of:

(a) the substitution of the Liquidity Facility or Credit Facility, as the case may be, or the termination or expiration of the term, as extended, of the Liquidity Facility or Credit Facility, as the case

may be, including but not limited to termination at the option of the City in accordance with the terms of such Liquidity Facility or Credit Facility, or

(b) if the Trustee has received written notice from the Liquidity Provider that an event with respect to the Liquidity Facility has occurred which requires or gives the Liquidity Provider the option to terminate the Liquidity Facility and requires that all Outstanding Series 2008 B Bonds secured by such Liquidity Facility be tendered for purchase (a "Mandatory Standby Tender"),

then, on the 5th Business Day preceding any such termination or expiration of such Liquidity Facility or Credit Facility, including any termination as a result of a Mandatory Standby Tender, or on the date of substitution in the event of any substitution of such Liquidity Facility or Credit Facility, each Series 2008 B Bond shall be purchased or deemed purchased at the Purchase Price. Upon the occurrence of any of the events specified in the Liquidity Facility or Credit Facility that gives rise to an automatic termination or suspension of such Liquidity Facility or Credit Facility by the Liquidity Provider or Credit Provider, respectively, no mandatory tender of purchase of Series 2008 B Bonds shall occur.

Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Series 2008 B Bonds described above, the Trustee shall give the notice required by the Indenture. Such notice shall state:

(a) in the case of a mandatory tender for purchase on a Mode Change Date, the Mode to commence on such Mandatory Purchase Date;

(b) in the case of a mandatory tender for purchase due to the expiration, termination or substitution of the Liquidity Facility or Credit Facility, that such Liquidity Facility or Credit Facility will expire, terminate or be substituted and that the 2008 Series A Bonds will no longer be payable from the Liquidity Facility or Credit Facility, as appropriate, then in effect and that any rating applicable to the 2008 Series A Bonds may be reduced or withdrawn and, in the case of a substitution, the name of the provider of the new Liquidity Facility or Credit Facility and that information about such new provider will be forthcoming;

(c) that the Purchase Price of any 2008 Series A Bond subject to mandatory tender for purchase shall be payable only upon surrender of a 2008 Series A Bond to the Tender Agent pursuant to the Indenture;

(d) that, provided that moneys sufficient to effect such purchase shall have been provided through the remarketing of such 2008 Series A Bonds by the Remarketing Agent or through the Liquidity Facility, all 2008 Series A Bonds subject to mandatory tender for purchase shall be purchased on the Mandatory Purchase Date; and

(e) that if any Owner of a 2008 Series A Bond subject to mandatory tender for purchase does not surrender that 2008 Series A Bond to the Tender Agent for purchase on the Mandatory Purchase Date, then that 2008 Series A Bond shall be deemed to be an Undelivered Bond, that no interest shall accrue on that 2008 Series A Bond on and after the Mandatory Purchase Date and that the Owner shall have no rights under the Indenture other than to receive payment of the Purchase Price.

Irrevocable Tender Notice. The giving of a Tender Notice as provided in the Indenture shall constitute the irrevocable tender for purchase of each Series 2008 B Bond with respect to which such Tender Notice is given regardless of whether such Series 2008 B Bond is delivered to the Tender Agent for purchase.

Delivery of Series 2008 B Bonds to Tender Agent and Payment of Purchase Price. Series 2008 B Bonds shall be delivered (with all necessary endorsements) not later than 12:00 p.m., New York City time, on the Purchase Date to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds; provided, that payment of the Purchase Price shall be made only if the Series 2008 B Bond so delivered to the Tender Agent conforms in all respects to the description thereof in the tender notice. Payment of the Purchase Price shall be made to the Owners of tendered Series 2008 B Bonds by wire transfer in immediately available funds by the Tender Agent not later than 3:00 p.m., New York City time, on the Purchase Date.

Undelivered Series 2008 B Bonds. The Tender Agent may refuse to accept delivery of any Series 2008 B Bond for which a proper instrument of transfer has not been provided. However, such refusal shall not affect the validity of the purchase of such Series 2008 B Bond as described in the Indenture. If any Owner of a Series 2008 B Bond who has given a Tender Notice pursuant to the optional tender provisions of the Indenture or any Owner of a Series 2008 B Bond subject to mandatory purchase, shall fail to deliver such Series 2008 B Bond to the Tender Agent by 12:00 noon on the Purchase Date, or shall fail to deliver that Series 2008 B Bond properly endorsed, such Series 2008 Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Owner thereof on the Purchase Date and at the time specified, then from and after the Purchase Date and time of that required delivery, (A) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding under the Indenture; (B) interest shall no longer accrue on the Undelivered Bond; and (C) funds in the amount of the Purchase Price of the Undelivered Bond shall be held uninvested by the Trustee in a separate account for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of the Undelivered Bond to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds. Any money which the Tender Agent segregates and holds in trust for the payment of the Purchase Price of any Series 2008 B Bond which remains unclaimed for two (2) years after the date of purchase shall be paid to the City. After the payment of such unclaimed money to the City, the former Owner of such Series 2008 B Bond shall look only to the City for the payment thereof and then only to the extent of the amounts so received by the City. The City shall not be liable for any interest on unclaimed money and shall not be regarded as a trustee of such money.

Purchase and Remarketing of Series 2008 B Bonds

Source of Funds for Purchase of Series 2008 B Bonds. By the close of business on the date on which a Series 2008 B Bond is to be purchased pursuant to the Indenture, the Trustee will purchase tendered Series 2008 B Bonds from the tendering Owners at the applicable Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price by the Trustee will be derived from the following sources in the order of priority indicated:

(a) the remarketing proceeds of the sale of the Series 2008 B Bonds as are received from purchasers of the Series 2008 B Bonds and furnished to the Tender Agent by the Remarketing Agent for deposit in the Remarketing Proceeds Account; and

(b) moneys furnished by the Bank to the Tender Agent representing the proceeds of a draw under the Letter of Credit on deposit in the Liquidity Facility Purchase Account; and

(c) Available Moneys of the City provided to the Tender Agent by the City, at the City's discretion, then on deposit in the Purchase Account.

Remarketing of Series 2008 B Bonds; Notice of Interest Rates

Remarketing of Series 2008 B Bonds. Upon a mandatory tender (other than a Mandatory Standby Tender) or notice of tender for purchase of Series 2008 B Bonds, the Remarketing Agent shall offer for sale and use its best efforts to sell such 2008 Series A Bonds on the same date designated for purchase thereof at a price equal to the Purchase Price therefor in accordance with the Indenture and, if not remarketed on such date, thereafter until sold. The City shall not have any obligation to purchase 2008 Series A Bonds tendered for purchase if such 2008 Series A Bonds are not remarketed pursuant to the Indenture. The Remarketing Agent shall have the ongoing obligation to use its best efforts to remarket Liquidity Provider Bonds. 2008 Series A Bonds subject to a Mandatory Standby Tender shall not be remarketed unless (1) the Mode of such 2008 Series A Bonds is changed to a Fixed Rate Mode or to an Auction Rate Mode, or (2) an Alternate Liquidity Facility is delivered to the Tender Agent pursuant to the Indenture and is in full force and effect, or (3) the Trustee has received written notice from the Liquidity Provider that all events of default under the Liquidity Facility have been cured and that the Liquidity Facility has been reinstated.

The Remarketing Agent shall use its best efforts to offer for sale at par to parties other than the City:

(a) all Series 2008 B Bonds or portions thereof as to which a Tender Notice has been delivered pursuant to the Indenture; and

(b) all Series 2008 B Bonds required to be purchased on a Mandatory Purchase Date described above under "Mandatory Tender of Series 2008 B Bonds"; and

(c) any Liquidity Provider Bonds (A) purchased on a Purchase Date described in clause (1) or (2) above, (B) with respect to which an Alternate Liquidity Facility and Alternate Credit Facility is in effect (if a Credit Facility was in effect with respect to such Series 2008 B Bonds prior to such Series 2008 B Bonds becoming Liquidity Provider Bonds, which Credit Facility is no longer in effect), or (C) which are being marketed as Fixed Rate Bonds.

Notice of Remarketing; Delivery of Remarketing Proceeds; New Bonds.

(a) Not later than 11:30 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall inform the Tender Agent by Electronic Means of the principal amount of Series 2008 B Bonds tendered for purchase and sold by the Remarketing Agent and such information as may be necessary to register such Series 2008 B Bonds and the registration instructions (i.e., the names, addressed and taxpayer identification numbers of the purchasers and the desired Authorized Denominations) with respect thereto;

(b) promptly upon receipt of notice from the Remarketing Agent, but in no event later than 11:45 a.m., New York City time, on the Purchase Date, the Tender Agent shall notify the City, the Trustee and the Bank by Electronic Means as to the aggregate Purchase Price of Series 2008 B Bonds to be purchased and as to the amount of the difference between (a) the aggregate Purchase Price of Series 2008 B Bonds to be tendered pursuant to a Tender Notice or subject to Mandatory Tender for purchase on such Purchase Date, and (b) the aggregate Purchase Price of Series 2008 B Bonds that have been remarketed by the Remarketing Agent;

(c) not later than 11:45 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall deliver to the Tender Agent the remarketing proceeds for which notice of remarketing was provided in accordance with paragraph (1) above; and

(d) not later than 12:00 p.m., New York City time, on the Purchase Date, the Tender Agent shall submit a Draw Request under the Letter of Credit pursuant to the Indenture;

(e) if the Series 2008 B Bonds are no longer Book-Entry System, the Tender Agent shall authenticate new Series 2008 B Bonds for the respect iv e purchasers thereof which shall be available for pick-up by the Remarketing Agent not later than 2:30 p.m., New York City time.

No Purchases or Sales After Credit Provider or Liquidity Provider Failure. Anything in the Indenture to the contrary notwithstanding, if there shall have occurred and be continuing either a Credit Provider Failure or a Liquidity Provider Failure, the Remarketing Agent shall not remarket any Series 2008 B Bonds. All other provisions of the Indenture, including, without limitation, those relating to the setting of interest rates and Interest Periods and mandatory and optional purchases, shall remain in full force and effect during the continuance of such Credit Provider Failure or Liquidity Provider Failure.

Inadequate Funds for Tenders. If sufficient funds are not available for the purchase of all Series 2008 B Bonds tendered or deemed tendered and required to be purchased on any Purchase Date, all such Series 2008 B Bonds shall bear interest at the Alternate Rate plus three percent from the date of such failed purchase until all such Series 2008 B Bonds are purchased as required in accordance with the Indenture, and, if applicable, shall be returned to their respective Owners. Notwithstanding any other provision of the Indenture, such failed purchase and return shall not constitute an Event of Default. Thereafter, the Tender Agent shall continue to take all such action available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient other funds from the Liquidity Provider. Any obligation of the Remarketing Agent, Credit Provider or Liquidity Provider to cause the deposit of such funds from remarketing proceeds or proceeds of the Credit Facility or Liquidity Facility, respectively, shall remain enforceable pursuant to the Indenture, and such obligation shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient to purchase all such Series 2008 B Bonds, together with any interest which has accrued on such Series 2008 B Bonds to the subsequent actual purchase date.

Delivery of Remarketed Bonds. The Tender Agent shall hold all Series 2008 B Bonds delivered to it as agent and bailee of, and in escrow for the benefit of the respective Owners which have delivered such Series 2008 B Bonds until money representing the Purchase Price of such Series 2008 B Bonds shall have been delivered to or for the account of such Owners. The Tender Agent shall hold all moneys for the purchase of Series 2008 B Bonds uninvested in trust for the benefit of the person or entity which has so delivered such moneys until Series 2008 B Bonds purchased with such moneys have been delivered to or for the account of such person or entity. The Tender Agent shall hold all Series 2008 B Bonds registered in the name of the new Owners thereof as agent and bailee of, and in escrow for the benefit of the respective new Owners until delivery to the Remarketing Agent.

Liquidity Provider Bonds. Any Liquidity Provider Bonds shall be registered in the name of, or as otherwise directed by, the Bank and delivered to or upon the order of, or as otherwise directed by the Bank; provided, that if such Series 2008 B Bonds are maintained under the Book-Entry System, the Tender Agent shall immediately upon submitting a Draw Request to the Bank direct DTC to cause the beneficial ownership interest in any Series 2008 B Bonds purchased with the proceeds of such draw to such account at DTC as directed by the Bank.

Liquidity Provider Bonds shall be remarketed by the Remarketing Agent prior to any other Series 2008 B Bonds tendered for purchase hereunder. Upon (i) receipt by the Tender Agent of written notification from the Bank that the Letter of Credit has been fully reinstated with respect to principal and interest (including principal of and interest on Liquidity Provider Bonds to be released and remarketed as described in this paragraph) and (ii) release by the Bank of any Liquidity Provider Bonds which the

Remarketing Agent has remarketed, such Series 2008 B Bonds shall be made available to the purchasers thereof and shall no longer constitute Liquidity Provider Bonds. The proceeds of any remarketing of Liquidity Provider Bonds shall be paid to the Bank by the Tender Agent on such remarketing date in immediately available funds.

[DISCLOSURE CONCERNING SALES OF VARIABLE RATE DEMAND BONDS BY REMARKETING AGENT

Remarketing Agreement. The City has entered into a Remarketing Agreement for the Series 2008 A Bonds, dated as of April 1, 2008 (the "Remarketing Agreement"), with Banc of America Securities LLC as the Remarketing Agent (the "Remarketing Agent"). Under the Remarketing Agreement, the Remarketing Agent has agreed to use its best efforts to offer for sale all Bonds tendered in accordance with the provisions of the Indenture.

The Remarketing Agent is Paid by the City. The Remarketing Agent's responsibilities include determining the interest rate from time to time and remarketing Series 2008 A Bonds that are tendered by the owners thereof either pursuant to an optional or mandatory tender (subject, in each case, to the terms of the Remarketing Agreement), all as further described in this Official Statement. The Remarketing Agent is appointed by the City and is paid by the City for its services. As a result, the interests of the Remarketing Agent may differ from those of existing owners and potential purchasers of Series 2008 A Bonds.

The Remarketing Agent Routinely Purchases Series 2008 A Bonds for its Own Account. The Remarketing Agent acts as remarketing agent for a variety of variable rate demand obligations and, in its sole discretion, routinely purchases such obligations for its own account. The Remarketing Agent is permitted, but not obligated, to purchase tendered Series 2008 A Bonds for its own account and, in its sole discretion, routinely acquires such tendered Series 2008 A Bonds in order to achieve a successful remarketing of the Series 2008 A Bonds (i.e., because there otherwise are not enough buyers to purchase the Series 2008 A Bonds) or for other reasons. However, the Remarketing Agent is not obligated to purchase Series 2008 A Bonds, and may cease doing so at any time without notice. The Remarketing Agent may also make a market in the Series 2008 A Bonds by routinely purchasing and selling Series 2008 A Bonds other than in connection with an optional or mandatory tender and remarketing. Such purchases and sales may be at or below par. However, the Remarketing Agent is not required to make a market in the Series 2008 A Bonds. The Remarketing Agent may also sell any Series 2008 A Bonds it has purchased to one or more affiliated investment vehicles for collective ownership or enter into derivative arrangements with affiliates or others in order to reduce its exposure to the Series 2008 A Bonds. The purchase of Series 2008 A Bonds by the Remarketing Agent may cause the interest rate to be lower than it would be if the Remarketing Agent did not purchase Series 2008 A Bonds and may create the appearance that there is greater third party demand for the Series 2008 A Bonds in the market than is actually the case. The practices described above also may result in fewer Series 2008 A Bonds being tendered in a remarketing.

Series 2008 A Bonds May be Offered at Different Prices on Any Date Including an Interest Rate Determination Date. Pursuant to the Remarketing Agreement, the Remarketing Agent is required to determine the applicable rate of interest that, in its judgment, is the lowest rate that would permit the sale of the Series 2008 A Bonds bearing interest at the applicable interest rate at par plus accrued interest, if any, on and as of the applicable rate determination date. The interest rate will reflect, among other factors, the level of market demand for the Series 2008 A Bonds (including whether the Remarketing Agent is willing to purchase Series 2008 A Bonds for its own account). The purchase of the Series 2008 A Bonds by the Remarketing Agent may cause the interest rate to be lower than it would be if the Remarketing Agent did not purchase Series 2008 A Bonds. There may or may not be Series 2008 A

Bonds tendered and remarketed on a rate determination date, the Remarketing Agent may or may not be able to remarket any Series 2008 A Bonds tendered for purchase on such date at par and the Remarketing Agent may sell Series 2008 A Bonds at varying prices to different investors on such date or any other date. The Remarketing Agent is not obligated to advise purchasers in a remarketing if it does not have third party buyers for all of the Series 2008 A Bonds at the remarketing price. The Remarketing Agent, in its sole discretion, may offer Series 2008 A Bonds on any date, including the rate determination date, at a discount to par to some investors.

The Ability to Sell the Series 2008 A Bonds other than through Tender Process May Be Limited. The Remarketing Agent may buy and sell Series 2008 A Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require owners that wish to tender their Series 2008 A Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the Series 2008 A Bonds, whether in a remarketing or otherwise, should not assume that they will be able to sell their Series 2008 A Bonds other than by tendering the Series 2008 A Bonds in accordance with the tender process.

Under Certain Circumstances, the Remarketing Agent May Be Removed, Resign or Cease Remarketing the Series 2008 A Bonds, Without a Successor Being Named. Under certain circumstances the Remarketing Agent may be removed or have the ability to resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement. In the event there is no Remarketing Agent, the Trustee is required to apply to a court of competent jurisdiction for appointment of a successor Remarketing Agent.]

[TO BE REVIEWED BY REMARKETING AGENT]

THE LETTER OF CREDIT AND THE REIMBURSEMENT AGREEMENT

[The following are brief outlines of certain provisions contained in the Letter of Credit established by the Bank in favor of the Trustee and the Reimbursement Agreement and are not to be considered a full statement pertaining thereto. Reference is made to the Letter of Credit and the Reimbursement Agreement on file with the Trustee for the complete texts thereof. Capitalized terms used in this section and not otherwise defined shall have the meanings given such terms in the Reimbursement Agreement.

The Letter of Credit

Under the Letter of Credit, the Bank irrevocably authorizes the Trustee, or the Trustee acting as Tender Agent, to draw on the Letter of Credit in accordance with its terms in an aggregate amount of $_____ (the "Stated Amount"), of which amount, up to $_____ is available for the payment of unpaid principal of the Series 2008 B Bonds and up to $_____ is available for the payment of up to [___ days'] unpaid interest accrued on, or the portion of the purchase price corresponding to interest accrued on, the Series 2008 B Bonds, at an assumed rate equal to 12% per annum, for the payment of the principal of, the purchase price of and interest on the Series 2008 B Bonds. The Stated Amount shall be reduced automatically from time to time upon the Bank's honoring of a demand for payment thereunder, and reinstated from time to time from reimbursements made by the City to the Bank for each payment made by the Bank under the Letter of Credit pursuant to the Reimbursement Agreement.

The Reimbursement Agreement

The City and the Bank have executed, or will execute, on or prior to the Closing Date, the Reimbursement Agreement which, *inter alia*, sets the terms and conditions whereby the City is required

to repay the Bank any amounts drawn by the Trustee under the Letter of Credit. Defined terms used under this heading and not defined in this Official Statement shall have the meanings assigned thereto in the Reimbursement Agreement.

Reimbursement of Drawings. The City is obligated under the Reimbursement Agreement to pay, or cause to be paid, to the Bank:

(a) (A) on the date of each drawing to pay the principal of the Bonds (each, a "Principal Drawing"), an amount equal to the amount disbursed by the Bank pursuant to such Principal Drawing and (B) on the date of each drawing to pay the interest on the Bonds (each, an "Interest Drawing"), an amount equal to the amount disbursed by the Bank pursuant to such Interest Drawing;

(b) with respect to each drawing to pay the purchase price of the principal of the Bonds (each, a "Principal Purchase Drawing"), on any date which is the first to occur of (A) the date of the remarketing of any Bank Bonds (as defined below), the purchase price or portion of the purchase price of which was paid with the proceeds of such Principal Purchase Drawing, (B) the date on which the principal of any such Bank Bonds, together with accrued interest thereon, shall become due and payable, whether at maturity, or prior redemption pursuant to the Fourth Supplement, (C) the date on which the amount disbursed by the Bank pursuant to such Principal Purchase Drawing is declared to become due and payable under the Fourth Supplement as a result of an occurrence of mandatory tender; (D) the fifth anniversary of the date on which the Letter of Credit is scheduled to expire as set forth in the Letter of Credit (as such date may be extended from time to time pursuant to the Reimbursement Agreement, the "Letter of Credit Termination Date"); (E) the fifth anniversary of the date of such Principal Purchase Drawing, (F) the effective date of the Alternate Credit Facility, or (G) the date on which the Stated Amount of the Letter of Credit is reduced to zero, an amount equal to the amount disbursed by the Bank pursuant to such Principal Purchase Drawing (but in the case of clause (A) only an amount equal to the portion of such amount which was disbursed to fund the purchase price of such remarketed Bank Bonds); and

(c) with respect to each drawing to pay the purchase price of the interest on the Bonds (each, an "Interest Purchase Drawing"), on any date which is the first to occur of (A) the immediately succeeding Interest Payment Date in respect of any Bank Bonds the interest portion of the purchase price of which was paid with the proceeds of such Interest Purchase Drawing, (B) the date of the remarketing of any such Bank Bonds, (C) the date on which the principal of any such Bank Bonds, together with accrued interest thereon, shall become due and payable, whether at maturity or prior redemption pursuant to the Fourth Supplement, (D) the date on which the amount disbursed by the Bank pursuant to such Interest Purchase Drawing is declared to become due and payable under the Fourth Supplement as a result of an occurrence of mandatory tender; (E) the fifth anniversary of the Letter of Credit Termination Date; (F) the fifth anniversary of the date of such Interest Purchase Drawing, (7) the effective date of the Alternate Credit Facility, or (H) the date on which the Stated Amount of the Letter of Credit is reduced to zero, an amount equal to the amount disbursed by the Bank pursuant to such Interest Purchase Drawing (but in the case of clause (B) only an amount equal to the portion of such amount which was disbursed to fund the interest portion of the purchase price of such remarketed Bank Bonds);

with interest on the amount so disbursed by the Bank for each day from and including the date of such disbursement to but not including the date the Bank is reimbursed therefor (except as provided in the second succeeding sentence) at a rate per annum equal to (1) in the case of amounts referred to in clause (i) above, the Default Rate, and (2) in the case of amounts referred to in clauses (ii) and (iii) above, from the date of any such Principal Purchase Drawing or Interest Purchase Drawing to the earliest of (x) the date such payment is due, (y) the date on which an Event of Default under the Reimbursement Agreement occurs, or (z) the Letter of Credit Termination Date, at the Bank Rate, and thereafter at the

Default Rate. In the case of amounts referred to in clause (i) above, interest shall be payable on demand, and, in the case of amounts referred to in clauses (ii) and (iii) above (except as provided in the next succeeding sentence), interest shall be payable on the date such amounts are reimbursed to the Bank and pending such reimbursement, monthly in arrears, commencing on the first Business Day of the month next succeeding the month in which such amount is disbursed by the Bank under the Letter of Credit and continuing on the first Business Day of each month thereafter and on the date payment of such amount is due and thereafter on demand. In the case of amounts due as described in subclause (ii)(A) and (iii)(B) above, interest on such amounts equal to the difference between the interest received upon such remarketing as accrued interest on such remarketed Bank Bonds and the interest which would have been payable on such Bonds at the Bank Rate, shall be due and payable on the Interest Payment Date next succeeding such date of remarketing, together with interest on such difference until paid at the Bank Rate. Any amounts owing to the Bank under the Reimbursement Agreement in respect of a Principal Purchase Drawing or Interest Purchase Drawing may be prepaid at any time upon written notice to the Bank not later than 3:00 p.m. (pacific time) on the Business Day immediately preceding the date designated for such prepayment.

Bank Bonds.

The Reimbursement Agreement defines Bank Bonds as "any Bond purchased by the Bank with the money made available pursuant to a Liquidity Drawing." Further, a Bank Bond under the Reimbursement Agreement will be deemed to be a Liquidity Provider Bond under the Indenture.

Upon any Principal Purchase Drawing and the accompanying Interest Purchase Drawing, if any, the Bank Bonds with respect to which such Principal Purchase Drawing and Interest Purchase Drawing were made shall be sold to the Bank for an amount equal to the amount of such Principal Purchase Drawing and Interest Purchase Drawing and the certificates representing such Bank Bonds shall be authenticated and registered in the name of the Bank, as provided in the Fourth Supplement prior to or simultaneously with the application of the proceeds of such Principal Purchase Drawing, and the accompanying Interest Purchase Drawing, if any. Upon reimbursement to the Bank, in full or in part for any Principal Purchase Drawing, and the accompanying Interest Purchase Drawing, if any, and interest due and payable thereon pursuant to the Reimbursement Agreement to the date of such reimbursement at the applicable rate of interest set forth in the Reimbursement Agreement, the Bank shall cause to be released and delivered to or upon the order of the Issuer, a principal amount of the Bank Bonds corresponding to the amount of the Principal Purchase Drawing being reimbursed as provided in the Fourth Supplement. In the event the Bonds are in book-entry form, beneficial ownership of the Bank Bonds by the Bank may be reflected in accordance with such book-entry system in accordance with the Fourth Supplement.

Pursuant to the Reimbursement Agreement, the City agrees, among other things, to furnish financial statements to the Bank in a timely manner, maintain the tax-exempt status of the Series 2008 B Bonds, maintain required insurance, provide certain information and notices to the Bank, keep adequate books and records and pay certain fees to the Bank.

Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" under the Reimbursement Agreement:

(a) the City shall fail to pay when due (i) any amount due under the Reimbursement Agreement in respect of the reimbursement of Drawings under either Letter of Credit or due under the Series 2008 B Bonds (including any Bank Bonds) or (ii) any other amount due under the Reimbursement Agreement or the Bank Note, other than those described in sub-clause (a)(i) above and such amount

remains unpaid for five Business Days after the City receives written notice of such failure from the Bank;

(b) the City shall fail to observe or perform any of the covenants, conditions or provisions of the Reimbursement Agreement (other than as specified in (a) above) which failure continues for a period of 30 days after written notice specifying such failure and requesting that it be remedied shall have been given to the City by the Bank; provided that if such failure cannot be remedied within such 30 day period, the City shall not be in default under the Reimbursement Agreement if the City is diligently pursuing a remedy and such failure is remedied within sixty (60) days after receipt of such notice;

(c) any representation, warranty, certification or statement of the City in the Reimbursement Agreement or any related document or in any certificate or other document delivered pursuant to the Reimbursement Agreement or any related document shall prove to have been incorrect in any material respect when made;

(d) the City shall fail to pay when due any amount payable on any Parity Debt in an aggregate principal amount in excess of $10,000,000.00, as and when the same shall become due; or the maturity of any Parity Debt in a principal amount in excess of $10,000,000.00 shall be accelerated;

(e) an "event of default" shall have occurred and be continuing under, and as defined in, the Indenture;

(f) (i) any amendment to the Constitution of the State of California or any amendment to the Bond Law, the Ordinance or any other statute is enacted which materially adversely affects the enforceability of the Reimbursement Agreement against the City, or (ii) the City or any Governmental Authority with proper jurisdiction over the City takes or permits to be taken any action which materially adversely affects the ability or the obligation of the City to repay its obligations under the Reimbursement Agreement (the "Reimbursement Obligations") or under the promissory note evidencing the Reimbursement Obligations (the "Bank Note") or under the Series 2008 B Bonds (including the Bank Bonds) or limits or restricts the sources to which the Bank may look for the payment of such Reimbursement Obligations, the Bank Note or the Series 2008 B Bonds (including the Bank Bonds);

(g) any event or circumstance occurs which materially and adversely affects the ability of the City to perform its ability to perform or its obligation to perform under, and in strict accordance with the terms of, the Reimbursement Agreement, the Bank Note, the Series 2008 B Bonds (including the Bank Bonds) or the Fourth Supplement;

(h) any Rating Agency shall have (i) assigned to any unenhanced, long-term Parity Debt a rating below "BBB," in the case of Fitch or S&P, or "Baa2," in the case of Moody's, (ii) withdrawn its ratings of any unenhanced, long-term Parity Debt, other than as a result of debt maturity, redemption, defeasance, nonapplication or nonprovision of information, or (iii) suspended their ratings of any unenhanced, long-term Parity Debt, other than as a result of debt maturity, redemption, defeasance, nonapplication or nonprovision of information;

(i) one or more judgments, decrees or orders for the payment of money, which is not subject to insurance (or for which the carrier has denied or disputed coverage other than a routine reservation of rights) in excess of the total amount contained in the then current budget of the City available for payment of judgments and losses in the aggregate in any Fiscal Year shall be rendered against the City and either (i) enforcement proceedings shall have been commenced by any creditor or creditors upon any such judgments, decrees or orders in such aggregate amount, or (ii) there shall be a period of 90 consecutive

days during which either a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect or such judgment shall not be fully bonded against;

(j) any payment or other material provision of the Reimbursement Agreement, the Fourth Supplement, the Series 2008 B Bonds, the Bank Note or any of the other related documents shall cease to be valid and binding on the City, or the City publicly repudiates or denies that it has any or further liability or obligation under the Reimbursement Agreement, the Fourth Supplement, the Series 2008 B Bonds, the Bank Note or any of the other related documents, as the case may be, or a proceeding is commenced by the City or any Governmental Authority with proper jurisdiction over the City seeking to establish the invalidity or unenforceability of any of the foregoing;

(k) the City shall admit in writing its inability to pay its debts as they mature or the City or a Governmental Authority with proper jurisdiction over the City shall declare a moratorium or comparable restriction on the payment of the City's debts or the City shall apply for, consent to or acquiesce in the appointment of a trustee or receiver for itself or any part of its property or revenues, or the City or any Governmental Authority with proper jurisdiction over the City shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent or acquiescence, a trustee or receiver shall be appointed for it or for a substantial part of its property or revenues and shall not be discharged within a period of sixty (60) days; or any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the City (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and, if instituted against it, shall be consented to or acquiesced in by the City, or shall not be dismissed within a period of 60 days; or

(l) there shall be commenced against the City any case, proceeding or action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of the assets of the City, which results in the entry of an order for relief which shall not have been vacated, discharged, stayed or bonded pending appeal within sixty 60 days from the entry thereof.

Rights and Remedies. Upon the occurrence and continuation of an Event of Default, the Bank, in its sole discretion (a) may deliver a notice (a "Default Rate Notice") to the City for purposes of increasing the Bank Rate payable on the Bank Bonds and all Reimbursement Obligations to the Default Rate, (b) may deliver a notice in the form of Appendix D to the Reimbursement Agreement (a "No-Remarketing Notice") to the Remarketing Agent instructing it not to remarket any Bonds or not to deliver any Notice of Purchase relating to Bank Bonds, (c) may deliver to the Trustee written notice that an Event of Default has been declared under the Reimbursement Agreement, which notice may also include (y) a demand that the Series 2008 B Bonds be accelerated pursuant to the Fourth Supplement; following an "event of default" as described in the Fourth Supplement or (z) a demand that the Series 2008 B Bonds be subject to mandatory purchase pursuant to the Fourth Supplement following an "event of default" as described in the Fourth Supplement; provided, that the remedy referred to in this clause (c) shall not be permitted if the Event of Default consists of a failure to reimburse the Bank for an Interest Drawing, (d) may cure any Default, Event of Default or event of nonperformance under the Reimbursement Agreement or under any of the related documents (in which event, the City shall reimburse the Bank therefor pursuant to the cure provisions under the Reimbursement Agreement) or (e) may exercise any other rights or remedies available under the Reimbursement Agreement or under any related document, subject to the terms and conditions of such related document, any other agreement or at law or in equity. If the Event of Default is the failure by the City to reimburse the Bank, on a timely basis, for an Interest Drawing under the Letter of Credit, the Bank may, no later than the tenth day following such Drawing, take the action referred to in clause (c) above, with the written notice delivered to the Trustee to include the statement that the Letter of Credit will not be reinstated. The Bank shall deliver to the City a copy of any notice delivered to the Trustee pursuant to clause (b) or (c) above; provided, that the failure of the

Bank to do so shall not affect the remedy referred to in clause (b) or (c) above. The rights and remedies of the Bank specified in the Reimbursement are for the sole and exclusive benefit, use and protection of the Bank, and the Bank is entitled, but shall have no duty or obligation, with respect to the City, the Trustee, the Tender Agent, the Remarketing Agent, the Bondholders or otherwise, (i) to exercise or to refrain from exercising any right or remedy reserved to the Bank under the Reimbursement Agreement, or (ii) to cause the Trustee or any other party to exercise or to refrain from exercising any right or remedy available to it under any of the related documents.]

THE BANK

Dexia Credit Local ("Dexia") is a subsidiary of the Dexia Group, which was created in 1996. The Dexia Group is a major European banking organization that is the product of several cross-border mergers. Dexia is an authentically European bank in terms of both its management organization and the scope of its different lines of business. The Dexia Group is listed on the Brussels, Paris and Luxembourg stock exchanges. With a stock market capitalization of over 24 billion euros as of December 31, 2007, the Dexia Group ranks in the top third of the Euronext 100 companies.

Dexia specializes in the Dexia Group's first line of business—public and project finance and financial services for the public sector. Dexia has recognized expertise in local public sector financing and project finance. It is backed by a network of specialized banks, which employ over 3,500 professionals. Through this network of subsidiaries, affiliates and branches, Dexia is present in almost all of the countries of the European Union as well as Central Europe, the United States of America and Canada. Dexia also has operations in Latin America, the Asian-Pacific Region including Australia, and the countries around the Mediterranean.

Dexia is a bank with its principal office located in La Défense, France. In issuing the facility, Dexia will act through its New York Branch, which is licensed by the Banking Department of the State of New York as an unincorporated branch of Dexia Credit Local, Paris. Dexia is the leading local authority lender in Europe, funding its lending activities in 2007 primarily through the issuance of euro and U.S. dollar-denominated bonds. In 2007, total funding raised by Dexia and Dexia Municipal Agency was 18.2 billion euros.

The Dexia Group is the owner of Financial Security Assurance Holdings Ltd. ("FSA Holdings"), the holding company for Financial Security Assurance Inc., a leading financial guaranty insurer.

As of December 31, 2007, Dexia had total consolidated assets of 345 billion euros, outstanding medium and long-term loans to customers of 285.1 billion euros and shareholders' equity of over 6.29 billion euros (Tier I plus Tier II), and for the year then ended had consolidated net income of 991 million euros. These figures were determined in accordance with generally accepted accounting principles in France. Dexia maintains its records and prepares its financial statements in euros. At December 31, 2007, the exchange rate was 1.0000 euro equals 1.4721 United States dollar. Such exchange rate fluctuates from time to time.

Dexia is rated Aa1 long-term and P-1 short-term by Moody's, AA long-term and A-1+ short-term by S&P, and AA+ long-term and F1+ short-term by Fitch.

Dexia will provide without charge a copy of its most recent publicly available annual report. Written requests should be directed to: Dexia Credit Local, New York Branch, 445 Park Avenue, 8th Floor, New York, New York 10022, Attention: General Manager. The delivery of this information shall not create any implication that the information contained or referred to herein is correct as of any time subsequent to its date.

INVESTMENT CONSIDERATIONS

The following information should be considered by prospective investors in evaluating the Series 2008 B Bonds. However, the following does not purport to be an exclusive listing of risks and other considerations that may be relevant to investing in the Series 2008 B Bonds, and the order in which the following information is presented is not intended to reflect the relative importance of any such risks and considerations.

Security for the Series 2008 B Bonds

The Series 2008 B Bonds are being offered solely on the basis of the Letter of Credit and the financial strength of the Bank and not the operations, financial strength or condition of the City or any other security. This Official Statement does not describe the financial condition of the City or the City's Electric Utility. The rating assigned to the Series 2008 B Bonds is based primarily on the creditworthiness of the Bank. Prospective purchasers of the Series 2008 B Bonds that wish to make a full evaluation of the financial status of the Bank are advised to obtain financial statements of the Bank.

Except as noted herein under "THE LETTER OF CREDIT AND THE REIMBURSEMENT AGREEMENT," the Series 2008 B Bonds are payable solely from Subordinated Net Revenues. No representation or assurance can be made that Subordinated Net Revenues will be sufficient to pay maturing principal, mandatory sinking fund requirements and interest on the Series 2008 B Bonds. Future economic and other conditions, including economic trends and events, technological developments and demographic changes, increases in insurance claims, as well as increased costs and changes in government regulations, including Internal Revenue Service (the "IRS") policy regarding tax exemption, may adversely affect the future financial condition of the City's Electric Utility and, consequently, the City's ability to make payments of the principal of and premium, if any, and interest on the Series 2008 B Bonds.

Expiration of the Letter of Credit

The initial scheduled expiration date of the Letter of Credit is April 24, 2011, subject to extension or earlier termination in certain circumstances as described therein. If the Letter of Credit is not extended or an Alternate Credit Facility is not obtained by the City, the Series 2008 B Bonds will be subject to mandatory redemption. There can be no assurance that the City will be able to obtain an extension of the Letter of Credit or an Alternate Credit Facility. The Bank is under no obligation to extend the Letter of Credit beyond the scheduled expiration thereof.

Bank's Obligations Unsecured

The ability of the Bank to honor draws upon the Letter of Credit is based solely upon the Bank's general credit and is not collateralized or otherwise guaranteed by the United States of America or any agency or instrumentality thereof. No provision has been made for replacement of or substitution for the Letter of Credit in the event of any deterioration in the financial condition of the Bank. Neither the City nor the Bank assumes any liability to any purchaser of the Series 2008 B Bonds as a result of any deterioration of the financial condition of the Bank. Upon any insolvency of the Bank, any claim by the Trustee against the Bank would be subject to bank receivership proceedings.

General Factors Affecting the Bank

The Bank is subject to regulation and supervision by various regulatory bodies. New regulations could impose restrictions upon the Bank which would restrict its ability to respond to competitive

pressures. Various legislative or regulatory changes could dramatically impact the banking industry as a whole and the Bank specifically. The banking industry is highly competitive in many of the markets in which the Bank operates. Such competition directly impacts the financial performance of the Bank. Any significant increase in such competition could adversely impact the Bank.

TAX MATTERS

In the opinion of Sidley Austin LLP, San Francisco, California, Bond Counsel, based on existing statutes, regulations, rulings and judicial decisions and assuming compliance with certain covenants in the Indenture, the Tax Certificate and other documents pertaining to the Series 2008 B Bonds and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), regarding the use, expenditure and investment of proceeds of the Series 2008 B Bonds and the timely payment of certain investment earnings to the United States, interest on the Series 2008 B Bonds is not includable in the gross income of the owners of the Series 2008 B Bonds for federal income tax purposes. Failure to comply with such covenants and requirements may cause interest on the Series 2008 B Bonds to be included in gross income retroactively to the date of issuance of the Series 2008 B Bonds.

In the further opinion of Bond Counsel, interest on the Series 2008 B Bonds is not treated as an item of tax preference in calculating the federal alternative minimum taxable income of individuals and corporations. Interest on the Series 2008 B Bonds, however, is included as an adjustment in the calculation of federal corporate alternative minimum taxable income and may therefore affect a corporation's alternative minimum tax liability.

Ownership of, or the receipt of interest on, tax-exempt obligations may result in collateral tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit. Bond Counsel expresses no opinion with respect to any collateral tax consequences and, accordingly, prospective purchasers of the Series 2008 B Bonds should consult their tax advisors as to the applicability of any collateral tax consequences.

Certain requirements and procedures contained or referred to in the Indenture, the Tax Certificate and other documents pertaining to the Series 2008 B Bonds may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. Bond Counsel expresses no opinion as to the effect of any change to any document pertaining to the Series 2008 B Bonds or of any action taken or not taken where such change is made or action is taken or not taken without its approval or in reliance upon the advice of counsel other than Bond Counsel with respect to the exclusion from gross income of the interest on the Series 2008 B Bonds for federal income tax purposes.

Legislation affecting municipal obligations is continually being considered by the United States Congress. There can be no assurance that legislation enacted after the date of issuance of the Series 2008 B Bonds will not have an adverse effect on the tax-exempt status of the Series 2008 B Bonds. Legislation or regulatory actions and proposals may also affect the economic value of tax exemption or the market price of the Series 2008 B Bonds.

State Tax Exemption

In the further opinion of Bond Counsel, interest on the Series 2008 B Bonds is exempt from personal income taxes imposed by the State of California.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations is subject to information reporting in a manner similar to interest paid on taxable obligations. While this reporting requirement does not, by itself, affect the excludability of interest from gross income for federal income tax purposes, the reporting requirement causes the payment of interest on the Series 2008 B Bonds to be subject to backup withholding if such interest is paid to beneficial owners that (a) are not "exempt recipients," and (b) either fail to provide certain identifying information (such as the beneficial owner's taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner are allowed as a refund or credit against such beneficial owner's federal income tax liability so long as the required information is furnished to the IRS.

Future Developments

Future legislative proposals, if enacted into law, regulations, rulings or court decisions may cause interest on the Series 2008 B Bonds to be subject, directly or indirectly, to federal income taxation or to State or local income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. On November 5, 2007, the United States Supreme Court heard oral argument in connection with its review of a decision of the Court of Appeals of Kentucky which held that the Commerce Clause of the United States Constitution prohibits the Commonwealth of Kentucky from exempting interest on bonds issued by Kentucky and its localities and authorities from Kentucky state income tax while subjecting interest on bonds issued by other states and their localities and authorities to Kentucky state income tax. If the Kentucky decision is affirmed by the United States Supreme Court, it could require states such as the State of California to eliminate the disparity between the tax treatment of out-of-state bonds, notes and other obligations and the tax treatment of in-state bonds, notes and other obligations, including bonds, notes or other obligations issued by the City. The impact of this decision may also affect the market price for, or the marketability of, the Series 2008 B Bonds.

Prospective purchasers of the Series 2008 B Bonds should consult their tax advisors regarding pending or proposed federal or state tax legislation, regulations, rulings or litigation, as to which Bond Counsel expresses no opinion.

A copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix B.

APPROVAL OF LEGALITY

The validity of the issuance of the Series 2008 B Bonds under California law is subject to the approval of Sidley Austin LLP, San Francisco, California, acting as Bond Counsel. The proposed form of the legal opinion of Bond Counsel is attached hereto as Appendix B. Certain legal matters will be passed upon for the City by the City Attorney of the City of Santa Clara, California, for the Bank by Chapman and Cutler, LLP, Chicago, Illinois, and for the Underwriter by Jones Hall, A Professional Law Corporation, San Francisco, California.

ABSENCE OF MATERIAL LITIGATION

There is no litigation that has been served on the City or, to the best knowledge of the City, that is otherwise pending or threatened seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2008 B Bonds, or in any way contesting or affecting the validity of the Series 2008 B Bonds or any proceeding of the City taken with respect to the issuance or sale thereof, the pledge or application of any moneys or security provided for the payment of the Series 2008 B Bonds, or existence or powers of the City, or the authority of the City to enter into any document relating to the Indenture or the Series 2008 B Bonds.

UNDERWRITING

The Series 2008 B Bonds will be purchased from the City by JPMorgan Chase & Co., as underwriter, and Bear, Stearns & Co. Inc., as co-underwriter (collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2008 B Bonds from the City at a purchase price of $_____ (which is equal to the principal amount of the Series 2008 B Bonds less an Underwriter's discount of $_____).

The purchase contract between the City and the Underwriters provides that the Underwriters will purchase all of the Series 2008 B Bonds, if any are purchased. Bonds may be offered and sold by the Underwriters to certain dealers and others at prices lower than the public offering prices set forth on the inside cover page of this Official Statement, and such public offering prices may be changed by the Underwriter from time to time without notice.

RATINGS

Standard & Poor's ("S&P") and Fitch Ratings Inc. ("Fitch" and, collectively, the "Rating Agencies") have assigned ratings of ["AA/A-1+"] and ["AA+/F1+"], respectively, to the Series 2008 B Bonds. Such ratings are based on the Letter of Credit issued for the benefit of the Series 2008 B Bonds. See "THE LETTER OF CREDIT AND THE REIMBURSEMENT AGREEMENT" herein. S&P and Fitch have each assigned underlying ratings of "A" to the Series 2008 B Bonds. Such ratings reflect only the view of the agency assigning such rating, and any explanation of the significance of such ratings should be obtained from the assigning Rating Agency. The City furnished the Rating Agencies with certain information and material relating to the Series 2008 B Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on information and materials furnished and on investigation, studies, and assumptions by the rating agencies. There is no assurance that the ratings mentioned above will remain in effect for any given period of time, or that such ratings might not be lowered or withdrawn entirely by a Rating Agency, if in the judgment of such Rating Agency circumstances so warrant. The City and the Underwriter have not undertaken any responsibility either to bring to the attention of the Bondholders any proposed change in or withdrawal of the rating or to oppose any such proposed revision or withdrawal. Any such downward change in or withdrawal of the rating might have an adverse effect on the market price or marketability of the Series 2008 B Bonds.

NO CONTINUING DISCLOSURE

While in the Daily Mode or Weekly Mode, the Series 2008 B Bonds are exempt from the continuing disclosure requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

EXECUTION AND DELIVERY

The execution of this Official Statement has been duly authorized by the City.

CITY OF SANTA CLARA

By: _____

Jennifer Sparacino,
City Manager

APPENDIX A

SUMMARY OF INDENTURE

[to come]

APPENDIX B

PROPOSED FORM OF BOND COUNSEL OPINION

[to come]

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the Bonds (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the "Agent") take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S.

securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at *www.dtcc.com* and *www.dtc.org. The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX D

FORM OF LETTER OF CREDIT

RESOLUTION NO. 08-7519

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA AUTHORIZING AND APPROVING THE ISSUANCE OF NOT TO EXCEED $88 MILLION AGGREGATE PRINCIPAL AMOUNT OF CITY OF SANTA CLARA, CALIFORNIA VARIABLE RATE DEMAND SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 B; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A FIFTH SUPPLEMENTAL INDENTURE PURSUANT TO WHICH SUCH BONDS ARE TO BE ISSUED; APPROVING THE FORM OF AND AUTHORIZING CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE, SECURING AND SALE OF SUCH BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS RELATING THERETO

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

WHEREAS, the City is a duly constituted charter city of the State of California authorized to exercise the powers granted by its Charter; and

WHEREAS, Section 1321 of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on April 30, 1985, the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds" (which resolution, as amended by Resolution No. 4966 of the City Council adopted on July 9, 1985, supplemented by Resolution No. 4967 of the City Council adopted on July 9, 1985, and amended by Resolution No. 7314 of the City Council adopted on April 25, 2006, is herein referred to as the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter and the Procedural Resolution, the City entered into a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as supplemented by the First Supplemental Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "First Supplement"), the Second Supplemental Subordinated Electric Revenue Bond Indenture, dated as of September 1, 2003, the Third Supplemental Subordinated Electric Revenue Bond Indenture, dated as of September 1, 2003, and the Fourth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of April 1, 2008 (such indenture, as supplemented from time to time, herein called the "Indenture"), each between the City of Santa Clara (the "City") and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee"), for the purpose of securing the Bonds issued thereunder and any additional Bonds (as defined below) issued pursuant to any supplement thereto; and

WHEREAS, the City issued $89,275,000 aggregate principal amount of its Subordinated Electric Revenue Refunding Bonds, Series 1998A Bonds (the "Series 1998A Bonds") pursuant to the Indenture, of which $83,170,000 aggregate principal amount is currently outstanding and unpaid; and

WHEREAS, the Indenture provides that the City may issue additional subordinated electric revenue bonds (the "Bonds") as well as refunding Bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, in anticipation of refunding the Series 1998A Bonds, the City entered into an interest rate swap transaction in 2006 with Bear Stearns Capital Markets Inc. in an initial notional amount of $83,440,000, effective May 29, 2008 (the "Swap Agreement"), for the purpose of converting the variable rate interest payments that the City would be obligated to make with respect to the refunding Bonds into substantially fixed rate payments; and

WHEREAS, the City has determined to authorize the issuance of a series of Bonds to be designated "City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B" (the "Series 2008 B Bonds") in a principal amount not to exceed $88,000,000 in order to provide moneys, together with moneys available under the First Supplement relating to the Series 1998A Bonds, to refund $80,530,000 aggregate principal amount of the outstanding Series 1998A Bonds, to fund a reserve for payment of the Series 2008 B Bonds, and to pay the costs of issuance associated with the Series 2008 B Bonds; and

WHEREAS, the Series 2008 B Bonds will to be issued pursuant to a Fifth Supplemental Subordinated Electric Revenue Bond Indenture (the "Fifth Supplement"); and

WHEREAS, the City intends to issue the Series 2008 B Bonds as variable rate demand bonds initially in a weekly interest rate period, and in order to secure credit and liquidity support for the payment of principal of, interest on, and the purchase price of the Series 2008 B Bonds, the City intends to enter into a Letter of Credit and Reimbursement Agreement (the "Reimbursement Agreement") between the City and the bank named therein to obtain a letter of credit to further secure the Series 2008 B Bonds; and

WHEREAS, the Series 2008 B Bonds shall be subject to remarketing upon the tender by the owners thereof, the City intends to enter into a Remarketing Agreement (the "Remarketing Agreement"), with the initial remarketing agent named therein (the "Remarketing Agent") with respect to the Series 2008 B Bonds identified in the Remarketing Agreement, pursuant to which Remarketing Agent shall agree to remarket such variable rate Series 2008 B Bonds tendered by the owners thereof; and

WHEREAS, in order to provide for the refunding of such Series 1998A Bonds, the City intends to enter into an Escrow Agreement (the "Escrow Agreement") with the Trustee, as escrow agent; and

WHEREAS, pursuant to a Bond Purchase Agreement (the "Purchase Contract"), by and between the City and the underwriters named therein (the "Underwriters"), the Underwriters will purchase the Series 2008 B Bonds and the City will deliver the Series 2008 B Bonds to the Underwriters, upon certain conditions; and

WHEREAS, the Underwriters will distribute a final official statement relating to the Series 2008 B Bonds to prospective and actual purchasers of the Series 2008 B Bonds; and

WHEREAS, it is desirable that the City Council provide for the issuance, securing and sale of the Series 2008 B Bonds at this time; and

WHEREAS, the City Council has reviewed all proceedings previously taken relative to the transactions contemplated by the foregoing, and has found as a result of such review, and hereby determines and declares that all conditions, things and acts required by law to exist, happen or be performed precedent to the transactions contemplated by the foregoing do exist, and were performed in due time, form and manner as required by law, and the City Council is now authorized to undertake the transactions contemplated by the foregoing;

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NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AS FOLLOWS:

1. Authorization of Series 2008 B Bonds. The issuance of the Series 2008 B Bonds (including any subseries thereof) on the terms and conditions set forth in, and subject to the limitations specified in, the Fifth Supplement is hereby authorized and approved. The Series 2008 B Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Fifth Supplement as the same is completed as provided in this Resolution. The proposed form of the Series 2008 B Bonds, as set forth in the Fifth Supplement, is hereby approved and the City Manager of the City (the "City Manager") is hereby authorized and directed to execute for and on behalf of the City the Series 2008 B Bonds in substantially such form and the City Clerk of the City (the "City Clerk") is authorized and directed to attest thereto, and the Trustee is hereby authorized and directed to authenticate and deliver the Series 2008 B Bonds to the Underwriters in accordance with the Purchase Contract and the Fifth Supplement; provided, however, that (i) the aggregate principal amount of the Series 2008 B Bonds shall not exceed $88,000,000, (ii) the final maturity of any of the Series 2008 B Bonds shall not be later than July 1, 2027, and (iii) the maximum interest rate payable on the Series 2008 B Bonds shall be not more than twelve percent (12%) per annum, unless held by the bank providing liquidity support, in which case the maximum rate will be as set forth in the Reimbursement Agreement.

2. Approval of Fifth Supplement. The form of the Fifth Supplement is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk shall attest thereto, the Fifth Supplement, in substantially said form, with such changes therein (and additions thereto to reflect the terms of sale of the Series 2008 B Bonds) as

the City Manager or the Director of Finance of the City (the "Director of Finance") shall approve after consultation with the City's City Attorney and Sidley Austin LLP, the City's Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

3. Approval of Reimbursement Agreement. The form of Reimbursement Agreement, as submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City, and the City Clerk of the City shall attest thereto, the Reimbursement Agreement, in substantially the form as submitted to this meeting, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel.

4. Approval of Remarketing Agreement. The form of Remarketing Agreement, as submitted to this meeting and made a part hereof as though set forth in full herein, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Remarketing Agreement, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

5. Approval of Escrow Agreement. The form of Escrow Agreement, as submitted to this meeting, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Escrow Agreement, in substantially said form, with such changes therein as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof.

6. Approval of Purchase Contract. The form of Purchase Contract, as submitted to this meeting, is hereby approved. The City Manager is hereby authorized and directed to execute for and on behalf of the City the Purchase Contract, with such changes therein (and additions thereto to reflect the terms of the sale of the Series 2008 B Bonds) as the City Manager or the Director of Finance shall approve after consultation with the City's City Attorney and Bond Counsel, such approval to be evidenced by the execution and delivery thereof; provided, however, that the Underwriters' discount with respect to the Series 2008 B Bonds may not exceed half of one percent (0.5%) of the aggregate principal amount of the Series 2008 B Bonds purchased thereunder.

7. Approval of Official Statement. The City Council hereby approves the form of the official statement of the City relating to the Series 2008 B Bonds, as submitted to this meeting, with such additions thereto and changes therein (including such changes and additions to reflect the terms of any subseries of the Series 2008 B Bonds) as are approved by the City Manager or the Director of Finance after consultation with the City's City Attorney and Bond Counsel. The City Manager is hereby authorized to cause the preparation of an official statement and to authorize the Underwriters to distribute such official statement in connection with the marketing of the Series 2008 B Bonds.

8. Additional Actions. The City Manager, the Director of Finance, the Assistant Director of Finance, the Director of Electric Utility, the City Clerk and any and all other officers of the City are hereby authorized and directed, individually and collectively, to take all actions and execute any and all documents necessary: to engage The Bank of New York Trust Company, N.A. as trustee under the Fifth Supplement; to acknowledge its obligations in connection with any agreements, among or between such entities as necessary in connection therewith; to arrange for

the funding of the Series 2008 B Bond reserve fund, if any, with a letter of credit, surety bond or insurance policy pursuant to the terms of the Indenture as so supplemented if, upon the advice of the Underwriters, the funding of such Series 2008 B Bond reserve fund with a letter of credit, surety bond or insurance policy will be economically beneficial to the City; to effect the sale and delivery of the Series 2008 B Bonds pursuant to the Indenture as so supplemented; to enter into any amendment to the Swap Agreement to assign the Swap Agreement to JPMorgan Chase & Co., as swap provider, if appropriate, and to make payment of costs in connection therewith; and to do any and all things and to execute and deliver such other agreements, documents and certificates as may be necessary, convenient, or advisable in order to consummate the sale, execution and delivery of the Series 2008 B Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Series 2008 B Bonds, the Fifth Supplement, the Purchase Contract, the preliminary official statement and the final official statement and the transactions herein authorized. All such actions heretofore taken by such officers or their designees are hereby ratified, confirmed and approved.

9. Ratification of Initial Interest Rate Period of Series 2008 A Bonds. The issuance of the City's Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 A in a daily interest rate period is hereby ratified and confirmed.

10. Effective Date. That this resolution shall take effect immediately.

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11. Constitutionality, severability. If any section, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City Council of the City of Santa Clara hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF DULY HELD ON THE 13th DAY OF MAY 2008, BY THE FOLLOWING VOTES:

AYES:	COUNCILORS:	Caserta, Kennedy, Kolstad, Kornder, McLeod and Moore and Mayor Mahan
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

FIFTH SUPPLEMENTAL SUBORDINATED ELECTRIC REVENUE BOND INDENTURE

between

CITY OF SANTA CLARA
SANTA CLARA COUNTY, CALIFORNIA

and

THE BANK OF NEW YORK TRUST COMPANY, N.A.,
as Trustee

Dated as of _____, 2008

(Supplemental to the Subordinated Electric Revenue Bond Indenture dated as of March 1, 1998)

FIFTH SUPPLEMENTAL SUBORDINATED
ELECTRIC REVENUE BOND INDENTURE

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Fifth Supplemental Subordinated Electric Revenue Bond Indenture
(Supplemental to the Subordinated Electric Revenue Bond Indenture
dated as of March 1, 1998)
Authorizing the Issuance of
$_____ Aggregate Principal Amount of
City of Santa Clara, California
Subordinated Electric Revenue Bonds,
Series 2008 B

This FIFTH SUPPLEMENTAL SUBORDINATED ELECTRIC REVENUE BOND INDENTURE, dated as of _____ 1, 2008 (the "Fifth Supplement"), between the CITY OF SANTA CLARA (the "City"), a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State of California, and THE BANK OF NEW YORK TRUST COMPANY, N.A., as trustee (the "Trustee"),

W I T N E S S E T H :

WHEREAS, this Fifth Supplement is supplemental to the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), between the City and the Trustee, providing for the issuance of City of Santa Clara Subordinated Electric Revenue Bonds (the "Bonds"); and

WHEREAS, the Indenture provides that the City may issue Bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, Section 1321 of the City's Charter authorizes the City to issue revenue bonds for the purpose of financing the generation, production, transmission and distribution of electric energy; and

WHEREAS, on April 30, 1985 the City Council adopted its Resolution No. 4934, entitled "A Resolution of the City Council of the City of Santa Clara Establishing Procedures for the Authorization, Issuance and Sale of Refunding Electric Utility Revenue Bonds," as amended by Resolution No. 4966 of the City Council adopted on July 9, 1985, supplemented by Resolution No. 4967 of the City Council adopted on July 9, 1985, and amended by Resolution No. 7314 of the City Council adopted on April 25, 2006 (the "Procedural Resolution"); and

WHEREAS, pursuant to the City Charter, the Procedural Resolution and the Indenture, as supplemented by the First Supplemental Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (the "First Supplement"), the City has heretofore issued $89,275,000 principal amount of its Subordinated Electric Revenue Refunding Bonds, Series 1998 A (the "Series 1998 A Bonds"), of which $83,170,000 principal amount is now outstanding and unpaid; and

WHEREAS, in 2006, the City entered into an interest rate swap transaction with Bear Stearns Capital Markets Inc. in an initial notional amount of $83,440,000 in anticipation of refunding the Series 1998 A Bonds with the proceeds of the City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008 B (the "Series 2008 B Bonds"), for the purpose of converting the floating rate interest payments that the City is obligated to make with respect to the Series 2008 B Bonds into substantially fixed rate payments; and

WHEREAS, the City Council has determined that it is in the best interests of the City to issue the Series 2008 B Bonds to provide for the refunding of the outstanding Series 1998 A Bonds, to fund a Series 2008 B Bond Reserve Fund, and to pay the costs of issuance of the Series 2008 B Bonds; and

WHEREAS, the City Council has determined that it is necessary and required that the City enter into this Fifth Supplement in order to establish and declare, in conjunction with the Indenture, the terms and conditions upon which the Series 2008 B Bonds shall be issued and secured and to secure the payment of the principal thereof and premium (if any) and interest thereon; and

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

NOW, THEREFORE, the parties hereto agree, as follows:

ARTICLE XV

SERIES 2008 B BONDS

Section 15.01 Amendment to Section 7.03 of the Indenture. With respect to the Series 2008 B Bonds, Section 7.03 of the Indenture is hereby amended by adding paragraphs (K) and (L), which shall read as follows:

(K) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by Electronic Means, provided, however, that, the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee instructions by Electronic Means and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such Electronic Means to submit instructions and directions to the Trustee, including without limitation the risk of the

Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(L) The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 15.02 Definitions. The terms defined in this Section shall, for all purposes of this Fifth Supplement and of any certificate, opinion or other document herein mentioned, have the meanings herein specified, to be equally applicable to both the singular and plural forms of any of the terms herein defined. Terms defined in the Indenture not otherwise defined herein shall have the meanings specified therein.

"Agent Member" shall mean a member of, or participant in, the Securities Depository who shall act on behalf of a Bidder.

"All Hold Rate" shall mean, as of any Auction Date, 55% of the Auction Rate Index in effect on such Auction Date.

"Alternate Credit Facility" or "Alternate Liquidity Facility" shall mean a letter of credit, insurance policy, line of credit, surety bond, standby purchase agreement or other security or liquidity instrument, as the case may be, issued in accordance with the terms hereof as a replacement or substitute for any Credit Facility or Liquidity Facility, as applicable, then in effect.

"Alternate Rate" shall mean, on any Rate Determination Date, for any Mode other than the Auction Rate Mode, a rate per annum equal to (1) the SIFMA Municipal Swap Index of Municipal Market Data, formerly the BMA Municipal Swap Index (the "SIFMA Rate") most recently available as of the date of determination, or (2) if such index is no longer available, or if the SIFMA Rate is no longer published, the Kenny Index (as such term is defined in the 1992 ISDA U.S. Municipal Counterparty Definitions), or if neither the SIFMA Rate nor the Kenny Index is published, the index determined to equal the prevailing rate determined by the Remarketing Agent for tax-exempt state and local government bonds meeting criteria determined in good faith by the Remarketing Agent to be comparable under the circumstances to the criteria used by the Bond Market Association to determine the SIFMA Rate just prior to when the Bond Market Association stopped publishing the SIFMA Rate. If there is no Remarketing Agent, if the Remarketing Agent fails to make any such determination or if the Remarketing Agent has

suspended its remarketing efforts in accordance with the Remarketing Agreement, then the City shall retain an index agent to make such determinations.

"Auction" shall mean each periodic implementation of the Auction Procedures.

"Auction Agent" shall mean the auction agent appointed in accordance with Section 15.28(A) or Section 15.28(B).

"Auction Agreement" shall mean an agreement between the Auction Agent and the Trustee acceptable to the Credit Provider and Liquidity Provider pursuant to which the Auction Agent agrees to follow the procedures specified in Section 15.26, with respect to the Series 2008 B Bonds in the Auction Rate Mode, as such agreement may from time to time be amended or supplemented.

"Auction Date" shall mean during any period in which the Auction Procedures are not suspended in accordance with the provisions hereof, (1) if the Series 2008 B Bonds in the Auction Rate Mode are in a daily Auction Period, each Business Day, (2) if the Series 2008 B Bonds in the Auction Rate Mode are in a Special Auction Period, the last Business Day of the Special Auction Period, and (3) if the Series 2008 B Bonds in the Auction Rate Mode are in any other Auction Period, the Business Day next preceding each Interest Payment Date for such Series 2008 B Bonds (whether or not an Auction shall be conducted on such date); provided, that the last Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode in an Auction Period other than a daily Auction Period or a Special Auction Period shall be the earlier of (a) the Business Day next preceding the Interest Payment Date next preceding the Mode Change Date for such Series 2008 B Bonds and (b) the Business Day next preceding the Interest Payment Date next preceding the Maturity Date for such Series 2008 B Bonds; provided further, that if the Series 2008 B Bonds in the Auction Rate Mode are in a daily Auction Period, the last Auction Date shall be the earlier of (i) the Business Day next preceding the Mode Change Date for such Series 2008 B Bonds and (ii) the Business Day next preceding the Maturity Date for such Series 2008 B Bonds. The last Business Day of a Special Auction Period shall be the Auction Date for the Auction Period which begins on the next succeeding Business Day, if any. On the Business Day preceding the conversion from a daily Auction Period to another Auction Period, there shall be two Auctions, one for the last daily Auction Period and one for the first Auction Period following the conversion.

"Auction Period" shall mean, with respect to Series 2008 B Bonds in the Auction Rate Mode:

(a) a Special Auction Period;

(b) with respect to such Series 2008 B Bonds in a daily Auction Period, a period beginning on each Business Day and extending to but not including the next succeeding Business Day;

(c) with respect to such Series 2008 B Bonds in a seven-day Auction Period, a period of generally seven days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series

2008 B Bonds) and ending on the day prior to the next Auction Period Day for such Series 2008 B Bonds (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(d) with respect to such Series 2008 B Bonds in a 28-day Auction Period, a period of generally 28 days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series 2008 B Bonds) and ending on the day prior to the fourth Auction Period Day for such Series 2008 B Bonds thereafter (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(e) with respect to such Series 2008 B Bonds in a 35-day Auction Period, a period of generally 35 days beginning on an Auction Period Day for such Series 2008 B Bonds (or the day following the last day of the prior Auction Period if the prior Auction Period does not end on the day prior to the Auction Period Day for such Series 2008 B Bonds) and ending on the day prior to the fifth Auction Period Day for such Series 2008 B Bonds thereafter (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day);

(f) with respect to such Series 2008 B Bonds in a three-month Auction Period, a period of generally three months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the day prior to the first Business Day of the month that is the third calendar month following the beginning date of such Auction Period; and

(g) with respect to such Series 2008 B Bonds in a six-month Auction Period, a period of generally six months (or shorter period upon a conversion from another Auction Period) beginning on the day following the last day of the prior Auction Period and ending on the day prior to the next succeeding Interest Payment Date;

provided, that if there is a conversion of such Series 2008 B Bonds (1) from a daily Auction Period to a seven-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the next succeeding Auction Period Day (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day), (2) from a daily Auction Period to a 28-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the Auction Period Day (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day) which is more than 21 days but not more than 28 days from such date of conversion, and (3) from a daily Auction Period to a 35-day Auction Period, the next Auction Period shall begin on the date of the conversion (i.e., the Interest Payment Date for the prior Auction Period) and shall end on the day prior to the Auction Period Day for such Series 2008 B Bonds (unless such day is not followed by a Business Day, in which case ending on the next succeeding day which is followed by a Business Day) which is more than 28 days but no more than 35 days from such

date of conversion; and provided further, that any Auction Period that is greater than 35 days may be extended as set forth in Section 15.27(C)(iv).

"Auction Period Day" shall mean the day of the week on which seven-day, 28-day, 35-day and Special Auction Periods generally commence for the Series 2008 B Bonds (except as otherwise provided in this Fifth Supplement), as determined by the City from time to time.

"Auction Procedures" shall mean the procedures for conducting Auctions for the 2008 A Bonds in the Auction Rate Mode as set forth in Section 15.26.

"Auction Rate" shall mean the rate of interest to be borne by the Series 2008 B Bonds in the Auction Rate Mode during each Auction Period determined in accordance with Section 15.27(C), namely, (1) if Sufficient Clearing Bids exist, the Auction Rate shall be the Winning Bid Rate, provided, that if all of such Series 2008 B Bonds are the subject of Submitted Hold Orders, the Auction Rate shall be the All Hold Rate, and (2) if Sufficient Clearing Bids do not exist, the Auction Rate shall be the Maximum Rate.

"Auction Rate Index" shall have the meaning specified in Section 15.27(F).

"Auction Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Auction Rate.

"Auction Rate Period" shall mean any period of time commencing on a date the Series 2008 B Bonds bear interest at the Auction Rate to but not including a Mode Change Date.

"Authorized Denominations" shall mean (1) with respect to Series 2008 B Bonds in a Daily Mode or Weekly Mode, $100,000 and any integral multiple of $5,000 in excess thereof; (2) with respect to Series 2008 B Bonds in a Flexible Mode, $100,000 and any integral multiple of $1,000 in excess thereof; (3) with respect to Series 2008 B Bonds in a Long-Term Mode, $5,000 and any integral multiple thereof; and (4) with respect to Series 2008 B Bonds in the Auction Rate Mode, $25,000 and integral multiples thereof.

"Automatic Termination Event" shall mean an event of default set forth in the Reimbursement Agreement between the City and the Liquidity Provider which would result in the immediate termination of the Liquidity Facility prior to its stated expiration date without at least 30 days' prior notice from the Liquidity Provider to the Trustee, other than a termination upon the substitution of an Alternate Liquidity Facility.

"Available Amount" shall mean the amount available under the Credit Facility or Liquidity Facility, as applicable, to pay the principal of and interest on the Series 2008 B Bonds or the Purchase Price of the Series 2008 B Bonds, as applicable.

"Available Bonds" shall mean on each Auction Date, the aggregate principal amount of the Series 2008 B Bonds in the Auction Rate Mode that are not the subject of Submitted Hold Orders.

"Available Moneys" shall mean (1) moneys held by the Trustee (other than in the Rebate Fund or the Purchase Fund) for a period of at least 123 days and not commingled with any

moneys so held for less than said period and during which period no petition in bankruptcy was filed by or against, and no receivership, insolvency, assignment for the benefit of creditors or other similar proceeding has been commenced by or against the City, unless such petition or proceeding was dismissed and all applicable appeal periods have expired without an appeal having been filed; (2) investment income derived from the investment of moneys described in clause (1); or (3) any moneys with respect to which an opinion of nationally recognized bankruptcy counsel has been received by the Trustee to the effect that payments by the Trustee in respect of the Series 2008 B Bonds, as provided in the Indenture, derived from such moneys would not constitute transfers avoidable under 11 U.S.C. § 547(b) and recoverable from the Owners under 11 U.S.C. § 550(a) should the City be the debtor in a case under Title 11 of the United States Code, as amended.

"Beneficial Owner" shall mean, so long as the Series 2008 B Bonds are held in the Book-Entry System, any Person who acquires a beneficial ownership interest in a Series 2008 B Bond held by the Securities Depository. If at any time the Series 2008 B Bonds are not held in the Book-Entry System, Beneficial Owner shall mean Owner for purposes of the Indenture.

"Bid" has the meaning specified in Section 15.27(A)(i).

"Bidder" shall mean each Existing Owner and Potential Owner who places an Order.

"Book-Entry System" shall mean the system maintained by the Securities Depository.

"Broker-Dealer" shall mean any entity that is permitted by law to perform the function required of a Broker-Dealer described in Section 15.26 that is a member of, or a direct participant in, the Securities Depository, that has been selected by the City with the consent of the Credit Provider and that is a party to a Broker-Dealer Agreement with the Auction Agent.

"Broker-Dealer Agreement" shall mean an agreement among the Auction Agent, the City and a Broker-Dealer pursuant to which such Broker-Dealer agrees to follow the procedures described in Section 15.26, as such agreement may from to time be amended or supplemented.

"Business Day" shall mean any business day other than a Saturday or Sunday or a day on which the Trustee or Remarketing Agent are required or authorized to be closed or on which The New York Stock Exchange is closed.

"Credit Facility" shall mean a direct-pay letter of credit, insurance policy, surety bond, line of credit or other instrument then in effect which secures or guarantees the payment of principal of and interest on the Series 2008 B Bonds. The initial Credit Facility for the Series 2008 B Bonds shall be the Irrevocable Letter of Credit dated as of _____, 2008, issued by Dexia Credit Local, acting through its New York Branch.

"Credit Provider Failure" or "Liquidity Provider Failure" shall mean a failure of the Credit Provider or Liquidity Provider, as applicable, to pay a properly presented and conforming draw or request for advance under the Credit Facility or Liquidity Facility, as applicable, or the filing or commencement of any bankruptcy or insolvency proceedings by or against the Credit Provider or Liquidity Provider, as applicable, or the Credit Provider or Liquidity Provider, as

applicable, shall declare a moratorium on the payment of its unsecured debt obligations or shall repudiate the Credit Facility or Liquidity Facility, as applicable.

"Credit Provider" shall mean any bank, insurance company, pension fund or other financial institution which provides a Credit Facility or Alternate Credit Facility for the Series 2008 B Bonds. The initial Credit Provider for the Series 2008 B Bonds shall be Dexia Credit Local, acting through its New York Branch.

"Current Mode" shall have the meaning specified in Section 15.11(A)(i).

"Daily Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Daily Rate.

"Daily Rate" shall mean the per annum interest rate on any Series 2008 B Bond in the Daily Mode determined pursuant to Section 15.08(A).

"Daily Rate Period" shall mean the period during which a Series 2008 B Bond in the Daily Mode shall bear a Daily Rate, which shall be from the Business Day upon which a Daily Rate is set to but not including the next succeeding Business Day.

"Draw Request" means a request by the Tender Agent under a Liquidity Facility or an Alternate Liquidity Facility for the payment of the Purchase Price of Series 2008 B Bonds in accordance with the terms of the Indenture.

"Electronic Means" shall mean telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

"Existing Owner" shall mean a Person who is listed as the Beneficial Owner of the Series 2008 B Bonds in the records of the Auction Agent.

"Expiration Date" shall mean the stated expiration date of the Credit Facility or the Liquidity Facility, as it may be extended from time to time as provided in the Credit Facility or the Liquidity Facility, or any earlier date on which the Credit Facility or the Liquidity Facility shall terminate, expire or be cancelled.

"Favorable Opinion of Bond Counsel" shall mean, with respect to any action the occurrence of which requires such an opinion, an unqualified Opinion of Bond Counsel, to the effect that such action is permitted under the Bond Law and the Indenture and will not impair the exclusion of interest on the Series 2008 B Bonds from gross income for purposes of Federal income taxation or the exemption of interest on the Series 2008 B Bonds from personal income taxation under the laws of the State (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of the Series 2008 B Bonds).

"Fixed Rate" shall mean the per annum interest rate on any Series 2008 B Bond in the Fixed Rate Mode determined pursuant to Section 15.09(B).

"Fixed Rate Bond" shall mean a Series 2008 B Bond in the Fixed Rate Mode.

"Fixed Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Fixed Rate.

"Fixed Rate Period" shall mean for the Series 2008 B Bonds in the Fixed Rate Mode, the period from the Mode Change Date upon which such Series 2008 B Bonds were converted to the Fixed Rate Mode to but not including the Maturity Date for such Series 2008 B Bonds.

"Flexible Rate Bond" shall mean a Series 2008 B Bond in the Flexible Mode.

"Flexible Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Flexible Rate.

"Flexible Rate" shall mean the per annum interest rate on a Flexible Rate Bond determined for such Flexible Rate Bond pursuant to Section 15.07. The Flexible Rate Bonds may bear interest at different Flexible Rates.

"Flexible Rate Period" shall mean the period of from one to 270 calendar days (which period must end on a Business Day) during which a Flexible Rate Bond shall bear interest at a Flexible Rate, as established by the Remarketing Agent pursuant to Section 15.07. The Flexible Rate Bonds may be in different Flexible Rate Periods.

"Hold Order" has the meaning specified in Section 15.27(A)(i).

"Indenture" shall mean the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, by and between the City and the Trustee, as supplemented from time to time or as amended by any Supplemental Indenture delivered pursuant to the provisions thereof.

"Interest Accrual Period" shall mean the period during which a Series 2008 B Bond accrues interest payable on the next Interest Payment Date applicable thereto. With respect to any Mode, each Interest Accrual Period shall commence on (and include) the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from the date of original authentication and delivery of the Series 2008 B Bonds, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. If, at the time of authentication of any Series 2008 B Bond, interest is in default or overdue on the Series 2008 B Bonds, such Series 2008 B Bond shall bear interest from the date to which interest has previously been paid in full or made available for payment in full on Outstanding Series 2008 B Bonds.

"Interest Payment Date" shall mean each date on which interest is to be paid and is: (1) with respect to Flexible Rate Bonds, each Mandatory Purchase Date applicable thereto; (2) with respect to the Series 2008 B Bonds in the Daily Mode or Weekly Mode, the first Business Day of each month; (3) with respect to the Series 2008 B Bonds in a Long-Term Mode, the first day of the sixth calendar month following the month in which such Long-Term Mode takes effect, and the first day of each sixth calendar month thereafter or, upon the receipt by the Trustee of a Favorable Opinion of Bond Counsel, any other six-month interval chosen by the City (beginning with the first such day which is at least three months after the Mode Change Date) and, with respect to a Term Rate Period, the Remarketing Agent, or the final day of the current Interest Period if other than a regular six-month interval; (4) with respect to Series 2008

B Bonds in the Auction Rate Mode, (a) when used with respect to any Auction Period other than a daily Auction Period or a Special Auction Period, the Business Day immediately following such Auction Period, (b) when used with respect to a daily Auction Period, the first Business Day of the month immediately following such Auction Period, (c) when used with respect to a Special Auction Period of (i) seven or more but fewer than 92 days, the Business Day immediately following such Special Auction Period, or (ii) 92 or more days, each thirteenth Auction Period Day for such Series 2008 B Bonds after the first day of such Special Auction Period or the next Business Day if such Auction Period Day is not a Business Day and on the Business Day immediately following such Special Auction Period, and (d) each Mandatory Purchase Date; (5) (without duplication as to any Interest Payment Date set forth above) any Mode Change Date and each Maturity Date; and (6) with respect to any Liquidity Provider Bonds, the dates set forth in the Reimbursement Agreement. The first Interest Payment Date for the Series 2008 B Bonds shall be _____ 1, 2008.

"Interest Period" shall mean, for the Series 2008 B Bonds in a particular Mode, the period of time that such Series 2008 B Bonds bear interest at the rate (per annum) which becomes effective at the beginning of such period, and shall include a Flexible Rate Period, a Daily Rate Period, a Weekly Rate Period, a Term Rate Period, a Fixed Rate Period and an Auction Rate Period.

"Liquidity Facility" shall mean any letter of credit, line of credit, standby purchase agreement or other instrument, in each case acceptable to the Credit Provider, then in effect which provides for the purchase of Series 2008 B Bonds upon the tender thereof in the event remarketing proceeds are insufficient therefor. The initial Liquidity Facility for the Series 2008 B Bonds shall be the Irrevocable Letter of Credit dated as of _____, 2008 issued by Dexia Credit Local, acting through its New York Branch.

"Liquidity Facility Purchase Account" shall mean the account by that name established pursuant to Section 15.23(E).

"Liquidity Provider" shall mean any bank, insurance company, pension fund or other financial institution which provides a Liquidity Facility or Alternate Liquidity Facility for the Series 2008 Bonds. The initial Liquidity Provider for the Series 2008 B Bonds shall be Dexia Credit Local, acting through its New York Branch.

"Liquidity Provider Bonds" shall mean any Series 2008 B Bonds purchased by the Liquidity Provider with funds drawn on or advanced under the Liquidity Facility.

"Long-Term Mode" shall mean a Term Rate Mode or a Fixed Rate Mode.

"Mandatory Purchase Date" shall mean: (1) with respect to a Flexible Rate Bond the first Business Day following the last day of each Flexible Rate Period with respect to such Flexible Rate Bond, (2) for Series 2008 B Bonds in the Term Rate Mode, on the first Business Day following the last day of each Term Rate Period, (3) any Mode Change Date, (4) any date specified for a Mandatory Standby Tender pursuant to Section 15.14(D) or (5) any date specified for a mandatory tender for purchase upon the substitution, termination or expiration of the Liquidity Facility or Credit Facility pursuant to Section 15.14(D).

"Mandatory Standby Tender" shall mean the mandatory tender of Series 2008 Bonds of a Series pursuant to Section 15.14(D) hereof upon receipt by the Trustee of written notice from the Liquidity Provider that an event with respect to the Liquidity Facility has occurred which requires or gives the Liquidity Provider the option to terminate the Liquidity Facility upon notice and requires that all Outstanding Series 2008 B Bonds secured by such Liquidity Facility be tendered for purchase. Mandatory Standby Tender shall not include circumstances where the Liquidity Provider may suspend or terminate its obligations to purchase securities without notice, in which case there will be no mandatory tender.

"Maturity Date" with respect to any Series 2008 B Bond shall mean the dates set forth in Section 15.03(C), or, if established pursuant to Section 15.11(B)(v) upon a change to the Fixed Rate Mode, the Serial Maturity Date of such Series 2008 B Bond.

"Maximum Rate" shall mean (1) with respect to Liquidity Provider Bonds, the maximum rate set forth in the Liquidity Facility and (2) with respect to all other Series 2008 B Bonds, the lesser of a rate of interest of twelve percent (12%) per annum or the maximum interest rate permitted by law.

"Mode" shall mean, as the context may require, the Flexible Mode, the Daily Mode, the Weekly Mode, the Term Rate Mode, the Fixed Rate Mode or the Auction Rate Mode.

"Mode Change Date" shall mean with respect to the Series 2008 B Bonds in a particular Mode, the day on which another Mode for such Series 2008 B Bonds begins.

"Mode Change Notice" shall mean the notice from the City to the other Notice Parties of the City's intention to change the Mode with respect to Series 2008 B Bonds.

"New Mode" shall have the meaning specified in Section 15.11(A)(i).

"Notice Parties" shall mean the City, the Trustee, the Tender Agent, the Remarketing Agent, the Credit Provider and the Liquidity Provider.

"Order" shall mean a Hold Order, Bid or Sell Order.

"Owner" means the registered owner of any Series 2008 B Bond.

"Person" means an individual, corporation, firm, association, limited liability company, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Potential Owner" shall mean any Person, including any Existing Owner, who may be interested in acquiring a beneficial ownership interest in the Series 2008 B Bonds in addition to the Series 2008 B Bonds currently owned by such Person, if any.

"Principal Office" shall mean, with respect to the Auction Agent and the Tender Agent, the office thereof designated in writing to the City, the Trustee and each Broker-Dealer.

"Principal Payment Date" shall mean any date upon which the principal amount of the Series 2008 B Bonds is due under the Indenture, including the Maturity Date, any Serial

Maturity Date, any Redemption Date, or the date the maturity of any Series 2008 B Bond is accelerated pursuant to the terms of the Indenture or otherwise.

"Purchase Date" shall mean (1) for a Series 2008 B Bond in the Daily Mode or the Weekly Mode, any Business Day selected by the Beneficial Owner of said Series 2008 B Bond pursuant to the provisions of Section 15.14(A), and (2) any Mandatory Purchase Date.

"Purchase Fund" shall mean the fund by that name created in Section 15.23(E).

"Purchase Price" shall mean an amount equal to the principal amount of any Series 2008 B Bonds purchased on any Purchase Date, plus, in the case of any purchase of Series 2008 B Bonds in the Daily Mode or the Weekly Mode purchased on a date that is not an Interest Payment Date and Series 2008 B Bonds purchased on a Mandatory Purchase Date that is not an Interest Payment Date, accrued interest, if any.

"Rate Determination Date" shall mean any date on which the interest rate on Series 2008 B Bonds shall be determined, which, (1) in the case of the Flexible Mode, shall be the first day of an Interest Period; (2) in the case of the Daily Mode, shall be each Business Day commencing with the first day (which must be a Business Day) such Series 2008 B Bonds become subject to the Daily Mode; (3) in the case of the Weekly Mode, shall be the Tuesday immediately preceding each Weekly Rate Period after the first Weekly Rate Period, or, if Tuesday is not a Business Day, then the Business Day next succeeding such Tuesday; (4) in the case of the Term Rate Mode, shall be a Business Day no earlier than 15 Business Days and no later than the Business Day next preceding the first day of an Interest Period, as determined by the Remarketing Agent; and (5) in the case of the Fixed Rate Mode, shall be a date determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date.

"Rating Agencies" shall mean Moody's, Standard & Poor's and Fitch, as appropriate.

"Rating Confirmation Notice" shall mean a written notice from the Rating Agencies then rating the Series 2008 B Bonds, confirming that the rating on the Series 2008 B Bonds (without giving effect to any Credit Facility) will not be lowered or withdrawn (other than a withdrawal of a short-term rating upon a change to a Long-Term Mode) as a result of the action proposed to be taken.

"Record Date" shall mean (1) with respect to Series 2008 B Bonds in a Short-Term Mode, the last Business Day before an Interest Payment Date, (2) with respect to Series 2008 B Bonds in a Long-Term Mode, the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date and (3) with respect to Series 2008 B Bonds in the Auction Rate Mode, the Business Day immediately preceding an Interest Payment Date.

"Redemption Date" shall mean the date fixed for redemption of Series 2008 B Bonds subject to redemption in any notice of redemption given in accordance with the terms of the Indenture.

"Reimbursement Agreement" shall mean any reimbursement agreement, credit agreement, line of credit agreement, standby purchase agreement or other agreement, by and between the Credit Provider or Liquidity Provider, as applicable, and the City. The initial

Reimbursement Agreement shall be the Letter of Credit and Reimbursement Agreement dated as of _____ 1, 2008 by and between the City and Dexia Credit Local, acting through its New York Branch.

"Remarketing Agent" shall mean any investment banking firm which may be appointed by the City as provided in Section 15.24. The initial Remarketing Agent for the Series 2008 B Bonds shall be JPMorgan Chase & Co.

"Remarketing Agreement" shall mean the agreement between the City and the Remarketing Agent setting forth the rights and obligations of the parties relating to the remarketing of the Series 2008 B Bonds, as it may be amended or supplemented from time to time in accordance with its terms.

"Remarketing Proceeds Account" shall mean the account by that name established pursuant to Section 15.23(E).

"Representations Letter" shall mean the Letter of Representations from the City, the Trustee and the Remarketing Agent to the Securities Depository in connection with the issuance of the Series 2008 B Bonds in the Book-Entry System, as supplemented and amended from time to time.

"Securities Depository" shall have the meaning assigned to such term in Section 15.34(A) hereof.

"Sell Order" has the meaning specified in Section 15.27(A)(i).

"Serial Bonds" shall mean the Series 2008 B Bonds maturing on the Serial Maturity Dates, as determined pursuant to Section 15.11(B).

"Serial Maturity Dates" shall mean the dates on which the Serial Bonds mature, as determined pursuant to Section 15.11(B).

"Serial Payments" shall mean the payments to be made in payment of the principal of the Serial Bonds on the Serial Maturity Dates.

"Series 2008 B Bond Reserve Fund" shall mean the fund by that name established pursuant to Section 15.03(D).

"Series 2008 B Bond Reserve Requirement" (i) shall mean an amount which is equal to one-half (½) the maximum aggregate Annual Debt Service for the Series 2008 B Bonds (based upon the Outstanding Series 2008 B Bonds as of the date of calculation); provided, that as of the date of calculation, the amounts on deposit in any unrestricted funds of the Enterprise available for the purpose of paying Operating Expenses and/or Debt Service (exclusive of any amounts on deposit in the Cost Reduction Fund of the City established pursuant to a motion of the City Council duly passed and adopted on May 20, 1997) shall be at least equal to one-half (½) the maximum aggregate Annual Debt Service for the Series 2008 B Bonds; or (ii) in the event that as of the date of calculation, the amounts on deposit in any unrestricted funds of the Enterprise available for the purpose of paying Operating Expenses and/or Debt Service (exclusive of any

amounts on deposit in the Cost Reduction Fund of the City established pursuant to a motion of the City Council duly passed and adopted on May 20, 1997) shall not be at least equal to one-half (½) the maximum Annual Debt Service for the Series 2008 B Bonds, shall mean an amount equal to the maximum aggregate Annual Debt Service for the Series 2008 B Bonds (based upon the Outstanding Series 2008 B Bonds as of the date of calculation); and provided, further, that in the event there is credited to the Series 2008 B Bond Reserve Fund any letter of credit, surety bond or insurance policy (or combination thereof as provided in Section 15.03(D)), the Series 2008 B Bond Reserve Requirement shall in no event be less than the stated amount of such letter of credit, surety bond or insurance policy collectively or individually as the case may be (or combination thereof). Upon the delivery of the Series 2008 B Bonds, the Series 2008 B Bond Reserve Requirement shall be $_____.

"Series 2008 B Costs of Issuance Fund" shall mean the fund by that name established pursuant to Section 15.32.

"Series 2008 B Bonds" shall mean the City of Santa Clara Subordinated Electric Revenue Bonds, Series 2008 B, as described in Section 15.03(A) hereof.

"Short-Term Mode" shall mean the Daily Mode, the Weekly Mode or the Flexible Mode.

"Special Auction Period" for the Series 2008 B Bonds shall mean any period of not less than seven nor more than 1,092 days which is not another Auction Period and which begins on an Interest Payment Date and ends on the day prior to the Auction Period Day for the Series 2008 B Bonds, unless such day is not followed by a Business Day, in which case on the next succeeding day which is followed by a Business Day.

"Submission Deadline" shall mean 1:00 p.m., New York City time, on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode not in a daily Auction Period and 11:00 a.m., New York City time, on each Auction Date for the Bonds in a daily Auction Period, or such other time on such date as shall be specified from time to time by the Auction Agent pursuant to the Auction Agreement as the time by which Broker-Dealers are required to submit Orders to the Auction Agent.

"Submitted Bid" has the meaning specified in Section 15.27(C)(ii).

"Submitted Hold Order" has the meaning specified in Section 15.27(C)(ii).

"Submitted Order" has the meaning specified in Section 15.27(C)(ii).

"Submitted Sell Order" has the meaning specified in Section 15.27(C)(ii).

"Substitution Date" shall mean the date upon which an Alternate Credit Facility or Alternate Liquidity Facility is substituted for the Credit Facility or Liquidity Facility then in effect.

"Sufficient Clearing Bids" shall mean with respect to the Series 2008 B Bonds in the Auction Rate Mode, an Auction for which the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Bids by Potential Owners specifying one or more rates

not higher than the Maximum Rate is not less than the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Sell Orders and of Submitted Bids by Existing Owners specifying rates higher than the Maximum Rate.

"Tender Agent" means each Person qualified under Section 15.25(B) hereof to act as Tender Agent with respect to the Series 2008 B Bonds and so appointed by the City and so acting from time to time, and its successors. The initial Tender Agent shall be The Bank of New York Trust Company, N.A., in San Francisco, California.

"Tender Notice" shall mean a notice delivered by Electronic Means or in writing that states (1) the principal amount of such Series 2008 B Bond to be purchased pursuant to Section 15.14, (2) the Purchase Date on which such Series 2008 B Bond is to be purchased, (3) applicable payment instructions with respect to the Series 2008 B Bonds being tendered for purchase and (4) an irrevocable demand for such purchase.

"Tender Notice Deadline" shall mean (1) during the Daily Mode, 11:00 a.m., New York City time, on the applicable Purchase Date and (2) during the Weekly Mode, 5:00 p.m., New York City time, on the Business Day seven days prior to the applicable Purchase Date.

"Term Rate" shall mean the per annum interest rate for the Series 2008 B Bonds in the Term Rate Mode determined pursuant to Section 15.09(A).

"Term Rate Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Term Rate.

"Term Rate Period" shall mean the period from (and including) the Mode Change Date, to (but excluding) the last day of the first period that the Series 2008 B Bonds shall be in the Term Rate Mode as established by the City for the Series 2008 B Bonds pursuant to Section 15.11(A)(i) and, thereafter, the period from (and including) the beginning date of each successive Interest Rate Period selected for the Series 2008 B Bonds by the City pursuant to Section 15.09(A) while the Series 2008 B Bonds are in the Term Rate Mode to (but excluding) the commencement date of the next succeeding Interest Period, including another Term Rate Period. Except as otherwise provided in the Indenture, an Interest Period for the Series 2008 B Bonds in the Term Rate Mode must be at least 180 days in length.

"Undelivered Bond" means any Series 2008 B Bond which constitutes an Undelivered Bond under the provisions of Section 15.14(F) hereof.

"Weekly Mode" shall mean the Mode during which the Series 2008 B Bonds bear interest at the Weekly Rate.

"Weekly Rate" shall mean the per annum interest rate on the Series 2008 B Bonds in the Weekly Mode determined pursuant to Section 15.08(B).

"Weekly Rate Period" shall mean the period during which the Series 2008 B Bonds in the Weekly Mode shall bear interest at a Weekly Rate, which shall be the period commencing on Wednesday of each week to and including Tuesday of the following week, except the first Weekly Rate Period which shall be from the date of delivery of the Series 2008 B Bonds, to and including the Tuesday of the following week and the last Weekly Rate Period which shall be

from and including the Wednesday of the week prior to the Mode Change Date to and including the day next preceding the Mode Change Date.

"Winning Bid Rate" shall mean with respect to the Series 2008 B Bonds in the Auction Rate Mode, the lowest rate specified in any Submitted Bid which if selected by the Auction Agent as the Auction Rate would cause the aggregate principal amount of such Series 2008 B Bonds that are the subject of Submitted Bids specifying a rate not greater than such rate to be not less than the aggregate principal amount of Available Bonds.

Section 15.03 Authorization; Series 2008 B Bond Reserve Fund.

(A)A fifth Series of Bonds to be issued under the Indenture is hereby created. Such Series shall be known as the "City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008 B" (the "Series 2008 B Bonds"). The Series 2008 B Bonds shall be issued in the aggregate principal amount of $_____ in accordance with the Bond Law and this Indenture for the purpose of refunding on a current basis all of the outstanding Series 1998 A Bonds, funding the Series 2008 B Bond Reserve Fund and paying the costs of issuance of the Series 2008 B Bonds.

(B)The Series 2008 B Bonds shall be issued in fully registered form and shall be initially issued registered in the name of "Cede & Co.," as nominee of The Depository Trust Company. Each Series 2008 B Bond may be assigned by the Trustee a distinctive number or letter and number, and a record of the same shall be maintained by the Trustee. Registered ownership of the Series 2008 B Bonds, or any portion thereof, may not thereafter be transferred except as set forth in Section 15.34.

(C)The Series 2008 B Bonds shall be dated the date of delivery thereof, shall be Bonds which are Current Interest Indebtedness, shall be issued in Authorized Denominations and shall mature on July 1 in the following years in the following amounts:

Maturity Date (July 1)	Principal Amount	CUSIP Number
	$	

(D)The Series 2008 B Bonds shall initially bear interest as provided in Section 15.12.

(E)(i) The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2008 B Bond Reserve Fund." On the date of issuance of the Series 2008 B Bonds, the Trustee shall deposit to the Series 2008 B Bond Reserve Fund from the proceeds of the Series 2008 B Bonds the amount of $_____, which amount, shall be equal to the Series 2008 B Bond Reserve Requirement. In addition, the Trustee shall deposit in the Series 2008 B Bond Reserve Fund, from any amount remaining in the Subordinated Net Revenue Fund, on any

interest payment date following the transfer to the Interest Fund and the Principal Fund as required by Section 4.02(A)(i) and (2) of the Indenture, that amount of money which shall be required either (i) to maintain the Series 2008 B Bond Reserve Fund in the full amount of the Series 2008 B Bond Reserve Requirement or (ii) to repay any and all obligations due and payable under the terms and conditions of any letter of credit provided in Section 15.03(E)(ii) or insurance policy or surety bond provided for in Section 15.03(E)(iii). No deposit need be made in the Series 2008 B Bond Reserve Fund so long as there shall be on deposit therein a sum equal to at least the amount required by this Section 15.03(E)(iii) to be on deposit therein. The Series 2008 B Bond Reserve Requirement shall be calculated and determined upon the issuance of the Series 2008 B Bonds and upon the issuance of any additional series of Bonds, and the City may, but need not, recalculate the requirement at any other time. Whenever the amount on deposit in the Series 2008 B Bond Reserve Fund is less than the Series 2008 B Bond Reserve Requirement, notice thereof shall be provided to the Credit Provider and such amount shall be increased to the Series 2008 B Bond Reserve Requirement as provided for in this Section 15.03(E)(i) not later than twelve months thereafter.

All amounts in the Series 2008 B Bond Reserve Fund shall be used and withdrawn by the Trustee solely for the purposes of making up any deficiency in the Interest Fund or the Principal Fund, or (together with any other moneys available therefor) for the payment or redemption of all Series 2008 B Bonds then Outstanding, or for the payment of the final principal and interest payments of the Series 2008 B Bonds. Any amounts in the Series 2008 B Bond Reserve Fund in excess of the Series 2008 B Bond Reserve Requirement shall be transferred by the Trustee to the City on January 1 and July 1 of each year. Moneys in the Series 2008 B Bond Reserve Fund shall be invested, as directed by the City, in (i) Investment Securities or (ii) investment agreements with a domestic, or foreign bank or corporation (other than a life or property casualty insurance company) registered and operating within the United States of America, the long-term debt of which, or, in the case of a guaranteed corporation, the long-term debt or claims paying ability of the guarantor of which, or, in the case of a monoline financial guaranty insurance company, the claims paying ability of which, at the time of execution of such investment agreement is rated in at least the second highest Rating Category by the Rating Agencies then rating the long-term debt or claims paying ability of such entity ("Investment Agreements"), with a maturity date no later than the final maturity date of the Series 2008 B Bonds. All Investment Securities credited to the Series 2008 B Bond Reserve Fund shall be valued at the cost thereof and all Investment Agreements credited to the Series 2008 B Bond Reserve Fund shall be valued at the face amount invested thereunder.

(ii)The City may provide for all or part of the Series 2008 B Bond Reserve Fund by delivering to the Trustee an irrevocable letter of credit issued by a financial institution having unsecured debt obligations rated in one of the two highest Rating Categories of the Rating Agencies then rating such institution, securing an amount, together with moneys, Investment Securities, Investment Agreements or surety bonds or insurance policies (as described in Section 15.03(E)(iii)) on deposit in the Series 2008 B Bond Reserve Fund, equal to the Series 2008 B Bond Reserve Requirement. Such letter of credit shall have an original term of no less than three (3) years or, if less, to the maturity date of the Series 2008 B Bonds and such letter of credit shall provide by its terms that it may be drawn upon as provided in this Section 15.03(D). At least one year prior to the stated expiration of such letter of credit, the City shall either (i) deliver a replacement letter of credit, (ii) deliver an extension of the letter of credit for at least an

additional year or, if less, to the maturity date of the Series 2008 B Bonds or (iii) deliver to the Trustee a surety bond or an insurance policy satisfying the requirements of Section 15.03(E)(iii) below. Upon delivery of such replacement letter of credit, extended letter of credit, or surety bond or insurance policy, the Trustee shall deliver the then-effective letter of credit to or upon the order of the City. If the City shall fail to deposit a replacement letter of credit, extended letter of credit, surety bond or insurance policy with the Trustee, the City shall immediately commence to make monthly deposits with the Trustee so that an amount equal to the Series 2008 B Bond Reserve Requirement will be on deposit in the Series 2008 B Bond Reserve Fund no later than the stated expiration date of the letter of credit. If an amount equal to the Series 2008 B Bond Reserve Requirement as of the date following the expiration of the letter of credit is not on deposit in the Series 2008 B Bond Reserve Fund one week prior to the stated expiration date of the letter of credit (excluding from such determination the letter of credit), the Trustee shall draw on the letter of credit to fund the amount of any such deficiency in the Series 2008 B Bond Reserve Fund.

(iii)The City may also provide for all or part of the Series 2008 B Bond Reserve Fund by delivering to the Trustee a surety bond or an insurance policy securing an amount, together with moneys, Investment Securities, Investment Agreements or letters of credit on deposit in the Series 2008 B Bond Reserve Fund, equal to the Series 2008 B Bond Reserve Requirement. Such surety bond or insurance policy shall be issued by an insurance company whose unsecured debt obligations (or obligations secured by such insurance company's insurance policies) are rated in one of the two highest Rating Categories of Moody's and/or Fitch and Standard & Poor's. Such surety bond or insurance policy shall have a term of no less than the maturity date of the Series 2008 B Bonds. In the event that such surety bond or insurance policy for any reason lapses or expires, the City shall immediately implement (i) or (iii) of the preceding paragraph (2) or make the required deposits to the Series 2008 B Bond Reserve Fund.

(iv)All amounts in the Series 2008 B Bond Reserve Fund (including all amounts which may be obtained from letters of credit and surety bonds and insurance policies on deposit in the Series 2008 B Bond Reserve Fund) may be used and withdrawn by the Trustee, as hereinafter provided, solely for the purpose of making up any deficiency in the Interest Fund or the Principal Fund. In the event of any deficiency in the Interest Fund or Principal Fund for the payment of principal and interest payments for the Bonds, Subordinated Net Revenues shall be applied in accordance with Section 6.02 of the Indenture without regard to the existence of any reserve fund for any Series of Bonds. After first applying all cash and Investment Securities or Investment Agreements held in the Series 2008 B Bond Reserve Fund to pay the Bond Obligation of, Mandatory Sinking Account Payments with respect to, and interest on, the Series 2008 B Bonds when due, the Trustee shall, on a pro rata basis with respect to the portion of the Series 2008 B Bond Reserve Fund held in the form of letters of credit and amounts held in the form of surety bonds and insurance policies (calculated by reference to the maximum amounts of such letters of credit and surety bonds and insurance policies), draw under each letter of credit or surety bond or insurance policy issued with respect to the Series 2008 B Bond Reserve Fund, in a timely manner and pursuant to the terms of such letter of credit or surety bond or insurance policy to the extent necessary in order to obtain sufficient funds on or prior to the date such funds are needed to pay the Bond Obligation of, Mandatory Sinking Account Payments with respect to, and interest on, the Series 2008 B Bonds when due. In the event that the Trustee has written notice from the City or any Series 2008 B Bondholder that any payment of principal of, or

interest on, a Series 2008 B Bond has been recovered from a Series 2008 B Bondholder pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee, pursuant to and provided that the terms of the letter of credit or surety bond or insurance policy, if any, credited to the Series 2008 B Bond Reserve Fund so provide, shall so notify the issuer thereof and draw on such letter of credit or surety bond or insurance policy to the lesser of the extent required or the maximum amount of such letter of credit or surety bond or insurance policy in order to pay to such Series 2008 B Bondholders the principal of and interest so recovered. All amounts in the Series 2008 B Bond Reserve Fund (other than amounts that may be obtained from letters of credit and surety bonds and insurance policies on deposit in the Series 2008 B Bond Reserve Fund) may be used and withdrawn by the Trustee, if so directed by the City, for the payment or redemption of all Series 2008 B Bonds then Outstanding, or for the payment of the final principal and interest payments of the Series 2008 B Bonds.

Section 15.04 Denominations, Medium, Method and Place of Payment and Dating of Series 2008 B Bonds.

The Series 2008 B Bonds shall be initially be Bonds which are Variable Rate Indebtedness. The Series 2008 B Bonds shall initially be delivered in an a Weekly Mode. The Series 2008 B Bonds shall be issued in fully registered form in Authorized Denominations. The principal of and premium, if any, and interest on the Series 2008 B Bonds shall be payable in lawful money of the United States of America. So long as the Series 2008 B Bonds are in the Book-Entry System, interest on the Series 2008 B Bonds shall be paid by the Trustee on each Interest Payment Date by wire transfer of immediately available funds to an account and by the time specified by the Securities Depository. The principal of and premium, if any, on each Series 2008 B Bond shall be payable on the Principal Payment Date of such Series 2008 B Bond upon surrender thereof at the office of the Trustee.

Except as may be specifically set forth herein, the Trustee, the Remarketing Agent and the City may treat the Owner of a Series 2008 B Bond as the absolute owner thereof for all purposes, whether or not such Series 2008 B Bond shall be overdue, and the Trustee, the Remarketing Agent and the City shall not be affected by any knowledge or notice to the contrary. Payment of the principal of and premium, if any, and interest on each Series 2008 B Bond shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability of such Bond to the extent of the sum or sums so paid. All Series 2008 B Bonds at maturity or on earlier redemption paid pursuant to the provisions of this Section shall be cancelled by the Trustee.

Each Series 2008 B Bond shall be dated the date of delivery thereof and shall bear interest at the applicable rate or rates during each applicable Interest Accrual Period until the entire Principal Amount thereof has been paid.

Section 15.05 Payment of Principal and Interest of Series 2008 B Bonds; Acceptance of Terms and Conditions.

(A)The interest on each Series 2008 B Bond shall become due and payable on each Interest Payment Date of such Series 2008 B Bond to and including the Maturity Date of such

Series 2008 B Bond, and on each Redemption Date and on the date of any acceleration prior thereto. The principal of each Series 2008 B Bond shall become due and payable on the Principal Payment Date of such Series 2008 B Bond.

(B)By the acceptance of its Series 2008 B Bond or beneficial ownership interest therein, the Owner and each Beneficial Owner thereof shall be deemed to have agreed to all the terms and provisions of such Series 2008 B Bond as specified in such Series 2008 B Bond and the Indenture, including without limitation the applicable Interest Periods, interest rates (including any applicable Alternate Rate), Purchase Dates, Mandatory Purchase Dates, Purchase Prices, mandatory and optional purchase and redemption provisions applicable to such Series 2008 B Bond, method and timing of purchase, redemption and payment. Such Owner and each Beneficial Owner further agree that if, on any date upon which its Series 2008 B Bond is to be purchased, redeemed or paid at maturity or earlier due date, funds are on deposit with the Trustee to pay the full amount due on such Series 2008 B Bond, then such Owner or Beneficial Owner shall have no rights under the Indenture other than to receive such full amount due with respect to such Series 2008 B Bond and that interest on such Series 2008 B Bond shall cease to accrue as of such date.

(C)While any Series 2008 B Bonds are Liquidity Provider Bonds, such Liquidity Provider Bonds shall bear interest and be payable at the times and in the amounts required under the Liquidity Facility.

(D)There is hereby established and there shall be maintained with the Trustee a separate fund to be known as the "Series 2008 B Credit Facility Proceeds Account." The Series 2008 B Credit Facility Proceeds Account shall be held in trust for the exclusive benefit of the Bondholders of the Series 2008 B Bonds. Amounts held in the Series 2008 B Credit Facility Proceeds Account shall be held uninvested and separate and apart from all other funds and accounts.

(E)Notwithstanding anything to the contrary herein, so long as the Series 2008 B Bonds are secured by the initial Credit Facility, the Trustee shall pay the following from draws made under the initial Credit Facility, as and to the extent provided in the Credit Facility:

(i)the principal of Series 2008 B Bonds due upon the maturity thereof;

(ii)the interest on the Series 2008 B Bonds;

(iii)the Mandatory Sinking Account Payments for the Series 2008 B Bonds pursuant to Section 15.13(E);

(iv)the Redemption Price and any accrued interest due on the Series 2008 B Bonds upon the optional redemption thereof;

(v)the principal and interest due upon the acceleration of Series 2008 B Bonds pursuant to Section 6.02 of the Indenture;

provided, however, that if the Trustee has not received sufficient funds for making payments due under clauses (i), (ii), (iii), (iv) and (v) from the Credit Provider by 2:00 p.m., New York City

time, due to default, repudiation or dishonor by the Credit Provider, the Trustee shall notify the City by Electronic Means of such deficiency no later than 3:00 p.m., New York City time, and shall compensate for such deficiency by immediately transferring any necessary amounts from the Subordinated Net Revenue Fund to the Interest Fund and to the Principal Fund, as appropriate, to make such payments as provided in Section 4.02 of the Indenture. The Trustee shall make draws under the Credit Facility in accordance with its terms and in sufficient time so that proceeds from the Credit Facility will be available to make such payment on the Series 2008 B Bonds on a timely basis. The Trustee shall deposit in the Series 2008 B Credit Facility Proceeds Account all proceeds of draws made under the Credit Facility and shall make payments on the Series 2008 B Bonds from the Series 2008 B Credit Facility Proceeds Account to the extent described in this Section. The Trustee shall immediately reimburse the Credit Provider from moneys in the Principal Fund and Interest Fund, as applicable, or from moneys in the Series 2008 B Bond Reserve Fund as required.

(F)In no event shall the Trustee draw on the Credit Facility with respect to any payments made in connection with Series 2008 B Bonds not secured by the Credit Facility or Series 2008 B Bonds owned by the City.

Section 15.06 Calculation and Payment of Interest; Change in Mode; Maximum Rate.

(A)Interest on Series 2008 B Bonds in a Short-Term Mode shall be calculated on the basis of a 365 or 366 day year for the actual number of days elapsed. The initial interest rate borne by the Series 2008 B Bonds shall be as provided in Section 15.12. Interest on Series 2008 B Bonds in a Long-Term Mode shall be calculated on the basis of a 360 day year comprised of twelve 30-day months. Interest on Series 2008 B Bonds in the Auction Rate Mode shall be calculated on the basis of a 360 day year for the actual number of days elapsed if such Series 2008 B Bonds are in a mode of 180 days or less, and interest on Series 2008 B Bonds in the Auction Rate Mode shall be calculated on the basis of a 360 day year comprised of twelve 30-day months if such Series 2008 B Bonds are in a mode which is greater than 180 days. Payment of unpaid interest accrued on each Series 2008 B Bond during each Interest Accrual Period shall be made on the applicable Interest Payment Date for such Series 2008 B Bond to the Owner of record of such Series 2008 B Bond on the applicable Record Date.

(B)All of the Series 2008 B Bonds shall be in the same Mode at the same time; provided, that the Series 2008 B Bonds in any Mode other than a Fixed Rate Mode may be changed to any other Mode at the times and in the manner hereinafter provided. Subsequent to such change in Mode (other than a change to a Fixed Rate Mode), the Series 2008 B Bonds may again be changed to a different Mode at the times and in the manner hereinafter provided. A Fixed Rate Mode shall be in effect until the Maturity Date, or acceleration thereof prior to the Maturity Date, and Series 2008 B Bonds in a Fixed Rate Mode may not be changed to any other Mode.

(C)No Series 2008 B Bonds shall bear interest at an interest rate higher than the Maximum Rate.

(D)In the absence of manifest error, the determination of interest rates (including any determination of rates in connection with a New Mode) and Interest Periods by the Remarketing Agent or the Auction Agent and the record of interest rates maintained by the Trustee shall be

conclusive and binding upon the Remarketing Agent, the Auction Agent, each Broker-Dealer, the Trustee, the City, the Owners and the Beneficial Owners.

Section 15.07 Determination of Flexible Rates and Interest Periods During Flexible Mode.

An Interest Period for the Flexible Rate Bonds shall be of such duration of from one to 270 calendar days, ending on the day prior to a Business Day or the day prior to the Maturity Date, as the Remarketing Agent shall determine in accordance with the provisions of this Section. A Flexible Rate Bond may have an Interest Period, and bear interest at a Flexible Rate, different than another Flexible Rate Bond. In making the determinations with respect to Interest Periods, subject to limitations imposed by the second preceding sentence and in Section 15.06, on each Rate Determination Date for a Flexible Rate Bond, the Remarketing Agent shall select for such Series 2008 B Bond the Interest Period which would result in the Remarketing Agent being able to remarket such Series 2008 B Bond at par in the secondary market at the lowest average interest cost; provided, that if the Remarketing Agent has received notice from the City that the Series 2008 B Bonds are to be changed from the Flexible Mode to any other Mode, the Remarketing Agent shall select Interest Periods which do not extend beyond the resulting applicable Mandatory Purchase Date of the Series 2008 B Bonds.

Except while the Series 2008 B Bonds are registered in a Book-Entry System, in order to receive payment of the Purchase Price the Owner of any Flexible Rate Bond must present such Flexible Rate Bond to the Trustee, not later than 12:00 noon on the Rate Determination Date, in which case the Trustee shall pay the Purchase Price to such Owner not later than 2:30 p.m., New York City time, on the same day.

Not later than 1:00 p.m., New York City time, on each Rate Determination Date, the Remarketing Agent, with respect to each Flexible Rate Bond which is subject to adjustment on such date, shall determine the Flexible Rate(s) for the Interest Periods then selected for such Flexible Rate Bond and shall give notice by Electronic Means to the Trustee and the City of the Interest Period, the Purchase Date(s) and the Flexible Rate(s). The Remarketing Agent shall make the Flexible Rate and Interest Period available after 2:00 p.m., New York City time, on each Rate Determination Date by telephone or Electronic Means to any Beneficial Owner or Notice Party requesting such information.

Section 15.08 Determination of Interest Rates During the Daily Mode and the Weekly Mode.

The interest rate for the Series 2008 B Bonds in the Daily Mode or Weekly Mode shall be the rate of interest per annum determined by the Remarketing Agent on and as of the applicable Rate Determination Date as the minimum rate of interest which, on the basis of an examination of obligations comparable to the Series 2008 B Bonds known by the Remarketing Agent to have been priced or traded under then-existing market conditions, would result in the sale of the Series 2008 B Bonds in the Daily Rate Period or Weekly Rate Period, as applicable, at a price equal to the principal amount thereof, plus interest, if any, accrued through the Rate Determination Date during the then current Interest Accrual Period.

(A)During the Daily Mode, the Remarketing Agent shall establish the Daily Rate not later than 9:30 a.m., New York City time, on each Rate Determination Date. The Daily Rate for any day during the Daily Mode which is not a Business Day shall be the Daily Rate established on the immediately preceding Rate Determination Date. The Remarketing Agent shall make available by Electronic Means to the Trustee and the City (i) after 10:30 a.m., New York City time, on the Friday of each week (or, if such Friday is not a Business Day, the preceding Business Day), the Daily Rate for each Daily Rate Period in such week and, without duplication, (ii) after 10:30 a.m., New York City time, on the last Business Day of each month, the Daily Rate for each Daily Rate Period in the week that includes the last Business Day of such month.

(B)During the Weekly Mode, the Remarketing Agent shall establish the Weekly Rate not later than 4:00 p.m., New York City time, on each Rate Determination Date. The Weekly Rate shall be in effect during the applicable Weekly Rate Period. The Remarketing Agent shall make the Weekly Rate available by Electronic Means to the Trustee and the City on the Business Day after the Rate Determination Date.

Section 15.09 Determination of Term Rates and Fixed Rates.

(A)Term Rates. Except as provided in the immediately succeeding paragraph, once the Series 2008 B Bonds are changed to the Term Rate Mode, the Series 2008 B Bonds shall continue in the Term Rate Mode until changed to another Mode in accordance with Section 15.11. The Term Rate shall be determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Rate Determination Date, and the Remarketing Agent shall make the Term Rate available by telephone or by Electronic Means to any Notice Party requesting such rate. The Term Rate shall be the minimum rate which, in the sole judgment of the Remarketing Agent, would result in a sale of the Series 2008 B Bonds in the Term Rate Mode at a price equal to the principal amount thereof on the Rate Determination Date for the Interest Period selected by the City in writing delivered to the Remarketing Agent before such Rate Determination Date. If a new Interest Period is not selected by the City prior to a Rate Determination Date (for a reason other than a court prohibiting such selection), the new Interest Period shall be the same length as the current Interest Period (or such shorter period as shall be necessary to comply with the next sentence). No Interest Period in the Term Rate Mode may extend beyond the Maturity Date. The Remarketing Agent shall make the Term Rate available by telephone or Electronic Means after 5:00 p.m., New York City time, on the Rate Determination Date to any Notice Party requesting such Term Rate. Upon request of any Notice Party the Trustee shall give notice of such rate by Electronic Means.

(B)Fixed Rates. The Remarketing Agent shall determine the Fixed Rate for the Series 2008 B Bonds being converted to the Fixed Rate Mode in the manner and at the times as follows: not later than 4:00 p.m., New York City time, on the applicable Rate Determination Date, the Remarketing Agent shall determine the Fixed Rate (or Fixed Rates, if such Series 2008 B Bonds will have Serial Maturity Dates in accordance with Section 15.11(B)(v)). Except as set forth in Section 15.11(B)(v), the Fixed Rate shall be the minimum interest rate which, in the sole judgment of the Remarketing Agent, will result in a sale of the Series 2008 B Bonds in the Fixed Rate Mode at a price equal to the principal amount thereof on the Rate Determination Date. The Remarketing Agent shall make the Fixed Rate available by telephone or by Electronic Means after 5:00 p.m., New York City time, on the Rate Determination Date to any Notice Party

requesting such Fixed Rate. Upon request of any Notice Party the Trustee shall give notice of such Fixed Rate by Electronic Means. Subject to Section 15.11(B)(v), the Fixed Rate so established shall remain in effect until the Maturity Date of such Series 2008 B Bonds.

Section 15.10 Alternate Rates.

The following provisions shall apply in the event (i) the Remarketing Agent fails or is unable to determine the interest rate or Interest Period for the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode, (ii) the method by which the Remarketing Agent determines the interest rate or Interest Period with respect to the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode (or the selection by the City of the Interest Periods for Series 2008 B Bonds in the Term Rate Mode) shall be held to be unenforceable by a court of law of competent jurisdiction or (iii) if the Remarketing Agent suspends its remarketing effort in accordance with the Remarketing Agreement. These provisions shall continue to apply until such time as the Remarketing Agent (or the City, if applicable) again makes such determinations. In the case of clause (ii) of this Section, the Remarketing Agent (or the City, if applicable) shall again make such determination at such time as there is delivered to the Remarketing Agent and the City an Opinion of Bond Counsel to the effect that there are no longer any legal prohibitions against such determinations. The following shall be the methods by which the interest rates and, in the case of the Flexible and Term Rate Modes, the Interest Periods, shall be determined for the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode as to which any of the events described in clauses (i), (ii) or (iii) of this Section shall be applicable. Such methods shall be applicable to the Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode from and after the date any of the events described in clauses (i), (ii) or (iii) of this Section first become applicable to such Series 2008 B Bonds until such time as the events described in clauses (i), (ii) or (iii) of this Section are no longer applicable to such Series 2008 B Bonds. These provisions shall not apply if the City fails to select an Interest Period for the Series 2008 B Bonds in the Term Rate Mode for a reason other than as described in clause (ii) of this Section.

(A)For Flexible Rate Bonds, the next Interest Period shall be from, and including, the first day following the last day of the current Interest Period for such Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate for such Series 2008 B Bonds shall be the applicable Alternate Rate in effect on the Business Day that begins an Interest Period.

(B)The Series 2008 B Bonds then in the Daily Mode or the Weekly Mode shall bear interest during each subsequent Interest Period at the Alternate Rate in effect on the first day of such Interest Period.

(C)The Series 2008 B Bonds then in the Term Rate Mode shall automatically convert to Flexible Rate Bonds, with an Interest Period commencing on the first day following the last day of the current Interest Period for such Series 2008 B Bonds to, but excluding, the next succeeding Business Day and thereafter shall commence on each Business Day and extend to, but exclude, the next succeeding Business Day. For each such Interest Period, the interest rate

for such Series 2008 B Bonds shall be the applicable Alternate Rate in effect at the beginning of each such Interest Period.

Section 15.11 Changes in Mode.

Subject to the provisions of this Section, the City may effect a change in Mode with respect to the Series 2008 B Bonds by following the procedures set forth in this Section. With respect to a change to or from Series 2008 B Bonds in the Auction Rate Mode, in the event of a conflict between the provisions of this Section and the provisions in Section 15.26, the provisions in Section 15.26 shall prevail.

(A)Changes to Modes Other Than Fixed Rate Mode. The Series 2008 B Bonds (other than Series 2008 B Bonds in the Fixed Rate Mode) may be changed from one Mode (other than the Fixed Rate Mode) to another Mode, as follows:

(i)Mode Change Notice; Notice to Owners. No later than a Business Day which is at least 30 days (or such shorter time as may be agreed to by the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent) preceding the proposed Mode Change Date, the City shall give written notice to the Notice Parties of its intention to effect a change in the Mode from the Mode then prevailing (for purposes of this Section, the "Current Mode") to another Mode (for purposes of this Section, the "New Mode") specified in such written notice, and, if the change is to a Term Rate Mode, the length of the initial Interest Period as set by the City. Notice of the proposed change in Mode shall be given by the Trustee to the Owners of such Series 2008 B Bonds not less than 15 days preceding the Mode Change Date. Such notice shall state: (A) the Series 2008 B Bonds to be converted, the Mode to which the conversion will be made and the Mode Change Date; (B) that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds; and (C) if the Book-Entry System is no longer in effect, information with respect to required delivery of Series 2008 B Bond certificates and payment of Purchase Price.

(ii)Determination of Interest Rates. The New Mode shall commence on the Mode Change Date and the interest rate(s) (together, in the case of a change to the Flexible Mode, with the Interest Period(s)) shall be determined by the Remarketing Agent (or the City in the case of Series 2008 B Bonds converted to the Term Rate Mode, or as specified in Section 15.26 in the case of Series 2008 B Bonds converted to the Auction Rate Mode) in the manner provided in Section 15.07, Section 15.08, and Section 15.09, as applicable, or as otherwise specified in Section 15.26.

(iii)Conditions Precedent.

(a) The Mode Change Date shall be:

(1) in the case of a change from the Flexible Mode, the next Mandatory Purchase Date for the Flexible Rate Bonds;

(2) in the case of a change from the Daily or Weekly Mode, any Business Day;

(3) in the case of a change from the Term Rate Mode to another Mode, or from a Term Rate Period to a Term Rate Period of a different duration, the Mode Change Date shall be limited to any Interest Payment Date on which such Series 2008 B Bonds are subject to optional redemption or to the last Interest Payment Date of the current Term Rate Period, as the case may be. Such Series 2008 B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof plus accrued interest, if any; provided, that if such Series 2008 B Bonds are to be purchased on an Interest Payment Date other than the last Interest Payment Date and would otherwise be subject to optional redemption on such Mode Change Date at a redemption price of more than 100% of the principal amount thereof plus accrued interest thereon, if any, such Series 2008 B Bonds shall be purchased at a Purchase Price equal to such redemption price; and

(4) in the case of a change from the Auction Rate Mode to another Mode, as specified in Section 15.27(I)(ii)(a).

(b) If such Series 2008 B Bonds to be converted are Flexible Rate Bonds, no Interest Period set after delivery by the City to the Remarketing Agent of the notice of the intention to effect a change in Mode shall extend beyond the proposed Mode Change Date.

(c) The following conditions shall have been met on or prior to the Mode Change Date:

(1) in the case of a change from a Short-Term Mode to a Long-Term Mode or from a Long-Term Mode to a Short-Term Mode, a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the Notice Parties shall have been delivered to the Trustee and the Remarketing Agent;

(2) if there is to be an Alternate Liquidity Facility or Alternate Credit Facility delivered in connection with such change, the items required by Section 15.17(A) shall have been delivered to the Trustee and the Remarketing Agent; and

(3) a Rating Confirmation Notice, or if the Mode Change Date is a Mandatory Purchase Date, a notice from the Rating Agencies to be rating the Series 2008 B Bonds following such change in Mode of the rating(s) to be assigned to such Series 2008 B Bonds on such Mode Change Date.

(B)Change to Fixed Rate Mode. At the option of the City, the Series 2008 B Bonds may be changed to the Fixed Rate Mode with the prior written consent of each of the Credit Provider and Liquidity Provider as provided in this Section 15.11(B). On any Business Day which is at least 30 days (or such shorter time as may be agreed to by the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent, but in any event not less than the 15th day next preceding the Mode Change Date) before the proposed Mode Change Date, the City shall give written notice to the Notice Parties specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode and setting forth the proposed Mode Change Date. In addition, such notice shall state whether some or all of such Series 2008 B Bonds to be converted shall be converted to Serial Bonds and, if so, the applicable

Serial Maturity Dates and Serial Payments, all as determined pursuant to clause (v) of this subsection. Any such change in Mode shall be made as follows:

(i)Mode Change Date. The Mode Change Date shall be:

(a) in the case of a change from the Flexible Mode, the next Mandatory Purchase Date for the Flexible Rate Bonds;

(b) in the case of a change from the Daily or Weekly Mode, any Business Day;

(c) in the case of a change from the Term Rate Mode, the Mode Change Date shall be limited to any Interest Payment Date on which such Bonds are subject to optional redemption or to the next Mandatory Purchase Date for the Term Rate Bonds, as the case may be. Such Series 2008 B Bonds shall be purchased on such Mode Change Date at a Purchase Price equal to 100% of the principal amount thereof; provided, that if such Series 2008 B Bonds would otherwise be subject to optional redemption on such Mode Change Date at a redemption price of more than 100% of the principal amount thereof plus accrued interest thereon, if any, such Series 2008 B Bonds shall be purchased at a Purchase Price equal to such redemption price; and

(d) in the case of a change from the Auction Rate Mode, as specified in Section 15.27(I)(ii)(a).

(ii)Notice to Owners. Not less than the 15th day next preceding the Mode Change Date, the Trustee shall mail, in the name of the City, a notice of such proposed change to the Owners of such Series 2008 B Bonds specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode, setting forth the proposed Mode Change Date and stating that such Owner is required to tender such Owner's Series 2008 B Bonds for purchase on such proposed Mode Change Date.

(iii)General Provisions Applying to Change to Fixed Rate Mode. The change to the Fixed Rate Mode shall not occur unless the following items shall have been delivered to the City, the Trustee, the Credit Provider, the Liquidity Provider, if any, the Auction Agent, if any, the Broker-Dealer, if any, and the Remarketing Agent, if any, on or prior to the Mode Change Date:

(a) a Favorable Opinion of Bond Counsel dated the Mode Change Date and addressed to the City, the Trustee, and the Remarketing Agent;

(b) if there is to be Alternate Credit Facility delivered in connection with such change, the items required by Section 15.17(A) in connection with the delivery of an Alternate Credit Facility;

(c) a notice from the Rating Agencies to be rating the Series 2008 B Bonds following such change in Mode of the rating(s) to be assigned to such Series 2008 B Bonds on such Mode Change Date; and

(d) the written consents of the Credit Provider and Liquidity Provider to the change to the Fixed Rate Mode.

(iv)Determination of Interest Rate. The Fixed Rate (or Fixed Rates in the case of Serial Bonds) for the Series 2008 B Bonds to be converted to the Fixed Rate Mode shall be established by the Remarketing Agent on the Rate Determination Date applicable thereto pursuant to the provisions of Section 15.09(B). Such Fixed Rate shall remain in effect until the Maturity Date of such Series 2008 B Bonds. Such determination shall be conclusive and binding upon the City, the Trustee, the Credit Provider, if any, the Broker-Dealer, if any, the Auction Agent, if any, and the Owners of the Series 2008 B Bonds to which such rate will be applicable. Not later than 5:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall notify the City, the Trustee and the Credit Provider, if any, of such rate by telephone.

(v)Serialization and Sinking Fund; Price. Upon conversion of the Series 2008 B Bonds to the Fixed Rate Mode, such Bonds shall be remarketed at par, shall mature on the same Maturity Date and be subject to the same mandatory sinking fund redemption, if any, and optional redemption provisions as set forth in the Indenture for any prior Mode; provided, that if the City shall deliver to the Trustee, the Credit Provider and the Liquidity Provider, if any, a Favorable Opinion of Bond Counsel and with the prior written consent of each of the Credit Provider and Liquidity Provider, the City may elect to (A) have some of such Series 2008 B Bonds be Serial Bonds and some subject to sinking fund redemption even if such Series 2008 B Bonds were not Serial Bonds or subject to mandatory sinking fund redemption prior to such change, (B) change the optional redemption dates and/or premiums set forth in Section 15.13(C)(ii), and/or (C) sell some or all of such Series 2008 B Bonds at a premium or a discount to par.

(C)Failure to Satisfy Conditions Precedent to a Mode Change. In the event the conditions described in Section 15.11(A)(iii) or Section 15.11(B)(iii), as applicable, have not been satisfied by the applicable Mode Change Date, then the New Mode shall not take effect, provided that, except for a failed change in Mode from the Auction Rate Mode, any mandatory tender shall be made on such date if notice has been sent to the Owners stating that such Series 2008 B Bonds would be subject to mandatory purchase on such date). If the failed change in Mode was from the Flexible Mode, such Bonds shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the failed Mode Change Date in accordance with Section 15.07. If the failed change in Mode was from the Daily Mode, such Series 2008 B Bonds shall remain in the Daily Mode, and if the failed change in Mode was from the Weekly Mode, such Bonds shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 15.08 on and as of the failed Mode Change Date. If the failed change in Mode was from the Term Rate Mode, then such Bonds shall remain in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for such Series 2008 B Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the failed Mode Change Date in accordance with Section 15.09(A). If the failed change in Mode was from the Auction Rate Mode, the provisions of Section 15.27(C)(vi), Section 15.27(I)(ii) and Section 15.27(J)(vi) shall apply.

(D)Rescission of Election. Notwithstanding anything herein to the contrary (except with respect to a change to or from the Auction Rate Mode, in which case the provisions of Section 15.26 and not this Section 15.11(D) shall apply), the City may rescind any election by it to change a Mode pursuant to this Section prior to the Mode Change Date by giving written notice thereof to the Notice Parties prior to such Mode Change Date. If the Trustee receives notice of such rescission prior to the time the Trustee has given notice to the Owners of the Series 2008 B Bonds to be converted, then such notice of change in Mode shall be of no force and effect. If the Trustee receives notice from the City of rescission of a Mode change after the Trustee has given notice thereof to the Owners of the Series 2008 B Bonds to be converted, then if the proposed Mode Change Date would have been a Mandatory Purchase Date, such date shall continue to be a Mandatory Purchase Date. If the proposed change in Mode was from the Flexible Mode, the Series 2008 B Bonds to have been converted shall remain in the Flexible Mode with interest rates and Interest Periods to be established by the Remarketing Agent on the proposed Mode Change Date in accordance with Section 15.07. If the proposed change in Mode was from the Daily Mode, the Series 2008 B Bonds to have been converted shall remain in the Daily Mode, and if the proposed change in Mode was from the Weekly Mode, the Series 2008 B Bonds to have been converted shall remain in the Weekly Mode, in each case with interest rates established in accordance with the applicable provisions of Section 15.08 on and as of the proposed Mode Change Date. If the proposed change in Mode was from the Term Rate Mode, then the Series 2008 B Bonds to have been converted shall remain in the Term Rate Mode for an Interest Period ending on the following Interest Payment Date for such Bonds in the Term Rate Mode and the interest rate shall be established by the Remarketing Agent on the proposed Mode Change Date in accordance with Section 15.09(A). If the Remarketing Agent is unable to determine the interest rate on the proposed Mode Change Date, the provisions of Section 15.10 shall apply.

Section 15.12 Initial Interest Rate and Weekly Rate Period.

The initial Weekly Rate Period shall be the period commencing on the date of delivery of the Series 2008 A Bonds to and including Tuesday of the following week. For the initial Weekly Rate Period, the Series 2008 A Bonds shall bear interest at the rate of ____% per annum, calculated on the basis of a 365 or 366 day year for the actual number of days elapsed. Thereafter, the Series 2008 A Bonds shall bear interest at the Weekly Rate as provided in Section 15.08.

Section 15.13 Redemption of Series 2008 B Bonds.

(A)Optional Redemption of Flexible Rate Bonds. Series 2008 B Bonds in the Flexible Mode are not subject to optional redemption prior to their respective Purchase Dates. Series 2008 B Bonds in the Flexible Mode shall be subject to redemption at the option of the City in whole or in part on their respective Purchase Dates at a redemption price equal to the principal amount thereof, plus accrued interest thereon.

(B)Optional Redemption of Series 2008 B Bonds in the Daily Mode or the Weekly Mode. Series 2008 B Bonds in the Daily Mode or the Weekly Mode are subject to optional redemption by the City, in whole or in part (provided that no Series 2008 B Bonds shall remain Outstanding in other than Authorized Denominations) on any date, at a redemption price equal to

the Principal Amount thereof, plus accrued interest, if any, from the end of the preceding Interest Accrual Period to, but not including, the Redemption Date.

(C)Optional Redemption of Series 2008 B Bonds in the Term Rate or Fixed Rate Mode.

(i)Series 2008 B Bonds in the Term Rate Mode shall be subject to redemption, in whole or in part (provided that no Series 2008 B Bonds shall remain Outstanding in other than Authorized Denominations), on their individual Mandatory Purchase Dates, at the option of the City at a redemption price equal to the principal amount thereof.

(ii)Series 2008 B Bonds in the Term Rate Mode or Fixed Rate Mode with a Term Rate Period of greater than or equal to ten years are subject to redemption in whole on any date or in part on any Interest Payment Date on or after the tenth anniversary of the commencement of the Term Rate Period (and if in part, in such order of maturity as the City shall specify and within a maturity by lot or by such other method as the Trustee determines to be fair and reasonable) at a redemption price equal to the Principal Amount, or portions thereof, of the Series 2008 B Bonds to be redeemed, without premium, plus accrued interest, if any, to the Redemption Date.

(iii)The City, in connection with a change to a Long-Term Mode, may waive or otherwise alter its rights to direct the redemption of any such Series 2008 B Bonds so changed to a Long-Term Mode at any time without premium; provided, that notice describing the waiver or alteration shall be submitted to the Trustee and the Remarketing Agent, together with a Favorable Opinion of Bond Counsel, addressed to them.

(D)Optional Redemption of Series 2008 B Bonds in the Auction Rate Mode. Series 2008 B Bonds in the Auction Rate Mode are subject to redemption in whole or in part at the option of the City at par plus accrued interest on the Interest Payment Date immediately following the end of an Auction Period; provided, that after any optional redemption the aggregate principal amount of Series 2008 B Bonds in the Auction Rate Mode shall be not less than $10,000,000 unless otherwise consented to by the Broker-Dealers.

(E)Mandatory Sinking Fund Redemption of Series 2008 B Bonds.

(i)The Series 2008 B Bonds shall be subject to mandatory redemption prior to their stated maturity, in part, by lot, from Mandatory Sinking Account Payments required by and as specified in subsection (ii) below, commencing on July 1, 20___, at a redemption price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption, without premium.

(ii)An account is hereby established within the Principal Fund created by Section 4.02 of the Indenture to be designated the "Series 2008 B Sinking Account." On or prior to the following payment dates, the Trustee shall transfer from the Series 2008 B Credit Facility Proceeds Account to the Series 2008 B Sinking Account an amount equal to the payment due on such date as set forth below:

Mandatory Sinking Account Payment Dates (July 1)	Mandatory Sinking Account Payments
	$
†	

† Final Maturity.

Moneys in the Series 2008 B Sinking Account shall be applied as provided in Section 4.02(A) and Section 4.04(B) of the Indenture.

(iii)If Series 2008 B Bonds in the Auction Rate Mode are subject to sinking fund redemption and the scheduled redemption date is not an Interest Payment Date, such Series 2008 B Bonds will be redeemed on the Interest Payment Date immediately preceding the scheduled sinking fund redemption date. Series 2008 B Bonds in the Auction Rate Mode in a Special Auction Period may be redeemed prior to the end of the Special Auction Period pursuant to the sinking fund redemption schedule.

(iv)Upon the redemption of Series 2008 B Bonds pursuant to subsection (E) below, the principal amount of such Series 2008 B Bonds shall be credited against remaining Minimum Sinking Account Payments, treating Minimum Sinking Fund Account Payments as if they were maturities given that Minimum Sinking Fund Account Payments shall remain as integral multiples of $100,000. In such event, Minimum Sinking Account Payments shall be reduced as specified in a Written Request of the City delivered in connection with such redemption or, if no specification is made, or a pro rata basis.

Minimum Sinking Fund Account Payments with respect to the Series 2008 B Bonds may be modified upon a conversion to the Fixed Rate in accordance with Section 15.11.

(F)Redemption of Liquidity Provider Bonds. Notwithstanding anything in the Indenture or the Series 2008 B Bonds to the contrary, Liquidity Provider Bonds shall be subject to redemption as provided in the Reimbursement Agreement.

(G)Selection of Series 2008 B Bonds for Redemption. Whenever provision is made in this Fifth Supplement for the redemption of less than all of the Series 2008 B Bonds of any maturity (and interest rate), the Trustee shall select the Series 2008 B Bonds to be redeemed, from all Series 2008 B Bonds of the respective maturity (and interest rate) not previously called for redemption, in authorized denominations, by lot in any manner which the Trustee in its sole

discretion shall deem appropriate and fair. The Trustee shall promptly notify the City in writing of the Series 2008 B Bonds so selected for redemption.

(H)Notice of Redemption of Series 2008 B Bonds. The City shall notify the Trustee at least forty-five (45) days prior to the Redemption Date for Series 2008 B Bonds pursuant to Section 15.13(A), (B), (C), (D) or (E). Notice of redemption shall be mailed by the Trustee, not less than thirty (30) nor more than sixty (60) days prior to the Redemption Date, (i) to the respective Owners of any Series 2008 B Bonds designated for redemption at their addresses appearing on the bond registration books of the Trustee by first-class mail, (ii) to the Securities Depository by Electronic Means and by first-class mail, and (iii) to the Information Services by first-class mail. Notice of redemption shall be given in the form and in accordance with the terms of the Indenture.

With respect to any notice of optional redemption of Series 2008 B Bonds, unless, upon the giving of such notice, such Series 2008 B Bonds shall be deemed to have been paid within the meaning of Article IX of the Indenture, or unless the Trustee has cash or securities meeting the requirements of Section 9.03 of the Indenture sufficient to pay or redeem such Series 2008 B Bonds, such notice may state that a condition of such redemption shall be the receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal or premium, if any, and interest due with respect to such Series 2008 B Bonds, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Trustee shall not be required to redeem such Series 2008 B Bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

(I)Partial Redemption of Series 2008 B Bonds. Upon surrender of any Series 2008 B Bond redeemed in part only, the City shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Series 2008 B Bond of authorized denominations, and of the same maturity and interest rate, equal in aggregate principal amount to the unredeemed portion of the Series 2008 B Bond surrendered.

(J)Effect of Redemption of Series 2008 B Bonds. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the Redemption Date on, the Series 2008 B Bonds (or portions thereof) so called for redemption being held by the Trustee on the Redemption Date designated in such notice, the Series 2008 B Bonds (or portions thereof) so called for redemption shall become due and payable at the redemption price specified in such notice, together with interest accrued thereon to the date fixed for redemption, interest on the Series 2008 B Bonds so called for redemption shall cease to accrue, said Series 2008 B Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of said Series 2008 B Bonds shall have no rights in respect thereof except to receive payment of said redemption price and accrued interest.

All Series 2008 B Bonds redeemed pursuant to the provisions of this Section shall be cancelled upon surrender thereof and destroyed.

Section 15.14 Optional Tenders and Mandatory Purchase of Series 2008 B Bonds.

(A)Optional Tenders During Daily Mode or Weekly Mode. Subject to Section 15.34(H), the Beneficial Owners of Series 2008 B Bonds in a Daily Mode or a Weekly Mode may elect to have their Series 2008 B Bonds (or portions of those Series 2008 B Bonds, provided that no Series 2008 B Bonds remain Outstanding in other than Authorized Denominations) purchased on any Business Day at a price equal to the Purchase Price, upon delivery of a Tender Notice to the Tender Agent by the Tender Notice Deadline. The Tender Agent shall promptly notify the Trustee and the Remarketing Agent by Electronic Means of any such Tender Notice received from a Beneficial Owner.

(B)Mandatory Tender for Purchase on Day Next Succeeding Last Day of Each Term Rate Period. On the first day following the last day of each Term Rate Period for a Series 2008 B Bond, unless such day is the Mode Change Date (in which case such Series 2008 B Bond shall be subject to mandatory purchase pursuant to Section 15.14(C) hereof) such Series 2008 B Bond shall be subject to mandatory tender for purchase at the Purchase Price, payable by wire transfer in immediately available funds, if such Series 2008 B Bond is delivered to the Tender Agent on or prior to 12:00 p.m., New York City time, on the Purchase Date, or if delivered after 12:00 p.m., New York City time, on the next succeeding Business Day. Interest shall cease to accrue on such Series 2008 B Bond on the last day of each Term Rate Period. The Purchase Price shall be payable only upon surrender of such Series 2008 B Bond to the Tender Agent at its Corporate Trust Office for delivery of Series 2008 B Bonds, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Owner or its duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange.

(C)Mandatory Tender for Purchase on Mode Change Date. The Series 2008 B Bonds shall be subject to mandatory tender for purchase on the Mode Change Date (or on the day which would have been the Mode Change Date had one of the events specified in Section 15.11(C) or Section 15.11(D) hereof not occurred which resulted in the Mode of Series 2008 B Bonds not being changed) at the Purchase Price, payable in immediately available funds, provided, however, that in the case of any failed change in Mode from the Auction Rate Mode, no mandatory purchase shall occur.

(D)Mandatory Tender for Purchase Upon Substitution, Termination or Expiration of Liquidity Facility or Credit Facility; Mandatory Standby Tender. If at any time that the Liquidity Provider is not in default under the Liquidity Facility or at any time that the Credit Provider is not in default under the Credit Facility, as appropriate, the Trustee gives notice, in accordance with Section 15.19 hereof, that the Series 2008 B Bonds shall, on the date specified in such notice, cease to be subject to purchase pursuant to the Liquidity Facility then in effect or cease to be paid from draws made under the Credit Facility then in effect as a result of (i) the substitution of that Liquidity Facility or Credit Facility, as the case may be, or the termination or expiration of the term, as extended, of that Liquidity Facility or Credit Facility, as the case may be, including but not limited to termination at the option of the City in accordance with the terms of such Liquidity Facility or Credit Facility, or (ii) the occurrence of a Mandatory Standby Tender, then, on the fifth (5th) Business Day preceding any such termination or expiration of such Liquidity Facility or Credit Facility, including any termination as a result of a Mandatory

Standby Tender, or on the date of substitution in the event of any substitution of such Liquidity Facility or Credit Facility, each Series 2008 B Bond shall be purchased or deemed purchased at the Purchase Price. Upon the occurrence of any of the events specified in the Liquidity Facility or Credit Facility that gives rise to an automatic termination or suspension of such Liquidity Facility or Credit Facility by the Liquidity Provider or Credit Provider, respectively, no mandatory tender of purchase of Series 2008 B Bonds shall occur.

(E)Notice of Mandatory Tender for Purchase. In connection with any mandatory tender for purchase of Series 2008 B Bonds in accordance with Section 15.14(C) or Section 15.14(D) hereof, the Trustee shall give the notice required by this Section 15.14(E) as a part of the notice given pursuant to Section 15.11(A)(i), Section 15.11(B)(ii), or Section 15.19 hereof. Such notice shall state (i) in the case of a mandatory tender for purchase pursuant to Section 15.14(C) hereof, the Mode to commence on such Mandatory Purchase Date; (ii) in the case of a mandatory tender for purchase pursuant to Section 15.14(D) hereof, that the Liquidity Facility or Credit Facility, as the case may be, will expire or terminate and that the 2008 Series A Bonds will no longer be payable from the Liquidity Facility or Credit Facility then in effect, as the case may be, and that any rating applicable to the 2008 Series A Bonds may be reduced or withdrawn and, in the case of a substitution, the name of the new Liquidity Provider or Credit Provider and that information about such new Liquidity Provider or new Credit Provider will be forthcoming; (iii) that the Purchase Price of any 2008 Series A Bond subject to mandatory tender for purchase shall be payable only upon surrender of a 2008 Series A Bond to the Tender Agent at its Corporate Trust Office for delivery of 2008 Series A Bonds, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Owner or its duly-authorized attorney, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange; (iv) that, provided that moneys sufficient to effect such purchase shall have been provided through the remarketing of such 2008 Series A Bonds by the Remarketing Agent or through the Liquidity Facility, all 2008 Series A Bonds subject to mandatory tender for purchase shall be purchased on the Mandatory Purchase Date; and (v) that if any Owner of a 2008 Series A Bond subject to mandatory tender for purchase does not surrender that 2008 Series A Bond to the Tender Agent for purchase on the Mandatory Purchase Date, then that 2008 Series A Bond shall be deemed to be an Undelivered Bond, that no interest shall accrue on that 2008 Series A Bond on and after the Mandatory Purchase Date and that the Owner shall have no rights under the Indenture other than to receive payment of the Purchase Price.

(F)Irrevocable Tender Notice. The giving of a Tender Notice as provided in Section 15.14(A) hereof shall constitute the irrevocable tender for purchase of each Series 2008 B Bond with respect to which such Tender Notice is given regardless of whether such Series 2008 B Bond is delivered to the Tender Agent for purchase.

(G)Delivery of Series 2008 B Bonds to Tender Agent and Payment of Purchase Price. Series 2008 B Bonds shall be delivered, accompanied by an instrument of transfer, in form satisfactory to the Tender Agent, executed in blank by the Bondowner with the signature of such Bondowner guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange, not later than 12:00 p.m., New York City time, on the Purchase Date to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds; provided, that payment of the Purchase Price shall be made pursuant to this Section only if the Series 2008 B Bond so delivered to the Tender Agent conforms in all respects to the description thereof in the notice

described in this Section. Payment of the Purchase Price shall be made to the Owners of such tendered Series 2008 B Bonds by wire transfer in immediately available funds by the Tender Agent not later than 3:00 p.m., New York City time, on the Purchase Date. If such Series 2008 B Bonds are delivered to the Principal Office of the Tender Agent after 12:00 p.m., New York City time, on the Purchase Date, the Purchase Price shall be paid on the next succeeding Business Day. If, as a result of any Mandatory Standby Tender, substitution, expiration or termination of a Liquidity Facility, any 2008 Series A Bond is no longer subject to purchase pursuant to a Liquidity Facility, the Tender Agent shall present such 2008 Series A Bond to the Trustee for notation of such fact thereon.

(H)Undelivered Series 2008 B Bonds. The Tender Agent may refuse to accept delivery of any Series 2008 B Bond for which a proper instrument of transfer has not been provided. However, such refusal shall not affect the validity of the purchase of such Series 2008 B Bond as described in the Indenture. If any Owner of a Series 2008 B Bond who has given a Tender Notice pursuant to Section 15.14(A) hereof or any Owner of a Series 2008 B Bond subject to mandatory purchase pursuant to Section 15.14(A), Section 15.14(C) or Section 15.14(D) hereof, shall fail to deliver such Series 2008 B Bond to the Tender Agent at its Principal Office by 12:00 noon on the Purchase Date, or shall fail to deliver that Series 2008 B Bond properly endorsed, such Series 2008 Bond shall constitute an Undelivered Bond. If funds in the amount of the Purchase Price of the Undelivered Bond are available for payment to the Owner thereof on the Purchase Date and at the time specified, then from and after the Purchase Date and time of that required delivery, (A) the Undelivered Bond shall be deemed to be purchased and shall no longer be deemed to be Outstanding under the Indenture; (B) interest shall no longer accrue on the Undelivered Bond; and (C) funds in the amount of the Purchase Price of the Undelivered Bond shall be held uninvested by the Trustee in a separate account for the benefit of the Owner thereof (provided that the Owner shall have no right to any investment proceeds derived from such funds), to be paid on delivery (and proper endorsement) of the Undelivered Bond to the Tender Agent at its Principal Office for delivery of Series 2008 B Bonds. Any money which the Tender Agent segregates and holds in trust for the payment of the Purchase Price of any Series 2008 B Bond which remains unclaimed for two (2) years after the date of purchase shall be paid to the City. After the payment of such unclaimed money to the City, the former Owner of such Series 2008 B Bond shall look only to the City for the payment thereof and then only to the extent of the amounts so received by the City. The City shall not be liable for any interest on unclaimed money and shall not be regarded as a trustee of such money.

Section 15.15 Liquidity Facility.

(A)Requirement to Maintain Liquidity Facility. A Liquidity Facility shall be maintained by the City, in an amount equal to the sum of outstanding principal and interest calculated at the Maximum Rate for 45 days, or such other amount as may be approved by the Rating Agencies then rating the Series 2008 B Bonds, for the Series 2008 B Bonds bearing interest at a Daily Rate or a Weekly Rate. No Liquidity Facility shall be required in connection with Series 2008 B Bonds bearing interest at an Auction Rate, a Flexible Rate, a Term Rate or a Fixed Rate.

(B)Draw Requests to Pay Purchase Price. If there is not a sufficient amount of money available to pay the Purchase Price pursuant to Section 15.22(A)(i) hereof on a Purchase Date on which Series 2008 B Bonds are required to be purchased pursuant to Section 15.14 hereof, the

Tender Agent shall make one or more Draw Requests under the Liquidity Facility in accordance with its terms, at the times and in the manner required by the Liquidity Facility and the Indenture to receive immediately available funds by 2:00 p.m., New York City time, on the Purchase Date sufficient to pay the balance of the Purchase Price. In the case of a mandatory tender for purchase upon substitution of the Liquidity Facility pursuant to Section 15.14(D), the Tender Agent shall make such Draw Requests under the existing Liquidity Facility, prior to the substitution of such Liquidity Facility, for the purpose of paying the Purchase Price of the Series 2008 B Bonds. A copy of any Draw Request shall be delivered by Electronic Means by the Tender Agent to the City and the Trustee. The Tender Agent agrees to deposit the proceeds of such Draw Requests in the Liquidity Facility Purchase Account pursuant to Section 15.22(A)(ii) hereof pending application of that money to the payment of the Purchase Price. In determining the amount of the Purchase Price then due, the Tender Agent shall not take into consideration any Liquidity Provider Bonds. No Draw Requests shall be made under a Liquidity Facility to pay the Purchase Price of Liquidity Provider Bonds or Series 2008 B Bonds held by or on behalf of the City. Series 2008 B Bonds owned by or on behalf of the City and Liquidity Provider Bonds may not be tendered for purchase at the option of the Liquidity Provider.

(C)Surrender of Liquidity Facility. If an Alternate Liquidity Facility is delivered to the Tender Agent pursuant to Section 15.17 hereof with the documents required by Section 15.17(A) hereof, then the Tender Agent shall accept the Alternate Liquidity Facility and surrender the Liquidity Facility previously held for cancellation, provided that no Liquidity Facility shall be surrendered until after the date on which Series 2008 B Bonds required to be purchased pursuant to Section 15.14(D) hereof have been purchased in accordance with Section 15.14(D) hereof. Upon the defeasance of Series 2008 B Bonds pursuant to the Indenture and at such time as the Series 2008 B Bonds are no longer subject to tender for purchase, the Tender Agent shall surrender the Liquidity Facility to the Liquidity Provider for cancellation in accordance with the terms of the Liquidity Facility. The Tender Agent shall comply with the procedures set forth in the Liquidity Facility relating to the termination thereof, and shall deliver any certificates reducing the stated amount of the Liquidity Facility in accordance with the provisions thereof.

(D)Notice by Trustee. In connection with a Mandatory Standby Tender resulting in a mandatory purchase of Series 2008 B Bonds as provided in Section 15.14(D) hereof, the Trustee shall give the notice of mandatory tender for purchase of such Series 2008 B Bonds as provided in Section 15.14(E) or Section 15.19 hereof.

(E)Notices from the City and Trustee.

(i)Notices from the City. The City shall give notice of any of the following events to the Trustee, the Remarketing Agent, the Tender Agent, the Credit Provider and the Liquidity Provider at least 35 days prior to the substitution, expiration, or termination of a Liquidity Facility, if applicable:

(1) the extension of the expiration date of a Liquidity Facility

(2) the substitution of an Alternate Liquidity Facility for a Liquidity Facility;

(3) the occurrence of any termination or suspension of a Liquidity Facility; and

(4) the appointment of a successor to any of the Credit Provider, Liquidity Provider, the Remarketing Agent or the Tender Agent.

(ii)Notices from Trustee to Owners of Series 2008 Bonds. The Trustee shall, promptly upon receipt of notice from: (A) the City of the occurrence of any of the events listed in subparagraph (1) above, give notice to the Owners of Outstanding Series 2008 B Bonds of the occurrence of that event and (B) the Liquidity Provider of notice of a Mandatory Standby Tender, give notice to the City, the Tender Agent, the Remarketing Agent and the Owners of Outstanding Series 2008 B Bonds of the occurrence of the Mandatory Standby Tender with the information set forth in Section 15.19 hereof.

Section 15.16 Liquidity Provider Bonds.

(i)Liquidity Provider Bonds in Book-Entry System. Any Series 2008 B Bonds purchased with payments made under a Liquidity Facility shall be registered in the name of, or as otherwise directed by, the Liquidity Provider and delivered to or upon the order of, or as otherwise directed by, such Liquidity Provider; provided, that if such Series 2008 B Bonds are maintained under the Book-Entry System, the Tender Agent shall immediately upon making any demand for payment on a Liquidity Facility pursuant to Section 15.15(B) hereof direct DTC to cause the beneficial ownership interest in any Series 2008 B Bonds purchased with the proceeds of such demand to be transferred to such account at DTC as directed by the Liquidity Provider, and such Series 2008 B Bonds shall be held in the name of or for the account of the Liquidity Provider or as may be directed by such Liquidity Provider.

(ii)Remarketing of Liquidity Provider Bonds. Unless otherwise provided in the Liquidity Facility, Liquidity Provider Bonds shall be remarketed by the Remarketing Agent prior to any other Series 2008 B Bonds tendered for purchase hereunder, and shall be remarketed pursuant to Section 15.23. Upon (i) receipt by the Tender Agent of written notification from the Liquidity Provider that its Liquidity Facility has been fully reinstated with respect to principal and interest (including principal of and interest on Liquidity Provider Bonds to be released and remarketed as described in this paragraph) and (ii) release by the Liquidity Provider of any Liquidity Provider Bonds which the Remarketing Agent has remarketed, such Series 2008 B Bonds shall be made available to the purchasers thereof and shall no longer constitute Liquidity Provider Bonds for purposes of this Indenture. The proceeds of any remarketing of Liquidity Provider Bonds shall be paid to the Liquidity Provider by the Tender Agent on such remarketing date in immediately available funds.

(iii)Notices to the Liquidity Provider. The Tender Agent agrees that it will, immediately upon receipt, send to the Liquidity Provider (by telephonic notice or Electronic Notice (promptly confirmed in writing)) a copy of every notice received by it hereunder relating to any Liquidity Provider Bonds.

(iv)Terms of Reimbursement Agreement. Notwithstanding anything to the contrary herein or in the Series 2008 B Bonds, all obligations of the City under or in connection

with any Reimbursement Agreement (including, without limitation, reimbursement obligations of the City to the Liquidity Provider with respect to a Liquidity Facility and any Liquidity Provider Bonds) shall be governed by the terms of such Reimbursement Agreement.

Section 15.17 Alternate Liquidity Facility or Alternate Credit Facility.

(A)Delivery by the City. At any time, not later than thirty-five (35) days prior to the expiration or termination of a Liquidity Facility or Credit Facility, in accordance with the terms of such Liquidity Facility or Credit Facility, the City may provide for the delivery to the Tender Agent of an Alternate Liquidity Facility or Alternate Credit Facility, as appropriate, that has a term of at least 360 days. Any Alternate Liquidity Facility or Alternate Credit Facility delivered to the Tender Agent pursuant to this Section 15.17 shall contain administrative provisions reasonably acceptable to the Tender Agent and the Remarketing Agent. On or prior to the date of the delivery of the Alternate Liquidity Facility or Alternate Credit Facility to the Tender Agent, the City shall furnish to the Tender Agent (a) a Favorable Opinion of Bond Counsel, (b) in the case of an Alternate Liquidity Facility, written evidence satisfactory to the Liquidity Provider of the provision for purchase from the Liquidity Provider of all Liquidity Provider Bonds, at a price equal to the principal amount thereof plus accrued and unpaid interest, and payment of all amounts due it under the Liquidity Facility on or before the effective date of such Alternate Liquidity Facility, and (c) an opinion of counsel to the provider of the Alternate Liquidity Facility or Alternate Credit Facility that is satisfactory to the City, the Tender Agent and the Remarketing Agent to the effect that such Alternate Liquidity Facility or Alternate Credit Facility is a valid and enforceable obligation of the provider thereof.

(B)Acceptance by Tender Agent. If at any time there is delivered to the Tender Agent (i) an Alternate Liquidity Facility or Alternate Credit Facility covering all of the Series 2008 B Bonds, (ii) the information, opinions and data required by Section 15.17(A) hereof, and (iii) all information required to give the notice of mandatory tender for purchases of the 2008 Series A Bonds if required by Section 15.14(E) hereof, then the Tender Agent shall accept such Alternate Liquidity Facility or Alternate Credit Facility and, after the date of the mandatory tender for purchase established pursuant to Section 15.14(D) hereof, promptly surrender the Liquidity Facility or Credit Facility then in effect, as appropriate, to the issuer thereof for cancellation in accordance with its terms or deliver any document necessary to reduce the coverage of such Liquidity Facility or Credit Facility due to the delivery of such Alternate Liquidity Facility or Alternate Credit Facility.

(C)Notice of Termination. The Trustee shall give notice to the Tender Agent, the Remarketing Agent and the Owners of the Series 2008 B Bonds of the substitution, termination or expiration of any Liquidity Facility or Credit Facility in accordance with its terms as provided in Section 15.19 hereof.

Section 15.18 Rights and Duties Under Liquidity Facility. The Tender Agent, by accepting its appointment as such, agrees without further direction, to make Draw Requests under the Liquidity Facility then in effect, if any, for the payment or purchase of Series 2008 B Bonds in accordance with the terms and conditions set forth in the Indenture and that Liquidity Facility at the times, in the manner and for the purposes set forth herein and therein.

Section 15.19 Notice of Termination, Event of Default or Other Change in Liquidity Facility or Credit Facility. The Trustee shall give notice by mail to the Owners of the Series 2008 B Bonds secured by a Liquidity Facility or Credit Facility (i) on or before the thirtieth (30th) day preceding the termination, expiration or substitution of such Liquidity Facility or Credit Facility (except in the case of a termination resulting from an event referred to in the following paragraph) in accordance with its terms, or (ii) in the case of any Mandatory Standby Tender under a Liquidity Facility, as soon as reasonably possible, but no later than the Business Day following the receipt by the Trustee of notice of the Mandatory Standby Tender. The notice shall be accompanied by directions for the purchase of the 2008 Series A Bonds pursuant to Section 15.14(E) hereof. The notice shall (A) state the date of such termination or expiration and the date of the proposed substitution of an Alternate Liquidity Facility or Alternate Credit Facility (if any), (B) state that the Series 2008 B Bonds will be purchased pursuant to Section 15.14(D) hereof on the fifth Business Day preceding such termination or expiration, including any termination as a result of a Mandatory Standby Tender, or on the date of substitution, in the case of substitution, and (C) any other information required in the notice to the Owners of the 2008 Series A Bonds by Section 15.14(E) hereof. The City shall provide the Trustee with written notice of any information required to enable the Trustee to give the foregoing notice.

If there should occur any event resulting in the immediate termination or suspension of the obligation of the Liquidity Provider to purchase Series 2008 B Bonds under the terms of any Liquidity Facility, then the Trustee shall as soon as practicably possible thereafter notify the Remarketing Agent and the Owners of all the 2008 Series A Bonds then Outstanding that: (i) the Liquidity Facility has been terminated or suspended, as the case may be; (ii) the Tender Agent will no longer be able to purchase 2008 Series A Bonds with moneys available under the Liquidity Facility; (iii) the rights of Owners to tender 2008 Series A Bonds for purchase has been suspended or terminated, as the case may be (unless the City in its sole discretion shall provide funds for such purpose pursuant to Section 15.22(A)(iii) hereof); (iv) the Liquidity Provider is under no obligation to purchase 2008 Series A Bonds or to otherwise advance moneys to fund the purchase of 2008 Series A Bonds; and (v) unless the City shall in its sole discretion provide funds pursuant to Section 15.22(A)(iii) hereof for the purchase of 2008 Series A Bonds upon the tender thereof, the 2008 Series A Bonds shall bear interest at the Maximum Rate until (a) such Liquidity Facility is reinstated, (b) an Alternate Liquidity Facility shall be in effect, or (c) the 2008 Series A Bonds are converted to a Long-Term Mode.

Section 15.20 Acceleration Upon Nonreinstatement or Event of Default under Liquidity Facility or Credit Facility. Upon the receipt of notice (i) from the Liquidity Provider or Credit Provider of the occurrence of an event of default, as defined under the Reimbursement Agreement, or (ii) from the Credit Provider that the Credit Facility then in effect shall not be reinstated, the Trustee shall cause all Outstanding Series 2008 B Bonds, and the interest accrued thereon, to be declared immediately due and payable as provided in Section 6.02 of the Indenture. In such an event, interest on the Series 2008 B Bonds shall immediately cease to accrue upon such declaration by the Trustee.

Section 15.21 Notice of Series 2008 B Bonds To Be Delivered for Purchase.

For purposes of Section 15.14 hereof, the Tender Agent shall determine timely and proper delivery of Series 2008 B Bonds pursuant hereto and the proper endorsement of Series 2008 B Bonds delivered. That determination shall be binding on the Owners of the Series 2008 B Bonds, the City, the Credit Provider, the Liquidity Provider and the Remarketing Agent, absent manifest error.

As soon as practicable upon its receipt, but not later than 11:00 a.m., New York City time, on the day of receipt of a Tender Notice with respect to Series 2008 B Bonds bearing interest at a Daily Rate, and not later than 12:00 noon on the following Business Day with respect to Series 2008 B Bonds bearing interest at a Weekly Rate, the Tender Agent shall notify the Remarketing Agent, the Credit Provider, the Liquidity Provider, the Trustee and the City by telephone, promptly confirmed in writing, or by Electronic Means, of the receipt of a Tender Notice pursuant to Section 15.14(A) hereof, specifying the principal amount of such Series 2008 B Bonds for which it has received such Tender Notice, the names of the Owners thereof and the date on which such Series 2008 B Bonds are to be purchased in accordance therewith.

Section 15.22 Source of Funds for Purchase of Series 2008 B Bonds.

(A)By the close of business on the date on which a Series 2008 B Bond is to be purchased pursuant to this Section, the Tender Agent shall purchase tendered Series 2008 B Bonds from the tendering Owners at the applicable Purchase Price by wire transfer in immediately available funds. Funds for the payment of such Purchase Price shall be derived solely from the following sources in the order of priority indicated and neither the Tender Agent, the Credit Provider, the Liquidity Provider nor the Remarketing Agent shall be obligated to provide funds from any other source:

(i)proceeds of the sale of Series 2008 B Bonds remarketed pursuant to Section 15.23(A) hereof and the Remarketing Agreement and furnished to the Tender Agent by the Remarketing Agent for deposit in the Remarketing Proceeds Account;

(ii)money furnished by the Liquidity Provider to the Tender Agent for deposit into the Liquidity Facility Purchase Account from Draw Requests on the Liquidity Facility; and

(iii)Available Moneys of the City provided to the Tender Agent by the City, at the City's discretion, then on deposit in the Purchase Account.

(B)Inadequate Funds for Tenders. If sufficient funds are not available for the purchase of all Series 2008 B Bonds tendered or deemed tendered and required to be purchased on any

Purchase Date, all such Series 2008 B Bonds shall bear interest at the Alternate Rate [plus three percent] from the date of such failed purchase until all such Series 2008 B Bonds are purchased as required in accordance with the Indenture, and, if applicable, shall be returned to their respective Owners. Notwithstanding any other provision of the Indenture, such failed purchase and return shall not constitute an Event of Default. Thereafter, the Tender Agent shall continue to take all such action available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient other funds from the Liquidity Provider. Any obligation of the Remarketing Agent, Credit Provider or Liquidity Provider to cause the deposit of such funds from remarketing proceeds or proceeds of the Credit Facility or Liquidity Facility, respectively, shall remain enforceable pursuant to the Indenture, and such obligation shall only be discharged at such time as funds are deposited with the Tender Agent in an amount sufficient to purchase all such Series 2008 B Bonds, together with any interest which has accrued on such Series 2008 B Bonds to the subsequent actual purchase date.

(C)No Purchases or Sales After Credit Provider or Liquidity Provider Failure. Anything in the Indenture to the contrary notwithstanding, if there shall have occurred and be continuing either a Credit Provider Failure or a Liquidity Provider Failure, the Remarketing Agent shall not remarket any Series 2008 B Bonds. All other provisions of the Indenture, including, without limitation, those relating to the setting of interest rates and Interest Periods and mandatory and optional purchases, shall remain in full force and effect during the continuance of such Credit Provider Failure or Liquidity Provider Failure.

Section 15.23 Remarketing of Series 2008 B Bonds; Notices.

(A)Remarketing of Series 2008 B Bonds. Upon a mandatory tender (other than a Mandatory Standby Tender) or notice of tender for purchase of Series 2008 B Bonds, the Remarketing Agent shall offer for sale and use its best efforts to sell such 2008 Series A Bonds on the same date designated for purchase thereof at a price equal to the Purchase Price therefor in accordance with Section 15.14 hereof and, if not remarketed on such date, thereafter until sold. The City shall not have any obligation to purchase 2008 Series A Bonds tendered for purchase if such 2008 Series A Bonds are not remarketed pursuant to this Section 15.23(A). The Remarketing Agent shall have the ongoing obligation to use its best efforts to remarket Liquidity Provider Bonds. 2008 Series A Bonds subject to a Mandatory Standby Tender shall not be remarketed unless (1) the Mode of such 2008 Series A Bonds is changed to a Fixed Rate Mode or to an Auction Rate Mode, or (2) an Alternate Liquidity Facility is delivered to the Tender Agent pursuant to Section 15.17(A) hereof and is in full force and effect, or (3) the Trustee has received written notice from the Liquidity Provider that all events of default under the Liquidity Facility have been cured and that the Liquidity Facility has been reinstated.

(B)The Remarketing Agent shall use its best efforts to offer for sale at par to parties other than the City:

(i)all Series 2008 B Bonds or portions thereof as to which a Tender Notice has been delivered pursuant to Section 15.14(A); and

(ii)all Series 2008 B Bonds required to be purchased on a Mandatory Purchase Date described in clauses (1), (2), (3) or (4) of the definition thereof; and

(iii)any Liquidity Provider Bonds (A) purchased on a Purchase Date described in clause (i) or (ii) of this subsection, (B) with respect to which an Alternate Liquidity Facility and Alternate Credit Facility is in effect (if a Credit Facility was in effect with respect to such Series 2008 B Bonds prior to such Series 2008 B Bonds becoming Liquidity Provider Bonds, which Credit Facility is no longer in effect), or (D) which are being marketed as Fixed Rate Bonds.

(C)Notice of Remarketing; Delivery of Remarketing Proceeds; New Bonds.

(i)Not later than 11:30 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall inform the Tender Agent by Electronic Means of the principal amount of Series 2008 B Bonds tendered for purchase and sold by the Remarketing Agent pursuant to Section 15.23(B) and such information as may be necessary to register such Series 2008 B Bonds and the registration instructions (i.e., the names, addresses and taxpayer identification numbers of the purchasers and the desired Authorized Denominations) with respect thereto;

(ii)promptly upon receipt of notice from the Remarketing Agent, but in any event no later than 11:45 a.m., New York City time, on the Purchase Date, the Tender Agent shall notify the City, the Trustee and the Liquidity Provider by Electronic Means as to the aggregate Purchase Price of Series 2008 B Bonds to be purchased and as to the amount of the difference between (1) the aggregate Purchase Price of Series 2008 B Bonds to be tendered pursuant to a Tender Notice or subject to mandatory tender for purchase on such Purchase Date, and (2) the aggregate Purchase Price of Series 2008 B Bonds that have been remarketed by the Remarketing Agent;

(iii)not later than 11:45 a.m., New York City time, on the Purchase Date, the Remarketing Agent shall deliver to the Tender Agent the remarketing proceeds for which notice of remarketing was provided in accordance with Section 15.23(C)(i);

(iv)prior to 12:00 p.m., New York City time, on the Purchase Date, the Tender Agent shall submit a Draw Request under the Liquidity Facility pursuant to Section 15.15(B); and

(v)if the Series 2008 B Bonds are no longer in the Book-Entry System, the Tender Agent shall authenticate new Series 2008 B Bonds for the respective purchasers thereof which shall be available for pick-up by the Remarketing Agent not later than 2:30 p.m, New York City time.

(D)Delivery of Purchased Series 2008 B Bonds. On each date on which a Series 2008 B Bond is to be purchased pursuant to this Section, such Series 2008 B Bond shall be delivered as follows:

(i)Series 2008 B Bonds sold by the Remarketing Agent and described in Section 15.22(A)(i) shall be delivered by the Tender Agent as directed by the Remarketing Agent to the purchasers of such Series 2008 B Bonds not later than 3:00 p.m., New York City time;

(ii)Series 2008 B Bonds purchased by the Tender Agent with moneys described in Section 15.22(A)(ii) shall be held by the Tender Agent and registered immediately in the name

of the Liquidity Provider or its nominee (which may be the Securities Depository) not later than 3:00 p.m., New York City time; and

(iii) Series 2008 B Bonds purchased by the City with moneys described in Section 15.22(A)(iii) shall be registered immediately in the name of the City or its nominee not later than 3:00 p.m., New York City time. Series 2008 B Bonds so owned by the City shall continue to be Outstanding under the terms of the Indenture and be subject to all of the terms and conditions of the Indenture and shall be subject to remarketing by the Remarketing Agent.

(E)Purchase Fund. There is hereby established and there shall be maintained with the Tender Agent a separate fund to be known as the "Purchase Fund." The Trustee shall further establish separate accounts within the Purchase Fund to be known as the "Liquidity Facility Purchase Account" and the "Remarketing Proceeds Account" and the "Purchase Account." The Liquidity Facility Purchase Account, Remarketing Proceeds Account and Purchase Account shall be held in trust for the exclusive benefit of the Owners of the Series 2008 B Bonds. Amounts held in the Liquidity Facility Purchase Account, the Remarketing Proceeds Account and Purchase Account shall be held uninvested and separate and apart from all other funds and accounts.

(i)Remarketing Proceeds Account. Upon receipt of the proceeds of a remarketing of a Series 2008 B Bond on the date such Series 2008 B Bond is to be purchased, the Tender Agent shall deposit such proceeds in the Remarketing Proceeds Account for application to the Purchase Price of the Series 2008 B Bonds. Notwithstanding the foregoing, upon the receipt of the proceeds of a remarketing of Liquidity Provider Bonds, the Tender Agent shall immediately pay such proceeds to the Liquidity Provider to the extent of any amount owing to the Liquidity Provider.

(ii)Liquidity Facility Purchase Account. Upon receipt of the immediately available funds pursuant to Section 15.15(B) above, the Tender Agent shall deposit such money in the Liquidity Facility Purchase Account for application to the Purchase Price of the Series 2008 B Bonds to the extent that the moneys on deposit in the Remarketing Proceeds Account shall not be sufficient. Any amounts deposited in the Liquidity Facility Purchase Account and not needed with respect to the Purchase Price for any Series 2008 B Bonds shall be immediately returned to the Liquidity Provider.

(iii)Purchase Account. Upon receipt of a written request from the City, the Tender Agent shall deposit in the Purchase Account moneys received from the City for use pursuant to Section 15.22(A)(iii) above to pay the Purchase Price of Series 2008 B Bonds. Upon receipt of a written request from the City, the Tender Agent shall immediately refund to the City any amounts on deposit in the Purchase Account not theretofore used to pay the Purchase Price of any Series 2008 B Bonds.

Section 15.24 Remarketing Agent.

(A)Duties of Remarketing Agent. Each Remarketing Agent appointed by the City shall designate its principal office in the Remarketing Agreement. The Remarketing Agent shall signify its acceptance of the duties and obligations imposed upon it under the Indenture by a

written instrument of acceptance (which may be the Remarketing Agreement) delivered to the City, the Trustee, the Tender Agent and the Liquidity Provider, under which the Remarketing Agent shall agree, particularly, to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the City, the Trustee and the Tender Agent at all reasonable times.

(B)Qualifications of Remarketing Agent. Each Remarketing Agent shall be a member of the National Association of Securities Dealers and authorized by law to perform all the duties imposed upon it hereunder and under the Remarketing Agreement. The Remarketing Agent for the Series 2008 B Bonds shall be acceptable to the Liquidity Provider.

(C)Resignation and Removal of Remarketing Agent. The Remarketing Agent may at any time resign and be discharged of the duties and obligations hereunder by giving notice to the City, the Trustee, the Tender Agent and the Liquidity Provider. Such resignation shall take effect on the thirtieth (30th) day after the receipt by the City of the notice of resignation. The Remarketing Agent may be removed at any time on thirty (30) days prior written notice, by an instrument signed by the City, approved by the Liquidity Provider, such consent not to be unreasonably withheld, and delivered to the Remarketing Agent, the Trustee, the City and the Tender Agent.

Section 15.25 Tender Agent.

(A) Duties of Tender Agent. Each Tender Agent appointed by the City shall designate to the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent, its Principal Office for delivery of notices and delivery of Series 2008 Bonds and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument of acceptance delivered to the City, the Trustee, the Credit Provider, the Liquidity Provider and the Remarketing Agent. By acceptance of its appointment hereunder, the Tender Agent agrees:

(i)to hold all Series 2008 B Bonds delivered to it pursuant to Section 15.14 hereof as agent and bailee of, and in escrow for the benefit of, the respective Owners which have delivered such Series 2008 B Bonds until money representing the Purchase Price of such Series 2008 B Bonds shall have been delivered to or for the account of or to the order of such Owners;

(ii)to hold all Series 2008 B Bonds registered in the name of the new Owners thereof which have been delivered to it by the Trustee for delivery to the Remarketing Agent;

(iii)to hold Series 2008 B Bonds for the account of the Liquidity Provider as stated in Section 15.23(D)(ii) hereof; and

(iv)to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the Trustee, the City, the Credit Provider, the Liquidity Provider and the Remarketing Agent at all reasonable times.

(B)Qualifications of Tender Agent. Each Tender Agent shall be a commercial bank with trust powers, a national banking association or a trust company duly organized under the laws of the United States of America or any state or territory thereof having a combined capital stock,

surplus and undivided profits of at least $100,000,000 and authorized by law to perform all the duties imposed upon it hereunder. A Tender Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least sixty (60) days' notice to the City, the Trustee, the Liquidity Provider and the Remarketing Agent. A Tender Agent may be removed at any time by an instrument signed by the City and filed with the Trustee. However, such resignation or removal shall not take effect prior to the date that a successor Tender Agent has been appointed by the City and has accepted such appointment, such appointment has been approved by the Liquidity Provider, and the Liquidity Facility, if any, has been transferred, in accordance with its terms, to that successor.

(C) Resignation and Removal of Tender Agent. Upon the effective date of resignation or removal of a Tender Agent, such Tender Agent shall deliver any Series 2008 B Bonds and money held by it in such capacity to its successor.

Section 15.26 Notices to Rating Agencies. The Trustee shall give notice to the Rating Agencies then rating the Series 2008 B Bonds of the occurrence of any of the following with respect to the Series 2008 B Bonds:

(i)the removal, resignation or appointment of the Trustee, Tender Agent, Remarketing Agent, Auction Agent or Broker-Dealer;

(ii)the execution of any amendment or supplement to the Indenture, the Credit Facility, the Liquidity Facility, the Reimbursement Agreement, the Remarketing Agreement, the Broker-Dealer Agreement or the Auction Agreement;

(iii)the expiration, termination, extension or substitution of the Liquidity Facility or Credit Facility;

(iv)the redemption in whole of the Outstanding Series 2008 B Bonds;

(v)the acceleration of all Outstanding Series 2008 B Bonds pursuant to Section 6.02 of the Indenture;

(vi)the defeasance of all Outstanding Series 2008 B Bonds; and

(vii)any change in Mode of the Series 2008 B Bonds to the Flexible Mode, the Term Rate Mode, the Fixed Rate Mode or the Auction Rate Mode.

Any notice to the Rating Agencies shall be given by first-class mail at the following addresses or to such other addresses as may be filed in writing by each Rating Agency with the Trustee:

Fitch Ratings
One State Street Plaza
New York, New York 10004
Attention: Public Finance Department
Facsimile: (212) 480-4435

Moody's Investors Services
7 World Financial Center
New York, New York 10007
Attention: Public Finance Department
Facsimile: (212) 553-4090

Standard & Poor's Rating Services
55 Water Street
New York, New York 10041
Attention: Public Finance Department
Facsimile: (212) 438-2157

Section 15.27 Auction Procedures for Auction Rate Mode.

(A)Orders by Existing Owners and Potential Owners.

(i)Prior to the Submission Deadline on each Auction Date:

(a) each Existing Owner may submit to a Broker-Dealer, in writing or by such other method as shall be reasonably acceptable to such Broker-Dealer, information as to:

(1) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period without regard to the rate determined by the Auction Procedures for such Auction Period;

(2) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably commits to continue to hold for the next succeeding Auction Period if the rate determined by the Auction Procedures for such Auction Period shall not be less than the rate per annum then specified by such Existing Owner (and which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or the same day in the case of a daily Auction Period) if the rate determined by the Auction Procedures for the next succeeding Auction Period shall be less than the rate per annum then specified by such Existing Owner); and/or

(3) the principal amount of the Series 2008 B Bonds, if any, held by such Existing Owner which such Existing Owner irrevocably offers to sell on the next succeeding Interest Payment Date (or on the same day in the case of a daily Auction Period) without regard to the rate determined by the Auction Procedures for the next succeeding Auction Period;

(b) for the purpose of implementing the Auctions and thereby to achieve the lowest possible interest rate on the Series 2008 B Bonds in the Auction Rate Mode, the Broker-Dealers shall contact Potential Owners, including Persons that are Existing Owners, to determine the principal amount of the Series 2008 B Bonds, if any, which each such Potential Owner irrevocably offers to purchase if the rate determined by the Auction Procedures for the

next succeeding Auction Period is not less than the rate per annum then specified by such Potential Owner.

For the purposes hereof, an Order containing the information referred to in clause (a)(1) of this subsection is herein referred to as a "Hold Order," an Order containing the information referred to in clause (a)(2) or (b) of this subsection is herein referred to as a "Bid," and an Order containing the information referred to in clause (a)(3) of this subsection is herein referred to as a "Sell Order."

(ii)(a) A Bid by an Existing Owner shall constitute an irrevocable offer to sell:

(1) the principal amount of the Series 2008 B Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be less than the rate specified therein; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds to be determined as described in Section 15.27(D)(i)(e) if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate; or

(3) a lesser principal amount of the Series 2008 B Bonds to be determined as described in Section 15.27(D)(ii)(d) if such specified rate shall be higher than the Maximum Rate and Sufficient Clearing Bids do not exist.

(b) A Sell Order by an Existing Owner shall constitute an irrevocable offer to sell:

(1) the principal amount of the Series 2008 B Bonds specified in such Sell Order; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds as described in Section 15.27(D)(ii)(d) if Sufficient Clearing Bids do not exist.

(c) A Bid by a Potential Owner shall constitute an irrevocable offer to purchase:

(1) the principal amount of the Series 2008 B Bonds specified in such Bid if the rate determined by the Auction Procedures on such Auction Date shall be higher than the rate specified therein; or

(2) such principal amount or a lesser principal amount of the Series 2008 B Bonds as described in Section 15.27(D)(i)(f) if the rate determined by the Auction Procedures on such Auction Date shall be equal to such specified rate.

(iii)Anything herein to the contrary notwithstanding:

(a) for purposes of any Auction, any Order which specifies the Series 2008 B Bonds to be held, purchased or sold in a principal amount which is not $25,000 or an integral multiple thereof shall be rounded down to the nearest $25,000, and the Auction Agent shall conduct the Auction Procedures as if such Order had been submitted in such lower amount;

(b) for purposes of any Auction other than during a daily Auction Period, any portion of an Order of an Existing Owner which relates to a Series 2008 B Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be invalid with respect to such portion and the Auction Agent shall conduct the Auction Procedures as if such portion of such Order had not been submitted;

(c) for purposes of any Auction other than during a daily Auction Period, no portion of a Series 2008 B Bond which has been called for redemption on or prior to the Interest Payment Date next succeeding such Auction shall be included in the calculation of Available Bonds for such Auction; and

(d) the Auction Procedures shall be suspended with respect to the Series 2008 B Bonds in the Auction Rate Mode during the period commencing on the date of the Auction Agent's receipt of notice from the Trustee of the occurrence of a default of the City in the payment of principal, sinking fund installment, interest or premium on any Series 2008 B Bond after the same shall have become due, whether at maturity, upon call for redemption or on an Interest Payment Date (provided, that for purposes of this provision only, payment by the Credit Provider shall be deemed to cure such default and no such suspension of the Auction Procedures shall occur), but shall resume two Business Days after the date on which the Auction Agent receives notice from the Trustee that such default has been waived or cured, with the next Auction to occur on the next regularly scheduled Auction Date occurring thereafter.

(B)Submission of Orders by Broker-Dealers to Auction Agent.

(i)Each Broker-Dealer shall submit to the Auction Agent in writing or by such other method as shall be reasonably acceptable to the Auction Agent, including such electronic communication acceptable to the parties, prior to the Submission Deadline on each Auction Date, all Orders obtained by such Broker-Dealer and specifying, if requested, with respect to each Order:

(a) the name of the Bidder placing such Order;

(b) the aggregate principal amount of the Series 2008 B Bonds, if any, that are the subject of such Order;

(c) to the extent that such Bidder is an Existing Owner:

(1) the principal amount of the Series 2008 B Bonds, if any, subject to any Hold Order placed by such Existing Owner;

(2) the principal amount of the Bonds, if any, subject to any Bid placed by such Existing Owner and the rate specified in such Bid; and

(3) the principal amount of the Series 2008 B Bonds, if any, subject to any Sell Order placed by such Existing Owner; and

(d) to the extent such Bidder is a Potential Owner, the rate specified in such Bid.

(ii)If any rate specified in any Bid contains more than three figures to the right of the decimal point, the Auction Agent shall round such rate up to the next highest one thousandth of one percent (0.001%).

(iii)If an Order or Orders covering all of the Series 2008 B Bonds held by an Existing Owner is not submitted to the Auction Agent prior to the Submission Deadline, the Auction Agent shall deem a Hold Order to have been submitted on behalf of such Existing Owner covering the principal amount of the Series 2008 B Bonds held by such Existing Owner and not subject to Orders submitted to the Auction Agent; provided, that if there is a conversion from one Auction Period to another Auction Period or the definitions of defined terms used in Section 15.26 have been amended pursuant to Section 15.27(G)(ii) and Orders have not been submitted to the Auction Agent prior to the Submission Deadline covering the aggregate principal amount of the Series 2008 B Bonds held by such Existing Owner, the Auction Agent shall deem a Sell Order to have been submitted on behalf of such Existing Owner covering the principal amount of the Series 2008 B Bonds held by such Existing Owner not subject to Orders submitted to the Auction Agent.

(iv)If one or more Orders covering in the aggregate more than the principal amount of Outstanding Series 2008 B Bonds held by any Existing Owner are submitted to the Auction Agent, such Orders shall be considered valid as follows:

(a) all Hold Orders shall be considered Hold Orders, but only up to and including in the aggregate the principal amount of the Series 2008 B Bonds held by such Existing Owner;

(b) (1) any Bid of an Existing Owner shall be considered valid as a Bid of an Existing Owner up to and including the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds subject to Hold Orders referred to in clause (a) of this subsection;

(2) subject to clause (1) of this paragraph, all Bids of an Existing Owner with the same rate shall be aggregated and considered a single Bid of an Existing Owner up to and including the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds held by such Existing Owner subject to Hold Orders referred to in clause (a) of this subsection;

(3) subject to clause (1) of this paragraph, if more than one Bid with different rates is submitted on behalf of such Existing Owner, such Bids shall be considered Bids of an Existing Owner in the ascending order of their respective rates up to the amount of the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the principal amount of the Series 2008 B Bonds held by such Existing Owner subject to Hold Orders referred to in clause (a) of this subsection; and

(4) the principal amount, if any, of such Series 2008 B Bonds subject to Bids not considered to be Bids of an Existing Owner under this clause (b) shall be treated as the subject of a Bid by a Potential Owner; and

(c) all Sell Orders shall be considered Sell Orders, but only up to and including a principal amount of the Series 2008 B Bonds equal to the excess of the principal amount of the Series 2008 B Bonds held by such Existing Owner over the sum of the principal amount of the Series 2008 B Bonds considered to be subject to Hold Orders pursuant to clause (i) of this subsection and the principal amount of the Series 2008 B Bonds considered to be subject to Bids of such Existing Owner pursuant to clause (b) of this subsection.

(v)If more than one Bid is submitted on behalf of any Potential Owner, each Bid submitted with the same rate shall be aggregated and considered a single Bid and each Bid submitted with a different rate shall be considered a separate Bid with the rate and the principal amount of the Series 2008 B Bonds specified therein.

(vi)Neither the City, the Trustee nor the Auction Agent shall be responsible for the failure of any Broker-Dealer to submit an Order to the Auction Agent on behalf of any Existing Owner or Potential Owner.

(C)Determination of Auction Rate.

(i)Not later than 9:30 a.m., New York City time, on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall advise the Broker-Dealers and the Trustee by telephone or other electronic communication acceptable to the parties of the All Hold Rate and the Auction Rate Index for such Series 2008 B Bonds.

(ii)Promptly after the Submission Deadline on each Auction Date for the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall assemble all Orders submitted or deemed submitted to it by the Broker-Dealers (each such Order as submitted or deemed submitted by a Broker-Dealer being hereinafter referred to as a "Submitted Hold Order," a "Submitted Bid" or a "Submitted Sell Order," as the case may be, and collectively as a "Submitted Order") and shall determine (i) the Available Bonds, (ii) whether there are Sufficient Clearing Bids, and (iii) the Auction Rate.

(iii)Promptly after the Auction Agent has made the determinations pursuant to subsection (ii) of this Section, the Auction Agent shall advise the Trustee by telephone (promptly confirmed in writing), telex or facsimile transmission or other electronic communication acceptable to the parties of the Auction Rate for the next succeeding Auction Period and the Trustee shall promptly notify the Securities Depository of such Auction Rate.

(iv)In the event the Auction Agent shall fail to calculate or, for any reason, fails to provide the Auction Rate on any Auction Date for any Auction Period, (i) if the preceding Auction Period was a period of 35 days or less, the new Auction Period shall be the same as the preceding Auction Period and the Auction Rate for the new Auction Period shall be the same as the Auction Rate for the preceding Auction Period, and (ii) if the preceding Auction Period was a period of greater than 35 days, the preceding Auction Period shall be extended to the same calendar day of the next week (or if such day is not followed by a Business Day then to the next

succeeding day which is followed by a Business Day) and the Auction Rate in effect for the preceding Auction Period will continue in effect for the Auction Period as so extended. In the event the Auction Period is extended as set forth in clause (ii) of the preceding sentence, an Auction shall be held on the last Business Day of the Auction Period as so extended to take effect for an Auction Period beginning on the Business Day immediately following the last day of the Auction Period as extended, which Auction Period will end on the date it would otherwise have ended on had the prior Auction Period not been extended.

(v)For so long as the Auction Procedures are suspended pursuant to Section 15.27(A)(iii)(d) with respect to any Series 2008 B Bonds in the Auction Rate Mode, the Auction Rate for each succeeding Auction Period shall be the Maximum Rate.

(vi)In the event of a failed conversion from the Auction Rate Mode to another Mode or in the event of a failure to change the length of the current Auction Period due to the lack of Sufficient Clearing Bids at the Auction on the Auction Date for the first new Auction Period, the Auction Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(vii)For so long as the Series 2008 B Bonds in the Auction Rate Mode are not rated or the Series 2008 B Bonds are not held in the Book-Entry System, the Auction Procedures shall be suspended and the Auction Rate shall be the Maximum Rate.

(viii)The Auction Rate to be applicable to the Series 2008 B Bonds in the Auction Rate Mode during each Auction Period shall be determined by the Auction Agent and notice thereof shall be given as provided Sections 14.15.

(D)Allocation of Series 2008 B Bonds.

(i)In the event of Sufficient Clearing Bids for the Series 2008 B Bonds in the Auction Rate Mode, subject to the further provisions of subsections (iii) and (iv) of this Section, Submitted Orders for such Series 2008 B Bonds shall be accepted or rejected as follows in the following order of priority:

(a) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Hold Order;

(b) the Submitted Sell Order of each Existing Owner shall be accepted and the Submitted Bid of each Existing Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected, thus requiring each such Existing Owner to sell the Series 2008 B Bonds that are the subject of such Submitted Sell Order or Submitted Bid;

(c) the Submitted Bid of each Existing Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid;

(d) the Submitted Bid of each Potential Owner specifying any rate that is lower than the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid;

(e) the Submitted Bid of each Existing Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid, but only up to and including the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of Outstanding Series 2008 B Bonds which are not the subject of Submitted Hold Orders described in clause (a) of this subsection or of Submitted Bids described in clauses (c) or (d) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds held by such Existing Owner subject to such Submitted Bid and the denominator of which shall be the aggregate principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bids made by all such Existing Owners that specified a rate equal to the Winning Bid Rate, and the remainder, if any, of such Submitted Bid shall be rejected, thus requiring each such Existing Owner to sell any excess amount of the Series 2008 B Bonds;

(f) the Submitted Bid of each Potential Owner specifying a rate that is equal to the Winning Bid Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid, but only in an amount equal to the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of Outstanding Series 2008 B Bonds which are not the subject of Submitted Hold Orders described in clause (a) of this subsection or of Submitted Bids described in clauses (c), (d) or (e) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bid and the denominator of which shall be the sum of the aggregate principal amount of Outstanding Series 2008 B Bonds subject to such Submitted Bids made by all such Potential Owners that specified a rate equal to the Winning Bid Rate, and the remainder of such Submitted Bid shall be rejected; and

(g) the Submitted Bid of each Potential Owner specifying any rate that is higher than the Winning Bid Rate shall be rejected.

(ii)In the event there are not Sufficient Clearing Bids for the Series 2008 B Bonds in the Auction Rate Mode, subject to the further provisions of subsections (iii) and (iv) of this Section, Submitted Orders for such Series 2008 B Bonds shall be accepted or rejected as follows in the following order of priority:

(a) the Submitted Hold Order of each Existing Owner shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Hold Order;

(b) the Submitted Bid of each Existing Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Existing Owner to continue to hold the Series 2008 B Bonds that are the subject of such Submitted Bid;

(c) the Submitted Bid of each Potential Owner specifying any rate that is not higher than the Maximum Rate shall be accepted, thus requiring each such Potential Owner to purchase the Series 2008 B Bonds that are the subject of such Submitted Bid;

(d) the Submitted Sell Orders of each Existing Owner shall be accepted as Submitted Sell Orders and the Submitted Bids of each Existing Owner specifying any rate that is higher than the Maximum Rate shall be deemed to be and shall be accepted as Submitted Sell Orders, in both cases only up to and including the principal amount of the Series 2008 B Bonds obtained by multiplying (A) the aggregate principal amount of the Series 2008 B Bonds subject to Submitted Bids described in clause (c) of this subsection by (B) a fraction the numerator of which shall be the principal amount of Outstanding Series 2008 B Bonds held by such Existing Owner subject to such Submitted Sell Order or such Submitted Bid deemed to be a Submitted Sell Order and the denominator of which shall be the principal amount of Outstanding Series 2008 B Bonds subject to all such Submitted Sell Orders and such Submitted Bids deemed to be Submitted Sell Orders, and the remainder of each such Submitted Sell Order or Submitted Bid shall be deemed to be and shall be accepted as a Hold Order and each such Existing Owner shall be required to continue to hold such excess amount of the Series 2008 B Bonds; and

(e) the Submitted Bid of each Potential Owner specifying any rate that is higher than Maximum Rate shall be rejected.

(iii)If, as a result of the procedures described in subsection (i) or (ii) of this Section, any Existing Owner or Potential Owner would be required to purchase or sell an aggregate principal amount of the Series 2008 B Bonds which is not an integral multiple of $25,000 on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, round up or down the principal amount of the Series 2008 B Bonds to be purchased or sold by any Existing Owner or Potential Owner on such Auction Date so that the aggregate principal amount of the Series 2008 B Bonds purchased or sold by each Existing Owner or Potential Owner on such Auction Date shall be an integral multiple of $25,000, even if such allocation results in one or more of such Existing Owners or Potential Owners not purchasing or selling any Series 2008 B Bonds on such Auction Date.

(iv)If, as a result of the procedures described in subsection (i) of this Section, any Potential Owner would be required to purchase less than $25,000 in principal amount of the Series 2008 B Bonds on any Auction Date, the Auction Agent shall by lot, in such manner as it shall determine in its sole discretion, allocate the Series 2008 B Bonds for purchase among Potential Owners so that the principal amount of Series 2008 B Bonds in the Auction Rate Mode purchased on such Auction Date by any Potential Owner shall be an integral multiple of $25,000, even if such allocation results in one or more of such Potential Owners not purchasing the Series 2008 B Bonds on such Auction Date.

(E)Notice of Auction Rate.

(i)On each Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode, the Auction Agent shall notify by telephone or other telecommunication device or other electronic communication acceptable to the parties or in writing each Broker-Dealer that participated in the Auction held on such Auction Date of the following:

(a) the Auction Rate determined on such Auction Date for the succeeding Auction Period;

(b) whether Sufficient Clearing Bids existed for the determination of the Winning Bid Rate;

(c) if such Broker-Dealer submitted a Bid or a Sell Order on behalf of an Existing Owner, whether such Bid or Sell Order was accepted or rejected and the principal amount of the Series 2008 B Bonds, if any, to be sold by such Existing Owner;

(d) if such Broker-Dealer submitted a Bid on behalf of a Potential Owner, whether such Bid was accepted or rejected and the principal amount of the Series 2008 B Bonds, if any, to be purchased by such Potential Owner;

(e) if the aggregate principal amount of the Series 2008 B Bonds to be sold by all Existing Owners on whose behalf such Broker-Dealer submitted Bids or Sell Orders is different from the aggregate principal amount of the Series 2008 B Bonds to be purchased by all Potential Owners on whose behalf such Broker-Dealer submitted a Bid, the name or names of one or more Broker-Dealers (and the Agent Member, if any, of each such other Broker-Dealer) and the principal amount of the Series 2008 B Bonds to be (A) purchased from one or more Existing Owners on whose behalf such other Broker-Dealers submitted Bids or Sell Orders or (B) sold to one or more Potential Owners on whose behalf such Broker-Dealer submitted Bids; and

(f) the immediately succeeding Auction Date.

(ii)On each Auction Date with respect to the Series 2008 B Bonds in the Auction Rate Mode, each Broker-Dealer that submitted an Order on behalf of any Existing Owner or Potential Owner shall: (i) advise each Existing Owner and Potential Owner on whose behalf such Broker-Dealer submitted an Order as to (A) the Auction Rate determined on such Auction Date, (B) whether any Bid or Sell Order submitted on behalf of each such Owner was accepted or rejected and (C) the immediately succeeding Auction Date; (ii) instruct each Potential Owner on whose behalf such Broker-Dealer submitted a Bid that was accepted, in whole or in part, to instruct such Existing Owner's Agent Member to pay to such Broker-Dealer (or its Agent Member) through the Securities Depository the amount necessary to purchase the principal amount of the Series 2008 B Bonds to be purchased pursuant to such Bid (including, with respect to the Series 2008 B Bonds in a daily Auction Period, accrued interest if the purchase date is not an Interest Payment Date for such Series 2008 B Bonds) against receipt of such Series 2008 B Bonds; and (iii) instruct each Existing Owner on whose behalf such Broker-Dealer submitted a Sell Order that was accepted or a Bid that was rejected, in whole or in part, to instruct such Existing Owner's Agent Member to deliver to such Broker-Dealer (or its Agent Member) through the Securities Depository the principal amount of the Series 2008 B Bonds to be sold pursuant to such Bid or Sell Order against payment therefor.

(F)Auction Rate Index.

(i)The Auction Rate Index on any date with respect to Series 2008 B Bonds in an Auction Period of 35 days or less shall be One-Month LIBOR on such date. The Auction Rate

Index on any date with respect to Series 2008 B Bonds in an Auction Period of greater than 35 days shall be the rate on United States Treasury Securities having a maturity that most closely approximates the length of the Auction Period, as most recently published in The Bond Buyer. If either rate is unavailable, the Auction Rate Index shall be an index or rate agreed to by all Broker-Dealers and the Credit Provider and consented to by the City. "One-Month LIBOR" means, on any date of determination, the offered rate (rounded up to the next highest one one-thousandth of one percent (0.001%)) for deposits in U.S. dollars for a one-month period which appears on Telerate Page 3750 at approximately 11:00 a.m., London time, on such date, or if such date is not a date on which dealings in U.S. dollars are transacted in the London interbank market, then on the next preceding day on which such dealings were transacted in such market.

(ii)If for any reason on any Auction Date the Auction Rate Index shall not be determined as provided in subsection (a) of this Section, the Auction Rate Index shall be the Auction Rate Index for the Auction Period ending on such Auction Date.

(iii)The determination of the Auction Rate Index as provided herein shall be conclusive and binding upon the City, the Trustee, the Broker-Dealers, the Auction Agent and the Owners of the Series 2008 B Bonds.

(G)Miscellaneous Provisions Regarding Auctions.

(i)In Section 15.27, each reference to the purchase, sale or holding of the Series 2008 B Bonds shall refer to beneficial ownership interests in the Series 2008 B Bonds, unless the context clearly requires otherwise.

(ii)During an Auction Rate Period with respect to the Series 2008 B Bonds, the provisions of Section 15.27 and the definitions of defined terms used in Section 15.27, including without limitation the definitions of All Hold Rate, Auction Rate (provided that in no event shall the Auction Rate exceed the Maximum Rate with respect to Series 2008 B Bonds other than Liquidity Provider Bonds), Auction Rate Index, Maximum Rate, Interest Payment Date (with respect to Series 2008 B Bonds in the Auction Rate Mode) may be amended pursuant to the Indenture by obtaining the consent of the Credit Provider and owners of all Outstanding Series 2008 B Bonds in the Auction Rate Mode as follows; provided, that no such amendment shall materially and adversely affect the rights of Owners of Series 2008 B Bonds other than Series 2008 B Bonds in the Auction Rate Mode. If on the first Auction Date occurring at least 20 days after the date on which the Trustee mailed notice of such proposed amendment to the Owners of Series 2008 B Bonds in the Auction Rate Mode, (i) the Auction Rate which is determined on such date is the Winning Bid Rate and (ii) there is delivered to the City and the Trustee an Opinion of Bond Counsel to the effect that such amendment shall not adversely affect the validity of the Series 2008 B Bonds or any exemption from federal income tax to which the interest on the Series 2008 B Bonds would otherwise be entitled, the proposed amendment shall be deemed to have been consented to by the Owners of all affected Outstanding Series 2008 B Bonds in the Auction Rate Mode.

(iii)During any Auction Rate Period, so long as the Series 2008 B Bonds are held in the Book-Entry System, an Existing Owner or a Beneficial Owner may sell, transfer or otherwise dispose of a Series 2008 B Bond only pursuant to a Bid or Sell Order in accordance

with the Auction Procedures or to or through a Broker-Dealer; provided, that (i) in the case of all transfers other than pursuant to Auctions such Existing Owner or its Broker-Dealer or its Agent Member advises the Auction Agent of such transfer and (ii) a sale, transfer or other disposition of the Series 2008 B Bonds from a customer of a Broker-Dealer who is listed on the records of that Broker-Dealer as the Owner of such Series 2008 B Bonds to that Broker-Dealer or another customer of that Broker-Dealer shall not be deemed to be a sale, transfer or other disposition for purposes of this paragraph if such Broker-Dealer remains the Existing Owner of the Series 2008 B Bonds so sold, transferred or disposed of immediately after such sale, transfer or disposition.

(H)Changes in Auction Period or Auction Date.

(i)Changes in Auction Period. (a) During any Auction Rate Period, the City may from time to time on any Interest Payment Date change the length of the Auction Period with respect to all of the Series 2008 B Bonds in the Auction Rate Mode among daily, seven-days, 28-days, 35-days, three months, six months and a Special Auction Period in order to accommodate economic and financial factors that may affect or be relevant to the length of the Auction Period and the interest rate borne by such Bonds; provided, that in the case of a change from a Special Auction Period, the date of such change shall be the Interest Payment Date immediately following the last day of such Special Auction Period. The City shall initiate the change in the length of the Auction Period by giving written notice to the Trustee, the Auction Agent, the Broker-Dealers and the Securities Depository that the Auction Period shall change if the conditions described herein are satisfied and the proposed effective date of the change, at least 10 Business Days prior to the Auction Date for such Auction Period. No such notice shall be required to be given by the City in connection with the 28-day Auction Periods to commence on the Auction Period Day following the first Auction Date for the Series 2008 B Bonds.

(b) Any such changed Auction Period shall be for a period of one day, seven-days, 28-days, 35-days, three months, six months or a Special Auction Period and shall be for all of the Series 2008 B Bonds in the Auction Rate Mode.

(c) The change in the length of the Auction Period for such Series 2008 B Bonds shall not be allowed unless Sufficient Clearing Bids existed at both the Auction for such Series 2008 B Bonds before the date on which the notice of the proposed change was given as provided in this subsection (i) and the Auction for such Series 2008 B Bonds immediately preceding the proposed change.

(d) The change in length of the Auction Period for such Series 2008 B Bonds shall take effect only if (A) the Trustee and the Auction Agent receive, not later than 11:00 a.m., New York City time, on the Business Day before the Auction Date for the first such Auction Period, a certificate from the City consenting to the change in the length of the Auction Period specified in such certificate (which consent shall be deemed to have been given by the City in connection with the 28-day Auction Periods to commence on the Auction Period Day following the first Auction Date for the Series 2008 B Bonds), (B) Sufficient Clearing Bids exist at the Auction on the Auction Date for such first Auction Period and (C) for any change to an Auction Period longer than 35 days, the prior written consent of the Credit Provider. If either of the conditions referred to in clauses (A) and (C) of this paragraph is not met, the Auction Rate for the next Auction Period shall be determined pursuant to the Auction Procedures and the

Auction Period shall be the Auction Period determined without reference to the proposed change. If the conditions referred to in clauses (A) and (C) of this paragraph are met but the condition referred to in clause (B) of this paragraph is not met, the Auction Rate for the next Auction Period shall be the Maximum Rate and the Auction Period shall be a seven-day Auction Period.

(e) For purposes of the Auction for the first Auction Period, and on the date for the Series 2008 B Bonds in the Auction Rate Mode selected for conversion from one Auction Period to another, any Series 2008 B Bonds in the Auction Rate Mode which are not the subject of a specific Hold Order or Bid shall be deemed to be subject to a Sell Order.

(ii)Changes in Auction Date. During any Auction Rate Period, the Auction Agent, with the written consent of the City, may specify an earlier Auction Date for the Series 2008 B Bonds in the Auction Rate Mode (but in no event more than five Business Days earlier) than the Auction Date that would otherwise be determined in accordance with the definition of "Auction Date" in order to conform with then current market practice with respect to similar securities or to accommodate economic and financial factors that may affect or be relevant to the day of the week constituting an Auction Date and the interest rate borne on such Series 2008 B Bonds. The Auction Agent shall provide notice of its determination to specify an earlier Auction Date for an Auction Period by means of a written notice delivered at least 45 days prior to the proposed changed Auction Date to the Trustee, the City, the Broker-Dealers and the Securities Depository. In the event the Auction Agent specifies an earlier Auction Date, the days of the week on which an Auction Period begins and ends, the day of the week on which a Special Auction Period ends and the Interest Payment Date relating to a Special Auction Period shall be adjusted accordingly.

(l)Conversions to and from the Auction Rate Mode.

(i)Conversions to the Auction Rate Mode. At the option of the City, all but not less than all of the Series 2008 B Bonds may be converted from any Mode other than the Fixed Rate Mode to the Auction Rate Mode with the prior written consent of the Credit Provider. Any such conversion shall be made as follows:

(a) In any such conversion from a Daily Mode or a Weekly Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which interest is payable for the Mode from which the conversion is to be made. In any such conversion from a Flexible Mode, the Mode Change Date shall be the last regularly scheduled Interest Payment Date on which interest is payable for any Interest Period theretofore established for the Series 2008 B Bonds to be converted. In any such conversion from a Term Mode, the Mode Change Date shall be a regularly scheduled Interest Payment Date on which a new Term Rate Period would otherwise have commenced or the date on which all such Series 2008 B Bonds have been redeemed pursuant to Section 15.13(C).

(b) The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to clause (c) of this subsection. Such notice shall specify the Series 2008 B Bonds to be converted, the Mode Change Date and the length of the initial Auction Period. Together with such notice,

the City shall file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the effect that the conversion of such Series 2008 B Bonds to the Auction Rate Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No such change to the Auction Rate Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(c) Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Bonds to be converted, the Mode Change Date, that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds; provided, that the Trustee shall not mail such written notice if converting from the Flexible Mode until it has received a written confirmation from the Remarketing Agent that no Interest Period for the Series 2008 B Bonds to be converted extends beyond the day prior to the Mode Change Date.

(d) The Auction Rate for the Auction Period commencing on the Mode Change Date shall be the lowest rate which, in the judgment of the Broker-Dealer, is necessary to enable such Series 2008 B Bonds to be remarketed at a price equal to the principal amount thereof, plus accrued interest, if any, on the Mode Change Date. Such determination shall be conclusive and binding upon the City, the Trustee, the Auction Agent and the Owners of the Series 2008 B Bonds to which such rate will be applicable.

(e) Not later than 5:00 p.m., New York City time, on the date of determination of the Auction Rate, the Broker-Dealer shall notify the Trustee, the City and the Auction Agent of the Auction Rate by telephone, promptly confirmed in writing.

(f) At any time prior to the setting of the Auction Rate by the Broker-Dealer, the City may withdraw its notice of conversion. If on a Mode Change Date there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be converted on the failed Mode Change Date, that if such Series 2008 B Bonds are otherwise subject to mandatory tender such Series 2008 B Bonds will be purchased on the failed Mode Change Date, and that if such Series 2008 B Bonds are not otherwise subject to mandatory tender, such Series 2008 B Bonds will not be purchased on the failed Mode Change Date and will be returned to their Owners.

(g) On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be converted on the failed Mode Change Date. If such Series 2008 B Bonds are otherwise

subject to mandatory tender, such Series 2008 B Bonds shall be purchased on such Mandatory Purchase Date. If such Series 2008 B Bonds are not otherwise subject to mandatory tender, such Series 2008 B Bonds will not be purchased on the failed Mode Change Date and will be returned to their Owners.

(h) No Series 2008 B Bonds may be converted to the Auction Rate Mode when the Series 2008 B Bonds are not held in the Book-Entry System.

(ii)Conversions from the Auction Rate Mode. At the option of the City, all but not less than all of the Series 2008 B Bonds may be converted from the Auction Rate Mode to any Mode other than the Fixed Rate Mode with the prior written consent of the Credit Provider. Any such conversion shall be made as follows:

(a) The Mode Change Date shall be the Interest Payment Date following the final Auction Period.

(b) The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to clause (c) of this subsection. Such notice shall specify the Series 2008 B Bonds to be converted, the Mode Change Date, the Mode and the Interest Period to which the conversion will be made. Together with such notice, the City shall file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the effect that the conversion of the Series 2008 B Bonds to be converted to such Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No change to such Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(c) Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Series 2008 B Bonds to be converted, the Mode to which the conversion will be made, the Mode Change Date, that such Series 2008 B Bonds will be subject to mandatory tender for purchase on the Mode Change Date and the Purchase Price of such Series 2008 B Bonds.

(d) At any time prior to 10:00 a.m., New York City time, on the Business Day three days prior to the Mode Change Date, the City may withdraw its notice of conversion and the Auction for such Series 2008 B Bonds will be held on such Auction Date as if no conversion notice had ever been given. If on a Mode Change Date from an Auction Rate Mode, there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be purchased on the failed Mode Change Date, that the Auction Agent will continue to implement the Auction Procedures on the Auction Dates with respect to the Series 2008 B Bonds which otherwise would have been converted excluding, however, the Auction

Date falling on the Business Day next preceding the failed Mode Change Date, and that the interest rate will continue to be the Auction Rate: provided, that the interest rate borne by such Series 2008 B Bonds during the Auction Period commencing on such failed Mode Change Date will be the Maximum Rate, and the Auction Period will be the seven-day Auction Period.

(e) A Liquidity Facility or Alternate Liquidity Facility meeting the requirements of Section 15.15 shall be in effect on the Mode Change Date.

(f) On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be subject to mandatory tender, will be returned to their Owners, will automatically convert to a seven-day Auction Period and will bear interest at the Maximum Rate for the Auction Period commencing on the failed Mode Change Date.

(J)Fixed Rate Conversion at Option of the City. At the option of the City, all but not less than all of the Series 2008 B Bonds in the Auction Rate Mode may be converted to the Fixed Rate Mode with the prior written consent of the Credit Provider as follows:

(i)The Mode Change Date shall be the Interest Payment Date following the final Auction Period.

(ii)The City shall give written notice of any such conversion to the Notice Parties, the Auction Agent and the Broker-Dealer not less than seven Business Days prior to the date on which the Trustee is required to notify the Owners of the conversion pursuant to subsection (iii) of this Section. Such notice shall specify the Series 2008 B Bonds to be converted and the Mode Change Date. Together with such notice, the City shall file with the Trustee an Opinion of Bond Counsel to the effect that the conversion of the Series 2008 B Bonds to be converted to the Fixed Rate Mode will not adversely affect the validity of the Series 2008 B Bonds or any exclusion from gross income for federal income tax purposes to which interest on the Series 2008 B Bonds would otherwise be entitled. No conversion to the Fixed Rate Mode shall become effective unless the City shall also file with the Trustee and the Credit Provider an Opinion of Bond Counsel to the same effect dated the Mode Change Date.

(iii)Not less than 30 days prior to the Mode Change Date, the Trustee shall mail a written notice of the conversion to the Owners of all Series 2008 B Bonds to be converted, specifying the Series 2008 B Bonds to be converted, stating that the Mode will be changed to the Fixed Rate Mode, setting forth the proposed Mode Change Date and stating that such Owner is required to tender such Owner's Series 2008 B Bonds for purchase on such proposed Mode Change Date.

(iv)Not later than 12:00 noon on the Business Day prior to the Mode Change Date, the Remarketing Agent shall determine the Fixed Rate for the Series 2008 B Bonds to be converted in accordance with Section 15.09(B) and Section 15.11(B).

(v)Such determination shall be conclusive and binding upon the City, the Trustee, each Broker-Dealer, the Auction Agent and the Owners of the Series 2008 B Bonds to which such rate will be applicable. Not later than 5:00 p.m., New York City time, on the date of determination of the Fixed Rate, the Remarketing Agent shall notify the Trustee and the City of such rate by telephone.

(vi)At any time prior to 10:00 a.m., New York City time, on the Business Day three days prior to the proposed Mode Change Date, the City may withdraw its notice of conversion and the Auction for such Series 2008 B Bonds will be held on such Auction Date as if no conversion notice had ever been given. If on a Mode Change Date there has not been a timely withdrawal of the conversion notice and any condition precedent to such conversion is not satisfied, the Trustee will give written notice by first class mail postage prepaid as soon as practicable and in any event not later than the next succeeding Business Day to the Owners that such conversion has not occurred, that such Series 2008 B Bonds will not be purchased on the failed Mode Change Date, that the Auction Agent will continue to implement the Auction Procedures on the Auction Dates with respect to the Series 2008 B Bonds which otherwise would have been converted excluding, however, the Auction Date falling on the Business Day next preceding the failed Mode Change Date, and that the interest rate will continue to be the Auction Rate; provided, that the interest rate borne by such Series 2008 B Bonds during the Auction Period commencing on such failed Mode Change Date will be the Maximum Rate, and the Auction Period will be the seven-day Auction Period.

(vii)On the Mode Change Date, the Series 2008 B Bonds to be converted shall be subject to mandatory tender at a Purchase Price equal to 100% of the principal amount thereof, plus accrued interest. The Purchase Price of the Series 2008 B Bonds so tendered is payable solely from the proceeds of the remarketing of such Series 2008 B Bonds. In the event that the conditions of a conversion are not satisfied, including the failure to remarket all applicable Series 2008 B Bonds on a Mandatory Purchase Date, such Series 2008 B Bonds will not be subject to mandatory tender, will be returned to their Owners, will automatically convert to a seven-day Auction Period and will bear interest at the Maximum Rate for the Auction Period commencing on the failed Mode Change Date.

Section 15.28 Auction Agent For Auction Rate Mode.

(A)Auction Agent.

(i)The Auction Agent shall be appointed by the Trustee at the written direction of the City, to perform the functions specified herein. The Auction Agent shall designate its Principal Office and signify its acceptance of the duties and obligations imposed upon it hereunder by a written instrument, delivered to the City, the Trustee and each Broker-Dealer, which shall set forth such procedural and other matters relating to the implementation of the Auction Procedures as shall be satisfactory to the City and the Trustee.

(ii)Subject to any applicable governmental restrictions, the Auction Agent may be or become the owner of or trade in the Series 2008 B Bonds with the same rights as if such entity were not the Auction Agent.

(B)Qualifications of Auction Agent; Resignation; Removal.

The Auction Agent shall be (a) a bank or trust company organized under the laws of the United States or any state or territory thereof having a combined capital stock, surplus and undivided profits of at least $30,000,000, or (b) a member of NASD having a capitalization of at least $30,000,000 and, in either case, authorized by law to perform all the duties imposed upon it by the Indenture and a member of or a participant in, the Securities Depository. The Auction Agent may at any time resign and be discharged of the duties and obligations created by the Indenture by giving at least 90 days' notice to the City, the Credit Provider and the Trustee. The Auction Agent may be removed at any time by the City by written notice, delivered to the Auction Agent, the City, the Credit Provider and the Trustee, and the City shall, to the extent otherwise permitted by the terms hereof, take all reasonable actions necessary to replace any Auction Agent for failure to perform its duties in accordance with the Indenture and the related Auction Agreement, including seeking any necessary approvals. Upon any such resignation or removal, the Trustee at the written direction of the City shall appoint a successor Auction Agent designated by the City and approved by the Credit Provider and meeting the requirements of this Section. In the event of the resignation or removal of the Auction Agent, the Auction Agent shall pay over, assign and deliver to its successor any moneys and the Bonds held by it in such capacity. The Auction Agent shall continue to perform its duties until its successor has been appointed by the Trustee. In the event that the Auction Agent has not been compensated for its services, the Auction Agent may resign by giving 30 days' notice to the City and the Trustee even if a successor Auction Agent has not been appointed. The Trustee shall not liable for any actions or omissions of the Auction Agent.

(C)Notice to Auction Agent. The City shall promptly deliver to the Auction Agent written notice of the adoption of any Supplemental Indenture.

Section 15.29 Form of Series 2008 B Bonds. Subject to the provisions of this Fifth Supplement, while the Series 2008 B Bonds are in a Weekly Mode, the Series 2008 B Bonds and the certificate of authentication and registration to be executed thereon shall be in substantially the form set forth as Exhibit A hereto. The Series 2008 B Bond designation letters and numbers, maturity dates and principal amounts shall be inserted therein in conformity with Section 15.03. Upon a change in Mode to another Mode, and upon any subsequent change in the Series 2008 B Bonds from one Mode to another Mode, a new form of Series 2008 B Bond shall be prepared, if and to the extent necessary, which contains the terms of the Series 2008 B Bonds applicable in the new interest rate Mode.

Section 15.30 Issuance of Series 2008 B Bonds. At any time after the execution and delivery of this Fifth Supplement, the City may execute and the Trustee shall authenticate and deliver the Series 2008 B Bonds in the aggregate principal amount of $_____ upon the Order of the City.

Section 15.31 Application of Proceeds of Series 2008 B Bonds.

(A)The net proceeds of the sale of the Series 2008 B Bonds in the amount of $_____ (computed as $_____ aggregate principal amount of Series 2008 B Bonds less $_____ underwriter's discount), together with $_____ transferred

from the Series 2003 Bond Reserve Fund, shall be received by the Trustee on behalf of the City and held in trust and set aside as follows:

(i)The Trustee shall deposit in the Series 2008 B Bond Reserve Fund, established pursuant to Section 15.03(D), $_____ representing an amount which shall be equal to the Series 2008 B Bond Reserve Requirement, to be applied in accordance with Section 15.03(D); and

(ii)The Trustee shall deposit in the Series 2008 B Costs of Issuance Fund $_____, to be applied in accordance with Section 15.32.

(iii)The Trustee shall deposit $_____ in the Series 2003 B Bond Redemption Fund established under Section 15.33 to pay the Redemption Price of and interest on the Series 1998 A Bonds as the same become due on [July 1, 2008], as provided in Section 11.03(A) of the First Supplement.

The Trustee may, in its discretion, establish any temporary fund or account to facilitate the foregoing deposits and transfers.

Section 15.32 Establishment and Application of Series 2008 B Costs of Issuance Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2008 B Costs of Issuance Fund," which fund is hereby created and which fund the Trustee hereby agrees to maintain with the Trustee until _____, 2008. The Trustee shall deposit to the Series 2008 B Costs of Issuance Fund the amount specified in Section 15.31. All money in the Series 2008 B Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance of the Series 2008 B Bonds upon receipt of Requisitions of the City filed with the Trustee, each of which shall be sequentially numbered and shall state the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On _____, 2008, or upon the earlier Request of the City, any remaining balance in the Series 2008 B Costs of Issuance Fund shall be transferred to the City.

Section 15.33 Establishment and Application of Series 2003 B Bond Redemption Fund. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Series 2003 B Bond Redemption Fund," which fund is hereby created within the Redemption Fund established under Section 4.05 of the Indenture, and which fund the Trustee hereby agrees to maintain with the Trustee until _____, 2008. The Trustee shall deposit to the Series 2003 B Bond Redemption Fund the amount specified in Section 15.31(A)(iii). All money in the Series 2003 B Bond Redemption Fund shall be used and withdrawn by the Trustee for the sole and exclusive purpose of paying the Redemption Price of the Series 1998 A Bonds upon the redemption thereof, and any accrued interest thereon, on _____, 2008. Following the redemption of the Series 1998 A Bonds, any remaining balance in the Series 2003 B Bond Redemption Fund shall be transferred to the City.

Section 15.34 Book-Entry System.

(A)Notwithstanding the foregoing provisions of this Article II, the Series 2008 B Bonds shall initially be issued in the form of one typewritten fully registered Bond for each maturity,

without coupons, for the aggregate principal amount of the Series 2008 B Bonds, which Series 2008 B Bonds shall be registered in the name of "Cede & Co.," as nominee of The Depository Trust Company ("DTC"). Except as provided in Section 15.34(G), all Series 2008 B Bonds shall be registered in the registration books kept by the Trustee in the name of Cede and Co., as nominee of DTC; provided that if DTC shall request that the Series 2008 B Bonds be registered in the name of a different nominee, the Trustee shall exchange all or any portion of the Series 2008 B Bonds for an equal aggregate principal amount of Series 2008 B Bonds registered in the name of such nominee or nominees of DTC. No Person other than DTC or its nominee shall be entitled to receive from the City or the Trustee either a Bond or any other evidence of ownership of the Series 2008 B Bonds, or any right to receive any payment in respect thereof unless DTC or its nominee shall transfer record ownership of all or any portion of the Series 2008 B Bonds on the registration books maintained by the Bond Trustee, in connection with discontinuing the book entry system as provided in Section 15.34(G) or otherwise.

(B)So long as the Series 2008 B Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all payments of the principal, Purchase Price or Redemption Price of or interest on such Series 2008 B Bonds shall be made to DTC or its nominee in same day funds on the dates provided for such payments under this Indenture. Each such payment to DTC or its nominee shall be valid and effective to fully discharge all liability of the City or the Trustee with respect to the principal, Purchase Price or Redemption Price of or interest on the Series 2008 B Bonds to the extent of the sum or sums so paid. In the event of the redemption of less than all of the Series 2008 B Bonds Outstanding, the Trustee shall not require surrender by DTC or its nominee of the Series 2008 B Bonds so redeemed, but DTC or its nominee may retain such Series 2008 B Bonds and make an appropriate notation on the Bond certificate as to the amount of such partial redemption; provided that, in each case the Trustee shall request, and DTC shall deliver to the Trustee, a written confirmation of such partial redemption and thereafter the records maintained by the Trustee shall be conclusive as to the amount of the Series 2008 B Bonds which have been redeemed.

(C)The City, the Credit Provider, the Liquidity Provider and the Trustee may treat DTC or its nominee as the sole and exclusive owner of the Series 2008 B Bonds registered in its name for the purposes of payment of the principal or Redemption Price of, Purchase Price of, or interest on the Series 2008 B Bonds, selecting the Series 2008 B Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Owners under this Indenture, registering the transfer of Series 2008 B Bonds, obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever; and none of the City, Credit Provider, Liquidity Provider or the Trustee shall be affected by any notice to the contrary. None of the City, Credit Provider, Liquidity Provider or the Trustee shall have any responsibility or obligation to any participant in DTC, any Person claiming a beneficial ownership interest in the Series 2008 B Bonds under or through DTC or any such participant, or any other Person which is not shown on the registration books of the Bond Trustee as being a Bondholder, with respect to any of the following: (i) the Series 2008 B Bonds; or (ii) the accuracy of any records maintained by DTC or any such participant; or (iii) the payment by DTC or any such participant of any amount in respect of the principal or Redemption Price of, Purchase Price of, or interest on, the Series 2008 B Bonds; or (iv) the delivery to any such participant or any Person claiming a beneficial ownership interest in the Series 2008 B Bonds of any notice which is permitted or required to be given to Owners under this Bond Indenture; or (v) the selection by DTC or any

such participant of any Person to receive payment in the event of a partial redemption of the Series 2008 B Bonds: or (vi) any consent given or other action taken by DTC as Owner.

(D)So long as the Series 2008 B Bonds or any portion thereof are registered in the name of DTC or any nominee thereof, all notices required or permitted to be given to the Owners under this Indenture shall be given to DTC as provided in the Representation Letter in such form as is acceptable to the Trustee, the City and DTC.

(E)In connection with any notice or other communication to be provided to Owners pursuant to this Indenture by the City or the Trustee with respect to any consent or other action to be taken by Owners, DTC shall consider the date of receipt of notice requesting such consent or other action as the record date for such consent or other action, unless the City or the Trustee has established a special record date for such consent or other action. The City or the Trustee shall give DTC notice of such special record date not fewer than fifteen (15) calendar days in advance of such special record date to the extent possible.

(F)At or prior to the issuance of the Series 2008 B Bonds, the City and the Trustee have executed the applicable Representation Letter. Any successor Trustee shall, in its written acceptance of its duties under this Indenture, agree to take any actions necessary from time to time to comply with the requirements of the Representations Letter.

(G)The Book-Entry System for registration of the ownership of the Series 2008 B Bonds may be discontinued at any time if either: (i) DTC determines to resign as Depository for the Series 2008 B Bonds: or (ii) the City determines (and City provides thirty (30) days' notice of such discontinuation to the Trustee and DTC) to discontinue the Book-Entry System (or through a successor Securities Depository). Upon occurrence of either such event, the City may attempt to establish a book-entry relationship with another depository. If the City does not do so, or is unable to do so, and after the City has notified DTC and upon surrender to the Trustee of the Series 2008 B Bonds held by DTC, the City will issue and the Trustee will authenticate and deliver the Series 2008 B Bonds in registered certificate form in Authorized Denominations, at the expense of the City, to such Persons, and in such maturities and principal amounts, as may be designated by DTC, but without any liability on the part of the City or the Trustee for the accuracy of such designation. Whenever DTC requests the City or the Trustee to do so, the City or the Trustee shall cooperate with DTC in taking appropriate action after reasonable notice to arrange for another depository to maintain custody of certificates evidencing the Series 2008 B Bonds.

(H)Anything herein to the contrary notwithstanding, so long as any Series 2008 B Bonds are registered in the name of DTC or any nominee thereof, in connection with any purchase of Series 2008 B Bonds upon the demand of an Owner, a Beneficial Owner of such Series 2008 B Bonds must give notice of its election to have its Series 2008 B Bonds purchased, through its participant, to the Tender Agent, and shall effect delivery of the Series 2008 B Bonds by causing DTC's direct participant to transfer the participant's interest in the Series 2008 B Bonds on DTC's records to the Tender Agent. The requirement for physical delivery of the Series 2008 B Bonds in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2008 B Bonds are transferred by direct participants on DTC's records.

(I)Upon any purchase of the Series 2008 B Bonds in accordance with the terms hereof, payment of the Purchase Price shall be made to DTC and no surrender of certificates shall be required. Such sales shall be made through DTC participants (including the Remarketing Agent) and the new Beneficial Owners of such Series 2008 B Bonds shall not receive delivery of Bond certificates. DTC shall transmit payments to DTC participants, and DTC participants shall transmit payments to Beneficial Owners whose Series 2008 B Bonds were purchased pursuant to a remarketing. Neither the City, the Trustee nor the Remarketing Agent is responsible for transfers of payments to DTC participants or Beneficial Owners. In the event of the purchase of less than all of the Series 2008 B Bonds Outstanding, the Bond Trustee shall not require surrender by DTC or its nominee of the Series 2008 B Bonds so purchased for transfer, but DTC or its nominee may retain such Series 2008 B Bonds and make an appropriate notation on its records; provided that, in each case, DTC shall deliver to the Trustee, a written confirmation of such purchase.

Section 15.35 Terms of Series 2008 B Bonds Subject to the Indenture. Except as in this Fifth Supplement expressly provided, every term and condition contained in the Indenture shall apply to the Fifth Supplement and to the Series 2008 B Bonds with the same force and effect as if the same were herein set forth at length, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to the Fifth Supplement, provided, however, that notwithstanding anything in Section 4.01 of the Indenture, the proceeds of the Liquidity Facility and the Credit Facility shall be for the exclusive benefit of the Owners of the Series 2008 B Bonds.

The Fifth Supplement and all the terms and provisions herein contained shall form part of the Indenture as fully and with the same effect as if all such terms and provisions had been set forth in the Indenture. The Indenture is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as supplemented and amended hereby subject to the next sentence. For the purpose of this Fifth Supplement, whenever reference is made in the definition of Investment Securities found in Section 1.02 of the Indenture to the rating on the Bonds, such reference shall refer to the rating on the Series 2008 B Bonds without giving effect to any Credit Facility.

Section 15.36 Effective Date of Fifth Supplement. The Fifth Supplement shall take effect upon its execution and delivery.

Section 15.37 Execution in Counterparts. The Fifth Supplement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

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

CITY OF SANTA CLARA

By: _____
City Manager

(Seal)

ATTEST:

By: _____
City Clerk

THE BANK OF NEW YORK TRUST COMPANY, N.A., as Trustee

By: _____
Vice President

EXHIBIT A

(FORM OF SERIES 2008 B BOND)

No. 1 $_____

CITY OF SANTA CLARA, CALIFORNIA
SUBORDINATED ELECTRIC REVENUE BONDS, SERIES 2008 B

Unless this certificate is presented by an authorized representative of The Depository Trust Company a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Maturity Date	Interest Rate Per Annum	Dated Date	CUSIP
July 1, ____	Variable	_____, 2008	801444 ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The CITY OF SANTA CLARA, a municipal corporation and chartered city duly organized and existing under the Constitution and the laws of the State of California (the "City"), for value received, hereby promises to pay (but only out of the Subordinated Net Revenues and funds hereinafter referred to) to the registered owner named above or registered assigns, on the Maturity Date specified above (subject to any right of prior redemption or payment as provided in the hereinafter mentioned Indenture), the principal sum specified above together with interest thereon until the principal hereof shall have been paid, as provided in the Indenture. Such interest on this Bond shall be paid from and including the most recent Interest Payment Date to which interest has been paid in full or duly provided for, or, if it is the first payment of interest on this Bond, from the Dated Date set forth above, payable on each Interest Payment Date at the rates per annum determined as described herein and in the Indenture mentioned below until the principal sum hereof is paid.

This bond is one of a duly authorized issue of City of Santa Clara, California Subordinated Electric Revenue Bonds (the "Bonds") of the series and designation indicated on the face hereof. Said authorized issue of Bonds is not limited in aggregate principal amount, except as otherwise provided in said Indenture, and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in said Indenture provided, all issued and to be issued pursuant to the provisions of the Bond Law (as defined in the Indenture). This Bond is issued pursuant to a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, between the Trustee and the City, providing for the issuance of the Bonds, and a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____ 1, 2008 (the "Fifth Supplement"), between the Trustee and the City (said indenture as amended and supplemented, including as supplemented by the Fifth Supplement, the "Indenture"), authorizing the issuance of a series of bonds of which this Bond is one (the "Series 2008 B Bonds"). Reference is hereby made to the Indenture and to the Bond Law for a description of the terms under which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the Subordinated Net Revenues (as that term is defined in the Indenture), and the rights of the registered owners of the Bonds; and all the terms of the Indenture and the Bond Law are hereby incorporated herein and constitute a contract between the City and the registered owner from time to time of this Bond, and to all the provisions thereof the registered owner of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued, and indebtedness may be incurred, on a parity with the Bonds of this authorized issue, but only subject to the conditions and limitations contained in the Indenture.

The Bonds and the interest thereon (to the extent set forth in the Indenture), together with the Parity Debt (as defined in the Indenture) hereafter issued by the City, and the interest thereon, are payable from, and are secured by a charge and lien on, the Subordinated Net Revenues. All of the Bonds and Parity Debt are equally secured by a pledge of, and charge and lien upon, all of the Subordinated Net Revenues, provided, however, that the proceeds of the Liquidity Facility and the Credit Facility shall be for the exclusive benefit of the holders of the Series 2008 B Bonds. The Subordinated Net Revenues constitute a trust fund for the security and payment of the interest on and principal of the Bonds, but nevertheless out of Subordinated Net Revenues certain amounts may be applied for other purposes as provided in the Indenture.

The Bonds are limited obligations of the City and are payable, both as to principal and interest, and as to any premiums upon the redemption thereof, out of the Subordinated Net Revenues and certain funds held under the Indenture. The general fund of the City is not liable, and the credit or taxing power of the City is not pledged, for the payment of the Bonds or the interest thereon. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the City or any of its income or receipts, except the Subordinated Net Revenues and said funds held under the Indenture. No registered owner of this Bond shall ever have the right to compel any exercise of the taxing power of the City to pay this Bond or the interest hereon.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One bond certificate with respect to each of the dates on which the Bonds are stated to mature, registered in the name of the Cede & Co, are being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held

in the Bonds by the Securities Depository participants. beneficial ownership of the Bonds in Authorized Denominations being evidenced in the records of such Securities Depository participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Securities Depository participants pursuant to rules and procedures established by the Securities Depository and its Securities Depository participants. The City and the Trustee will recognize Cede & Co., while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on this Bond and (ii) notices. Transfer of principal, interest and any redemption premium payments to Securities Depository participants, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such Securities Depository participants and other nominees of such beneficial owners. The City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, Cede & Co., its Securities Depository participants or persons acting through such Securities Depository participants. While Cede & Co. is the owner of this Bond, notwithstanding any other provision hereof, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements between the Trustee or its successors under the Indenture and the Securities Depository.

The Bonds are issuable as fully registered Bonds in Authorized Denominations. This Bond is being issued initially in a Weekly Mode and shall initially bear interest from the date of delivery thereof through the Tuesday of the following week at the interest rate determined by the underwriters of this Bond prior to delivery thereof, which rate shall be calculated on the basis of a 365 or 366-day year for the actual number of days elapsed. Thereafter, and for so long as this Bond shall remain in a Weekly Mode, this Bond shall bear interest at the Weekly Rate determined by the Remarketing Agent, as provided in the Indenture. So long as this Bond shall be in a Weekly Mode, the Interest Payment Date therefor shall be the first Business Day of each month.

So long as this Bond is maintained in the book-entry system, interest on this Bond will be paid on each Interest Payment Date by wire transfer of immediately available funds to the registered owner hereof. All payments on this Bond shall be made in lawful money of the United States of America. The principal hereof and premium, if any, hereon are payable when due upon surrender at the corporate trust office of The Bank of New York Trust Company, N.A., as trustee (together with any successor as trustee under said Indenture, the "Trustee"), in San Francisco, California, in lawful money of the United States of America. The principal hereof and premium, if any, and interest hereon shall be payable in lawful money of the United States of America.

As provided in and subject to the terms and conditions of the Indenture, the Bonds (other than Bonds in a Fixed Rate Mode) may, from time to time, be changed from one interest rate Mode (other than the Fixed Rate Mode) to another Mode. Any election to change a Mode is subject to rescission by the City as provided in the Indenture.

This Bond is subject to purchase and redemption prior to maturity as provided in the Indenture.

This Bond is transferable or exchangeable for other authorized denominations by the registered owner hereof, in person or by its attorney duly authorized in writing, at the corporate trust office of the Trustee in San Francisco, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer or exchange a new fully registered Bond or Bonds without coupons, of authorized denomination or denominations, of the same series, tenor, maturity and interest rate for the same aggregate principal amount will be issued to the registered owner in exchange herefor.

The City, the Trustee and any paying agent may deem and treat the registered owner hereof as the absolute owner hereof for all purposes, and the City, the Trustee and any paying agent shall not be affected by any notice to the contrary.

The rights and obligations of the City and of the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered owners of the Bonds.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, do exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California, and that this Bond, together with all other indebtedness of the City pertaining to the Subordinated Net Revenues, is within every debt and other limit prescribed by the Constitution and the statutes of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture or the Bond Law.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been signed by the Trustee.

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Indenture.

IN WITNESS WHEREOF, THE CITY OF SANTA CLARA has caused this Bond to be executed in its name and on its behalf by the facsimile signature of the City Manager of the City and attested by the facsimile signature of the City Clerk, and the seal of the City to be impressed hereon, and this Bond to be dated as of the ___ day of _____, 2008.

CITY OF SANTA CLARA

By: _____
City Manager

(SEAL)

Attested:

By: _____
City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION
AND REGISTRATION]

This is one of the Bonds described in the within mentioned Indenture and registered on the date set forth below.

Dated: _____, 2008

THE BANK OF NEW YORK
TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

For value received _____ hereby sell, assign and transfer unto _____ the within Bond and hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the City at the office of the Trustee, with full power of substitution in the premises.

_____

NOTE: The signature to this Assignment must correspond with the name on the face of the within registered bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guaranteed by:

_____

NOTE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

$_____
CITY OF SANTA CLARA
VARIABLE RATE DEMAND
SUBORDINATED ELECTRIC REVENUE BONDS
SERIES 2008 B

BOND PURCHASE AGREEMENT

_____, 2008

City of Santa Clara
1500 Warburton Avenue
Santa Clara, California 95050

Ladies and Gentlemen:

J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc. as co-underwriters (collectively, the "Underwriter"), understands that the City of Santa Clara (the "City"), proposes to issue and sell $_____ aggregate principal amount of Variable Rate Demand Subordinated Electric Revenue Bonds Series 2008 B (the "Series 2008 B Bonds"), to be issued pursuant to a resolution adopted by the City on _____, 2008 (the "Resolution"), certain procedural resolutions of the City pursuant to the City's charter (the "Charter"), and a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), between the City and the Trustee, as set forth in the Official Statement, dated _____, 2008 prepared for use by the Underwriter in making an offering of the Series 2008 B Bonds (the "Official Statement"). The Bonds will mature on the dates and will bear interest at the rates set forth in Schedule I hereto.

The proceeds of the sale of the Series 2008 B Bonds will be used to (i) refund on a _____ basis $80,530,000 aggregate principal amount of the City's $89,275,000 original principal amount Subordinated Electric Revenue Refunding Bonds, Series 1998 A Bonds (the "Series 1998 A Bonds"), (ii) fund a reserve fund with respect to the Series 2008 B Bonds, and (iii) pay costs of issuance with respect to the Series 2008 B Bonds, all as set forth in the Indenture.

Dexia Credit Local (the "Bank") has agreed to issue its Letter of Credit dated as of _____, 2008 (the "Letter of Credit"), to provide credit enhancement and liquidity support for the Series 2008 B Bonds.

Section 1. Purchase, Sale and Delivery of Bonds. On the basis of the representations and agreements contained herein, but subject to the terms and conditions herein set forth, the Underwriter agrees to purchase from the City, and the City agrees to sell to the Underwriter, all (but not less than all) of the Series 2008 B Bonds at a purchase price equal to $_____ (representing the par amount thereof, less an underwriter's discount of $_____). The City

will deliver the Series 2008 B Bonds to the order of the Underwriter (with CUSIP numbers printed thereon) against payment of the purchase price therefor in immediately available funds at 8:00 a.m. California time, on _____, 2008, or at such other time thereafter as may be mutually agreed upon by the parties, such time being hereinafter referred to as the "Closing Date."

The maturities, principal amounts, interest rate determination method and other terms and conditions of the Series 2008 B Bonds shall be as set forth in the Indenture and described in the Official Statement.

Section 2. Delivery of Official Statement. The City hereby ratifies the use of the Official Statement by the Underwriter in the marketing of the Series 2008 B Bonds. The City shall provide or cause to be provided to the Underwriter, prior to the Closing Date, a reasonable quantity of Official Statements adequate to enable the Underwriter to market and remarket the Series 2008 B Bonds.

Section 3. Financing Documents. On or prior to the Closing Date, the Underwriter shall have received duly executed copies of the following:

(a) the Indenture;

(b) the Official Statement;

(c) the Remarketing Agreement (the "Remarketing Agreement"), dated as of _____, 2008, between the City and J.P. Morgan Securities Inc., as remarketing agent (the "Remarketing Agent");

(d) the Letter of Credit;

(e) the Letter of Credit and Reimbursement Agreement, dated as of _____, 2008 (the "Reimbursement Agreement"), between the City and the Bank;

(f) the Escrow Agreement, dated as of _____, 2008 (the "Escrow Agreement"), between the City and the Trustee, as escrow agent;

(g) the Resolution.

The Bonds shall be secured under provisions of the Indenture and will be payable solely (except to the extent payable from the proceeds of the Series 2008 B Bonds and earnings from temporary investment thereof) out of the amounts pledged therefor under the Indenture. The Underwriter proposes to offer and sell the Series 2008 B Bonds as set forth in the Official Statement.

The documents described in clauses (a) through (g) above are referred to herein as the "Financing Documents."

Section 4. Representations of the City. The City makes the following representations and warranties to the Underwriter.

(a) The information in the Official Statement under the captions "THE CITY AND THE ELECTRIC UTILITY" and "ABSENCE OF MATERIAL LITIGATION," to the extent that the

information under such captions pertains to the City, as of the date thereof, does not include any untrue statement of a material fact or fail to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(b) The City is a charter city of the State of California (the "State") authorized to issue electric revenue bonds pursuant to Section 1321 of its Charter.

(c) The City has complied with all material provisions of the Charter, the procedural resolution pursuant to the Charter and the Revenue Bond Law of 1941, and all the provisions of the Constitution and other laws of the State applicable to the Series 2008 B Bonds and has full legal right, power and authority to issue the Series 2008 B Bonds and to enter into this Bond Purchase Agreement, to authorize the execution and delivery of the Financing Documents to which it is a party (collectively, the "City's Documents") and to authorize the distribution of the Official Statement by the Underwriter, to sell and deliver the Series 2008 B Bonds to the order of the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents.

(d) The Resolution duly authorized the execution by the City of the City's Documents, the execution and delivery by the City of this Bond Purchase Agreement, and the Series 2008 B Bonds, the distribution of the Official Statement and the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by the City's Documents.

The execution and delivery of this Bond Purchase Agreement, the City's Documents, and other agreements contemplated hereby and thereby, is in compliance with the provisions hereof and thereof, and the refinancing of the Project with the proceeds of the sale of the Series 2008 B Bonds will not conflict, in any material respect, with or constitute a material breach of or a default under any law, administrative regulation, court decree or resolution or, to the best of the City's knowledge after due inquiry, any agreement to which the City is subject.

Section 5. Termination. The Underwriter may terminate its obligations hereunder by written notice to the other parties hereto if at or prior to the Closing Date:

(a) (i) Legislation shall have been enacted by the Congress, or recommended to the Congress for passage by the President of the United States or the U.S. Department of the Treasury or the Internal Revenue Service or any member of the United States Congress or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (iii) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service, in each case referred to in clauses (i), (ii) and (iii), with the purpose or effect, directly or indirectly, of including in gross income for federal income tax purposes interest to be received by any owners of the Series 2008 B Bonds;

(b) Legislation shall have been enacted, or action taken by the Securities and Exchange Commission, that, in the opinion of counsel to the Underwriter, has the effect of requiring the contemplated offering of the Series 2008 B Bonds to be registered under the Securities Act of 1933, as amended (the "1933 Act"), or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended; or

(c) There shall have occurred after the date hereof a general suspension of trading in securities, or the declaration of a general banking moratorium by the United States of America, the State of New York or the Commonwealth, or any war (or threat of war) involving the United States or other national calamity (including, without limitation, an act of terrorism), the effect of which, in the Underwriter's reasonable judgment, will adversely affect the marketability of the Series 2008 B Bonds.

Section 6. Conditions to Obligation of Underwriter. The obligation of the Underwriter hereunder to purchase and pay for the Series 2008 B Bonds shall be subject to the accuracy of the representations and warranties of the City herein, to the accuracy of statements to be made on behalf of the City, to the performance by the City of its obligations hereunder, and to the following additional conditions:

(a) All official or corporate action of the City relating to this Bond Purchase Agreement, the City's Documents, and the Series 2008 B Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter.

(b) The Underwriter shall have received the approving legal opinion of Sidley Austin LLP, San Francisco, California, Bond Counsel, dated the Closing Date with respect to the Series 2008 B Bonds, in substance acceptable to the Underwriter, together with a supplemental opinion in substantially the form attached hereto as Exhibit A. Sidley Austin LLP, San Francisco, California, in its role as Disclosure Counsel to the City, shall further provide a 10b-5 opinion to the Underwriter, either in the supplemental opinion or as a separate opinion.

(c) The Underwriter shall have received an opinion of its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California, dated the Closing Date, as to such matters and in such form as the Underwriter may reasonably request. In rendering such opinion, such counsel may rely upon the opinions of Bond Counsel and on the other certificates and opinions delivered hereunder with respect to the matters of State law covered therein.

(d) The Underwriter shall have received a certificate, dated the Closing Date and signed by an authorized officer of the Trustee, to the effect that (i) he or she is an authorized officer of the Trustee; (ii) the Indenture has been duly executed and delivered by the Trustee; (iii) the Trustee has all necessary corporate and trust powers required to carry out the trust created by the Indenture; and (iv) to the best of his or her knowledge, the acceptance by the Trustee of the duties and obligations of the Trustee under the Indenture and compliance with the provisions thereof will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject.

(e) The Underwriter shall have received an opinion of counsel to the Trustee in substantially the form attached as Exhibit B hereto.

(f) The Underwriter shall have received a certificate, dated the Closing Date and signed on behalf of the City, to the effect that, subject to the concluding paragraph of this paragraph 6 (g):

(i) the City is in compliance with its covenants, representations and warranties contained in this Bond Purchase Agreement and the City's Documents;

(ii) by official action of the City prior to or concurrently with the acceptance hereof, the City has adopted the Resolution, has approved the distribution of the Official Statement, has duly authorized the use of the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in this Bond Purchase Agreement and the City's Documents;

(iii) the execution and delivery of the Series 2008 B Bonds, this Bond Purchase Agreement and the City's Documents, and the compliance with the provisions of each thereof, does not, in any material respect, conflict with or constitute a material breach of or default under any law, administrative regulation, judgment or decree, or, to the best of the City's knowledge, after due inquiry, any loan agreement, note, resolution, agreement or other instrument to which the City is a party or to which it or any of its property is otherwise subject;

(iv) no litigation or other proceedings in which the City has been served with process are pending or, to the knowledge of the person or persons signing the certificate, threatened in any court or other tribunal of competent jurisdiction, state or federal, in any way (A) restraining or enjoining the issuance, sale or delivery of the Series 2008 B Bonds, (B) questioning or affecting the validity of this Bond Purchase Agreement, the Series 2008 B Bonds, the Indenture, the pledge to the Owners of any money or other security provided under the Indenture, or any other transaction referred to in the Official Statement, (C) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution, issuance or delivery of the Series 2008 B Bonds, (D) questioning or affecting the organization or existence of the City or the title to any office of the executive officers thereof or (E) questioning or affecting the power and authority of the City to issue the Series 2008 B Bonds, or to execute this Bond Purchase Agreement, the Series 2008 B Bonds or the City's Documents; and

(v) the information in the Official Statement under the captions "THE ISSUER" and "ABSENCE OF MATERIAL LITIGATION" (with respect to the City) does not contain any untrue statement of a material fact or fail to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(g) The Underwriter shall have received evidence, acceptable to Bond Counsel, that all public hearings and approvals of appropriate government officials with respect to the issuance of the Series 2008 B Bonds have been accomplished in satisfaction of the requirements of the Internal Revenue Code of 1986, as amended (the "Code").

(h) The Underwriter shall have received arbitrage certifications by the City in form and substance satisfactory to Bond Counsel.

(i) Standard & Poor's Ratings Service and Fitch Ratings Inc. shall have issued and not withdrawn a rating of "____/___" and "____/___," respectively, on the Series 2008 B Bonds.

(j) The Underwriter shall have received an opinion of the City Attorney to the City in substantially the form attached hereto as Exhibit C.

(k) The Underwriter shall have received an opinion of Chapman & Cutler LLP, Chicago, Illinois, counsel to the Bank, in substantially the form attached hereto as Exhibit D.

(l) The Underwriter shall have received such additional certificates, proceedings, instruments and other documents as the Underwriter may reasonably request to evidence compliance by the City and the Trustee with legal requirements of closing, and to certify the truth and accuracy, as of the Closing Date, of the representations of the City contained herein and the due performance or satisfaction by the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each of them.

Section 7. Covenants. The City covenants and agrees with the Underwriter as follows:

(a) If between the date on which the Official Statement is delivered pursuant to Section 2 hereof, and 25 days after the Closing Date (or such longer period as the City and the Underwriter shall agree), an event occurs which would cause the information in the Official Statement with respect to it to contain an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter (or if such event is discovered by the Underwriter, the Underwriter shall notify the City of such an event), and, if in the opinion of the City and the Underwriter such event requires an amendment or supplement to the Official Statement, the City, at the sole expense of the City, will amend or supplement the Official Statement in a form and in a manner approved by the City and the Underwriter; provided, however, if such event shall occur on or prior to the Closing Date, the Underwriter in its sole discretion shall have the right to terminate its obligations hereunder by written notice to the other parties hereto; and provided further that nothing herein will require the City to amend the Official Statement as to information concerning the Bank unless the Bank provides such information and pays the costs of making such amendment.

(b) To the extent required by the Indenture, the City shall take all necessary actions to cause the Series 2008 B Bonds to comply with the provisions of the laws and regulations of the State pursuant to which the Series 2008 B Bonds are issued and of the Code, and the City will not knowingly take any action over which it exercises control, or permit any action within its control to be taken, in violation of such provisions or that would cause interest on the Series 2008 B Bonds to be included in gross income for federal income tax purposes.

Section 8. Payment of Costs of Financing. (a) If the Series 2008 B Bonds are sold to the Underwriter by the City, the City shall pay all expenses incident to the performance of its obligations hereunder and the issuance of the Series 2008 B Bonds, including but not limited to (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of the Financing Documents described herein and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby, (ii) the fees and disbursements of Bond Counsel, (iii) any fees charged by counsel and advisors to the City, (iv) the initial or acceptance fee of the Trustee, (v) any fees charged by the Rating Agency for the rating of the Series 2008 B Bonds, (vi) all fees and expenses of the Bank, including the fees and expenses of its counsel, and (vii) except as otherwise provided in the following paragraph, all other costs of issuance of the Series 2008 B Bonds.

(b) The Underwriter shall pay all expenses incurred by it in connection with the public offering and distribution of the Bonds including, but not limited to, (i) all advertising expenses in connection with the offering of the Series 2008 B Bonds; and (ii) all out-of-pocket disbursements and expenses incurred by the Underwriter in connection with the offering and distribution of the Bonds, including the costs of its counsel.

Section 9. Survival of Covenants and Representations. The respective agreements, covenants, representations, warranties and other statements of the City, the Underwriter, and of their respective officers set forth in or made pursuant to this Bond Purchase Agreement will remain in full force and effect during the term of this Bond Purchase Agreement, and shall survive the delivery of and payment for the Series 2008 B Bonds.

Section 10. Notices. Any notice or other communication to be given to the City under this Bond Purchase Agreement may be given by delivering the same in writing to the City at its address set forth above, with copies of such notices as provided in the Indenture. Any notice or other communication to be given to the Underwriter under this Bond Purchase Agreement may be given by delivering the same in writing to J.P. Morgan Securities Inc., 1999 Avenue of the Stars, 31st Floor, Los Angeles, California 90067, Attention: Managing Director.

Section 11. Governing Law. This Bond Purchase Agreement shall be governed by the internal laws of the State of California without regard to conflicts of laws principles.

Section 12. Effectiveness. This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by the City.

Section 13. Counterparts. This Bond Purchase Agreement may be executed in one or more counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed copy of this Bond Purchase Agreement, whereupon it will become a binding agreement between the Underwriter and the City in accordance with its terms.

Very truly yours,

J.P. MORGAN SECURITIES INC.

By: _____
Principal

The foregoing is confirmed and accepted as of the date first above written.

CITY OF SANTA CLARA

By: _____
City Manager

SCHEDULE I
MATURITY AND PRINCIPAL AMOUNT AND INTEREST RATE

Maturity Date	Principal Amount	Initial Interest Rate	Price

EXHIBIT A

(Form of Bond Counsel Supplemental Opinion)

[Closing Date]

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
Los Angeles, California

City of Santa Clara
Santa Clara, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Dear Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the authorization and issuance of the above-captioned bonds (the "Bonds") by the City of Santa Clara (the "City").

We have examined originals, or copies certified or otherwise identified to our satisfaction, of (a) a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), (b) the Bond Purchase Agreement, dated _____, 2008 (the "Bond Purchase Agreement"), between J.P. Morgan Securities Inc., on behalf of itself and the Bear, Stearns & Co. Inc., as co-underwriters (collectively, the "Underwriter"), and the City; (c) the Official Statement (the "Official Statement") relating to the Series 2008 B Bonds; and (d) the opinions and certificates required to be delivered to the Underwriter pursuant to Section 6 of the Bond Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the same meanings as set forth in the Indenture.

On the basis of the foregoing, and our review of such other information, records and documents as in our judgment is necessary or advisable, we are of opinion as follows:

1. Under existing laws, the Series 2008 B Bonds may be offered and sold without registration under the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

2. The statements made in the Official Statement under the headings "INTRODUCTION," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "THE BONDS," "TAX MATTERS" and "APPENDIX A—SUMMARY OF THE INDENTURE" are, to the

extent that such statements are summaries of documents or legal matters referred to therein, accurate summaries of the information purported to be shown.

We have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement. However, in the course of our participation in the preparation of the Official Statement, as disclosure counsel to the City, we have been in contact with representatives of the City and such other persons as we deemed appropriate. Based on the foregoing and without passing upon or assuming any responsibility for the accuracy, completeness or fairness of the statements contained in the Official Statement and making no representation that they have independently verified the accuracy, completeness or fairness of any such statements, based upon the information made available to us in the course of our participation in the preparation of the Official Statement, nothing has come to our attention which would lead us to believe that the Official Statement, including the cover page and all appendices thereto (but excluding therefrom financial statements and statistical data, information regarding The Depository Trust Company and its book entry system, and information regarding the Bank, as to which we express no view) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In rendering this opinion, we have relied upon the opinions and certificates delivered pursuant to the Bond Purchase Agreement.

Very truly yours,

EXHIBIT B

(Form of Opinion of Counsel to the Trustee)

[Closing Date]

City of Santa Clara
Santa Clara, California

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
Los Angeles, California

The Bank of New York Trust Company, N.A.
San Francisco, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Ladies and Gentlemen:

We have acted as counsel for The Bank of New York Trust Company, N.A. (the "Trustee"), in connection with the Trustee serving as trustee under that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, between the City and the Trustee, as supplemented and amended by a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008, between the City and the Trustee (such indenture, as supplemented and amended, the "Indenture"), relating to the issuance by the City of the above-referenced Bonds (the "Bonds"). All capitalized terms used in this opinion and not otherwise defined shall have the meaning set forth in the Indenture.

In connection with the opinions rendered herein, we have examined and relied upon the following matters and documents:

(a) The organizational documents of the Trustee;

(b) Resolutions adopted by the Trustee relating to the execution and performance of the Indenture;

(c) The Trustee's Certificate to be executed and delivered by the Trustee to the City relating to the issuance of the Series 2008 B Bonds;

(d) The Indenture and the Reimbursement Agreement (collectively, the "Transaction Documents");

(e) Discussions with officers of the Trustee regarding certain matters set forth herein.

Based on our review of the foregoing and subject to the assumptions and qualifications set forth herein, it is our opinion that, as of the date of this letter:

1. The Trustee is a national banking association, duly incorporated, validly existing and in good standing under the laws of the United States of America, and has all requisite corporate power, authority and legal right to execute and deliver the Transaction Documents, to accept the trusts created under the Indenture and to perform its obligations under the Transaction Documents.

2. The Trustee has taken all corporate action necessary to authorize its performance of its duties and obligations under the Transaction Documents.

3. The Trustee has duly authorized the execution and delivery of the Transaction Documents, and assuming each of such documents is legally valid and binding upon the other parties thereto, then each of the Transaction Documents, when fully executed and delivered, will constitute the valid, legal and binding obligations of the Trustee in its capacity as Trustee, enforceable against the Trustee in accordance with its terms, subject to the following:

(i) applicable bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally; and

(ii) the exercise of judicial discretion in accordance with general principles of equity.

4. Other than routine filings required to be made with governmental agencies in order to preserve the Trustee's authority to perform trust business, no consent, approval or orders of any governmental banking authority or banking agency having jurisdiction over the Trustee is required as a condition precedent to the Trustee's execution and delivery of the Transaction Documents or the performance by the Trustee of its duties and obligations under the Transaction Documents, or if required, the same has been obtained and is in full force and effect;

5. The acceptance by the Trustee of its duties and obligations under the Transaction Documents and compliance with the provisions thereof will not conflict with or result in the breach of or default under any laws of the State of California or federal law, administrative regulation, consent decree or any agreement or other instrument to which the Trustee is subject, and will not contravene the Trustee's organizational documents.

6. To our knowledge, there is no litigation pending or threatened against the Trustee contesting or affecting the existence of powers (including trust powers) of the Trustee, seeking to restrain the Trustee's participation in the transactions to be effected by the Transaction Documents or affecting the Trustee's ability to fulfill its duties and obligations under the Transaction Documents.

Very truly yours,

EXHIBIT C

(Form of Opinion of City Attorney)

[Closing Date]

Sidley Austin LLP
San Francisco, California

J.P. Morgan Securities Inc.
Los Angeles, California

The Bank of New York Trust Company, N.A.
San Francisco, California

Bear, Stearns & Co. Inc.
Los Angeles, California

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Dear Ladies and Gentlemen:

I am the City Attorney of the City of Santa Clara and have acted as counsel to the City of Santa Clara (the "City"), in connection with the authorization and issuance of the bonds referenced above (the "Bonds"). We advise you that we have examined (a) certified copies of the resolution of the City adopted on _____, 2008 (the "Resolution") approving and authorizing the execution of the Bond Purchase Agreement, dated _____, 2008 (the "Bond Purchase Agreement"), by and between J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc., as co-underwriters (collectively, the "Underwriter") and the City, (b) the Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as supplemented and amended by a Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008, between the City and the Trustee (such indenture, as supplemented and amended, the "Indenture"); (c) the Bond Purchase Agreement; (d) the Reimbursement Agreement, dated as of _____, 2008, between the City and Dexia Credit Local, (e) the Escrow Agreement, dated as of _____, 2008 (the "Escrow Agreement"), between the City and the Trustee, acting as escrow agent, (f) the final Official Statement, dated _____, 2008, relating to the Series 2008 B Bonds (the "Official Statement"); and (g) such other documents, instruments and certificates of public officials, officers and representatives of the City, and others, as we have deemed necessary or appropriate to render the opinions hereinafter expressed. (The Bond Purchase Agreement, the Indenture, the Escrow Agreement and the Reimbursement Agreement are collectively referred to herein as the "City's Documents.")

In making our examination of documents and instruments executed by parties other than the City, we have assumed that such parties have the power and authority, corporate and otherwise, to enter into and perform all obligations thereunder and have also assumed the due authorization of such documents and instruments by all requisite action, corporate and otherwise, of such parties, proper execution and delivery of such documents and instruments by authorized representatives of such parties and the validity and binding effect thereof on such parties. We have also assumed, with respect to all documents, the genuineness of all

signatures, the authenticity of all documents submitted to us as originals, and the conformity to original documents of all documents submitted to us as certified or photostatic copies thereof.

As to various questions of fact relevant to this opinion letter, we have made no independent investigation of the accuracy, completeness, or fairness of such factual matters, but have relied instead upon certifications, representations, and warranties made by or on behalf of the City in the City's Documents and upon other certifications, representations, and warranties of officers or representatives of the City and others.

The laws addressed by this opinion letter are limited to the laws of the State of California.

Based upon and subject to the foregoing, we are of the opinion that:

1. The City is a charter city of the State of California, and has the power and authority to carry out and consummate all transactions contemplated by the City's Documents and the Series 2008 B Bonds.

2. The City's Documents have each been duly executed and delivered by the City and each constitutes the legal, valid, and binding agreement of the City, enforceable against the City in accordance with its respective terms, subject to the qualifications that (a) the enforceability of such document or instrument may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law); (b) rights to indemnification or contribution may be limited by applicable law or equitable principles or otherwise unenforceable as against public policy; and (c) we express no opinion as to enforceability of forum selection clauses or choice of law provisions.

3. The Official Statement has been duly approved by the City, and the City has duly authorized the use of the Official Statement by the Underwriter in connection with the offering and sale of the Series 2008 B Bonds.

4. All authorizations, consents, approvals and reviews of governmental bodies or regulatory authorities required to be obtained or effected by the City for the City's execution and delivery of or performance under the Series 2008 B Bonds and the City's Documents have been obtained or effected.

We express no opinion with respect to (i) the excludability from gross income or the exemption of interest on the Series 2008 B Bonds for purposes of federal or state income taxation; and (ii) the application of or compliance with the securities laws and regulations of the United States of America or the securities laws and regulations of any state or other jurisdiction thereof.

This opinion letter is rendered upon request to the addressees hereof solely in connection with the transactions contemplated by the Series 2008 B Bonds and the City's Documents and may not be used or relied upon by any other person or for any other purpose without prior written consent.

Very truly yours,

Exhibit D

(Form of Opinion of Counsel of the Bank)

[Closing Date]

City of Santa Clara
Santa Clara, California

J.P. Morgan Securities Inc.
Los Angeles, California

Bear, Stearns & Co. Inc.
San Francisco, California

The Bank of New York Trust Company, N.A.
San Francisco, California

[Rating Agency]

$_____
CITY OF SANTA CLARA
Variable Rate Demand
Subordinated Electric Revenue Bonds
Series 2008 B

Ladies and Gentlemen:

I have served as counsel the Bank of America, N.A. ("the Bank"). I have acted in such capacity in connection with the execution and delivery by the Bank of a Letter of Credit, dated as of _____, 2008 (the "Letter of Credit"), between the Bank and The Bank of New York Trust Company, N.A. (the "Trustee"), in its capacity as trustee under the Fifth Supplemental Subordinated Electric Revenue Bond Indenture, dated as of _____, 2008 (the "Fifth Supplement"), between the City of Santa Clara (the "City") and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), which Fifth Supplement supplements and amends that certain Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998 (such indenture, as supplemented from time to time, the "Indenture"), pursuant to which the captioned Series 2008 B Bonds (the "Series 2008 B Bonds") are issued. As such counsel, I have examined and reviewed such documents of the Bank, as I have deemed appropriate, including, *inter alia*, the Letter of Credit and the Reimbursement Agreement, dated as of _____, 2008, between the City and the Bank. I have also examined and relied on the originals or copies certified or otherwise identified to my satisfaction of all such corporate records of the Bank and such other instruments and other certificates of public officials and such other persons, and I have made such investigations of law, as I have deemed appropriate as a basis for the opinions expressed below. I have assumed that the Letter of Credit and other agreements required as a condition to the Bank's execution and delivery of the Letter of Credit have been duly authorized, executed and delivered by the Trustee (in the case of the Letter of Credit) and by the respective other parties thereto (in the case of such other agreements), in each case in accordance with

the requirements of such agreements, and that each of such agreements constitutes a legal, valid and binding obligation of the Trustee and the other parties thereto (excluding the Bank), as the case may be.

Based on the foregoing, I advise you that in my opinion:

(a) The Bank is a national banking association, duly incorporated, validly existing and in good standing under the laws of the United States of America, with full power and authority to execute, deliver and perform the Letter of Credit.

(b) The Letter of Credit has been duly and validly authorized, executed and delivered by the Bank and constitutes the legal, valid and binding obligation of the Bank, and is enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt or other similar laws affecting the enforcement of creditors' rights generally (as such bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt and similar laws would be applied to the Bank), and subject to the qualification that the remedies of specific performance, injunction and other forms of equitable relief may not be available because they are subject to certain tests of equity jurisdiction, equitable defenses and the discretion of the court before which any proceeding therefor may be brought.

(c) Any required approval, authorization, consent or action of the Bank has been received or taken, and no approval, authorization, consent, action of, or filing with, any governmental or public regulatory body or authority that has not previously been received or taken, or deemed by statute to have been received or taken, is required for the due authorization of the Letter of Credit or is otherwise required in connection with the valid execution, delivery and performance of the terms thereof by the Bank.

(d) Neither the execution or delivery of the Letter of Credit, nor the fulfillment of or compliance with the terms and provisions thereof by the Bank, (i) violates any law or regulation or any order, writ, injunction or decree of any court or governmental instrumentality binding on the Bank, (ii) results in a breach of any of the terms or provisions of or constitutes a default under, or an event which with notice or lapse of time or both would constitute a default under, the provisions of any mortgage, indenture, agreement or instrument to which the Bank is a party or by which it is or its property is bound, or (iii) results in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Bank pursuant to the terms of the Bylaws of the Bank or any such mortgage, indenture, agreement or instrument.

(e) The information in the sections of the Official Statement relating to the Series 2008 B Bonds, entitled "THE BANK" and "THE LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT," to the extent that such information and definitions purport to summarize the Bank, the Letter of Credit and the Reimbursement Agreement, constitutes fair and accurate summaries thereof in all material respects.

(f) The Letter of Credit is exempt from registration under the Securities Act of 1933, as amended.

Very truly yours,

REIMBURSEMENT AGREEMENT

Between

DEXIA CREDIT LOCAL,
acting through its New York Branch

and

THE CITY OF SANTA CLARA

Relating to

$_____
City of Santa Clara, California
Subordinated Electric Revenue Bonds
Series 2008B

Dated as of _____, 2008

REIMBURSEMENT AGREEMENT
(This Table of Contents is not a part of
this Letter of Credit and Reimbursement Agreement
and is only for
convenience of reference)

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Signature 40

REIMBURSEMENT AGREEMENT

Dated as of _____, 2008

City of Santa Clara, Finance Department
1500 Warburton Avenue
Santa Clara, California 95050

Ladies and Gentlemen:

The Applicant (such term and each other capitalized term used herein having the meaning set forth in Article One hereof) desires to secure a source of funds to be devoted exclusively to the payment by the Trustee, when and as due, of the principal of and interest on the Bonds, and has applied to the Bank for issuance by the Bank of the Letter of Credit in the Original Stated Amount of $_____. Further, the Bank has been requested by the Applicant to provide a liquidity facility in the form of a Liquidity Drawing under the Letter of Credit. The Bank has agreed to issue the Letter of Credit and to provide such liquidity facility in the following manner and subject to the following terms and conditions. Accordingly, the Applicant and the Bank hereby agree as follows:

ARTICLE ONE
DEFINITIONS

Section 1.1. Definitions. As used in this Agreement:

"*Agreement*" - means this Reimbursement Agreement, as amended and supplemented.

"*Alternate Credit Facility*" - has the meaning set forth in the Supplemental Indenture.

"*Amortization Commencement Date*" means, with respect to each Liquidity Advance, the earlier to occur of (a) sixty (60) days immediately succeeding the related Purchase Date and (b) the Termination Date; *provided, however*, that an Amortization Commencement Date shall occur only if (x) no Potential Default or Event of Default shall have occurred and be continuing on any Amortization Commencement Date and (y) the representations of warranties set forth in Article Four hereof are true and correct on any Amortization Commencement Date.

"*Amortization End Date*" means the earliest to occur of (a) the fifth (5th) anniversary of the date the related Advance was made, (b) the Conversion Date and (c) the Substitution Date.

"*Amortization Payment Date*" means (a) the first Business Day of the sixth calendar month immediately succeeding the related Amortization Commencement Date and the first Business Day of each sixth calendar month occurring thereafter prior to the related Amortization End Date and (b) the related Amortization End Date.

"*Applicant*" - means the City of Santa Clara, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State.

"*Available Amount*" - has the meaning set forth in the Letter of Credit.

"*Bank*" - means Dexia Credit Local, acting through its New York Branch, and its successors and assigns.

"*Bank Bonds*" - means any Bonds purchased with the proceeds of any Liquidity Drawing pursuant to the Letter of Credit and registered in the name of the Bank or its nominee pursuant to the Indenture.

"*Bank Rate*" means the rate of interest per annum with respect to a Liquidity Advance (a) for any day commencing on the date such Liquidity Advance is made to and including the earlier to occur of (i) the sixtieth (60th) day next succeeding the date such Liquidity Advance was made or (ii) the Amortization Commencement Date, equal to the greater of (x) the Base Rate from time to time in effect and (y) the Maximum Bond Interest Rate; (b) for any day commencing on the sixty-first (61st) day next succeeding the date such Liquidity Advance was made to and including the earlier to occur of (i) the ninetieth (90th) day next succeeding the date such Liquidity Advance was made or (ii) the Amortization Commencement Date, equal to the sum of the Base Rate from time to time in effect plus one percent (1.00%); and (c) for any day commencing on the Amortization Commencement Date and thereafter, equal to the sum of the Base Rate from time to time in effect plus two percent (2.00%); *provided, however*, that immediately and automatically upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuance of such Event of Default, "Bank Rate" shall mean the Default Rate; *provided further, however*, that the Bank Rate shall not be less than the per annum rate of interest applicable to Bonds that are not Bank Bonds.

"*Banking Arrangements*" means (a) the agreements of the Bank and the Applicant set forth in this Agreement and the Letter of Credit and the transactions contemplated thereby, including, without limitation, (i) any commitment to extend credit, to issue any credit or liquidity facility, to purchase any obligation of or for the benefit of the Applicant, or to extend any other financial accommodation, (ii) any issuance, extension or maintenance of any of the foregoing, and (iii) any pledge, purchase or carrying of any obligation of or for the benefit of the Applicant, and (b) any participation agreement or similar arrangement entered into in connection with the foregoing.

"*Base Rate*" - means, for any day, the greater of (i) the Prime Rate and (ii) the Federal Funds Rate plus 1/2 of 1.0% (0.50%).

"*Bond Counsel*" - means Sidley Austin LLP (or another nationally recognized bond counsel selected by the Applicant).

"*Bond Documents*" - means the Original Indenture, the Fifth Supplemental Indenture, the Remarketing Agreement and the Bonds.

"*Bond Laws*" - has the meaning set forth in the Original Indenture.

"*Bondholder*" - has the meaning set forth in the Original Indenture.

"*Bonds*" - means the $_____ aggregate principal amount of the Issuer's Subordinated Electric Revenue Bonds, Series 2008B.

"*Business Day*" - has the meaning set forth in the Letter of Credit.

"*Capital Lease*" - means any lease of Property which in accordance with GAAP would be required to be capitalized on the balance sheet of the lessee.

"*Capitalized Lease Obligation*" - means the amount of the liability shown on the balance sheet of any Person in respect of a Capital Lease as determined in accordance with GAAP.

"*Change of Law*" means the adoption, after the Effective Date, of any rule, regulation or statute of any Governmental Authority or the application or requirements thereof, or any change in the interpretation of any rule, regulation or statute by any Governmental Authority.

"*Closing Date*" - means the date on which the Letter of Credit is issued.

"*Code*" - means the Internal Revenue Code of 1986, and any successor statute thereto.

"*Conversion Date*" means the date on which the interest rate or all of the Bonds has been converted to bear interest at a rate other than a Covered Mode.

"*Covered Rate*" - means the Weekly Rate and the Daily Rate.

"*Daily Rate*" has the meaning set forth in the Fifth Supplemental Indenture.

"*Default Rate*" means a fluctuating interest rate per annum equal to the greater of the sum of the Base Rate from time to time in effect plus three percent (3.00%); *provided, however,* that the Default Rate shall not be less than the per annum rate of interest applicable to Bonds that are not Bank Bonds.

"*Drawing*" - means and includes an Interest Drawing, a Liquidity Drawing, a Redemption Drawing and a Stated Maturity Drawing.

"*Enterprise*" has the meaning set forth in the Original Indenture.

"*Environmental Law*" - means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

"*ERISA*" - means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

"*Event of Default*" - has the meaning set forth in Section 6.1 hereof.

"*Excess Interest*" - has the meaning set forth in Section 2.11 hereof.

"*Federal Funds Rate*" - means for any day the rate of interest per annum as determined by the Bank at which overnight Federal Funds are offered to the Bank for such day by major banks in the interbank market, with any change in such rate to become effective as to the Applicant on the date of any change in such rate. Each determination of the Federal Funds Rate by the Bank shall be deemed conclusive and binding on the Applicant absent manifest error.

"*Fifth Supplemental Indenture*" – means that certain Fifth Supplemental Subordinated Electric Revenue Bond Indenture, between the Applicant and the Trustee, dated as of _____, 2008.

"*Fitch*" shall mean Fitch, Inc., or any successor rating agency.

"*GAAP*" - means generally accepted accounting principles in the United States as in effect from time to time, applied by the Applicant on a basis consistent with the Applicant's most recent financial statements furnished to the Bank pursuant to Section 5.1 hereof.

"*Governmental Approval*" - means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

"*Governmental Authority*" means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, agency,

body, authority, bureau or entity (including the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

"*Gross Available Amount*" - means with respect to the Letter of Credit, as of any date, the Available Amount of the Letter of Credit without taking into account any temporary reductions thereto in effect on such date.

"*Guarantee*" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation (whether arising by virtue of partnership arrangement, by agreement to keep well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement condition or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

"*Indebtedness*" of any person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Indebtednesss of others secured by a lien on any asset of such Person, whether or not such Indebtednesss are assumed by such Person, (f) all Guarantees by such Person of Indebtednesss of other Persons, other than Guarantees pursuant to financial guaranty insurance policies or similar instruments and (g) all Hedging Instruments.

"*Indenture*" means, collectively, the Original Indenture and the Fifth Supplemental Indenture.

"*Indenture Event of Default*" means an "event of default" as defined in the Indenture or any of the other Related Documents.

"*Interest Drawing*" - means a drawing under the Letter of Credit resulting from a presentation of a certificate by the Trustee to the Bank in the form of Exhibit B to the Letter of Credit.

"*Interest Payment Date*" - has the meaning set forth in the Fifth Supplemental Indenture and, with respect to each Bank Bond, means each day set forth for the payment of interest thereon pursuant to Section 2.3 hereof.

"*Issuer*" - means the Applicant.

"*Letter of Credit*" means the irrevocable transferable letter of credit issued by the Bank for the account of the Applicant in favor of the Trustee, in the form of Appendix I hereto with appropriate insertions, as amended.

"*Lien*" means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"*Liquidity Advance*" has the meaning set forth in Section 2.3(a) hereof.

"*Liquidity Drawing*" means a drawing under the Letter of Credit resulting from the presentation of a certificate in the form of Exhibit D to the Letter of Credit.

"*Material Adverse Effect*" means (a) with respect to any Person, a materially adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects, *provided* that in the case of the Applicant, solely as such effect relates to the Enterprise, and (b) with respect to any Person's obligations under this Agreement or any other Related Document to which such Person is a party, a materially adverse effect upon the binding nature, validity or enforceability of such Person's obligations hereunder or thereunder, or such Person's ability to perform its material obligations hereunder or thereunder.

"*Maximum Bond Interest Rate*" means the maximum rate of interest per annum applicable to the Bonds (other than Bank Bonds) pursuant to the terms of the Indenture.

"*Maximum Rate*" means the lesser of (a) the maximum non-usurious lawful rate of interest permitted by applicable law and (b) 25% per annum.

"*Moody's*" means Moody's Investors Service, Inc., and its successors and assigns.

"*Obligations*" means the fees relating to the Letter of Credit, any and all Reimbursement Obligations (which includes amounts owing to the Bank secured by Bank Bonds), and all other obligations of the Applicant owed to the Bank arising under or in relation to this Agreement or any Related Document.

"*Offering Document*" means the Applicant's official statement relating to the Bonds, as the same may be amended and supplemented from time to time.

"*Original Indenture*" means that certain Subordinated Electric Revenue Bond Indenture of Trust, by and between the Applicant and the Trustee dated as of March 1, 1998 as amended and supplemented.

"*Original Stated Amount*" has the meaning set forth in Section 2.1(a) hereof.

"*Other Taxes*" has the meaning set forth in Section 7.1 hereof.

"*Outstanding*" or "*Bonds outstanding*" has the same meaning set forth in the Original Indenture.

"*Parity Debt*" has the meaning set forth in the Original Indenture.

"*Payment Account*" means the following account, or such account as may be designated by the Bank in writing to the Applicant and the Paying Agent: Citibank, N.A., Account No. 36240356, ABA No. 021000089, in favor of Dexia Credit Local, New York Branch, Reference: F-_____, City of Santa Clara, California Subordinated Electric Revenue Bonds, series 2008B.

"*Person*" means an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

"*Plan*" means, with respect to the Applicant and each Subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code.

"*Potential Default*" means an event or condition which, but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

"*Prime Rate*" means the per annum rate announced by the Bank from time to time at its New York office as its prime commercial rate for domestic commercial loans, the Prime Rate to change when and as such prime lending rate changes. Such rate is not necessarily the lowest rate charged by the Bank to its best customers for the use of money. Interest on loans made by the Bank may be at such rate, in excess of such rate or less than such rate.

"*Property*" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired comprising part of the Enterprise.

"*Rating Agencies*" means, collectively, Fitch, Moody's and S&P.

"*Redemption Drawing*" means a drawing under the Letter of Credit resulting from the presentation of a certificate by the Trustee to the Bank in the form of Exhibit C to the Letter of Credit.

"*Reimbursement Obligations*" means any and all obligations of the Applicant to reimburse the Bank for any Drawings under the Letter of Credit and all obligations to repay the Bank for any Liquidity Advance, including in each instance all interest accrued thereon which obligations are secured by the Bank Bonds.

"*Related Documents*" means, collectively, this Agreement, the Letter of Credit, the Bond Documents and any other agreement or instrument relating thereto.

"*Remarketing Agent*" means _____, as Remarketing Agent under the Indenture and the Remarketing Agreement, and its successors and assigns pursuant thereto.

"*Remarketing Agreement*" means the Remarketing Agreement dated as of _____, 2008, between the Remarketing Agent and the Applicant, as amended and supplemented, and any successor agreement thereto entered into by the Applicant and a successor Remarketing Agent.

"*Revenues*" has the meaning set forth in the Original Indenture.

"*S&P*" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and its successors and assigns.

"*State*" means the State of California.

"*Stated Expiration Date*" shall have the meaning set forth in the Letter of Credit.

"*Stated Maturity Drawing*" means a drawing under the Letter of Credit resulting from the presentation of a certificate by the Trustee to the Bank in the form of Exhibit F to the Letter of Credit.

"*Subordinated Net Revenues*" has the meaning set forth in the Original Indenture.

"*Subsidiary*" means, as to the Applicant, as applicable, any corporation or other entity of which more than 50% of the outstanding stock or comparable equity interests entitled to vote in the election of the board of directors or similar governing body of such entity is directly or indirectly owned by the Applicant, by one or more of their respective Subsidiaries or by the Applicant, and one or more of their respective Subsidiaries.

"*Substitution Date*" means the date on which an Alternate Credit Facility is accepted by the Trustee and becomes effective.

"*Supplemental Indenture*" means the Fifth Supplemental Indenture.

"*Taxes*" has the meaning set forth in Section 7.1 hereof.

"*Tender Agent*" has the meaning set forth in the Fifth Supplemental Indenture.

"*Termination Date*" has the meaning set forth in the Letter of Credit.

"*Trustee*" - means The Bank of New York Trust Company, N.A., as Trustee under the Indenture, and any successor trustee thereunder.

"*Weekly Rate*" has the meaning set forth in the Fifth Supplemental Indenture.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms. Any capitalized terms used herein which are not specifically defined herein shall have the same meanings herein as in the Fifth Supplemental Indenture or Original Indenture, as applicable. All references in this Agreement to times of day shall be references to New York time unless otherwise expressly provided herein. Unless otherwise inconsistent with the terms of this Agreement, all accounting terms shall be interpreted and all accounting determinations hereunder shall be made in accordance with GAAP.

ARTICLE TWO
LETTER OF CREDIT

Section 2.1. Issuance of Letter of Credit. Upon the terms, subject to the conditions and relying upon the representations and warranties set forth in this Agreement or incorporated herein by reference, the Bank agrees to issue the Letter of Credit. The Letter of Credit shall be in the original stated amount of $_____ (the "*Original Stated Amount*"), which is equal to the sum of (i) $_____, the principal amount of the Bonds outstanding on the Closing Date, *plus* (ii) $_____, which is at least _____ days' accrued interest on said principal amount of the Bonds at an assumed rate of interest of twelve percent (12%) per annum and assuming a year of 365 days.

Section 2.2. Letter of Credit Drawings. The Trustee is authorized to make Drawings under the Letter of Credit in accordance with the Letter of Credit's respective terms. The Applicant hereby directs the Bank to make payments under the Letter of Credit in the manner therein provided. The Applicant hereby irrevocably approves reductions and reinstatements of the Available Amount as provided in the Letter of Credit.

Section 2.3. Reimbursement of Certain Liquidity Drawings Under the Letter of Credit; Prepayment; Interest. (a) If the conditions precedent contained in Section 3.2 hereof are satisfied at the time of payment by the Bank of any Liquidity Drawing under the Letter of Credit, each Liquidity Drawing made under the Letter of Credit shall constitute an advance ("*Liquidity Advance*") to the Applicant. The Applicant promises to reimburse the Bank for each Liquidity Advance on the earliest to occur of (i) the date on which the Letter of Credit is replaced by an Alternate 2008 Credit Facility pursuant to the terms of the Indenture (the "*Substitution Date*"); (ii) the date on which any Bonds purchased with funds disbursed under the Letter of Credit in connection with such Liquidity Drawing are redeemed, prepaid or canceled pursuant to the Indenture; (iii) the date on which any Bonds purchased with funds disbursed under the Letter of Credit are remarketed pursuant to the Supplemental Indenture; (iv) the date which is fifteen (15) days following the Conversion Date on which all of the Bonds are converted to a rate other than a Covered Rate and (v) if the conditions precedent set forth in Section 3.2 hereof are not satisfied on the Amortization Commencement Date, on the Amortization Commencement Date. The Applicant's obligations to repay each Advance and to pay interest thereon as hereinafter provided shall be secured by the Bank Bonds. The Applicant also promises to repay to the Bank interest on the unpaid principal amount of each Advance from the date such Advance is made until it is paid in full as provided herein, at a rate per annum equal to the Bank Rate from time to time in effect and shall be payable monthly in arrears on the first day of each month for the immediately preceding calendar month (commencing on the first such date to occur after the

making of the related Advance), and on the date that the final principal installment of such Advance is payable as herein provided. Unless otherwise paid in full on one of the dates provided above, and subject to the conditions that no Potential Default or Event of Default shall have occurred and be continuing and that the representations and warranties continued in Article Four of this Agreement be true and correct in all material respects, in each case, on the related Amortization Commencement Date, the principal of each Advance shall be payable by the Applicant in semiannual installments (*"Semiannual Principal Payments"*) on each Amortization Payment Date, with the final installment in an amount equal to the entire then outstanding principal amount of such Advance due and payable on the Amortization End Date (the period commencing on the Amortization Commencement Date and ending on the Amortization End Date is herein referred to as the *"Amortization Period"*). Each Semiannual Principal Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Semiannual Principal Payments over the applicable Amortization Period.

(b) Any Liquidity Advance may be prepaid in whole or in part on the day such liquidity Advance is made. Any Liquidity Advance created pursuant to paragraph (a) above may be prepaid in whole or in part without premium or penalty on any other Business Day upon one (1) Business Day's prior written notice.

(c) Upon the Bank's receipt of any payment or prepayment of any Liquidity Advance, the amount of such Liquidity Advance shall be reduced by the amount of such payment or prepayment.

(d) Upon the Bank's honoring any Liquidity Drawing under the Letter of Credit, the Bank shall be deemed to have purchased the Bank Bonds in respect of which such Drawing is made, and the Applicant shall cause the Tender Agent to hold such Bank Bonds for the benefit of the Bank and register such Bank Bonds in the name of the Bank or its nominee, or to otherwise deliver such Bank Bonds as directed by the Bank pursuant to the Indenture. During such time as the Bank is the owner of any Bonds, the Bank shall have all the rights granted to a Bondholder under the Indenture and such additional rights as may be granted to the Bank hereunder. To the extent that the Bank actually receives payment in respect to principal of or interest on any Bank Bond held by the Bank, the Liquidity Advance made in connection with the purchase of such Bank Bond shall be deemed to have been reduced *pro tanto*, with the Bank crediting any payment on such Bank Bond received by them, first to the payment of any outstanding interest accrued on the related Liquidity Advance, and second to the payment of the principal of such Liquidity Advance. Any such payment or prepayment to be applied to principal of Liquidity Advances hereunder shall be applied to the prepayment of related Liquidity Advances in chronological order of their issuance hereunder, and within each Liquidity Advance in inverse order of the principal installments payable thereon. Following the occurrence of an Event of Default, any payments received by the Bank hereunder shall be applied by the Bank to the payment of the Obligations in such order as the Bank shall in its sole discretion determine.

(e) In connection with any purchase by the Bank of any Bank Bond pursuant to any Liquidity Drawing, the Applicant shall cause the Remarketing Agent to have any such Bank Bond assigned a CUSIP number (such CUSIP number to be different from the CUSIP assigned to the Bonds).

Section 2.4. Reimbursement of Redemption Drawings, Interest Drawings, Stated Maturity Drawings and Certain Liquidity Drawings. The Applicant agrees to reimburse the Bank for the full amount of any Liquidity Drawing under the Letter of Credit (but only if the conditions precedent contained in Section 3.2 hereof are not satisfied on the date of payment by the Bank of such Liquidity Drawing under the Letter of Credit) and all Interest Drawings, Redemption Drawings and Stated Maturity Drawings made under the Letter of Credit immediately upon payment by the Bank of each such Drawing and on the date of each such payment. If the Applicant does not make such reimbursement on such date, such reimbursement obligation shall bear interest at the Default Rate.

Section 2.5. Fees.

(a) *Letter of Credit Fees.* The Applicant agrees to pay to the Bank a non-refundable Letter of Credit Fee payable quarterly in arrears on the first Business Day of each January, April, July and October (commencing on July 1, 2008, for the period from and including the Closing Date to and including June 30, 2008) occurring prior to the Termination Date and on the Termination Date in an amount equal to the rate per annum associated with the Rating (as defined below) of the Applicant, as specified below (the "*Letter of Credit Fees Rate*") on the Gross Available Amount of the Letter of Credit (without regard to any temporary reductions of the Stated Amount of the Letter of Credit) (the "*Letter of Credit Fees*") during each related period.

LEVEL	MOODY'S RATING	FITCH RATING	S&P RATING	FACILITY FEE RATE
Level 1	A2 or above	A or above	A or above	0.55%
Level 2	A3	A-	A-	0.65%
Level 3	Baa1	BBB+	BBB+	0.90%
Level 4	Baa2	BBB	BBB	1.15%
Level 5	Baa3	BBB-	BBB-	1.40%
Level 6	Below Baa3	Below BBB-	Below BBB-	3.15%

The term "*Rating*" as used above shall mean the lowest long-term unenhanced debt ratings assigned by each of Moody's, S&P and Fitch to any Indebtedness of the Applicant payable from or secured by a lien on the Subordinated Net Revenues or Revenues which is senior to or on a parity with the Bonds. Any change in the Letter of Credit Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, each of the Ratings from the agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The Applicant acknowledges, and the Bank agrees, that as of the Closing Date the Letter of Credit Fee Rate is that specified above for Level 1. In the event that any Rating is suspended,

withdrawn or otherwise unavailable from any Rating Agencies (for credit related reasons only) or upon the occurrence and during the continuance of an Event of Default, the Letter of Credit Fee Rate shall be that set forth in Level 6 above. The Letter of Credit Fees shall be payable quarterly in arrears, together with interest on the Letter of Credit Fees from the date payment is due until payment in full at the Default Rate.

(b) *Drawing Fee.* The Applicant hereby agrees to pay to the Bank a drawing fee of $250 for each Drawing under the Letter of Credit, payable on the date of such Drawing.

(c) *Transfer Fee.* The Applicant hereby agrees to pay to the Bank a transfer fee of $1,500, payable upon each transfer of the Letter of Credit to any successor trustee under the Indenture.

(d) *Amendment Fee.* The Applicant hereby agrees to pay to the Bank on the date of any amendment to this Agreement or the Letter of Credit an amendment fee of $1,500 plus the reasonable fees of any legal counsel retained by the Bank in connection therewith.

Section 2.6. Method of Payment; Etc. All payments to be made by the Applicant under this Agreement shall be made at the Payment Account of the Bank not later than 3:00 p.m., New York City time, on the date when due and shall be made in lawful money of the United States of America in freely transferable and immediately available funds. Any payments received by the Bank later than 3:00 p.m. (New York time) on any day shall be deemed to have been paid on the next succeeding Business Day and interest shall accrue thereon until such next Business Day at the rate applicable thereto.

Section 2.7. Computation of Interest and Fees. All computations of interest and fees payable by the Applicant under this Agreement shall be made on the basis of a 360 day year and the actual number of days elapsed. Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof.

Section 2.8. Payment Due on Non-Business Day to Be Made on Next Business Day. If any sum becomes payable pursuant to this Agreement on a day which is not a Business Day, the date for payment thereof shall be extended, without penalty, to the next succeeding Business Day, and such extended time shall be included in the computation of interest and fees.

Section 2.9. Late Payments. If the principal amount of any Obligation is not paid when due, such Obligation shall bear interest until paid in full at a rate per annum equal to the Default Rate, payable upon demand.

Section 2.10. Source of Funds. All payments made by the Bank pursuant to the Letter of Credit shall be made from funds of the Bank, and not from the funds of any other Person.

Section 2.11. Maximum Rate; Payment of Fee. If the rate of interest on any Obligation payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (a) interest at the Maximum Rate shall be due and payable with respect to such interest period; and, (b) to the extent permitted by law, interest at the rate equal to the difference between

(i) the rate of interest calculated in accordance with the terms hereof without regard to the limitation of the Maximum Rate; and (ii) the Maximum Rate (the "*Excess Interest*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Applicant shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest as will cause the rate of interest then paid to the Bank to equal the Maximum Rate, which payments of deferred Excess Interest shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest is fully paid to the Bank. Upon the termination of the Letter of Credit, in consideration for the limitation of the rate of interest otherwise payable hereunder, to the extent permitted by law, the Applicant shall pay to the Bank a fee equal to the amount of all unpaid deferred Excess Interest.

Section 2.12. Termination of the Letter of Credit by the Applicant. (a) Notwithstanding any provisions of this Agreement to the contrary, the Applicant agrees not to terminate this Agreement or the Letter of Credit prior to the Stated Expiration Date, except upon (i)(A) the payment by the Applicant to the Bank of a termination fee in an amount equal to the Letter of Credit Fees payable pursuant to Section 2.5(a) hereof (based upon the Stated Amount equal to that in effect on the Closing Date) for a term beginning on the Closing Date and ending on the Stated Expiration Date at the Letter of Credit Fee Rate in effect as of the date of such termination, less the actual amount of Letter of Credit Fees the Applicant has previously paid to the Bank pursuant to Section 2.5(a) hereof, (B) the withdrawal, suspension or reduction in the rating assigned to the Bank's senior unsecured short-term obligations by Moody's, Fitch or S&P, respectively; provided, however, that for purposes of this clause (i)(B), the ratings of the Bank shall be the short-term ratings assigned to the Bonds by Moody's, Fitch or S&P, respectively or (C) the Bank shall impose increased costs or Taxes or Other Taxes on the Applicant pursuant to Section 7.1 or 7.2 hereof, (ii) the payment to the Bank of all Obligations payable hereunder and (iii) Applicant providing the Bank with thirty (30) days prior written notice of its intent to terminate this Agreement and the Letter of Credit; *provided* that all payments to the Bank referred to in clause (a)(i)(A) and (a)(ii) above shall be made immediately available funds; *provided, however*, that any such termination of this Agreement of the Letter of Credit shall be in compliance with the terms and conditions of the Indenture.

Section 2.13. Extension of Stated Expiration Date. If the Applicant, not later than one hundred twenty (120) days prior to the Stated Expiration Date of the Letter of Credit, submits to the Bank a written request for an extension of the Stated Expiration Date for the Letter of Credit for a period as specified in such written request, the Bank will make reasonable efforts to respond to such request within forty-five (45) days after receipt of all information necessary, in the Bank's reasonable judgment, to permit the Bank to make an informed credit decision. In the event the Bank fails to definitively respond to such request within such period of time, the Bank shall be deemed to have refused to grant the extension requested with respect to the Letter of Credit. The Bank may, in its sole and absolute discretion, decide to accept or reject any such proposed extension and no extension shall become effective unless the Bank shall have consented thereto in writing. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance reasonably satisfactory to the Bank and consistent with this Agreement. If such an extension request is

accepted by the Bank in its absolute discretion, the then current Stated Expiration Date for the Letter of Credit shall be extended to the date agreed to by the Applicant and the Bank.

Section 2.14. Security. The obligation of the Applicant with respect to the payment of all Obligations pursuant to this Agreement and the Indenture are special, limited obligations of the Applicant which are payable from and secured by the Subordinated Net Revenues and all funds and accounts pledged to repayment of the Bonds and all Parity Debt, all as more fully set forth in the Indenture.

ARTICLE THREE
CONDITIONS PRECEDENT

Section 3.1. Conditions Precedent to Issuance of Letter of Credit. As conditions precedent to the obligation of the Bank to issue the Letter of Credit, (a) the Applicant shall provide to the Bank on the Closing Date, in form and substance satisfactory to the Bank and its counsel, Chapman and Cutler LLP (hereinafter, "*Bank's counsel*"):

(a) *Representations.* On the Effective Date (and after giving effect to the issuance of the Bonds and the effectiveness hereof), (i) there shall exist no Potential Default or Event of Default; (ii) all representations and warranties made by the Applicant herein, in any of the other Related Documents to which it is a party shall be true and correct in all material respects with the same effect as though such representations and warranties had been made at and as of such time, except as described in the Offering Document and any other documents provided by the Applicant to the Bank; (iii) no change shall have occurred having a Material Adverse Affect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise between the date of the Applicant's most recent audited financial statements and the Effective Date; (iv) no transactions or obligations having a Material Adverse Effect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise, whether or not arising from transactions in the ordinary course of the Applicant's business, shall have been entered into by the Applicant; and (v) no material change in any law, rule, guideline or regulation applicable to the Applicant shall have occurred, subsequent to the date of the Applicant's most recent audited financial statements having a Material Adverse Affect on the condition (financial or otherwise), prospects, long-term credit ratings or operations of the Enterprise.

(b) *Documents.* (i) On the Closing Date, the Bank shall have received executed copies of each of the following documents, which documents shall be in full-force and effect on the Effective Date and in form and substance satisfactory to the Bank:

(A) the Fifth Supplemental Indenture (including a specimen Bond);

(B) the Offering Document;

(C) the Remarketing Agreement;

(D) the Purchase Contract;

(E) a certified copy of the Original Indenture (including all amendments and supplements to the Effective Date); and

(F) this Agreement.

(ii) All filings, recordings, re-filings and re-recordings shall have been made, notices given, all filing fees, taxes and expenses in connection therewith shall have been paid and all such action shall have been taken, which are necessary or advisable on the Closing Date.

(c) *Legal Opinions.* The Bank shall have received legal opinions, in form and substance satisfactory to the Bank, addressed to the Bank (or upon which the Bank is authorized to rely) and dated the Effective Date, of:

(i) Bond Counsel to the effect that this Agreement has been and, when executed and delivered, will be, duly authorized, executed and delivered by the Applicant and is the valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its respective terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the Applicant and equitable principles relating to or affecting creditors' rights generally from time to time;

(ii) the City Attorney to the effect that (A) this Agreement has been and, when executed and delivered, will be, duly authorized, executed and delivered by the Applicant and is the valid and binding obligation of the Applicant enforceable against the Applicant in accordance with its respective terms, except as may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization or moratorium or other similar laws applicable to the Applicant and equitable principles relating to or affecting creditors' rights generally from time to time, (B) the execution and delivery by the Applicant of this Agreement and the performance by the Applicant of its obligations under this Agreement and the Related Documents do not and will not violate the Constitution or laws of the State, and (C) the Applicant has taken all actions, and has obtained any approvals, necessary to the authorization, execution, delivery, and performance by the Applicant of this Agreement;

(d) *Supporting Documents of the Applicant.* There shall have been delivered to the Bank such information and copies of documents, approvals (if any) and records certified, where appropriate, of corporate and legal proceedings as the Bank may have requested relating to the Applicant's entering into and performing this Agreement, the other Related Documents to which it is a party and the transactions contemplated hereby and thereby. Such documents shall, in any event, include:

(i) A certificate of the Applicant, in form and substance satisfactory to the Bank, executed by an executive officer of the Applicant, dated the Effective Date; to the effect that the conditions set forth in Sections 3.1(a) and (b)(ii) hereof have been satisfied

as of such date and that all actions required to be taken by, and all resolutions required to be adopted by, the Applicant, any Governmental Authority having jurisdiction over the Applicant, the State and otherwise required by applicable law have been done and adopted in due and strict compliance by the Applicant, any such Governmental Authority and the State pursuant to such entity's articles of organization, charter, by-laws, authorizing statute and/or applicable law;

(ii) An incumbency and signature certificate with respect to the officers or agents of the Applicant who are authorized to execute any documents or instruments on behalf of the Applicant under this Agreement and the other Related Documents to which the Applicant is a party; and

(iii) The Applicant's most recent audited financial statements and current annual budget.

(e) *Other Supporting Documents.* There shall have been delivered to the Bank such information and copies of documents, approvals (if any) and records (certified, where appropriate) of corporate and legal proceedings as the Bank may have requested relating to any party (other than the Applicant and the Bank) entering into and performance by each of such parties thereto, of each of the Related Documents or the transactions contemplated thereby or the tax exempt status of the Bonds.

(f) *Other Closing Documents.* The Bank shall have received an executed copy of all documents required to be furnished by or to the Applicant, or any other party, to the extent said documents are reasonably available to the Applicant or such party, as a condition to (i) the issuance of the Bonds pursuant to the Indenture, (ii) the effectiveness of the Remarketing Agreement and (iii) the due issuance, sale and purchase of the Bonds including, without limitation, (A) evidence of the due authorization, execution and delivery by the parties thereto (other than the Applicant) of the Related Documents and (B) certificates of duly authorized officers of such other parties certifying the names and true signatures of such officers authorized to sign the Related Documents, including, without limitation, the officers of the Tender Agent authorized to deliver a Notice of Bank Purchase under this Agreement.

(g) *Rating.* The Bank shall have received satisfactory evidence that the Bonds shall have been given long and short term ratings of "AA" and "A-1+," respectively, by S&P and "AA+" and "F-1+," respectively, by Fitch, and that the Parity Debt of the Applicant shall have, as of the Effective Date, an unenhanced long-term credit rating of at least "___" by S&P, "___" by Moody's and "___" by Fitch.

(h) *Payment of Fees and Expenses.* Evidence that the invoices for the fees and expenses and all other amounts (including attorneys fees and expenses) payable on the Effective Date pursuant to Section 7.14 hereof shall have been received and accepted by the Applicant.

(i) *Proceedings.* The Bank shall have received such other documents, instruments, approvals (and, if requested by the Bank, certified duplicates or executed copies thereof) or opinions as the Bank may reasonably request.

Section 3.2. Conditions Precedent to Liquidity Advances. Following any payment by the Bank under the Letter of Credit pursuant to a Liquidity Drawing, a Liquidity Advance shall be made available to the Applicant *only if* on the date of payment of such Liquidity Drawing by the Bank the following statements shall be true:

(a) the representations and warranties of the Applicant contained in Article Four of this Agreement and in the other Related Documents to which the Applicant is a party are correct in all material respects on and as of the date of such payment as though made on and as of such date; and

(b) no event has occurred and is continuing, or would result from such payment, which constitutes a Potential Default or Event of Default.

Unless the Applicant shall have previously advised the Bank in writing that one or both of the above statements is no longer true, the Applicant shall be deemed to have represented and warranted on the date of such payment that both of the above statements are true and correct.

ARTICLE FOUR
REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to enter into this Agreement, the Applicant represents and warrants to the Bank as follows:

Section 4.1. Organization, Powers, Etc. The Applicant is a municipality and chartered city of the State of California duly organized and validly existing under and pursuant to the Constitution and laws of the State of California, including its City Charter and has: (a) full power and authority under the Constitution and the laws of the State of California and (b) all material governmental licenses, authorization, consents and approvals required to carry on its business as now conducted, to borrow under this Agreement and to issue, execute and deliver the Bonds under the Fifth Supplemental Indenture.

Section 4.2. Authorization, No Contravention. The execution, delivery and performance by the Applicant of this Agreement and each other Related Document to which the applicant is a party are within the Applicant's powers, have been duly authorized by all necessary action, require no action by or in respect of, or filing with, any Governmental Authority. The execution, delivery and performance by the Applicant of this Agreement and the Related Documents to which it is a party do not and will not violate (a) any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award as currently in effect to which the Applicant is subject including, without limitation, the Bond Laws and any Environmental Laws to which the Applicant is subject; (b) result in a breach of or constitute a default under the provisions of any resolution, indenture, loan or credit agreement or any other agreement, lease or instrument to which the Applicant may be or is subject or by which it, or its property, is bound; or (c) result in, or require, the creation or imposition of any mortgage, deed of trust, assignment, pledge, lien, security interest or other charge or encumbrance of any nature or with respect to any of the properties of the Applicant other than as provided herein and therein; and the Applicant is not in default under any such law, rule, regulation, order, writ, judgment, injunction, decree,

determination or award or any such resolution, indenture, agreement, lease or instrument including, without limitation, the Bond Laws and any environmental laws to which the Applicant is subject.

Section 4.3. Binding Effect. (a) This Agreement, the Bonds and each other Related Document constitute legal, valid and binding obligations of the Applicant, enforceable against the Applicant in accordance with their respective terms, except as such enforceability may be limited by the Applicant's bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally, (b) each Bond (including all Bank Bonds) has been or will be duly and validly issued under the Fifth Supplement and entitled to the benefits thereof and (c) each of the Related Documents to which the Applicant is a party is or will be on the Closing Date in full force and effect.

Section 4.4. Financial Information. All information supplied by the Applicant to the Bank relating to the Applicant is true and accurate in all material respects including, without limitation, the audited income statements and balance sheets of the Applicant as of December 31, 2007 and the unqualified opinion letter dated [_____], 2008, of [_____], independent certified public accountants, copies of which have been delivered to the Bank, is in all respects complete and correct and fairly present the financial condition of the Applicant as at such dates for the periods covered by such statements, all in conformity with GAAP. Since December 31, 2007, there has been no material adverse change in the condition (financial or otherwise) of the business or operations of the Applicant. To the best of the knowledge of the Applicant, no information, exhibit or report furnished by the Applicant to the Bank in connection with the negotiation of this Agreement contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading.

Section 4.5. Litigation. Except as has been disclosed in writing to the Bank or in the Official Statement, there is no action, suit or proceeding pending against or, to the best knowledge of the Applicant, threatened against or affecting the Applicant or relating to the Bond Laws, this Agreement, the Bonds, or any other Related Document before any court or other Governmental Authority in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business, financial position or results of operations of the Applicant or which in any manner draws into question the validity or enforceability of the Bond Laws, this Agreement, the Bonds or any other Related Document or the authority or ability of the Applicant to perform its obligations under this Agreement, the Bonds or any other Related Document.

Section 4.6. Employee Benefit Plans, Etc. The Applicant is not subject to Title I reporting and disclosure requirements, Title II or Title IV of ERISA and has no obligation or liability under or in respect of any "employee benefit plan" within the meaning of Section 3(3) of ERISA or any other form of bonus, incentive compensation, deferred compensation or other similar plan or arrangement.

Section 4.7. Environmental Laws. Except as disclosed in writing to the Bank or in the Official Statement, the Applicant has not received notice to the effect that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental,

health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to result in a material adverse effect with respect to the assets, financial condition, properties, business or operations of the Applicant, the Subordinated Net Revenues or the performance of the obligations of the Applicant under this Agreement or the other Related Documents to which the Applicant is a party.

Section 4.8. No Sovereign Immunity. The Applicant is not entitled to claim the defense of sovereign immunity in any action, suit or proceeding arising under or relating to this Agreement or any Related Document (a) for monetary damages or (b) for the execution or enforcement of any judgment (subject to applicable bankruptcy or insolvency laws or limitations on legal remedies against public agencies in the State of California), nor may there be attributed to the Applicant any such immunity (whether or not claimed).

Section 4.9. Disclosure. No representation, warranty or other statement made by the Applicant in or pursuant to this Agreement or any Related Document, or any other document or financial statement provided by the Applicant to the Bank in connection with this Agreement or any other Related Document, contains any untrue statement of a material fact or omits (as of the date made or furnished) any material fact necessary to make the statements herein or therein not misleading in light of the circumstances under which they are made. There is no fact known to the Applicant which the Applicant has not disclosed to the Bank in writing which materially adversely affects or, so far as the Applicant can now reasonably foresee, is likely to materially adversely affect the ability (financial or otherwise) of the Applicant to perform its obligations or under the Related Documents.

Section 4.10. Status of Obligations. The Obligations constitute a limited obligation of the Applicant, for the payment of which the Applicant has pledged the funds and accounts created under the Indenture and the moneys, including, without limitation, the Subordinated Net Revenues, on deposit therein, to pay the principal of and interest on the Reimbursement Obligations and all other Obligations owed to the Bank hereunder. Upon making any payment pursuant to the Letter of Credit, the Bank shall be subrogated to the rights of the Bondholders and entitled to the benefit of the security securing the Bonds under the Fifth Supplement and the other Related Documents.

Section 4.11. Incorporated Representations. The Applicant makes each of the representations, warranties and covenants contained in the Related Documents to which it is a party to, and for the benefit of, the Bank as if the same were set forth at length herein together with all applicable definitions thereto. No amendment, modification, termination or replacement of any such representations, warranties, covenants and definitions contained in the Related Documents shall be effective to amend, modify, terminate or replace the representations, warranties, covenants and definitions incorporated herein by this reference, without the prior written consent of the Bank. The representations and warranties of the Applicant in all of the Related Documents are true and correct in all material respects.

Section 4.12. Pending Legislation. There is no amendment, or to the knowledge of the Applicant, proposed amendment certified for placement on a ballot within the State of California or the City or any State of California or City law, or any legislation that has passed either house of the United States Congress, or any published judicial decision interpreting any of the foregoing, the effect of which is to materially adversely affect the Bonds, or any holder thereof in its capacity as such, or the ability of the Applicant to perform its obligations under this Agreement or the other Related Documents.

Section 4.13. Bank Bonds. The Bonds purchased pursuant to Article Two will be transferred to or held for the benefit of the Bank, free and clear of all liens, security interests or claims of any Person other than the Bank, except for consensual liens or other security interests as may be created by the Bank.

Section 4.14. No Maximum Rate of Interest. The Applicant is authorized to execute and deliver this Agreement and the transactions contemplated hereby and thereby are authorized under the Bond Laws. In accordance with the Bond Laws, the obligations of the Applicant hereunder are not subject to any limitation as to maximum rate of interest.

Section 4.15. Compliance. The Applicant is in substantial compliance with all laws, ordinances, orders, rules and regulations applicable to it, except to the extent noncompliance could not reasonably be expected to have a material adverse effect on the operations of the Applicant or which might materially adversely affect the ability of the Applicant to comply with its obligations hereunder or under the Related Documents to which it is a party or in connection with the transactions contemplated hereby or thereby.

Section 4.16. Default. The Applicant is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Related Document or other resolution, agreement or instrument to which it is a party which could have a material adverse effect on the ability of the Applicant to perform its obligations hereunder or the other Related Documents or which could affect the enforceability hereof or thereof. No Potential Event of Default or Event of Default has occurred and is continuing.

Section 4.17. Margin Stock. The Applicant is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no portion of the proceeds of any Bonds or any Drawing will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock.

Section 4.18. Trustee, Tender Agent and Remarketing Agent. The Bank of New York Trust Company, N.A. (or a successor or assign approved in writing by the Bank) is the duly appointed and acting Trustee and Tender Agent and _____ (or a successor or assign approved in writing by the Bank) is the duly appointed and acting Remarketing Agent.

Section 4.19. Tax Exempt Status. The Applicant has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other person or

entity, which action, if taken or omitted, would adversely affect the exclusion of interest on the Bonds from gross income for purposes of federal income taxation or the exemption of such interest from State of California income taxes.

Section 4.20. Security; Limited Liability. The Indenture creates a valid security interest in the funds and accounts created under the Indenture and the moneys, including, without limitation, the Subordinated Net Revenues on deposit therein, as security for the punctual payment of the interest and principal due with respect to the Bonds and all Reimbursement Obligations owing to the Bank. All action necessary to create a first and Parity Lien on such funds and accounts and on moneys on deposit therein, including the Subordinated Net Revenues, have been duly and validly taken. All obligations payable under this Agreement are special limited obligations of the Applicant payable solely from Subordinated Net Revenues, and the Applicant shall not be required to advance money from any other source other than Subordinated Net Revenues.

ARTICLE FIVE
COVENANTS

The Applicant will do, or will refrain from doing, as applicable, the following so long as any amounts may be drawn under the Letter of Credit or any Obligations remain outstanding under this Agreement, unless the Bank shall otherwise consent in writing:

Section 5.1. Reporting Requirements. The Applicant shall furnish to the Bank:

(a) as soon as available and in any event within ____ days after the end of each fiscal year, a balance sheet of the Applicant as of the end of such Fiscal Year, all prepared in accordance with GAAP and in reasonable detail showing in comparative form the figures for the previous Fiscal Year, accompanied by an opinion thereon of [_____] or another firm of independent public accountants of recognized national standing, selected by the Applicant, to the effect that the financial statements described herein have been prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial condition of the Applicant as of the close of Fiscal Year and the results of their operations for the Fiscal Year then ended and that an examination of such accountants in connection with such financial statements has been made in accordance with GAAP and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances;

(b) simultaneously with the delivery of each set of financial statements referred to in clause (i) above, a certificate of the Applicant stating that, to the best knowledge of the chief financial officer (or his/her designee) of the Applicant, there exists on the date of such certificate no Event of Default or Potential Default or, if any Event of Default or Potential Default then exists, setting forth the details thereof and the action which the Applicant is taking or proposes to take with respect thereto;

(c) promptly after knowledge thereof by the Applicant, written notice of the occurrence of any Default or Potential Default, together with a statement of the Applicant setting forth the details thereof and the action which the Applicant is taking or proposes to take with respect thereto;

(d) promptly after process has been served on the Applicant, notice of any action, suit or proceeding before any court or Governmental Authority in which there is a reasonable probability of an adverse decision which could (A) materially adversely affect the business, financial position or results of operations of the Enterprise or the ability of the Applicant to perform its obligations hereunder or under any other Related Document or (B) draw into question the validity or enforceability of this Agreement or any other Related Document;

(e) promptly upon the availability thereof, a copy of any official statement, offering memorandum or other disclosure documents relating to the offering of any Parity Debt;

(f) promptly after obtaining knowledge thereof, written notice of any change in the long-term ratings assigned by an Rating Agency to unenhanced Parity Debt;

(g) as soon as available to the Applicant, copies of all enacted legislation which, to the best knowledge of the Applicant, relates to, in any material way, or impacts upon this Agreement or the other Related Documents or the ability of the Applicant to perform its obligations in connection herewith or therewith;

(h) promptly upon the adoption thereof, a copy of the Applicant's four-year financial plan and the Applicant's budget, together with each amendment or supplement thereto that may be adopted from time to time during each fiscal year; and

(i) time to time such additional information regarding the financial position, operations, business or prospects of the Applicant as the Bank may reasonably request.

Section 5.2. Notices. In addition to the notices described in Section 5.1(a), the Applicant will provide promptly to the Bank the following:

(a) notice of any event known to the Applicant which might materially adversely affect the properties, business, condition (financial or otherwise) or results of operations of the Applicant;

(b) notice of the failure by the Remarketing Agent, the Tender Agent or the Trustee to perform any of their respective obligations under any Related Document to which any such entity is a party; and

(c) notice of any proposed amendment or supplement to the Fifth Supplement or any Related Document and copies of all such amendments and supplements promptly following the execution thereof.

Section 5.3. Further Assurances. The Applicant shall execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the request of the Bank, all such instruments and documents as in the opinion of the Bank are necessary or advisable to carry out the intent and purpose of this Agreement and the other Related Documents.

Section 5.4. Inspection of Property, Books and Record. The Applicant shall keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of the Applicant; and at any reasonable time and from time to time upon reasonable notice thereof, permit the Bank or any agents or representatives thereof, at the expense of the Bank, to examine and make copies of and abstracts from the records and books of account of, and to the extent permitted by applicable law, visit the properties of, the Applicant and to discuss the affairs, finances and accounts of the Applicant with any of the Applicant's officers, trustees and independent auditors (and by this provision, the Applicant authorizes said auditors to discuss with the Bank or its representatives the affairs, finances and accounts of the Applicant).

Section 5.5. Amendments to Fifth Supplement and other Related Documents. The Applicant will not agree to any amendment to, or waive any default under, the Fifth Supplement or any other Related Document without the prior written consent of the Bank.

Section 5.6. Waiver of Immunity. To the fullest extent permitted by law, the Applicant agrees not to assert the defense of sovereign immunity, if available, in any proceeding to enforce any of the obligations of the Applicant under this Agreement or any other Related Document (a) for monetary damages or (b) for the execution or enforcement of any judgment (subject to applicable bankruptcy or insolvency laws or limitations on legal remedies against public agencies in the State of California) in any federal or state court of competent jurisdiction located in the State of California or New York.

Section 5.7. Compliance with Laws. The Applicant covenants that it will comply with the requirements of (a) all applicable law of any Governmental Authority having jurisdiction over the Applicant including, without limitation, the Bond Laws, any environmental laws applicable to the Applicant and its Properties and ERISA, and (b) all investment policy guidelines of the Applicant; in each case, the non-compliance with which would materially adversely affect its ability to perform its obligations under this Agreement, the Bank Note or the other Related Documents to which it is a party, unless the same is being contested in good faith and by appropriate proceedings and such contest shall operate to stay the material adverse effect of any such non-compliance

Section 5.8. Bond Proceeds: Application of Drawings. The Applicant shall use the proceeds of the Bonds for the purposes set forth in the Indenture. The Applicant will not take or omit to take any action, nor direct the Trustee to take any action, which action or omission will in any way result in the proceeds of the Drawings being applied for any purpose other than to pay principal of, the purchase price of and interest on Bonds as and when the same become due and payable.

Section 5.9. Disclosure to Participants. The Applicant shall permit the Bank to disclose any information received by the Bank in connection herewith including, without limitation, the financial information described in Section 5.01(a) hereof, to any Participant.

Section 5.10. Incorporation of Covenants. From and after the date hereof and so long as this Agreement is in effect, except to the extent compliance in any case or cases is waived in writing by the Bank, the Applicant agrees that it will, for the benefit of the Bank, comply with, abide by, and be restricted by all the agreements, covenants, obligations and undertakings contained in the provisions of the Related Documents, regardless of whether any indebtedness is now or hereafter remains outstanding thereunder, together with the related definitions, exhibits and ancillary provisions, all of which are incorporated herein by reference, *mutatis mutandis*, and made a part hereof to the same extent and with the same force and effect as if the same had been herein set forth in their entirety, and no amendment, modification or waiver to any of the foregoing shall in any manner constitute an amendment, modification or waiver of the provisions thereof as incorporated herein unless consented to in writing by the Bank.

Section 5.11. Official Statement. The Applicant shall not include in an offering document for the Bonds (or any other securities of which it is the issuer) any information concerning the Bank that is not supplied in writing, or otherwise consented to, by the Bank expressly for inclusion therein. The Applicant shall not make any changes in reference to the Bank, the Letter of Credit or this Agreement in any revision of the Official Statement without the Bank's prior written consent thereto, which consent shall not be unreasonably withheld. The Bank hereby consents to the inclusion of its name as provider of the Letter of Credit in the Official Statement and the reference to the Bank, the Letter of Credit and this Agreement on the cover page to the Official Statement and in the Official Statement under "APPENDIX K – INFORMATION ABOUT THE LETTER OF CREDIT PROVIDER."

Section 5.12. Maintenance of Tax-Exempt Status of the Bonds. The Applicant shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the exclusion of interest on the Bonds or any tax-exempt Parity Debt from gross income for purposes of federal income taxation or the exemption of such interest from California income taxes.

Section 5.13. Insurance Requirements. The Applicant shall insure its properties against loss or damage and shall maintain general liability insurance coverage against such risks and in such amounts as is customarily maintained by entities similarly situated and operating like properties and businesses to that of the Applicant by insurance companies believed by the Applicant to be responsible (as determined in its reasonable discretion). Notwithstanding the foregoing, the Applicant may provide self-insurance in order to provide for the coverage described in the immediately preceding sentence.

Section 5.14. Liens; Debt; Consolidation and Mergers. (a)The Applicant will not create any Lien which either directly or indirectly creates an adverse effect on the Subordinated Net Revenues or the Property of the Applicant on which the Bank has a Lien pursuant to this Agreement and the Indenture, *provided*, that nothing herein shall preclude the Applicant from issuing additional Parity Debt as provided in Section 5.14(b).

(b) The Applicant will not issue or incur any additional Debt unless such issuance or incurrence complies with the Constitution and other laws of the State of California, including the Bond Laws and with the Indenture.

(c) The Applicant will not consolidate or merge with or into any entity or sell, lease or otherwise transfer all or substantially all of its assets to any other entity except as permitted by the Indenture and the Bond Laws.

Section 5.15. Trustee, Tender Agent and Remarketing Agent. The Applicant shall not remove the Trustee, the Tender Agent or the Remarketing Agent or appoint a successor Trustee, Tender Agent or Remarketing Agent without the prior written consent of the Bank, except as otherwise permitted by the Fifth Supplemental Indenture. The Applicant shall use its best efforts to replace the Trustee or the Remarketing Agent upon the request of the Bank if such request is made for cause.

Section 5.16. Federal Reserve Regulations. No proceeds from moneys received hereunder shall be used by the Applicant to purchase Margin Stock in violation of Regulation U, as amended, promulgated by the Board of Governors of the Federal Reserve System.

Section 5.17. Accounting Changes. The Applicant shall not change its method of accounting or the times of commencement or termination of Fiscal Years or other accounting periods without first disclosing in writing such change to the Bank.

Section 5.18. Maintenance of Property. The Applicant shall maintain, preserve and keep all of its Properties in good repair, working order and condition (ordinary wear and tear excepted) and will, from time to time, make all needful and proper repairs, renewals, replacements, and additions and betterments thereto so that at all times the efficiency thereof shall be full preserved and maintained.

Section 5.19. Selection of Bonds for Redemption. The Applicant shall select, or cause to be selected, for redemption any and all Bank Bonds prior to selecting, or causing to be selected, for redemption any Bonds that are not Bank Bonds.

Section 5.20. Alternate Credit Facility. (a) The Applicant agrees to use its best efforts to (i) obtain an Alternate Credit Facility to replace the Letter of Credit or (ii) convert the interest on the Bonds to a rate other than a Covered Rate in the event the Bank (x) has exercised its remedies under Section 6.2 hereof or (y) shall determine not to extend the Stated Expiration Date. In the event that the Applicant is unable to obtain an Alternate Credit Facility, the Applicant shall use its best efforts to convert the interest rate on the Bonds to a rate other than a Covered Rate.

(b) The Applicant agrees that any Alternate Credit Facility will require, as a condition to the effectiveness of the Alternate Credit Facility, that the issuer of the Alternate Credit Facility will provide funds, on the Substitution Date, for the purchase of all Bank Bonds at par plus accrued interest (at the Bank Rate) through and including the day immediately preceding the Substitution Date to the extent not paid by the Applicant or any other Person. On such

Substitution Date, any and all amounts due hereunder, under the Bank Bonds and under the Indenture (including the Fifth Supplemental Indenture) due to the Bank shall be payable in full to the Bank.

(c) The Applicant shall not permit an Alternate Credit Facility to become effective with respect to less than all of the Bonds without the prior written consent of the Bank.

Section 5.21. Conversions; Defeasance. The Applicant (a) will promptly furnish, or cause to be furnished, to the Bank, not later than its furnishing the same to the Remarketing Agent, a copy of any written notice furnished by the Applicant to the Remarketing Agent pursuant to the Fifth Supplemental Indenture, indicating a proposed Conversion of the interest rate period for the Bonds; and (b) shall not permit a Conversion of the Bonds from the Covered Rate without the prior written consent of the Bank if, after giving effect to such Conversion, any Bonds remain as Bank Bonds. In addition, the Applicant shall not permit the pledge of the Subordinated Net Revenues and all covenants, agreements and other obligations of the Applicant to the owners of the Bonds to cease, terminate and become void and be discharged and satisfied, unless (i) the Applicant shall pay or cause to be paid, or there shall otherwise be paid, to the owners of the Bonds the principal or redemption price thereof, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture and (ii) all amounts due to the Bank have been paid.

ARTICLE SIX
DEFAULTS

Section 6.1. Events of Default and Remedies. If any of the following events shall occur, each such event shall be an "*Event of Default*":

(a) any representation or warranty made by the Applicant in this Agreement (or incorporated herein by reference) or in any of the other Related Documents to which the Applicant is a party or in any certificate, document, instrument, opinion or financial or other statement contemplated by or made or delivered pursuant to or in connection with this Agreement or with any of the other Related Documents to which the Applicant is a party, shall prove to have been incorrect, incomplete or misleading in any material respect;

(b) any Indenture Event of Default or any "*event of default*" shall have occurred and be continuing beyond the applicable grace period under any of the Related Documents (as defined respectively therein) or any "event of default" in connection with any Parity Debt shall occur and continue beyond any grace period applicable thereto;

(c) the Applicant fails to pay, or cause to be paid, when due (i) any Reimbursement Obligations and any interest thereon, (ii) any principal of or interest on any Bonds for any reason other than the failure of any Bank to perform its obligations hereunder or (iii) any other Obligation owed to the Bank hereunder;

(d) default in the due observance or performance by the Applicant of any covenant set forth in Section 5.12, 5.14, 5.15, 5.19, 5.20 or 5.21;

(e) default in the due observance or performance by the Applicant of any other term, covenant or agreement set forth in (or incorporated by reference in) this Agreement (other than those referred to in Sections 6.1(a), 6.1(b), 6.1(c) and 6.1(d)) and the continuance of such default for thirty (30) days after the occurrence thereof;

(f) (i) a court or other Governmental Authority with jurisdiction to rule on the validity of this Agreement, the Original Indenture, the Fifth Supplemental Indenture or any other Related Document to which the Applicant is a party shall find, announce or rule that (A) any material provision of this Agreement and any other Related Document to which the Applicant is a party; or (B) any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, is not a valid and binding agreement of the Applicant; or (ii) the Applicant shall contest the validity or enforceability of this Agreement, any other Related Document to which the Applicant is a party or any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or shall seek an adjudication that this Agreement, any other Related Document to which the Applicant is a party or any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, is not valid and binding on the Applicant;

(g) any provision of the Indenture relating to the security for the Bonds or the Obligations, the Applicant's ability to pay the Obligations or perform its obligations hereunder or the rights and remedies of the Bank, or any Related Document to which the Applicant is a party, except for any Remarketing Agreement which has been terminated due to a substitution of the Remarketing Agent, or any material provision thereof shall cease to be in full force or effect, or the Applicant or any Person acting by or on behalf of the Applicant shall deny or disaffirm the Applicant's obligations under the Indenture or any other Related Document to which the Applicant is a party;

(h) one or more judgments, decrees or orders for the payment of money, which is not subject to insurance (or for which the carrier has denied or disputed coverage other than a routine reservation of rights) in excess of $_____ and either (i) enforcement proceedings shall have been commenced by any creditor or creditors upon any such judgment, decree, or order in such aggregate amount, or (ii) there shall be a period of ninety (90) consecutive days during which either a stay of enforcement of such judgment, decree or order, by reason of a pending appeal or otherwise, shall not be in effect or such judgment shall not be fully bonded; ;

(i) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of the principal of or interest on any obligation secured by a lien, charge or encumbrance upon the Revenues or

Subordinated Net Revenues; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the Applicant seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts; (iii) the Applicant seeks appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of the Applicant's property, or the Applicant shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the Applicant any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the Applicant any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within 60 days from the entry thereof; (vi) the Applicant takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv) or (v) above; or (vii) the Applicant shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

(j) any of Moody's, Fitch or S&P shall have downgraded its long-term unenhanced rating of any Indebtedness of the Applicant secured by a lien on and pledge of the Subordinate Net Revenues or Revenues that ranks senior to or on a parity with the Bonds to below "Baa3" (or its equivalent), "BBB-" (or its equivalent) or "BBB-" (or its equivalent), respectively, or suspended or withdrawn its rating of the same; or

(k) The Applicant shall (i) default in any payment of any obligation (other than the Bonds, the Drawings and the Liquidity Advances) secured by a charge, lien or encumbrance on the Subordinate Net Revenues or Revenues that ranks senior to or on a parity with the Bonds (*"Secured Debt"*), beyond the period of grace, if any, provided in the instrument or agreement under which such Secured Debt was created, or (ii) default in the observance or performance of any agreement or condition relating to any Secured Debt or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Secured Debt (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Secured Debt to become due prior to its stated maturity;

Section 6.2. Remedies. Upon the occurrence of any Event of Default, the Bank may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law provided:

(a) by written notice to the Applicant require that the Applicant immediately prepay to the Bank in immediately available funds an amount equal to the Available Amount (such amount to be held by the Bank as collateral security for the Obligations); *provided, however*, that in the case of an Event of Default described in Section 6.1(i)

hereof, such prepayment of an amount equal to the Available Amount shall automatically become immediately due and payable without any notice (unless the coming due of such Obligations is waived by the Bank in writing);

(b) by notice to the Applicant, so long as Event of Default has occurred under Section 6.01 of the Indenture, declare all Obligations to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Applicant; *provided* that upon the occurrence of an Event of Default under Section 6.1(i) hereof, so long as Event of Default has occurred under Section 6.01 of the Indenture, such acceleration shall automatically occur (unless such automatic acceleration is waived by the Bank in writing);

(c) give notice of the occurrence of any Event of Default to the Trustee directing the Trustee to cause a mandatory tender of the Bonds pursuant to the terms of the Indenture (which such notice may also provide that the interest component of the Letter of Credit will not be reinstated in accordance with the terms of the Letter of Credit), thereby causing the Letter of Credit to expire fifteen (15) days thereafter (unless the Bank has rescinded its notice of the occurrence of an Event of Default to the Trustee);

(d) pursue any rights and remedies it may have under the Related Documents; or

(e) pursue any other action available at law or in equity.

ARTICLE SEVEN
MISCELLANEOUS

Section 7.1. Net of Taxes, Etc.

(a) *Taxes.* Any and all payments to the Bank by the Applicant hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings imposed as a result of a Change of Law, and all liabilities with respect thereto, excluding taxes imposed on or measured by the net income or capital of the Bank by any jurisdiction or any political subdivision or taxing authority thereof or therein solely as a result of a connection between the Bank and such jurisdiction or political subdivision, other than a connection resulting solely from executing, delivering or performing its obligations or receiving a payment under, or enforcing, this Agreement (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "*Taxes*"). If as a result of a Change of Law, the Applicant shall be required by law to withhold or deduct any Taxes imposed by the United States or any political subdivision thereof from or in respect of any sum payable hereunder to the Bank, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 7.1), the Bank receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Applicant shall make such deductions and (iii) the Applicant shall pay the full amount deducted to the relevant taxation authority or other

authority in accordance with applicable law. If the Applicant shall make any payment under this Section 7.1 to or for the benefit of the Bank with respect to Taxes and if the Bank shall claim any credit or deduction for such Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States then the Bank shall pay to the Applicant an amount equal to the amount by which such other taxes are actually reduced; *provided* that the aggregate amount payable by the Bank pursuant to this sentence shall not exceed the aggregate amount previously paid by the Applicant with respect to such Taxes. In addition, the Applicant agrees to pay any present or future stamp, recording or documentary taxes and, if as a result of a Change of Law, any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America, the State of California or the State of New York from any payment made hereunder or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as "*Other Taxes*"). The Bank shall provide to the Applicant within a reasonable time a copy of any written notification it receives with respect to Other Taxes owing by the Applicant to the Bank hereunder *provided* that the Bank's failure to send such notice shall not relieve the Applicant of its obligation to pay such amounts hereunder.

(b) *Indemnity.* To the extent permitted by law, the Applicant shall indemnify the Bank for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 7.1 paid by the Bank or any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided* that the Applicant shall not be obligated to indemnify the Bank for any penalties, interest or expenses relating to Taxes or Other Taxes incorrectly paid by the Bank or arising from the Bank's gross negligence or willful misconduct. The Bank agrees to give notice to the Applicant of the assertion of any claim against the Bank relating to such Taxes or Other Taxes as promptly as is practicable after being notified of such assertion; *provided* that the Bank's failure to notify the Applicant promptly of such assertion shall not relieve the Applicant of its obligation under this Section 7.1. Payments by the Applicant pursuant to this indemnification shall be made within thirty (30) days from the date the Bank makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Bank agrees to repay to the Applicant any refund (including that portion of any interest that was included as part of such refund and including any credit or deduction for such Taxes or Other Taxes against any other taxes payable by the Bank to any taxing jurisdiction in the United States) with respect to Taxes or Other Taxes paid by the Applicant pursuant to this Section 7.1 received by the Bank for Taxes or Other Taxes that were paid by the Applicant pursuant to this Section 7.1

(c) *Notice.* Within thirty (30) days after the date of any payment of Taxes by the Applicant, the Applicant shall furnish to the Bank, the original or a certified copy of a receipt evidencing payment thereof. To the extent permitted by law, the Applicant shall compensate the Bank for all reasonable losses and expenses sustained by the Bank as a result of any failure by the Applicant to so furnish such copy of such receipt.

(d) *Survival of Obligations.* The obligations of the Applicant under this Section 7.1 shall survive the termination of this Agreement.

(e) To the best of the Bank's knowledge, as of the Closing Date, no pending Change in Law exists which would cause Taxes or Other Taxes to be due and owing.

Section 7.2. Increased Costs. (a) In the event that after the date of the execution hereof the application, enactment or adoption of, or any change in, any law, rule, regulation, treaty, guideline or directive or the occurrence of the effective date of any law, rule, regulation, treaty, guideline or directive, or any provision thereof enacted or adopted on the date of the execution hereof but which has not yet become effective, or the application, interpretation or enforcement of any of the foregoing by any court, central bank, administrative or Governmental Authority charged with the administration thereof (whether or not having the force of law) shall either:

(i) limit the deductibility of interest on funds obtained by the Bank to pay any of its liabilities or subject the Bank to any tax, duty, charge, deduction or withholding on or with respect to payments relating to the Bonds or any Banking Arrangements, or any amount paid or to be paid by the Bank hereunder (other than any tax measured by or based upon the overall net income of the Bank imposed by any jurisdiction having control over the Bank);

(ii) impose, modify, require, make or deem applicable to the Bank any reserve requirement, capital requirement, special deposit requirement, insurance assessment or similar requirement against any assets held by, deposits with or for the account of, or loans or commitments by, a domestic office of the Bank;

(iii) change the basis of taxation of payments due the Bank under this Agreement, the Bonds or any Banking Arrangements (other than by a change in taxation of the overall net income of the Bank); or

(iv) impose upon the Bank any other condition with respect to any amount paid or payable to or by the Bank or with respect to this Agreement, the Bonds or any Banking Arrangements;

and the result of any of the foregoing shall be to increase the cost to the Bank or any Participant of extending, issuing or maintaining any of the Banking Arrangements or to reduce any amount (or the effective return on any amount) received or receivable by the Bank or such Participant in connection with the Banking Arrangements (which increase in cost or reduction in yield shall be the result of the Bank's or such Participant's reasonable allocation, in a nondiscriminatory manner among borrowers having obligations to the Bank or such Participant similar to those of the Applicant, of the aggregate of such cost increases or yield reductions resulting from such event), then, within forty-five (45) days of written demand by the Bank, the Applicant shall pay to the Bank, from time to time as specified by the Bank, additional amounts which shall be sufficient to compensate the Bank or such Participant for all such increased costs or reductions in yield. Notwithstanding the foregoing, no Participant shall be entitled to any such additional amount from the Applicant in excess of that to which the Bank would have been entitled had the Bank not granted such Participant a participation in this Agreement. The Bank shall submit to the Applicant, at or prior to the making of each such demand, a certificate setting forth in

reasonable detail such increased costs or yield reduction incurred by the Bank or such Participant as a result of any of the foregoing.

(b) If the Bank shall have determined that the adoption of any law, rule, regulation or guideline (whether or not having the force of law) regarding capital adequacy by any Governmental Authority having regulatory jurisdiction over the Bank, or any change in applicable law, rule, regulation or guideline, as the case may be, or any change in the enforcement or interpretation or administration thereof by any Governmental Authority charged with the interpretation or administration thereof, or compliance by the Bank (or any lending office thereof) with any request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, has or would have the effect of reducing the rate of return on capital of the Bank as a consequence of its obligations hereunder or its purchase or holding of Bank Bonds to a level below that which the Bank could have achieved but for such adoption, change or compliance (taking into consideration the policies of the Bank with respect to capital adequacy) by an amount deemed by the Bank to be material, then within thirty (30) days after demand by the Bank, the Applicant shall pay to the Bank from time to time as specified by the Bank such additional amount or amounts as will compensate the Bank for such reduction from the date of such adoption, change or compliance with respect to such law, rule, regulation, guideline, request or directive, together with interest on each such amount from the date payment is demanded until the earlier of the date of payment in full thereof or the date on which such payment is due at the Bank Rate.

(c) Each demand for compensation pursuant to Section 7.2 shall be shall be accompanied by a certificate of the Bank in reasonable detail setting forth the computation of such compensation (including the reason therefor), which certificate shall be conclusive, absent manifest error, as against all other Persons, including, without limitation, the Applicant, the Tender Agent and any Bank Bond owner. Notwithstanding anything contained in paragraphs (a) or (b) of this Section, the Applicant shall have no liability to the Bank for any increased costs, capital, or reduction return to the extent incurred by the Bank more than ninety (90) days prior to the above-described certificate is provided to the Applicant.

(d) If such costs are to be incurred on a continuing basis and the Applicant shall be so notified by the Bank in writing as to the amount thereof, then such costs shall be payable by the Applicant to the Bank on each Interest Payment Date to the extent therefore incurred.

Section 7.3. Reserved.

Section 7.4. Liability of Banks. (a) With respect to the Bank, the Applicant assumes all risks of the acts or omissions of the Trustee and its agents in respect of their use of this Agreement or any amounts made available by the Bank hereunder. Neither the Bank nor any of its officers or directors shall be liable or responsible for: (i) the use which may be made of this Agreement or the Letter of Credit or any amounts made available by the Bank under the Letter of Credit or for any acts or omissions of the Trustee or the Remarketing Agent or its agents in connection therewith; (ii) the validity, sufficiency or genuineness of documents (other than the validity of this Agreement as to the Bank), or of any endorsement(s) thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or

forged; or (iii) any other circumstances whatsoever in making or failing to make payment under the Letter of Credit, except only that the Applicant shall have a claim against the Bank and the Bank shall be liable to the Applicant to the extent, but only to the extent, of any direct, as opposed to consequential, damages suffered by the Applicant which the Applicant prove were caused by the Bank's gross negligence or willful failure to make payment under the Letter of Credit in accordance with the terms thereof. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(b) The Applicant assumes all risks associated with the acceptance by the Bank of documents received by telecommunication, it being agreed that the use of telecommunication devices is for the benefit of the Applicant and that the Bank assumes no liabilities or risks with respect thereto.

Section 7.5. Unconditional Obligations. The obligations of the Applicant under this Agreement shall be absolute, unconditional, irrevocable in accordance with the terms of the Indenture and this Agreement, under all circumstances whatsoever, including, without limitation, the following:

(a) any lack of validity or enforceability of this Agreement, the Letter of Credit or, to the extent permitted by law, the Bonds, the Indenture or any other Related Document;

(b) any amendment or waiver of or any consent to departure from the terms of the Indenture or all or any of the Related Documents to which the Bank has not consented in writing;

(c) the existence of any claim, counterclaim, setoff, recoupment, defense or other right which any Person may have at any time against the Bank, the Applicant, the Trustee, the Remarketing Agent, or any other Person, whether in connection with this Agreement, the Indenture, the Related Documents, or any other transaction related thereto;

(d) any statement or any other document presented pursuant hereto or pursuant to the Letter of Credit which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently proves to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(e) payment by the Bank of a Drawing or an Advance against presentation of a request which the Bank in good faith determines to be valid, sufficient or genuine and which subsequently is found not to comply with the terms of this Agreement; *provided* that such payment shall not have constituted gross negligence of the Bank; and

(f) any other circumstances or happening whatsoever whether or not similar to any of the foregoing.

Section 7.6. Participants. The Bank shall have the right to grant participations in the Letter of Credit to one or more other banking institutions, and such participants shall be entitled to the benefits of this Agreement, including, without limitation, Sections 7.1, 7.2, 7.4 and 7.14 hereof (provided that the Applicant shall be liable only to the extent of the Bank's legal expenses incurred (and not the legal expenses of any participant) pursuant to any of the foregoing sections), to the same extent as if they were a direct party hereto; *provided, however*, that no such participation by any such participant shall in any way affect the obligation of the Bank under the Letter of Credit and the Applicant shall continue to deal solely and directly with the Bank in connection with this Agreement and the Letter of Credit; and *provided further* that no such participant shall be entitled to receive payment hereunder of any amount greater than the amount which would have been payable had the Bank not granted a participation to such participant.

Section 7.7. Survival of this Agreement. All covenants, agreements, representations and warranties made in this Agreement shall survive the issuance by the Bank of the Letter of Credit and shall continue in full force and effect so long as the Letter of Credit shall be unexpired or any Obligations shall be outstanding and unpaid. The obligation of the Applicant to reimburse the Bank pursuant to Sections 7.1, 7.2, 7.4 and 7.14 hereof shall survive the payment of the Bonds and termination of this Agreement or the Letter of Credit.

Section 7.8. Modification of this Agreement. No amendment, modification or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the Bank and the Applicant and no amendment, modification or waiver of any provision of the Letter of Credit, and no consent to any departure by the Applicant therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Applicant in any case shall entitle the Applicant to any other or further notice or demand in the same, similar or other circumstances.

Section 7.9. Waiver of Rights by the Bank. No course of dealing or failure or delay on the part of the Bank in exercising any right, power or privilege hereunder or under the Letter of Credit or this Agreement shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right or privilege. The rights of the Bank under the Letter of Credit and the rights of the Bank under this Agreement are cumulative and not exclusive of any rights or remedies which the Bank would otherwise have.

Section 7.10. Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7.11. GOVERNING LAW. (a) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES; *PROVIDED, HOWEVER*, THAT THE OBLIGATIONS OF

THE APPLICANT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CALIFORNIA.

(b) The Bank hereby waives the benefit of Article 15 of the French Civil Code relating to general and exclusive jurisdiction in any action or proceeding arising out of or relating to this Agreement, the Letter of Credit or any of the Related Documents. The waiver made pursuant to this Section 7.11(b) shall be irrevocable and unmodifiable, whether in writing or orally, and shall be applicable to any subsequent amendments, renewals, supplements or modifications of this Agreement or the Letter of Credit.

Section 7.12. Notices. All notices hereunder shall be given by United States certified or registered mail or by telecommunication device capable of creating written record of such notice and its receipt. Notices hereunder shall be effective when received and shall be addressed:

If to the Bank with respect to operating and funding matters, a copy to:	Dexia Credit Local New York Branch 445 Park Avenue, 8th Floor New York, New York 10022 Telecopy No.: (212) 753-7522 Telephone No.: (212) 515-7007 Attention: Manager - Operations
If to the Bank, with respect to Credit Administration Matters, a copy to:	Dexia Credit Local New York Branch 445 Park Avenue, 8th Floor New York, New York 10022 Telecopy No.: (212) 753-5516 Telephone No.: (212) 515-7003 Attention: Manager of Public Finance Department
If to the Applicant, to	City of Santa Clara _____ _____ Telecopy No.: _____ Telephone No.: _____ Attention: _____ Tax Identification Number: _____
If to the Trustee, to	The Bank of New York Trust Company, N.A. _____ _____ Telecopy No.: _____ Telephone No.: _____ Attention: _____

Section 7.13. Successors and Assigns. The Bank may transfer or assign some or all of its obligations and rights under this Agreement with the prior written consent of the Applicant (which such consent shall not be unreasonably withheld); *provided* that the Applicant has

received written notice from Moody's and S&P that the transfer or assignment shall not cause the lowering, withdrawal or suspension of any ratings then existing on the Bonds. The rights and duties of the Applicant hereunder, however, may not be assigned or transferred, except as specifically provided in this Agreement or with the prior written consent of the Bank, and all obligations of the Applicant hereunder shall continue in full force and effect notwithstanding any assignment by the Applicant of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Applicant to, any supplement or amendment to any of the Related Documents.

Section 7.14. Costs and Expenses; Reimbursement. The Applicant shall pay (a)(i) on the Closing Date, all reasonable costs and expenses incurred by the Bank and its counsel in connection with the preparation, execution and delivery of this Agreement, the Letter of Credit and any other documents and instruments that may be delivered in connection therewith (including fees in an amount not to exceed $40,000 plus any out-of-pocket expenses of Chapman and Cutler LLP, special counsel for the Bank, fees in an amount not to exceed $1,500 of French counsel for the Bank and out-of-pocket expenses of the Bank in an amount not to exceed to $4,500), (ii) all costs and expenses incurred by the Bank, including reasonable fees and out-of-pocket expenses of counsel for the Bank, otherwise arising in connection with the amendment or enforcement of this Agreement, the Letter of Credit, the Indenture and the Related Documents, or the protection of the rights of the Bank hereunder or thereunder, and (iii) any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection herewith.

(b) To the extent permitted by law, the Applicant agrees to reimburse and hold harmless the Bank, its officers, directors, employees and agents (each a *"Reimbursed Party"*) from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever which a Reimbursed Party may incur or be subject to (or which may be claimed against a Reimbursed Party by any Person) by reason of or in connection with the execution and delivery of and consummation of the transactions contemplated under this Agreement, the Letter of Credit the Indenture and the Related Documents, including, without limitation, (i) the offering, sale, remarketing or resale of Bonds (including, without limitation, by reason of any untrue statement or alleged untrue statement contained or incorporated by reference in any preliminary official statement or official statement, or in any supplement or amendment thereof, prepared with respect to the Bonds, or the omission or alleged omission to state therein a material fact necessary to make such statements, in the light of the circumstances under which they are or were made, not misleading or the failure to deliver a preliminary official statement or an official statement to any offeree or purchaser of Bonds) and (ii) the execution and delivery of, or payment or failure to pay by any Person (other than the Bank as and when required by the terms and provisions of the Letter of Credit) under, this Agreement; *provided, however,* that the Applicant shall not be required to reimburse the Bank for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by (a) the willful misconduct or gross negligence of the Bank (including without limitation, with respect to the Bank, failure of the Bank to honor its obligations to purchase Bonds upon the satisfaction of the applicable conditions precedent set forth herein and in accordance with the terms of this Agreement and the Letter of Credit) or (b) the material inaccuracy of any information included or incorporated by

reference in any offering document referred to in Section 5.6 hereof concerning the Bank which was furnished in writing by the Bank expressly for inclusion or incorporated by reference therein. Nothing in this Section 7.14 is intended to limit the obligations of the Applicant under the Bonds or of the Applicant to pay its obligations hereunder, under the Master Resolution and under the Related Documents.

(c) The provisions of this Section 7.14 and Sections 7.1 and 7.2 hereof shall survive the termination of this Agreement and the payment in full of the Bonds and the obligations of the Applicant hereunder. The Bank shall notify the Applicant of any amounts which are owed to such party pursuant to this Section 7.14.

Section 7.15. Headings. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

Section 7.16. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original but all taken together to constitute one instrument.

Section 7.17. Entire Agreement. This Agreement constitutes the entire understanding of the parties with respect to the subject matter thereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby.

Section 7.18. Waiver of Jury Trial; Venue. THE APPLICANT AND THE BANK HEREBY WAIVE TO THE EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING ARISING UNDER OR RELATING TO THIS AGREEMENT OR A RELATED DOCUMENT. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, THE APPLICANT AND THE BANK HEREBY CONSENT TO THE ADJUDICATION OF ANY AND ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, AND THE JUDICIAL REFEREE SHALL BE EMPOWERED TO HEAR AND DETERMINE ANY AND ALL ISSUES IN SUCH REFERENCE WHETHER FACT OR LAW. THE APPLICANT AND THE BANK REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF ITS CHOICE ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

Section 7.19. USA PATRIOT Act Notice. The Bank hereby notifies the Applicant that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Act*"), it is required to obtain, verify and record information that identifies the Applicant, which information includes the name and address of the Applicant and other information that will allow the Bank to identify the Applicant in accordance with the Act.

Section 7.20. Assignment to Federal Reserve Bank. The Bank may assign and pledge all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank, *provided* that

any payment in respect of such assigned obligations made by the Applicant to the Bank in accordance with the terms of this Agreement shall satisfy the Applicant's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such assignment shall release the Bank from its obligations hereunder.

[SIGNATURE PAGES TO FOLLOW]

Please signify your agreement and acceptance of the foregoing by executing this Agreement in the space provided below.

Very truly yours,

DEXIA CREDIT LOCAL, acting through its
New York Branch

By: _____
Name: _____
Title: _____

Accepted and agreed to:

CITY OF SANTA CLARA

By: _____
Name: _____
Title: _____

APPENDIX I

IRREVOCABLE TRANSFERABLE LETTER OF CREDIT

_____, 2008

**U.S. $_____

No. _____

The Bank of New York Trust Company, N.A., as trustee (the "*Trustee*") and tender agent (the "*Tender Agent*") under the Fifth Supplemental Indenture of Trust dated as of _____, 2008 (the "*Supplemental Indenture*"), between The City of Santa Clara (the "*Issuer*"), and the Trustee

_____

_____

Attention: _____

Ladies and Gentlemen:

We hereby establish in your favor as Trustee and Tender Agent for the benefit of the holders of the Bonds (as hereinafter defined), our irrevocable transferable Letter of Credit No. _____ for the account of the City of Santa Clara (the "*Applicant*"), whereby we hereby irrevocably authorize you to draw on us from time to time, from and after the date hereof to and including the earliest to occur of our close of business on: (i) _____, 2011 (as extended from time to time, the "*Stated Expiration Date*"), (ii) the date which is fifteen (15) days following receipt from you of a certificate in the form set forth as Exhibit A hereto, and (iii) the date which is fifteen (15) days following receipt by you of a written notice from us specifying the occurrence of an Event of Default under the Reimbursement Agreement dated as of _____ 1, 2008 (the "*Reimbursement Agreement*"), between the Applicant and us and directing you to cause a mandatory tender of the Bonds (the earliest of the foregoing dates herein referred to as the "*Termination Date*"), a maximum aggregate amount not exceeding $_____ (the "*Original Stated Amount*") to pay principal of, premium, if any, and accrued interest on, or the purchase price of, the $_____ aggregate principal amount of the City of Santa Clara, California Subordinated Electric Revenue Bonds, Series 2008B (the "*Bonds*"), in accordance with the terms hereof (said $_____ having been calculated to be equal to (A) $_____, the original principal amount of the Bonds, plus (B) $_____ which is at least ___ days' accrued interest on said principal amount of the Bonds at the rate of 12% per annum (the "*Cap Interest Rate*") and assuming a year of 365 days. This credit is available to you against presentation of the following documents (the "*Payment Documents*") presented to Dexia Credit Local, acting through its New York Branch (the "*Bank*") as described below:

A certificate (with all blanks appropriately completed) (i) in the form attached as Exhibit B hereto to pay accrued interest on the Bonds as provided for under Section ___ of the Supplemental Indenture (an "*Interest Drawing*"), (ii) in the form attached as Exhibit C hereto to pay the principal amount of, premium, if any, and accrued interest on the Bonds in respect of any redemption of the Bonds as provided for in Section___ of the Supplemental Indenture (a "*Redemption Drawing*"), *provided* that in the event the date of redemption coincides with an Interest Payment Date (as defined in the Indenture), the Redemption Drawing shall not include any accrued interest on the Bonds (which interest is payable pursuant to an Interest Drawing), (iii) in the form attached as Exhibit D hereto, to allow the Tender Agent, to pay the purchase price of Bonds tendered for purchase as provided for in Section ___ of the Supplemental Indenture which have not been successfully remarketed or for which the purchase price has not been received by the Trustee by 10:00 A.M., New York time, on the purchase date (a "*Liquidity Drawing*"); *provided* that in the event the purchase date coincides with an Interest Payment Date, the Liquidity Drawing shall not include any accrued interest on the Bonds (which interest is payable pursuant to an Interest Drawing), or (v) in the form attached as Exhibit F hereto to pay the principal amount of Bonds maturing on the applicable maturity dates described in Section ___ of the Supplemental Indenture (a "*Stated Maturity Drawing*"), each certificate to state therein that it is given by your duly authorized officer and dated the date such certificate is presented hereunder. No Drawings shall be made under this Letter of Credit for Bonds bearing interest at a rate other than the Covered Rate, Bank Bonds (each as defined in the Reimbursement Agreement) or for Bonds owned by or on behalf of the Applicant.

All drawings shall be made by presentation of each Payment Document at our office at 445 Park Avenue, 8th Floor, New York, New York 10022, as aforesaid (at telecopier number (212) 753-7522), Attention: Manager-Operations, without further need of documentation, including the original of this Letter of Credit, it being understood that each Payment Document so submitted is to be the sole operative instrument of drawing. You shall use your best efforts to give telephonic notice of a Drawing to the Bank to Manager-Operations ((212) 515-7007) on the Business Day preceding the day of such Drawing (but such notice shall not be a condition to Drawing hereunder and you shall have no liability for not doing so).

We agree to honor and pay the amount of any Interest, Redemption, Liquidity or Stated Maturity Drawing if presented in compliance with all of the terms of this Letter of Credit. If any such Drawing, other than a Liquidity Drawing, is presented prior to 2:00 P.M., New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 10:00 A.M., New York time, on the following Business Day. If any such Drawing, other than a Liquidity Drawing, is presented at or

after 2:00 P.M., New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 1:30 P.M., New York time, on the following Business Day. If a Liquidity Drawing is presented prior to 12:00 Noon, New York time, on a Business Day, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 2:00 P.M., New York time, on the same Business Day. If a Liquidity Drawing is presented at or after 12:00 Noon, New York time, payment shall be made to the account number or address designated by you of the amount specified, in immediately available funds, by 10:00 A.M., New York time, on the following Business Day. Payments made hereunder shall be made by wire transfer to you or by deposit into your account with us in accordance with the instructions specified by the Trustee in the drawing certificate relating to a particular Drawing hereunder. *"Business Day"* means any day which is not (i) a Saturday, Sunday or legal holiday on which banking institutions in the State of California, the State of New York, or the state in which the Principal Office (as defined in the Indenture) of the Trustee or Tender Agent or, if applicable the office of the Bank at which demands for payment under this Letter of Credit are to be presented is located are authorized by law to close or (ii) a day on which the New York Stock Exchange is closed.

The Available Amount (as hereinafter defined) will be reduced automatically by the amount of any Drawing hereunder; *provided, however*, that the amount of any Interest Drawing hereunder, less the amount of the reduction in the Available Amount attributable to interest as specified in a certificate in the form of Exhibit C or G hereto, shall be automatically reinstated on the close of business on the ninth day after any payment of any Interest Drawing by the amount of such Interest Drawing unless you shall have received on or before the close of business on the ninth day after payment of such Interest Drawing, notice from us that an Event of Default under the Reimbursement Agreement has occurred and is continuing and that we have elected not to reinstate such amount. After payment by the Bank of a Liquidity Drawing, the obligation of the Bank to honor Drawings under this Letter of Credit will be automatically reduced by an amount equal to the Original Purchase Price of any Bonds (or portions thereof) purchased pursuant to said Drawing. In addition, in the event of the remarketing of the Bonds (or portions thereof) previously purchased with the proceeds of a Liquidity Drawing, the Bank's obligation to honor Drawings hereunder will be automatically reinstated concurrently upon receipt by the Bank, or the Trustee on behalf of the Bank, of an amount equal to the Original Purchase Price of such Bonds (or portion thereof); the amount of such reinstatement shall be equal to the Original Purchase Price of such Bonds (or portions thereof). *"Original Purchase Price"* shall mean the principal amount of any Bond purchased with the proceeds of a Liquidity Drawing plus the amount of accrued interest on such Bond paid with the proceeds of a Liquidity Drawing (and not pursuant to an Interest Drawing) upon such purchase.

Upon receipt by us of a certificate of the Trustee in the form of Exhibit C or G hereto, the Letter of Credit will automatically and permanently reduce the amount available to be drawn hereunder by the amount specified in such certificate. Such reduction shall be effective as of the next Business Day following the date of delivery of such certificate.

Upon any permanent reduction of the amounts available to be drawn under this Letter of Credit, as provided herein, we may deliver to you a substitute Letter of Credit in exchange for

this Letter of Credit or an amendment to this Letter of Credit substantially in the form of Exhibit H hereto only to reflect any such reduction. If we deliver to you such a substitute Letter of Credit you shall simultaneously surrender to us for cancellation the Letter of Credit then in your possession. The *"Available Amount"* shall mean the Original Stated Amount (i) less the amount of all prior reductions pursuant to Interest. Redemption, Liquidity or Stated Maturity Drawings, (ii) less the amount of any reduction thereof pursuant to a reduction certificate in the form of Exhibit C or G hereto to the extent such reduction is not already accounted for by a reduction in the Available Amount pursuant to (i) above, (iii) plus the amount of all reinstatements as above provided.

Prior to the Termination Date, we may extend the Stated Expiration Date from time to time at the request of the Applicant by delivering to you an amendment to this Letter of Credit in the form of Exhibit J hereto designating the date to which the Stated Expiration Date is being extended. Each such extension of the Stated Expiration Date shall become effective on the Business Day following delivery of such notice to you and thereafter all references in this Letter of Credit to the Stated Expiration Date shall be deemed to be references to the date designated as such in such notice. Any date to which the Stated Expiration Date has been extended as herein provided may be extended in a like manner.

Upon the Termination Date this Letter of Credit shall automatically terminate and be delivered to the Bank for cancellation.

This Letter of Credit is transferable in whole only to your successor as Trustee. Any such transfer (including any successive transfer) shall be effective upon receipt by us (which receipt shall be subsequently confirmed in writing to the transferor and the transferee by the Bank) of a signed copy of the instrument effecting each such transfer signed by the transferor and by the transferee in the form of Exhibit I hereto (which shall be conclusive evidence of such transfer) and, in such case, the transferee instead of the transferor shall, without the necessity of further action, be entitled to all the benefits of and rights under this Letter of Credit in the transferor's place; provided that, in such case, any certificates of the Trustee to be provided hereunder shall be signed by one who states therein that he is a duly authorized officer or agent of the transferee.

Communications with respect to this Letter of Credit shall be addressed to us at Dexia Credit Local, New York Branch, 445 Park Avenue, 8th Floor, New York, New York 10022, Attention: Manager-Operations, specifically referring to the number of this Letter of Credit.

To the extent not inconsistent with the express provisions hereof, this Letter of Credit shall be governed by the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Publication No. 600 (the *"Uniform Customs"*), except for Article 32, the second sentence of Article 38(d) and Article 38(e) thereof and notwithstanding the provisions of the second sentence of Article 36 of the Uniform Customs, if this Letter of Credit expires during an interruption of business (as defined in Article 36 of the Uniform Customs), the Bank agrees to effect payment under this Letter of Credit if a Drawing which strictly conforms to the terms and conditions of this Letter of Credit is made within 15 days after the resumption of business and, as to matters not governed by the Uniform Customs, this Letter of Credit shall be governed by the

internal laws of the State of New York, including, without limitation, the Uniform Commercial Code as in effect in the State of New York.

All payments made by us hereunder shall be made from our funds and not with the funds of any other person.

This Letter of Credit sets forth in full the terms of our undertaking, and such undertaking shall not in any way be modified or amended by reference to any other document whatsoever.

DEXIA CREDIT LOCAL, acting through its
New York Branch

By:_____
Name:_____
Title:_____

EXHIBIT A
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

NOTICE OF TERMINATION

[Date]

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Letter of Credit No. _____ dated April 2, 2008 (the *"Letter of Credit"*), which has been established by you for the account of the City of Santa Clara in favor of the Trustee.

The undersigned hereby certifies and confirms that **[(i) no Bonds (as defined in the Letter of Credit) remain Outstanding within the meaning of the Indenture, (ii) all Drawings required to be made under the Indenture and available under the Letter of Credit have been made and honored or (iii) an Alternate Credit Facility (as defined in the Indenture hereinafter referred to) has been issued to replace the Letter of Credit pursuant to Section 410 of the Fifth Supplemental Indenture]** and, accordingly, the Letter of Credit shall be terminated in accordance with its terms.

All defined terms used herein which are not otherwise defined shall have the same meaning as in the Letter of Credit.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT B
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

INTEREST DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the "*Beneficiary*"), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee (as defined in the Letter of Credit) under the Indenture.

2. The Beneficiary is entitled to make this Drawing in the amount of $_____ under the Letter of Credit pursuant to the Indenture with respect to the payment of interest due on all Bonds outstanding on the Interest Payment Date (as defined in the Indenture) occurring on [insert applicable date], other than Bonds that bear interest at a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant.

3. The amount of the drawing is equal to the amount required to be drawn by the Trustee pursuant to Section ___ of the Supplemental Indenture.

4. The amount of the drawing made by this Certificate was computed in compliance with the terms of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, 20___.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT C
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

REDEMPTION DRAWING AND REDUCTION CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ _____ (the "*Beneficiary*"), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee (as defined in the Letter of Credit) under the Indenture.

2. The Beneficiary is entitled to make this drawing in the amount of $_____ under the Letter of Credit pursuant to Section ___ of the Supplemental Indenture.

3. (a) The amount of this drawing is equal to (i) the principal amount of Bonds to be redeemed by the Issuer (as defined in the Letter of Credit) pursuant to Section _____ of the Supplemental Indenture on [insert applicable date] (the "*Redemption Date*") other than Bonds that bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit), or Bonds owned by or on behalf of the Applicant, *plus* (ii) interest on such Bonds accrued from the immediately preceding Interest Payment Date (as defined in the Indenture) to the Redemption Date, provided that in the event the Redemption Date coincides with an Interest Payment Date this drawing does not include any accrued interest on such Bonds.

(b) Of the amount stated in paragraph 2 above:

(i) $_____ is demanded in respect of the principal amount of the Bonds referred to in subparagraph (a) above; and

(ii) $_____ is demanded in respect of accrued interest on such Bonds.

4. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

5. The amount of the drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

6. Upon payment of the amount drawn hereunder, the Bank is hereby directed to permanently reduce the Available Amount by $[insert amount of reduction] and the Available Amount shall thereupon equal $[insert new Available Amount]. The Available Amount has been reduced by an amount equal to the principal of Bonds paid with this drawing and an amount equal to ___ days' interest thereon at a rate of interest equal to 12% per annum.

7. Of the amount of the reduction stated in paragraph 6 above:

(i) $_____ is attributable to the principal amount of Bonds redeemed; and

(ii) $_____ is attributable to interest on such Bonds (*i.e.*, ___ days' interest thereon at a rate of interest equal to 12% per annum).

8. The amount of the reduction in the Available Amount has been computed in accordance with the provisions of the Letter of Credit.

9. Following the reduction, the Available Amount shall be at least equal to the aggregate principal amount of the Bonds outstanding (to the extent such Bonds are not Bank Bonds (as defined in the Letter of Credit)), plus ___ days' interest thereon at a rate of interest equal to 12% per annum.

10. In the case of a redemption pursuant to Section ___ of the Fifth Supplemental Indenture, the Trustee, prior to giving notice of redemption to the owners of the Bonds, received written evidence from the Bank that the Bank has consented to such redemption.

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT D
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

LIQUIDITY DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the "*Beneficiary*") hereby certifies as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. The Beneficiary is entitled to make this drawing under the Letter of Credit in the amount of $_____ with respect to the payment of the purchase price of Bonds tendered for purchase in accordance with Section ___ of the Supplemental Indenture and to be purchased on [insert applicable date] (the "*Purchase Date*") which Bonds have not been remarketed as provided in the Indenture or the purchase price of which has not been received by the Tender Agent (as defined in the Letter of Credit) by 11:30 A.M., New York time, on said Purchase Date.

3. (a) The amount of the drawing is equal to (i) the principal amount of Bonds to be purchased pursuant to the Indenture on the Purchase Date other than Bonds the bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant, *plus* (ii) interest on such Bonds accrued from the immediately preceding Interest Payment Date (as defined in the Indenture) (or if none, the date of issuance of the Bonds) to the Purchase Date, provided that in the event the Purchase Date coincides with an Interest Payment Date this drawing does not include any accrued interest on such Bonds.

(b) Of the amount stated in paragraph (2) above:

(i) $_____ is demanded in respect of the principal portion of the purchase price of the Bonds referred to in subparagraph (2) above; and

(ii) $_____ is demanded in respect of payment of the interest portion of the purchase price of such Bonds.

4. The amount of the drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. The Beneficiary will register or cause to be registered in the name of the Bank (or the Applicant at the written direction of the Bank), upon payment of the amount drawn hereunder, Bonds in the principal amount of the Bonds being purchased with the amounts drawn hereunder and will deliver such Bonds to the Trustee in accordance with the Indenture.

6. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____, Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT E
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

EVENT OF DEFAULT CERTIFICATE

[TRUSTEE]

_____

_____

Attention:

The undersigned individual, a duly authorized representative of Dexia Credit Local hereby notifies the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

[Insert one of the following paragraphs as appropriate]

[an "*Event of Default*" has occurred under Section 6.1 of the Reimbursement Agreement dated as of _____, 2008, between the Bank and the City of Santa Clara and the Bank has elected to direct the Trustee to cause a mandatory tender of the Bonds, whereby the Letter of Credit will terminate fifteen (15) days following the receipt by the Trustee of this Event of Default Certificate.]

[the Bank has not been reimbursed for an Interest Drawing under the Letter of Credit or any "*Event of Default*" has occurred under Section 6.1 of the Reimbursement Agreement dated as of _____, 2008, between the Bank and the City of Santa Clara and, as a result thereof, the amount of such Interest Drawing will not be reinstated and the Bank has elected to direct the Trustee to cause a mandatory tender of the Bonds.]

IN WITNESS WHEREOF, this Certificate has been executed this ____ day of _____, 20___.

_____
as Trustee

By _____
[Title of Authorized Representative]

By Telecopy or Tested Telex
EXHIBIT F
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

STATED MATURITY DRAWING CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned individual, a duly authorized representative of _____ (the "*Beneficiary*"), hereby certifies on behalf of the Beneficiary as follows with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. The Beneficiary is entitled to make this drawing in the amount of $_____ under the Letter of Credit pursuant to Section ___ of the Supplemental Indenture.

3. The amount of this drawing is equal to the principal amount of Bonds outstanding on _____, 20___, the maturity date thereof as specified in Section 202 of the Supplemental Indenture, other than Bonds that bear interest of a rate other than the Covered Rate, Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant.

4. The amount of this Drawing made by this Certificate was computed in compliance with the terms and conditions of the Indenture and, when added to the amount of any other drawing under the Letter of Credit made simultaneously herewith, does not exceed the Available Amount (as defined in the Letter of Credit).

5. Payment by the Bank pursuant to this drawing shall be made to _____, ABA Number _____, Account Number _____. Attention: _____, Re: _____.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, _____.

_____
as Trustee

By _____
[Title of Authorized Representative]

EXHIBIT G
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

REDUCTION CERTIFICATE

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

The undersigned hereby certifies with respect to (i) that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), issued by Dexia Credit Local, acting through its New York Branch (the "*Bank*") in favor of the Beneficiary; (ii) those certain Bonds (as defined in the Letter of Credit); and (iii) that certain Indenture (as defined in the Letter of Credit):

1. The Beneficiary is the Trustee under the Indenture.

2. Upon receipt by the Bank of this Certificate, the Available Amount (as defined in the Letter of Credit) shall be reduced by $_____ and the Available Amount shall thereupon equal $_____. $_____ of the new Available Amount is attributable to interest.

3. The amount of the reduction in the Available Amount has been computed in accordance with the provisions of the Letter of Credit.

4. Following the reduction, the Available Amount shall be at least equal to the aggregate principal amount of the Bonds outstanding (other than Bonds that bear interest of a rate other than the Covered Rate Bank Bonds (each as defined in the Letter of Credit) or Bonds owned by or on behalf of the Applicant) plus $_____ which is at least ___ days' accrued interest on said principal amount of the bonds at the rate borne by the Bonds and assuming a year of 365 days, or an acceleration of the Bonds pursuant to Section ____ of the Supplemental Indenture.

IN WITNESS WHEREOF, this Certificate has been executed this _____ day of _____, ____.

_____
as Trustee

By _____
[Title of Authorized Representative]

EXHIBIT H
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

NO. _____

NOTICE OF AMENDMENT

[Date]

[TRUSTEE]
_____
_____

Attention:

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), established by us in your favor as Beneficiary. We hereby notify you that, in accordance with the terms of the Letter of Credit and that certain Reimbursement Agreement dated as of _____, 2008, between The City of Santa Clara and us, the Available Amount (as defined in the Letter of Credit) has been reduced to $_____.

This letter should be attached to the Letter of Credit and made a part thereof.

DEXIA CREDIT LOCAL, acting through its
New York Branch

By: _____
Name: _____
Title: _____

EXHIBIT I
TO
DEXIA CREDIT LOCAL
LETTER OF CREDIT

No. _____

TRANSFER CERTIFICATE

[Date]

Dexia Credit Local, New York Branch
445 Park Avenue, 8th Floor
New York, New York 10022
Attention: Manager-Operations

Ladies and Gentlemen:

Reference is made to that certain Irrevocable Transferable Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), which has been established by the Bank in favor of _____.

The undersigned, a duly authorized officer or agent of [Name of Transferor], has transferred and assigned (and hereby confirms to you said transfer and assignment), without recourse, all of its interests in and under said Letter of Credit to [Name of Transferee] and confirms that [Name of Transferor] no longer has any rights or obligations under or interest in said Letter of Credit.

Transferor and Transferee have indicated on the face of said Letter of Credit that it has been transferred and assigned to Transferee.

The undersigned, a duly authorized officer or agent of the Transferee, hereby certifies that the Transferee is a duly authorized Transferee under the terms of said Letter of Credit and is accordingly entitled, upon presentation of the documents called for therein, to receive payment thereunder.

_____
Name of Transferor

By _____
[Title of Authorized Officer of Transferor]

_____
Name of Transferee

By _____
[Title of Authorized Officer of Transferee]

EXHIBIT J
TO
LETTER OF CREDIT NO. _____

NOTICE OF EXTENSION

[PAYING AGENT]

_____

_____

_____

Attention: _____

Ladies and Gentlemen:

Reference is hereby made to that certain Irrevocable Transferable Direct-Pay Letter of Credit No. _____ dated _____, 2008 (the "*Letter of Credit*"), established by us in your favor as Beneficiary. We hereby notify you that, in accordance with the terms of the Letter of Credit and that certain Reimbursement Agreement dated as of _____, 2008, by and between the Applicant (as defined in the Letter of Credit) and the Bank (as defined in the Letter of Credit), the Stated Expiration Date, as defined in the Letter of Credit, has been extended to _____.

This letter should be attached to the Letter of Credit and made a part thereof.

DEXIA CREDIT LOCAL, acting through its New York Branch

By _____
Name: _____
Title: _____

REMARKETING AGREEMENT

by and between

CITY OF SANTA CLARA, CALIFORNIA

and

J.P. MORGAN SECURITIES INC.

Dated as of _____ 1, 2008

CITY OF SANTA CLARA, CALIFORNIA
VARIABLE RATE DEMAND
SUBORDINATED ELECTRIC REVENUE BONDS
SERIES 2008 B

REMARKETING AGREEMENT

This REMARKETING AGREEMENT, dated as of _____ 1, 2008, is by and between CITY OF SANTA CLARA, CALIFORNIA, a charter city of the State of California (the "City"), and J.P. MORGAN SECURITIES INC., a corporation organized and existing pursuant to the laws of the State of New York (the "Remarketing Agent").

WITNESSETH:

WHEREAS, the City desires to issue and sell its City of Santa Clara, California Variable Rate Demand Subordinated Electric Revenue Bonds, Series 2008B (the "Series 2008 B Bonds") pursuant to a Subordinated Electric Revenue Bond Indenture, dated as of March 1, 1998, as amended and supplemented, including a Fifth Supplemental Indenture, dated as of _____ 1, 2008 (the "Supplemental Indenture"), providing for the issuance of the Series 2008 B Bonds (collectively, the "Indenture"), by and between the City and The Bank of New York Trust Company, N.A., as successor trustee (the "Trustee"), and as authorized pursuant to the Bond Law (as hereinafter defined); and

WHEREAS, the City has, pursuant to the terms and provisions of the Indenture, appointed the Remarketing Agent to undertake the duties and responsibilities of Remarketing Agent under the Indenture in respect the Series 2008 B Bonds, and the Remarketing Agent has agreed to accept such duties and responsibilities upon the terms and conditions set forth in this Remarketing Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. Definitions. The following words and terms as used in this Remarketing Agreement shall have the following meanings:

"Bank" means Dexia Credit Local.

"Bond Law" shall mean Section 1321 of the City's Charter (the "Charter"), a number of resolutions adopted pursuant to the Charter, the Revenue Bond Law of 1941, to the extent incorporated by such procedural resolutions, and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement, dated _____, 2008, by and between the City and J.P. Morgan Securities Inc., on behalf of itself and Bear, Stearns & Co. Inc., as co-underwriters, executed in connection with the issuance and sale of the Series 2008 B Bonds.

"Closing Date" shall mean the date upon which the Series 2008 B Bonds will be issued and delivered by the City to or upon the order of the purchasers thereof, which date shall be _____, 2008.

"Letter of Credit" shall mean the irrevocable direct pay Letter of Credit dated as of _____, 2008 issued by the Bank for the benefit of the Trustee to provide credit enhancement and liquidity support for the Series 2008 B Bonds.

"Official Statement" shall mean the Official Statement to be prepared and distributed by the City in connection with the issuance and sale of the Series 2008 B Bonds (including the cover page thereof and all appendices included therein or attached thereto).

"Tender Agent" shall mean the entity serving as Tender Agent as provided in the Indenture.

Other terms used herein but not defined herein shall have the same meaning as that assigned to such terms in the Indenture unless the context indicates otherwise.

Section 2. Acceptance. The Remarketing Agent accepts its appointment as the Remarketing Agent for the Series 2008 B Bonds. This Remarketing Agreement shall constitute any written instrument of acceptance which may be referred to in the Supplemental Indenture, and counterparts of this Remarketing Agreement, or true copies thereof, shall be delivered to the City and the Tender Agent.

Section 3. Remarketing Agent's Duties and Obligations. The Remarketing Agent agrees that, commencing on the Closing Date, it will:

(a) At the times and in the manner set forth in the applicable provisions of the Indenture, determine the initial interest rate on the Series 2008 B Bonds, which shall be a Weekly Interest Rate ending on _____, 2008, and thereafter determine (i) with respect to Series 2008 B Bonds bearing Interest at a Weekly Interest Rate, the Weekly Interest Rate applicable to such Series 2008 B Bonds; (ii) with respect to Series 2008 B Bonds bearing Interest at a Daily Interest Rate, the Daily Interest Rate applicable to such Series 2008 B Bonds; (iii) with respect to the Short-Term Interest Rate Period, the Bond Interest Term Rate and the duration of the Bond Interest Term applicable to such Series 2008 B Bonds; and (iv) with respect to the Long-Term Interest Rate Period, the Long-Term Interest Rate applicable to such Series 2008 B Bonds.

(b) In accordance with the applicable provisions of the Indenture, give notification of the interest rates and rate periods so determined.

(c) Subject to the provisions of Section 9 hereof and the Indenture, use its best efforts to remarket (i) all Series 2008 B Bonds which are subject to mandatory tender, and (ii) all Series 2008 B Bonds bearing interest at a Weekly Interest Rate or at a Daily Interest Rate which are subject to optional tender for purchase pursuant to the Supplemental Indenture.

(d) In accordance with and at the times specified in the Supplemental Indenture, give immediate notice to the Tender Agent specifying the principal amount of Series 2008 B Bonds subject to optional or mandatory purchase which have been remarketed and the amount thereof which has not been remarketed and to deliver to the Tender Agent in accordance with and at the times set forth in the Supplemental Indenture in immediately available funds, an amount equal to remarketing proceeds.

(e) Hold all Series 2008 B Bonds delivered to it in trust for the benefit of the respective owners which shall have delivered such Series 2008 B Bonds until moneys representing the purchase price of such Series 2008 B Bonds shall have been delivered to, for the account of, or to the order of such Bondholders.

(f) Hold all moneys delivered to it for the purchase of Series 2008 B Bonds for the benefit of the person or entity which shall have so delivered such moneys until the Series 2008 B Bonds purchased with such moneys shall have been delivered to or for the account of such person or entity.

(g) Perform all duties and obligations of the Remarketing Agent under the Supplemental Indenture.

Section 4. Remarketing Agent Compensation.

(a) In consideration of the services to be performed by the Remarketing Agent under this Remarketing Agreement, the City shall pay to the Remarketing Agent the following fees: (i) an annual fee equal to _____ percent of the weighted average daily principal amount of Bonds outstanding during such periods in which the Series 2008 B Bonds shall bear interest at a Weekly Interest Rate or a Bond Interest Term Rate or Bond Interest Term Rates, (ii) an annual fee equal to _____ percent of the weighted average daily principal amount of Bonds outstanding during such periods in which the Series 2008 B Bonds shall bear interest at a Daily Interest Rate; (iii) in connection with, or in anticipation of, the establishment of a Long-Term Interest Rate Period, an amount as shall be agreed to by the City and the Remarketing Agent at that time, and (iv) expenses incurred by the Remarketing Agent in connection with its services hereunder. It is understood and agreed that payment of the fees referred to in clauses (i) and (ii) of the first sentence of this Section shall be made by the City as soon as practicable upon receipt of an invoice therefor from the Remarketing Agent, such invoice to be sent quarterly in arrears and that payment of the fee referred to in clause (iii) of the first sentence of this Section shall be made by the City on the effective date of the Long-Term Interest Rate Period.

(b) In addition, the City shall pay all reasonable expenses and costs of the Remarketing Agent incurred in connection with the transactions contemplated hereby (including, without limitation, the expenses and costs of the preparation of any blue sky and legal investment surveys for the public marketing or remarketing of the Series 2008 B Bonds and the preparation, printing, photocopying, execution and delivery of any revised or updated Official Statements, and further including, the fees and expenses of counsel to the Remarketing Agent in connection therewith), unless and to the extent that such expenses and costs are paid by the underwriter pursuant to the Bond Purchase Agreement.

Section 5. Remarketing Agent Not Acting as Underwriter. It is understood and agreed that the Remarketing Agent is only obligated hereunder to act as agent for the City and is undertaking such obligations on a best efforts basis. The City agrees that while this Remarketing Agreement is in effect, the Remarketing Agent shall be the exclusive remarketing agent of the Series 2008 B Bonds. The Remarketing Agent shall not act, nor shall be deemed to be acting, as an underwriter for the Series 2008 B Bonds in connection with any remarketing of such Series 2008 B Bonds and shall be in no way obligated to advance its own funds to purchase any such Series 2008 B Bonds upon a conversion of the Series 2008 B Bonds to a Short-Term Interest Rate Period or a Long-Term Interest Rate Period.

The Remarketing Agent may, if it determines to do so, purchase Series 2008 B Bonds as principal and, if it does so, it will have the same rights as any other person owning Series 2008 B Bonds.

Section 6. Representations by the City.

(a) The City, by acceptance hereof, and upon the date of each remarketing of the Series 2008 B Bonds, represents and warrants to the Remarketing Agent that it has full power and authority to take all actions required or permitted to be taken by it by or under, and to perform and observe the covenants and agreements on its part contained in, this Remarketing Agreement and any other agreement or instrument relating thereto to which the City is a party, including without limitation the Indenture, and when duly executed and delivered by the respective parties thereto, this Remarketing Agreement and such other related agreements or instruments will constitute legal, valid and binding obligations of the City enforceable against the City in accordance with the respective terms thereof, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity and to limitations on legal remedies against public agencies within the State of California ("Creditors' Rights Limitations").

(b) The City agrees that, in connection with the issuance, sale and any remarketing of the Series 2008 B Bonds, it will not make any untrue statement of a material fact, or omit to state a material fact which is required or necessary to be stated therein in order to make any statements made by the City, in the light of the circumstances under which they were made, not misleading (except the City makes no representations as to the Excluded Information (as defined below)), and that it will not employ any device, scheme or artifice to defraud or engage in any act, practice or course of conduct which would operate as a fraud or deceit. The City represents and warrants that the financial statements of the City delivered or to be delivered to the Remarketing Agent in connection with the remarketing of the Series 2008 B Bonds on and after the Closing Date will be in accordance with the related books and records, and will be complete and correct and fairly present the financial position as of the dates set forth therein and the results of operations for the periods set forth therein, all in conformity, to the best knowledge of the City, with generally accepted accounting principles and practices, it being understood that, in the case of interim reports, such reports will be subject to year-end adjustments.

(c) The City hereby confirms to the Remarketing Agent the representations and warranties made by the City in the Bond Purchase Agreement as if the Remarketing Agent were a party to the Bond Purchase Agreement, all of which, for such purpose, are hereby incorporated by such reference.

(d) The City shall immediately notify the Remarketing Agent by telephone, confirmed in writing, of:

(i) the occurrence or existence of any event or condition which becomes known to the City and which would make any of its representations contained herein or incorporated herein by reference (as set forth in (a) and (b) above) incorrect or untrue in any material respect if made on and as of any day during the term of this Remarketing Agreement; and

(ii) any reduction or termination of the commitment or obligation of the Bank with respect to its Letter of Credit; and

(iii) any resignation or removal of, and appointment of a successor for, the Tender Agent or Trustee for the Series 2008 B Bonds.

(e) The City will notify the Remarketing Agent of any amendment made to the Indenture.

(f) The City hereby agrees to provide such information, execute such instruments and take such other action in cooperation with the Remarketing Agent as the Remarketing Agent may reasonably request in order to qualify the Series 2008 B Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states as the Remarketing Agent may designate; provided however, that the City shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determinations in any jurisdiction.

Section 7. Representations by the Remarketing Agent. The Remarketing Agent represents to the City that it has been duly incorporated and is validly existing and in good standing under the laws of the State of New York; that it has full power and authority to enter into and perform its obligations under this Remarketing Agreement; that it will not in connection with remarketing of the Series 2008 B Bonds knowingly make any untrue statement of a material fact, or omit to state a material fact which is required or necessary to be stated in order to make any statements made in light of the circumstances under which they were made, not misleading by the Remarketing Agent; that it will not employ any device, scheme or artifice to defraud or engage in any act, practice or course of conduct which would operate as a fraud or deceit; and that this Remarketing Agreement constitutes the legal, valid and binding obligation of the Remarketing Agent enforceable against the Remarketing Agent in accordance with its terms, except as the enforcement thereof may be limited by Creditors' Rights Limitations.

Section 8. Furnishing of Offering Materials.

(a) The City hereby agrees that, as promptly as practicable prior to the Closing Date, it will deliver an executed copy of the Official Statement to the Remarketing Agent. The City hereby authorizes the Official Statement and the information contained therein to be used in connection with the remarketing of the Series 2008 B Bonds by the Remarketing Agent.

(b) The City agrees to cooperate with the Remarketing Agent to update and supplement the Official Statement at the City's expense when and as appropriate, and the City agrees that it will provide to the Remarketing Agent copies of any supplements to the Official Statement and any revised Official Statements.

(c) The City agrees to furnish to the Remarketing Agent sufficient copies of a reoffering statement (the "Reoffering Statement"), in a preliminary and final form, in form and substance satisfactory to the Remarketing Agent, and any other related material (including, if applicable, a continuing disclosure undertaking), as the Remarketing Agent reasonably determines may be necessary in connection with any remarketing of the Series 2008 B Bonds that constitutes a "primary offering" within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Further, the City agrees to cooperate in the preparation of and to make available to the Remarketing Agent revised Reoffering Statements or amendments or supplements thereto such as may be required so that the Reoffering Statement required for use in any such "primary offering" will not contain any misstatement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Any costs or expenses incurred in connection with the preparation of a Reoffering Statement and any amendments or supplements thereto shall be the responsibility of the City. The representations contained in this paragraph (c) shall not apply to information in

the Official Statement or any amendments or supplements thereto relating to the Bank, the Insurer, the Depository Trust Company, the Letter of Credit, the price or yield information on the cover of the Official Statement, or to any statements or omissions based upon information furnished in writing by the underwriters of the Series 2008 B Bonds expressly for use therein (collectively, the "Excluded Information").

(d) If, at any time after the Closing Date, any event known to the City relating to or affecting the City, the Bank, the Trustee, the Indenture, the Letter of Credit, this Remarketing Agreement or the Series 2008 B Bonds shall occur which materially adversely affects the Series 2008 B Bonds or the remarketing thereof, the City shall promptly notify the Remarketing Agent in writing of the circumstances and details of such event.

(e) The City will cooperate with the Remarketing Agent and will supply the Remarketing Agent with any additional materials to which the City has access and which the Remarketing Agent believes are necessary in connection with its remarketing of the Series 2008 B Bonds.

(f) The City will not amend or supplement, or request the amendment or supplementation of, the Official Statement prior to notifying the Remarketing Agent in writing of the proposed amendment or supplement thereto.

(g) No later than 180 days following the end of each fiscal year of the City, the City will provide the audited financial statements of the City for such fiscal year to the Remarketing Agent.

Section 9. Term and Termination.

(a) This Remarketing Agreement shall become effective upon the execution hereof by the parties hereto and shall continue to be in effect for as long as any Series 2008 B Bonds remain outstanding; provided, however, that the Remarketing Agent or the City may terminate their obligations under this Remarketing Agreement upon 30 days' written notice to the other party so long as a replacement remarketing agent has been appointed and upon 90 days' written notice to the other party if no replacement remarketing agent has been appointed; provided further, however, that the City may terminate its obligations under this Remarketing Agreement upon three Business Days written notice to the Remarketing Agent in the event that the Remarketing Agent elects not to (or is unable to) determine the Weekly Interest Rate or Daily Interest Rate other than as a result of the occurrence of any event described in paragraph (b) below.

(b) In addition, the City or the Remarketing Agent may terminate this Agreement and the Remarketing Agent shall have no obligation to remarket or attempt to remarket Series 2008 B Bonds if any one or more of the following events has occurred:

(i) The marketability of the Series 2008 B Bonds or the contemplated offering prices thereof, in the opinion of the Remarketing Agent, shall have been materially adversely affected by any federal or state legislation, effective, pending or favorably reported out of any legislative committee, or by any decision of any federal or state court or by any order, ruling or regulation (final, temporary or proposed) of the Treasury Department or the Internal Revenue Service of the United States or other federal or state authority or regulatory body, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue

Service of the United States, affecting the status of the City, its property or income, obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, or the interest thereon, or any tax exemption with respect to obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, or the interest thereon, granted or authorized by the Internal Revenue Code of 1986, as amended; or

(ii) Legislation shall be introduced by amendment or otherwise in or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a Court of the United States of America shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the offering or sale of obligations of the general character of the Series 2008 B Bonds, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of obligations of the general character of the Series 2008 B Bonds, or the Series 2008 B Bonds, as contemplated hereby; or

(iii) Any information shall have become known which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, as the information contained therein has been supplemented or amended by other information, or causes the Official Statement, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required or necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the City, the City fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable in form and content to the Remarketing Agent; or

(iv) Any of the following events shall have occurred:

(A) the engagement or escalation of activities by the United States of America in hostilities which have resulted in a declaration of war or national emergency, or the occurrence of any other outbreak or hostilities or escalation thereof or national or international calamity or crisis, financial or otherwise, the effect of such outbreak, calamity or crisis on the financial markets of the United States of America being such as, in the reasonable opinion of the Remarketing Agent, would materially adversely affect the ability of the Remarketing Agent to market the Series 2008 B Bonds;

(B) a general suspension of trading on the New York Stock Exchange or the American Stock Exchange or other national securities exchange;

(C) the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange;

(D) the declaration of a banking moratorium either by federal, New York, French or other state authorities or by authorities in the country in which the Remarketing Agent is organized;

(E) an event occurs as a result of which the Official Statement, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading which, in the opinion of the Remarketing Agent, requires an amendment or supplement to the Official Statement and, in the reasonable opinion of the Remarketing Agent, materially adversely affects the marketability of the Series 2008 B Bonds or the contemplated offering prices thereof and upon the receipt of notice by the City, the City fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable in form and content to the Remarketing Agent; or

(F) the market for the Series 2008 B Bonds or the sale thereof by the Remarketing Agent at the contemplated offering prices shall have been materially and adversely affected, in the reasonable opinion of the Remarketing Agent;

(v) The short term credit ratings on the Series 2008 B Bonds is reduced to below ____ by Standard & Poor's or _____ by Fitch Ratings; or

(vi) If the Remarketing Agent reasonably determines that a disclosure document is required for distribution to prospective purchasers and that such document is not available or, if available, is not satisfactory to the Remarketing Agent, in form or substance, or if the Remarketing Agent reasonably determines that Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 is applicable to the Series 2008 B Bonds and additional documents, instruments, agreements or action is required to comply with same, including but not limited to the City having entered into a written agreement or contract for the benefit of the holders of the Series 2008 B Bonds to provide the annual financial information, operating data, required event notices, and other information required by, and in accordance with, Rule 15c2-12, and such additional documents, instruments, agreements or action is not available or taken, or if available or taken, is not satisfactory to the Remarketing Agent, in form or substance, or if the Remarketing Agent shall receive an opinion of counsel that substantial grounds exist upon which the exclusion of interest on the Series 2008 B Bonds from gross income for federal income tax purposes can be challenged, or the exemption of the Series 2008 B Bonds from registration under the Securities Act of 1933, as amended, or the exemption of the Indenture from qualification under the Trust Indenture Act of 1939, as amended, can be challenged or if any default under the Indenture shall have occurred and be continuing.

(c) Notwithstanding anything in this Section 9 to the contrary, in the event that the Remarketing Agent elects not to (or is unable to) remarket the Series 2008 B Bonds as a result of the occurrence of any event described in paragraph (b) above, the City may immediately terminate this Agreement and appoint a substitute remarketing agent, in which event the City is not required to provide the 30-day notice or 90-day notice, as applicable, required under the

provisions of paragraph (a) above, and such substitute remarketing agent shall provide the services contemplated by this Remarketing Agreement.

Section 10. Indemnification.

(a) To the extent permitted by law, the City hereby indemnifies and holds the Remarketing Agent, the officers, directors, employees, members and agents of the Remarketing Agent and each person, if any, who controls the Remarketing Agent within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended (each an "Indemnified Party") harmless from and against any and all claims, damages, losses, liabilities, costs or expenses which an Indemnified Person may incur or which may be claimed against any Indemnified Person by any person or entity by reason of any untrue statement or alleged untrue statement of any material fact which is contained in any offering documents or disclosure documents provided by the City and used by the Remarketing Agent in any remarketing of the Series 2008 B Bonds (an "Offering Document") or the omission or alleged omission to state therein a material fact which is required or necessary to be stated therein in order to make statements made therein, in the light of the circumstances under which they were made, not misleading; provided that such indemnification shall not extend to the Excluded Information.

In case any action or proceeding shall be brought against one or more of the Indemnified Parties based upon any of the above and in respect of which indemnity may be sought against the City, such Indemnified Party shall promptly notify the City in writing, enclosing a copy of all papers served, but the failure so to notify the City of any such action shall not relieve the City of any liability which it may be determined to have by a court of law to any Indemnified Party pursuant to applicable law. In case any such action or proceeding shall be brought against any Indemnified Party and it shall notify the City of the commencement thereof, the City shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof with counsel satisfactory to such Indemnified Party and, after notice from the City to such Indemnified Party of the City's election so to assume the defense thereof, the City shall not be liable to such Indemnified Party for any legal or other expenses. Any Indemnified Party shall have the right to employ its own counsel in any such action or proceeding, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the City shall have agreed to pay the fees and expenses of such counsel, (ii) such Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the City and the Indemnified Party in the conduct of the defense of such action or proceeding (in which case the City shall not have the right to direct the defense of such action or proceeding on behalf of the Indemnified Party) or (iii) the City shall not in fact have employed counsel satisfactory to such Indemnified Party to assume the defense of such action. The City shall not be liable for any settlement of any action or claim effected without its written consent.

To the extent permitted by law, the provisions of this Section 10(a) shall survive the termination of this Remarketing Agreement.

(b) The Remarketing Agent agrees to indemnify and hold the City, the directors, trustees, members, officers and employees of the City and each person, if any, who controls the City within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended (each an "Indemnified Entity") harmless, from and against any and all losses, claims, damages, liabilities or expenses which an Indemnified Entity may incur or which may be claimed against any Indemnified Entity by any

person or entity by reason of any untrue statement or alleged untrue statement of any material fact contained in any Offering Document or the omission or alleged omission to state therein a material fact which is required or necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that such untrue or alleged untrue statement or omission or alleged omission was made in the price or yield information on the cover of the Offering Document, in the Offering Document under the section captioned "Underwriting" or in any of the information furnished in writing by the Remarketing Agent for inclusion in the Offering Document.

In case any action or proceeding shall be brought against one or more of the Indemnified Entities based upon any of the above in respect of which indemnity may be sought against the Remarketing Agent, such Indemnified Entity shall promptly notify the Remarketing Agent in writing, enclosing a copy of all papers served, but the failure so to notify the Remarketing Agent of any such action shall not relieve the Remarketing Agent of any liability which it may be determined to have by a court of law to any Indemnified Entity pursuant to applicable law. In case any such action or proceeding shall be brought against any Indemnified Entity and it shall notify the Remarketing Agent of the commencement thereof, the Remarketing Agent shall be entitled to participate in and, to the extent that it shall wish, to assume the defense thereof with counsel satisfactory to such Indemnified Entity and, after notice from the Remarketing Agent to such Indemnified Entity of the Remarketing Agent's election so to assume the defense thereof, the Remarketing Agent shall not be liable to such Indemnified Entity for any legal or other expenses. Any Indemnified Entity shall have the right to employ its own counsel in any such action or proceeding, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Entity unless (i) the Remarketing Agent shall have agreed to pay the fees and expenses of such counsel, (ii) such Indemnified Entity shall have reasonably concluded that there may be a conflict of interest between the Remarketing Agent and the Indemnified Entity in the conduct of the defense of such action or proceeding (in which case the Remarketing Agent shall not have the right to direct the defense of such action or proceeding on behalf of the Indemnified Entity) or (iii) the Remarketing Agent shall not in fact have employed counsel satisfactory to such Indemnified Entity to assume the defense of such action. The Remarketing Agent shall not be liable for any settlement of any action or claim effected without its written consent.

To the extent permitted by law, the provisions of this Section 10(b) shall survive the termination of this Remarketing Agreement.

Section 11. Events of Default.

The failure by the City to make any payment required by this Remarketing Agreement when due shall constitute an "event of default" hereunder and shall entitle the Remarketing Agent to take whatever action at law or in equity, including specific performance, that is necessary or desirable to collect the amounts then due and thereafter to become due to them or to enforce observance or performance of any covenant, condition or agreement of the City hereunder.

Section 12. Miscellaneous.

(a) Books and Records. The Remarketing Agent agrees to keep such books and records as shall be consistent with prudent industry practice and to make such books and records available for inspection by the City and the Tender Agent at all times.

(b) Amendments. This Remarketing Agreement may be amended from time to time by an instrument in writing executed by all parties hereto, without the consent of the holders of Bonds then outstanding. A copy of any amendment to this Remarketing Agreement will be provided promptly to the Tender Agent.

(c) Notices. Except as otherwise provided, it shall be sufficient service of any notice, request, complaint, demand or other paper required to be given to or filed with the City, the Tender Agent and the Remarketing Agent if the same shall be duly mailed by registered or certified mail. Any service by wail or a delivery service shall be addressed, and service by telephone shall be given, as follows:

(1) To the City:

City of Santa Clara, California
1500 Warburton Avenue
Santa Clara, CA 95050
Attn: Mary Ann Parrot

(2) To the Remarketing Agent:

J.P. Morgan Securities Inc.
270 Park Avenue, 6th Floor
New York, New York 10017
Attn: Timothy Self

(3) To the Tender Agent:

The Bank of New York Trust Company, N.A.
550 Kearny Street, Suite 600
San Francisco, CA 94108
Attn: Manager, Securities Servicing Corporate Trust Services

(4) To the Syndicate Agent on behalf of the Bank:

JPMorgan Chase Bank, National Association
270 Park Avenue, 20th Floor
New York, NY 10017
Attn: Timothy Self

(5) To the owners of the Series 2008 B Bonds:

Addressed to each owner of Series 2008 B Bonds at the time outstanding, as shown by the list of Bond owners required by the Indenture to be kept at the principal corporate office of the Registrar.

(d) Payments Due on Saturdays, Sundays and Holidays. Whenever the provisions of this Remarketing Agreement call for any payment or the performance of any act on a date which is not a Business Day, then such payment or such performance shall be required on the next succeeding Business Day.

(e) Defined Terms. All capitalized terms used in this Remarketing Agreement and not otherwise defined herein have the same meaning as in the Indenture.

(f) Counterparts. This Remarketing Agreement can be signed in one or more counterparts, each of which shall be an original and all of which shall constitute but one and the same document.

(g) Effective Date. This Remarketing Agreement shall become effective upon the execution hereof by the parties hereto.

(h) Additional Documents. The City represents and warrants that it has delivered to the Remarketing Agent the following executed documents, agreements, letters or opinions as the same may have been amended or supplemented to date:

(1) Indenture;

(2) Letter of Credit

(3) Letter of Credit and Reimbursement Agreement; and

(4) Bond Purchase Agreement.

(i) Governing Law. The validity, interpretation and performance of this Remarketing Agreement shall be governed by the laws of the State of New York provided, however, that the powers, duties and obligations of the City shall be governed by California law.

(j) Principal Office of Remarketing Agent. The Remarketing Agent designates the address listed in Section 12(c)(2) hereof as the principal office of the Remarketing Agent.

IN WITNESS WHEREOF, the parties hereto have caused this Remarketing Agreement to be duly executed and delivered by their respective officers thereunder duly authorized as of the date first above written.

CITY OF SANTA CLARA, CALIFORNIA

By: _____
City Manager

J.P. MORGAN SECURITIES INC.

By: _____
Managing Director

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 13.B

Santa Clara All-America City 2001

DATE: May 9, 2008

TO: City Manager for Council Information

FROM: Director of Public Works/City Engineer

SUBJECT: Report regarding existing and future residential covenants in the South of Forest and other similar neighborhoods

On June 5, 2007, the City Council approved 100% City funding of the South of Forest Neighborhood (SOFN) street improvements over the next five fiscal years (2008-09 through 2012-13) not including the general fund. This action relieved the property owners of assessment district requirements. There was no discussion regarding covenants running with the land when this action was taken. The five-year funding for SOFN street improvements is shown in the proposed Capital Improvement Project Budget 2008-2009 and Five Year Financial Plan. SOFN is bounded by Forest Avenue, Stevens Creek Boulevard, San Tomas Expressway, and N. Winchester Boulevard.

Subsequent to Council's action, several meetings with members of SOFN have taken place to discuss the existing 36 covenants. A covenant running with the land is simply an agreement recorded in the County Recorder's Office between a property owner and the City in which both parties agree to defer, until called by the City, the implementation of property owner's obligations to construct street improvements that were triggered by property owner's action(s) pursuant to Santa Clara City Code (SCCC) 17.15, PROPERTY DEVELOPMENTS. The discussion also covered the future obligations for those property owners without covenants to construct or pay their share of the proposed street improvements when triggered by property owners' actions(s) pursuant to SCCC 17.15.

The members of SOFN believe that the existing covenants and any future action by any other property owner that triggers the payment of the proposed street improvements per SCCC 17.15 should no longer apply because the City has "approved 100% funding".

The current implementation practice is that, in compliance with City Code, when the City funds street improvements where substandard or no street improvements exist, the City is fronting the funding, initially bearing the cost for the proposed street improvements. Property owners with covenants are not relieved from their current obligation, and for those without covenants, future obligation to pay their share of the total cost for the street improvements when triggered by property owner's action(s) per SCCC 17.15 (See DISCUSSION).

Due to the increase in construction costs since the last time the building permit dollar amount thresholds in Table III of SCCC 17.15 were updated, staff is currently working on a Resolution for Council's approval to increase said thresholds from $50,000 and $80,000 to $150,000 and $200,000, respectively. These are the thresholds that trigger property owners' obligation to construct street improvements if substandard or no street improvements exist along their street frontages. Staff believes that the proposed thresholds will allow homeowners to improve their properties substantially without triggering the need to pay their share of street improvements to the City.

Presently, there is no mechanism for current property owners or new buyers to be aware of their obligation to pay the City for such improvements triggered by these thresholds. Staff is planning to inform current and future residential property owners whose properties have been annexed into the City and which have substandard or no street improvements that there is a standing financial obligation on the properties when triggered by property owner's actions(s) pursuant to SCCC 17.15.

The following are three possible options Council may consider:

1. City continues to enforce SCCC 17.15 to clearly indicate that the City proposes to advance the funding for the construction of street improvements in annexed residential areas such as the SOFN which currently have substandard or no street improvements. Per SCCC 17.15, the existing enforceable covenants, as determined by the City Attorney's Office in the attached memo, will be called and other property owners without covenants or unenforceable covenants will be obligated to pay the City their share when they trigger said requirement. Also attached is the list of properties with covenants in the South of Forest Neighborhood.

2. City releases all the existing covenants and potential future obligations for street improvements in annexed residential areas such as the SOFN which currently have substandard or no street improvements.

3. City applies the proposed increased building permit dollar amount thresholds of $150,000 and $200,000, per the procedure in SCCC 17.15, to all annexed residential areas which currently have substandard or no street improvements. The building permit dollar amount to be used would be the amount at the time the existing covenant was required. The covenants with those property owners that do not trigger the requirement based on said proposed increased thresholds would be released. All other covenants deemed enforceable by the City Attorney's Office would be enforced. For property owners without covenants, the proposed increased thresholds would be applied per the procedure in SCCC 17.15.

Staff believes that Option #3 will provide relief to most property owners in areas such as SOFN and will continue to provide an equitable implementation of SCCC 17.15. Based on discussions during the Study Session on May 13, 2008, staff will return with a report and provide final recommendations to the Council on June 10, 2008 on this subject.

Rajeev Batra

Rajeev Batra
Director of Public Works/City Engineer

APPROVED:

Jennifer Sparacino

Jennifer Sparacino
City Manager

Documents Related to this Report:
1. City Attorney's legal memo dated May 9, 2008
2. List of properties with covenants in SOFN

DISCUSSION:

A. City Code (SCCC 17.15):
The following is the pertinent language found in Sections of the SCCC 17.15:

17.15.110 On-site dedications, easements, and rights-of-way.
(b) The developer shall also grant to the City, without cost, all easements and/or rights-of-way for street purposes necessary for serving the property of the developer and to install required street improvements in accordance with actions listed in Table III.

Table III

Action	Dedication Required	Street Improvements Required
Final Map	Yes	Yes
Parcel Map	Yes	Yes
Zoning	Yes	Yes
Any private single improvement valued at $50,000.00 or more or any series of private improvements made within a three-year period valued at $50,000.00 or more in conjunction with a use, variance, or moving permit.	Yes	Yes
Any private single improvement valued at $80,000.00 or more or any series of private improvements made within a three-year period valued at $80,000.00 or more in conjunction with a building permit.	Yes	Yes

Dedication of easements and rights-of-way for street purposes, including the installation of street improvements, may not be required by the City in connection with:

(1) The granting of a use, variance or moving permit where:
  (A) Any single improvement is valued at less than $50,000.00; or
  (B) Any series of private improvements made within a three-year period are valued at less than $50,000.00; or
(2) The granting of a building permit where:
  (A) Any single private improvement is valued at less than $80,000.00; or
  (B) Any series of private improvements made within a three-year period are valued at less than $80,000.00.

If a building permit is obtained in conjunction with a use, variance, or moving permit, the $50,000.00 improvement value shall control dedication; provided further, if the Planning Commission finds, on appeal, that the proposed activity has a significant impact on the immediate area, the developer shall be required to grant to the City, without cost, all dedications required for street purposes, including the installation of streets to serve the property of the developer.

17.15.190 Deferred construction.
Whenever it is deemed necessary by the City to defer the construction of any improvement required by this chapter because of incompatible grades, future planning, or for other reasons, the developer shall satisfy his/her responsibility therefore by one of the following methods as selected by City:

(a) Pay to City his/her share of all costs of improvements involved. Said costs shall be nonrefundable.
(b) Execute a covenant running with land and lien to guarantee payment for completing improvements (deferred by covenant) at the time City requires the installation of said facilities.

17.15.240 Deferred charges.

Whenever any property or parcel of land not under development is directly benefited by the installation of any of the required facilities, utilities or public works improvements, the City may advance the costs of same and defer the collection of such charges until such time as said property is developed. Said charges shall be satisfied before any parcel map, tract map, building permit or service connection for such property is granted or accepted by the City. Engineering diagrams showing property benefited shall be furnished the building inspection and accounting divisions of the City, showing the amounts of such deferred charges.

B. Property Development Process:

All property owners in the City pay once for street improvements along the frontages of their properties.

Most property owners, such as those in the Rivermark Development, have street improvements at the time they purchased their properties. In those cases, the developer constructs the street improvements and includes the cost in the price of the property paid by the property owner. For those properties that have substandard or no street improvements, such as those in the SOFN, there are basically the following four ways to finance the construction of said improvements:

1. The properties become part of an assessment district (AD), approved by the residents through a vote, where the funds are collected through the property taxes. There are 19 residential AD's that have been formed in the City to fund the construction of street improvements such as curb, gutter, sidewalk, driveways, street pavement, storm drains, and sanitary sewers.

2. Property owners individually install the street improvements at their property frontage with plans approved by the City.

3. City installs the street improvements, initially bearing the entire cost. Per SCCC 17.15, when property owners trigger the requirement to install street improvement, the property owners would then pay the City their share of the street improvements constructed by the City. As an example, in the late 1990's, the City constructed the storm drain system serving the SOFN. When property owners trigger the requirement to install street improvements, they pay the storm drain outlet charge similar to the property owners in AD 179, Agnew Village, and AD 182, Pierce-Clay Improvement Project.

4. A developer installs the street improvements, initially bearing all or part of the entire cost. Per SCCC 17.15, when a property owner triggers the requirement to install street improvements, the property owner would then be required to pay the City their share of the street improvements constructed by the developer. The City would then reimburse the developer pursuant to SCCC 17.15.

If a property did not have the required street improvements when the site was first developed and 1, 2, 3, or 4 (above) has not occurred and the property owner triggers the requirement for the construction of street improvements per SCCC 17.15, the property owner is required to pay the City his/her share of the street improvements or to enter into a covenant running with the land to defer his/her obligation to construct said improvements until called by the City.

C. Annexed Areas and Covenants:

Most of the annexations from the County involved underdeveloped land, which later subdivided and developed in compliance with the City standards at the time of development. Other developed residential areas that were annexed from other Cities (e.g., San Jose, Sunnyvale, etc.) have street improvements.

Some streets such as those in the SOFN require reconstruction because they were originally constructed with substandard street improvements prior to being annexed into the City from the County.

Property owners are obligated to install required street improvements per SCCC 17.15 when one of the following actions is taken:

1. Final Map or Parcel Map,
2. Rezoning, or
3. Building Permit (or a series of building permits within a three-year period) valued at $80,000 or more. The $80,000 valuation is reduced to $50,000 when the building permit application is in conjunction with a Use, Variance, or Moving Permit.

Since it is sometimes impractical to require property owners to individually install the required street improvements fronting their property because of incompatible grades, future planning, or for other reasons, the City typically allows deferment of the installation of said improvements through a covenant running with the land between the property owner and the City. Covenants are recorded in the County Recorder's Office.

Once the City has obtained all or most of the covenants within a particular street block, the City may call the covenants to have the owners contribute their cost share for the City to reconstruct the street improvements under a City Capital Improvement Project. When all the covenants have not been obtained and the street is reconstructed, the City is basically fronting the funds for those property owners without covenants. When a property owner without a covenant triggers the SCCC 17.15 requirement, the City will then collect from said property owner his/her cost share of the street improvements.

D. <u>City Staff Activities:</u>

City staff plans to do the following:

1. Draft a Resolution for Council's approval to increase the current building permit dollar amount thresholds, shown in Table III of SCCC17.15 (above), of $50,000 and $80,000 to $150,000 and $200,000, respectively, due to increase in construction costs. It has been approximately twelve (12) years since the last time these thresholds were updated.

2. Send letters to property owners, once the final engineer's report and estimate of the total costs for the SOFN street improvements is complete, informing them of their estimated financial obligation for their property frontage street improvements at the time the thresholds stated in Item #1 above are exceeded.

3. Record a similar letter noted in Item #2 above in the County Recorder's Office. The notice will appear in a title report, informing prospective buyers of the estimated standing financial obligation for the property frontage street improvements.

4. "Flag" each property on the City's building permit tracking software so that the property is identified as having a standing financial obligation for property frontage street improvements when a request for a building permit is made.

5. Send letters ("Notice of Public Improvements Obligations") to property owners, once the street improvements have been completed, informing them of the actual standing financial obligation for their property frontage street improvements.

6. Record a similar letter noted in item 5 above in the County Recorder's Office. The notice will appear in a title report, informing prospective buyers of the actual standing financial obligation for the property frontage street improvements.

LEGAL INTEROFFICE MEMORANDUM
Santa Clara City Attorney's Office

DATE: May 9, 2008

TO: Jennifer Sparacino, City Manager
Rajeev Batra, Public Works Director

FROM: Helene Leichter, City Attorney
Tina Wallis, Assistant City Attorney

RE: Enforceability of SOFNA Deferred Improvement Covenants

Question Presented

You have asked whether the thirty-six covenants requiring property owners to install improvements in the South of Forest Neighborhood Area ("SOFNA") are enforceable.

Short Answer

The enforceability of each covenant depends on a fact-specific analysis that must consider the type of permit or approval, dedication, and purpose of the dedication. The covenant that was required as part of approving what appears to be a parcel map is likely not enforceable. The remainder of the covenants may be enforceable if the City has adequate admissible evidence to support a nexus between the requirement and a proper government purpose.

Analysis

Chapter 17.15 of the Code of the City of Santa Clara governs property development in the City. Various sections address what improvements – e.g., storm drains, sewers, streets – the City requires to be installed when property is developed or improved. Chapter 17.15 applies at the time of initial development of a parcel, and also applies to later improvements. The improvements which may be regulated include those which occur over a three-year period, result from a use permit, variance or moving permit, and total at least $50,000 in value. Building permits where the value of the improvements is $80,000 or more for a single permit or series of permits during a three-year period are also subject to regulation.[1]

As part of the regulatory scheme, Chapter 17.15 requires the dedication of easement and rights-of-way for streets, utilities, flood-control improvements, and public service facilities. If the actual construction of these items is deferred, the property owner must either pay the costs of the improvements or execute a "covenant running with land and lien to guarantee payment for completing improvements (deferred by covenant) at the time City requires the installation of said facilities."[2]

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[1] The Code of the City of Santa Clara § 17.15.110; Table III.

[2] The Code of the City of Santa Clara § 17.15.190(b).

The SOFNA parcels have development requirements imposed in the form of recorded covenants. The covenants vary in content and language, but generally require street improvements to be installed, and allow the property owner to delay installation of street improvements until the City gives the property owner notice that it will enforce the requirement. Upon receiving the City's notice that it will enforce the covenants, the property owner has the choice of installing the improvements or paying the City's costs to install the improvements. The covenants run with the land, and they have been duly recorded. However, the enforceability of each covenant must be evaluated based on the type of regulatory approval, and the facts supporting the imposition of each dedication of the covenant.

Covenants Required in Connection with Building Permits

A city may impose conditions on the issuance of building permits if the condition is reasonable and the purpose of the dedication is reasonably related to the use of the property for which the building permit is sought.[3]

According to the Public Works Department, many of the SOFNA covenants were imposed in conjunction with building improvements because when the City annexed SOFNA, the sidewalks and streets did not meet the City's standards. Therefore, when a property owner wanted to improve their property, the City required the owner to enter into a covenant agreeing to improve the sidewalks and streets or pay the City's cost to do so. Given the stated purposes in Chapter 17.15, including the protection of public safety (which would be enhanced by installation of proper streets) and compliance with zoning standards,[4] this is a reasonable condition whose purpose is reasonably related to the use of the property.

Covenants Required As a Result Of a Zoning Change

The City may require covenants to comply with the zoning code so long as the condition has a substantial relationship to accomplishing a proper public purpose and is not arbitrary or unreasonable.[5]

Santa Clara required several covenants to defer dedication of street rights of way and standard street improvements as a "condition of zoning pending annexation" or as a condition of rezoning. These covenants are likely enforceable. Section 17.15.040 lists many purposes for the dedication or improvement requirements and almost all of these revolve around public safety, proper use of public funds, and furthering the purposes of the zoning code. In light of the stated purpose of the ordinance, and sections 17.15.040(h) and (k), and depending upon the record relating to each imposition of the covenant, the City may be able to prove that the requirements were imposed to further the City's zoning code.

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[3] *Avco Community Developers, Inc. v. South Coast Regional Commission, et al.,* (1976) 17 Cal.3d 785, 795.

[4] 17.15.040(a), (c), (d), (e), (f), (g), (j), and (k).

[5] *Sommers v. City of Los Angeles* (1967) 254 Cal.App.2d 605.

Covenants Required In Connection With Filing of Tentative Parcel Maps

One covenant was required in conjunction with the approval of a parcel map. Under Government Code section 65961, the City may not impose dedication conditions on building permits where the condition could have been lawfully imposed at the time of a tentative map or parcel map. The exceptions to this general rule are that an agency may impose additional conditions (1) if it finds that failure to impose the conditions will jeopardize health or safety, (2) if the condition is required in order to comply with state or federal law, when necessary to comply with the applicable zoning ordinance, or (3) if five years have passed since the parcel map was approved.[6]

The language of the covenant does not indicate if the condition was merely a duplicate of conditions imposed when the parcel map was approved. If this is the case and there is admissible evidence to support these facts, then this covenant may be enforceable. However, absent further evidence that the covenant was imposed in addition to requirements of the parcel map, the covenant may not be enforceable.

Covenants Required In Connection with Variances

A city may require a covenant as a condition for issuance of a variance if the covenant and condition furthers the general purposes of the zoning ordinance.[7] In general, the City's determination that such a covenant furthers the purposes of the zoning ordinance will not be disturbed unless it is clearly shown that the City's determination was an "abuse of discretion."[8]

Santa Clara entered into one covenant as the result of approving a variance. The Planning Commission's record of the variance approval has two important items. First, the approval required the property owner to enter into a covenant obligating the owner to be included in any future assessment district formed to replace existing street and sidewalk improvements. Second, the property owner asked if any payments for the improvements would be a lump-sum payment or a series of payments and the minutes indicate that the property owner was informed that any payment would be required over time and that no lump-sum payment would be required.

The Planning Commission's minutes do not expressly indicate the purpose of the covenant requirement, but Section 17.15.040 of the Code of the City of Santa Clara, provides, in pertinent part, that the purpose of the requirement is to:

> (h) To facilitate the implementation of the intent expressed in the City's comprehensive zoning plan in the Zoning Ordinance to minimize congestion on the public streets and highways.

The City therefore has a strong argument that the purpose of the covenant is to further the City's Zoning Ordinance.

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[6] Gov. Code § 65961(a) & (b).

[7] *Bringle v. Board of Supervisors* (1960) 54 Cal.2d 86, 88-89.

[8] *Id.* at 89. (citations omitted.)

Covenants Required As a Condition of Annexation

The Government Code[9] authorizes LAFCO to impose certain, specified conditions as part of an organizational change or reorganization, including the "formation of a new improvement district or districts or the annexation or detachment of territory to, or from, any existing improvement district or districts." We reviewed various LAFCO resolutions for the parcels in question, but none contained a condition requiring execution of a covenant, a commitment to form an assessment district, or improvement of sidewalks.

Conclusion

The City has a strong argument that all covenants are enforceable, except for the one covenant that appears to have been required in connection with the tentative parcel map.

Tina Wallis/HL
TINA WALLIS
Assistant City Attorney

Helene Leichter
HELENE LEICHTER
City Attorney

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[9] Government Code § 56886, formerly Government Code § 56844.

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
1	4/29/1981	111 Brookside Avenue	Condition of zoning pending annexation.	(1) Owner to execute a covenant to defer dedication of street right-of-way and construction of standard City street improvements along Brookside Avenue. (2) Street improvements shall include street paving, curb, gutter, sidewalk and incidental work appurtenant thereto necessary for the improvement along Brookside Avenue		7047676
2	4/29/1981	93 Brookside Avenue	Condition of zoning pending annexation.	(1) Owner to execute a covenant to defer dedication of street right-of-way and construction of standard City street improvements along Brookside Avenue. (2) Street improvements shall include street paving, curb, gutter, sidewalk and incidental work appurtenant thereto necessary for the improvement along Brookside Avenue		7047677
3	8/3/1982	3333 Stevens Creek Blvd	Private improvements value at $30,000 or more [building permit].	(1) Owner to execute a covenant to defer construction of street widening improvements along the Cecil Street. (2) Street improvements shall include street paving, curb, gutter, sidewalk and incidental work appurtenant thereto necessary for the improvement along Cecil Street		7437218
4	7/17/1984	280 Douglane Avenue	Private improvements value at $30,000 or more [building permit].	Street improvements shall include street paving, curb, gutter, sidewalk and incidental work appurtenant thereto necessary for the improvement along Douglane Avenue		8137776

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
5	3/12/1985	3181 Cecil Avenue	Building permit for private improvements valued at $30,000 or more	Streets improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electrical facilities, manholes, drainage inlets, pullboxes and incidental work appurtenant thereto necessary for the improvement along Cecil Avenue.	*Installation of standard improvements providing that installation of such improvements will not create significant inconsistencies with existing improvements. *Cecil Avenue was annexed to City with improvements not in conformance with existing standards.	8364182
6	7/14/1987	296 Douglane Avenue	Approve a tentative Parcel Map.	Street improvements shall include street paving, curb, gutter, sidewalk, electrical facilities and incidental work appurtenant thereto necessary for the improvement along Douglane Avenue		9397746
7	5/17/1988	265 North Cypress Avenue	Issuance of a building permit for private improvements valued at $20,000 or more	Street improvements shall include driveway, curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electrical facilities, manholes, drainage inlets, pullboxes and incidental work appurtenant thereto necessary for the improvement along North Cypress and Cecil Avenue.		9764507
8	5/31/1988	213 North Henry Avenue	Street opening permit	Street improvements shall include driveway, curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electrical facilities, manholes, drainage inlets, pullboxes and incidental work appurtenant thereto necessary for the improvement along North Henry Avenue		9764510

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
9	4/4/1989	112 Westridge Drive	Building permit for private improvements valued at $30,000 or more.	Street improvements shall include driveway, curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electrical facilities, manholes, drainage inlets, pullboxes and incidental work appurtenant thereto necessary for the improvement along Westridge Drive.		10098161
10	7/11/1989	25 Brookside Avenue	Rezone property from R1-8L to R1-6L	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, manholes, drainage inlets, and incidental work appurtenant thereto necessary for the street improvement along Brookside Avenue.		10201862
11	7/16/1991	113 Douglane Drive	Building permit for private improvements valued at $40,000 or more	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, pull boxes and incidental work appurtenant thereto necessary for the street improvement along Douglane Drive.		11029023
12	10/27/1992	230 Bel Ayre Drive	Variance	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveway, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Bel Ayre Drive.		11649649
13	9/17/1991	3205 Cecil Avenue	Building permit for private improvements valued at $40,000 or more	Street improvements include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pull boxes, work designated by the Assessment District, and incidental work appurtenant thereto necessary for the improvement along Cecil Avenue.		11103749

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
14	2/25/1992	3497 Stevens Creek Blvd.	Rezoning from A to CT and issuance of building permit for private improvements valued at $40,000 or more	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pull boxes, work designated by the Assessment District, and incidental work appurtenant thereto necessary for the improvement along Harold Avenue.		11287576
15	11/14/1995	125 North Cypress Avenue	Building permit valued at more than $80,000	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveway, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along North Cypress Avenue.		13129671
16	12/10/1996	100 North Cypress Avenue	Use permit in conjunction with the issuance of a building permit valued at more than $50,000	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveway, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvements along Forest Avenue and North Cypress Avenue		13596410
17	12/5/1996	140 Harold Avenue	Building permit valued at more than $80,000	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Harold Avenue.		13596408

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
18	12/16/1997	125 Tyler Avenue	Building permit valued at more than $80,000	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveway, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvements along Tyler Avenue.		14038728
19	8/22/2000	53 Brookside Avenue	Building permit valued at more than $80,000	Street improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveway, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvements along Brookside Avenue.		15402783
20	1/28/2003	155 Harold Avenue	Building permit valued at $50,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Harold Avenue.		16996140
21	3/18/2003	200 Bel Ayre Drive	Use Permit and Building Permit valued at $50,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Bel Ayre Drive.		17079546

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
22	5/27/2003	50 Brookside Avenue	Use permit and building permit valued at $50,000 or more.	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Brookside Avenue		17406648
23	7/1/2003	3155 Stevens Creek Blvd.	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, and incidental work appurtenant thereto necessary for the improvement along Cecil Avenue.		17481730
24	12/7/2004	201 N. Henry Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along N. Henry Avenue		18163937
25	2/8/2005	197 Douglane Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Douglane Avenue		18369163

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
26	5/11/2004	3275 Stevens Creek Blvd	Building permit valued at more than $80,000	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Cecil Avenue		17818982
27	12/13/2005	216 Douglane Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Douglane Avenue		18740964
28	5/9/2006	225 Westridge Drive	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Westridge Drive		18993311
29	8/29/2006	208 Tyler Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along Tyler Avenue		19169268

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
30	10/10/2006	213 Westridge Drive	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, and incidental work appurtenant thereto necessary for the improvement along Westridge Drive		19211483
31	2/6/2007	112 Tyler Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, and incidental work appurtenant thereto necessary for the improvement along Tyler Avenue		19345781

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
32	04/15/1987	248 Douglane Avenue	Building permit for private improvements valued at $30,000 or more.	Street improvements shall include standard vertical curbing, gutter, sidewalks, driveway approach, storm drains, sanitary sewer, manholes, drainage inlets, electrical facilities and incidental work appurtenant thereto necessary for the improvement along Douglane Avenue		9233714

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
33	11/18/2003	124 N. Henry Avenue	Building permit valued at $80,000 or more	Improvements shall include curbing and gutter, sidewalk, pavement, storm drains, sanitary sewers, electric facilities, manholes, drainage inlets, driveways, pullboxes, work designated by the assessment district, and incidental work appurtenant thereto necessary for the improvement along N. Henry Avenue	Should assessment district be formed, Owner agreed to participate in said assessment district.	17623133
34	12/19/1984	3529 Stevens Creek Blvd.	Use permit	Improvements shall include curbing and gutter, sidewalk, pavement, electrical facilities, storm drains, sanitary sewers, manholes, drainage inlets, and incidental work appurtenant thereto necessary for the improvement along Cypress Avenue.	Use permit to allow for expansion of auto ales display area from adjacent property	10388557
35	4/29/1981	92 Brookside Avenue	Zoning of Property pending annexation	1) Dedication and street improvements shall include street paving, curb, gutter, sidewalk, and incidental work appurtenant thereto necessary for the improvement along Brookside Avenue. 2) Owner shall dedicate the required right-of-way. 3) City shall pay owner for the existing public curbing and sidewalk removed by Owner to permit construction of said improvements. Said payment shall be at standard rates established by the City.		7047678

NO.	DATE	ADDRESS	WHY WE REQUIRED COVENANT	WHAT WE REQUIRED	OTHER	DOCKET NO.
36	9/11/1979	22 Brookside Avenue	Building permit for construction value in excess of $20,000; rezoning from R1-6L to OA	Street improvements shall include paving, curb, gutter, sidewalk and incidental work appurtenant thereto necessary for the widening along the Brookside Avenue frontage of Property.	*Postpone temporarily requirement that Owner cause the construction of street improvements and as an additional condition of issuance of building permit, City required owner to enter into an agreement whereby Owner agrees to cause or pay the cost of the construction of said street improvements at some future date or when required by City. *Prior to acceptance of street improvements by City, Owner shall provide City with one reproducible set of plans revised to show "As Build" condition, prepared in accordance with said City requirements.	6502698

5/13/08

13B

Uncertainty of Covenants and Application of City Codes

South of Forest Neighborhood Association (SOFNA)

May 13, 2008

Option 2—"Doing the right thing"

SOFNA respectfully requests that the:

"City releases all the existing covenants and potential future obligations for street improvements in the annexed residential areas such as the SOFN which currently have substandard or no street improvements."

—(Option 2 in the May 9, 2008 staff report)

Option 2—Follows Council's Decision

"City releases all the existing covenants and potential future obligations for street improvements in the annexed residential areas such as the SOFN which currently have substandard or no street improvements." [Option 2]

- **Complies with the Council's decision of June 5, 2007 for 100% City funding**
- **Acknowledges the City will have realized the expected life (25 years) from all SOFN streets by 2010 in accordance with City Code. [Section 17.15.050 referring to Table I in Appendix A]**
- **Addresses decades of inequity in street maintenance in SOFN**
- **Removes hindrances to residents wanting to improve their homes**
- **Avoids defending faulty covenants**
- **Avoids defending questionable application of City Code**

Options 1 & 3—A Step Backwards

Options 1 and 3 counter the Council's policy of June 5, 2007:

"100% City funding of the South of Forest Neighborhood street improvements in the Five Year Financial Plan 2008-2009 through 2012-13 through pay as you go, bonding or other funding measures not including the general fund."

Options 1 & 3—Direct Cost Recovery Programs

Options 1 and 3 are in effect a cost recovery policy in the form of a loan to be paid back by SOFN property owners on an *ad hoc* basis.

- Even though no legal notice was provided to the original property owners during the annexations, Options 1 & 3 impose full financial liability on current and future property owners before and after streets and sidewalks are reconstructed.

- In contrast, the City has unconditionally maintained and reconstructed all non-annexed City streets.

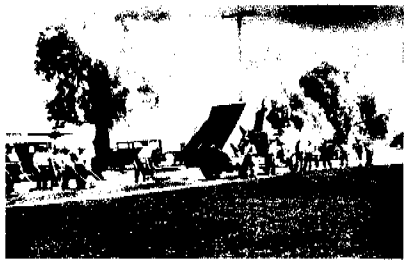


Photo taken near Lewis and Lafayette Streets circa 1930

Fact or Fiction?

Options 1 and 3 make several false assumptions regarding the covenants, City practice and City Code.

1. Assume street and sidewalk improvements are a special benefit to SOFN residents.
2. Assume SOFN streets have been maintained to City or County standards.
3. Assume covenants are still enforceable in light of Proposition 218.
4. Assume terms of the covenants are clear and definite.
5. Assume covenants have been applied on a consistent basis within SOFN and City.
6. Assume City Code regarding "deferred charges" is applicable to property already developed in contrast to the language of the Code.
7. Assume no legal notice to original property owners (or subsequent property owners) of "deferred construction" was necessary.
8. Assume retroactive notice of the financial liability assumed at time of annexation may be made decades later.

General vs. Special Benefit

Assumption 1: Street and sidewalk improvements are a special benefit to SOFN residents.

Fact: Streets and sidewalks in SOFN serve a general benefit to the community because of location

False Assumption 1 (cont.)

Streets and sidewalks in SOFN serve a general benefit to the community because of location

- **2005 Traffic Studies Counted:**
  - **Almost 1000 Vehicles Per Day Use Forest Avenue**
  - **Over 2000 Vehicles Per Day Use Cypress Avenue**

Only 4 to 13% of vehicles per day were resident trips

Source: Santa Clara Gardens Development Project Draft EIR, City of Santa Clara and Fehr & Peers Transportation Consultants, 2005; Institute of Transportation Engineers Average residential trip generation rate for suburban single-family detached homes

Level of Street Maintenance

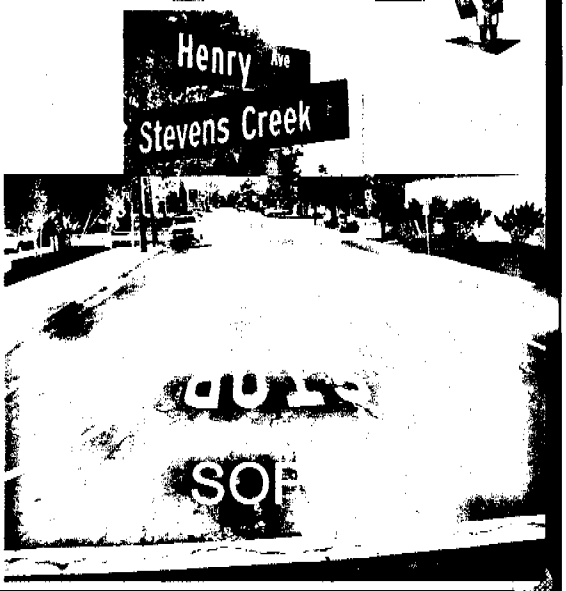
Assumption 2: SOFN streets have been maintained to City or County standards

Fact: SOFN streets have received substandard maintenance.

- **SOFN streets built to County standards in the 1940s.**
- **SOFN streets were annexed from 1961 to 1985.**
- **Limited City maintenance to keep streets "safe and passable"—pot hole patching only—has resulted in the deterioration of SOFN streets and sidewalks unlike nearby County and City streets.**

South of Forest Neighborhood Association (SOFNA)

Maintenance: County vs. SOFN Streets

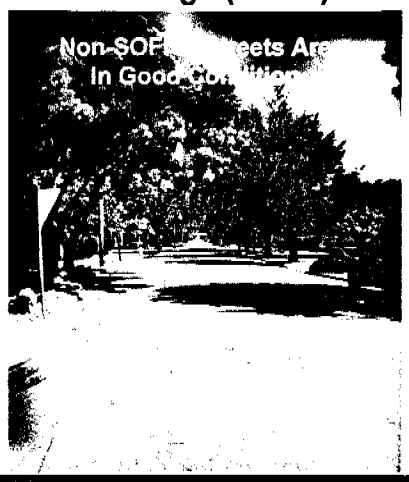


South of Forest Neighborhood Association (SOFNA)

Maintenance: City vs. SOFN Streets (cont.)

Within the City of Santa Clara, there is a visible difference at the SOFN Borders

Westridge (North)



Westridge (South)

Proposition 218

Assumption 3: The covenants are still enforceable in light of Proposition 218.

Fact: Proposition 218 and California Constitution Article 13D may make the covenants invalid.

- **Nearly half of the covenants (17 of 36 or 47%) do not require a property owner to pay for improvements except through an assessment district.**

- **Two thirds of the covenants (24 of 36 or 67%) include assessment district language but do not include a severability clause.**

(In)definite Covenant Terms

Assumption 4: The terms of the covenants are clear and definite.

FACT: SOFN property owners were required to sign a blank check

- **Actual cost of improvements is not identified in any of the covenants.**
- **Property owners were required to agree to a covenant of indefinite scope and unknown cost.**
- **Language such as "shall include but not be limited to" and "incidental work appurtenant thereto necessary for the improvement" is unclear and indefinite.**
- **Unclear and indefinite terms in the covenants may make all covenants in SOFN unenforceable.**

(In)consistent Application of Covenants

Assumption 5: The covenants have been applied on a consistent basis within SOFN and the City.

Fact: The City's inconsistent application of the covenants may make all covenants in SOFN unenforceable

False Assumption 5 (cont.)

City's inconsistent application of the covenants may make all covenants in SOFN unenforceable

- **The City inconsistently requires covenants.**
  The practice of requiring covenants is not a city-wide practice. Home owners in other neighborhoods who would otherwise trigger a covenant are not required to sign a covenant.
- **The City inconsistently follows its own practice.**
  The City has covenants recorded for some owners within SOFN while it has not executed and recorded covenants for other SOFN owners triggering the same events.
- **All covenants may be invalid due to the inconsistent City policy and its inconsistent application.**

"Deferred Charges" to *Developed* Land

Assumption 6: The City Code regarding "deferred charges" is applicable to property already developed in contrast to the language of the Code.

Fact: The Code clearly addresses undeveloped land

- **The City Code applies to "any property or parcel of land <u>not under development</u>" and states the "City may ... defer the collection of such charges until such time as <u>said property is developed</u>." (SCC 17.15.240, emphases added)**

- **Property in SOFN is already developed. Therefore, the City may not defer such charges for public work improvements under this Code.**

Notice of "Deferred Construction"

Assumption 7: The City believes no legal notice to original property owners (or subsequent property owners) of "deferred construction" was necessary.

Fact: To defer construction costs, City Code 17.15.190 requires the City to either have a developer: (a) pay or (b) execute a covenant, at the City's selection.

- **The City executed covenants for only 3 of 267 properties at the time of their annexation (option (b) from SCC 17.15.190).**
- **At the time of annexation, the City remained silent about "deferred construction" costs for the remaining 264 properties.**
- **The City has failed to provide legal notice for 23 to 47 years to inform property owners that the City has selected to defer construction and has failed to obtain signed covenants from all property owners.**

(Im)proper Notice

Assumption 8: A retroactive notice of the financial liability assumed at time of annexation may be made decades later.

Fact: Late notice is no notice.

- **The City's "guiding principle" has resulted in the hiding of liabilities from past, current and future property owners until such time a triggering event occurs.**
- **Bringing streets to a City standard was not a pre-condition on acceptance of the street dedication. (See SSC 17.15.040(a) regarding a "condition precedent to acceptance of dedications"; and see Resolution of January 12, 1960.)**
- **After years of collecting taxes from SOFN property owners and decades of being silent on the issue, the City may not now retroactively provide notice that bringing the streets to City standards is "a condition precedent" to acceptance of the street dedication.**

Uncertainty of Covenants and Application of City Codes

In Summary

1. **Option 2 Follows Council's June 5, 2007 Decision for 100% City Funding**
2. **Options 1 & 3 Are Effectively A Cost Recovery Policy in the Form of a Loan to be Paid Back by SOFN Property Owners on an *Ad Hoc* Basis**
3. **Options 1 & 3 Make Several False Assumptions Regarding the Covenants, City Practice and City Code**

Uncertainty of Covenants and Application of City Codes

In Closing

SOFNA respectfully requests that the City "do the right thing":

"City releases all the existing covenants and potential future obligations for street improvements in the annexed residential areas such as the SOFN which currently have substandard or no street improvements."

--[Option 2 in the May 9, 2008 staff report]

Meeting Date: 05-13-08

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 13.C.

Santa Clara All-America City 2001

Date: May 9, 2008

To: City Manager/Executive Director For Council/Redevelopment Agency Action

From: Assistant City Manager

Subject: Proposed Modification to the Downtown Revitalization Project's Request for Proposal Timeline and Developer Participation

EXECUTIVE SUMMARY:

Background

The Downtown Revitalization Project area is comprised of four separate parcels totaling 7.3 acres and bounded by Benton Street to the north, Lafayette Street to the east, Homestead Road to the south and Monroe Street to the west. Three of the parcels are owned by the City and encumbered by either a ground lease or a parking obligation with the fourth property owned in fee by Santa Clara University. In 2003, the Council set revitalization of the historic downtown area as one of their top priorities. Over the next two years, working through a Council committee comprised of City staff, local business representatives and community residents, an urban mixed-use concept plan was developed and approved by the Council, setting the community vision for this area so that private developers would have a framework for Council and community expectations.

Request for Qualifications Process

In 2006, staff circulated an offer to participate in a Request for Qualifications (RFQ) process to approximately forty development companies with urban infill, mixed-use project experience. Six development companies/joint ventures submitted the required documentation for the RFQ process. The RFQ criteria called for successful experience in developing vertical mixed use (housing above grade level retail); success in negotiating complex real estate transactions; experience in working in a public process in a collaborative manner; evidence of financial capacity and a proven track record in securing project financing; and well seasoned project team members with experience working together on like projects.

RFQ submissions were evaluated and interviews held with the qualifying development companies and/or joint ventures. Two companies, SummerHill Homes/Highland Development Company (Summerhill/ Highland) and the CIM Group were selected from the group based on their past experience of completing similar projects, the working relationship of their project team and their strong financial capacities.

Request for Proposal Process

In early 2008, staff circulated a Request for Proposal to the two firms. The RFP expanded on the previous work submitted in the RFQ process and requests an articulation of the development concept that overlays the development company's sense of what can be achieved in this project area, and the look and feel of their particular plan. Additionally, the two companies were asked to develop a fully fleshed-out financial pro forma for the project and provide a roadmap as to how they would assemble the four parcels that make up the project area. Both firms were given until mid-July to submit their proposals.

Shortly after the commencement of the RFP process staff was informed by the CIM Group that they no longer wished to pursue this redevelopment opportunity in Santa Clara at this time. The CIM Group has a number of projects underway in other geographical areas that requires their focused attention and the disequilibrium in the financing and housing markets were cause for concern in taking on a new project in the Santa Clara sub-market.

SummerHill/Highland remain enthusiastic as to the eventual opportunity for the redevelopment of the downtown area, however in the current economic climate it would be very difficult for any developer to submit an accurate project pro forma by the RFP due date of given the current economy and the state of the financing, retail and housing markets. SummerHill and Highland are private, limited liability companies and are subsidiaries of the Marcus and Millichap Company, one of the largest diversified real estate development firms in the State. SummerHill Homes has extensive experience in the Santa Clara housing market and significant experience in working through challenging land use projects with the Santa Clara community.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

While it is always preferable to work in a competitive environment with the option of selecting one of two exceptional companies as the eventual Master Developer for the Downtown Revitalization project, staff believes we are very fortunate to have a residential developer (SummerHill Homes) and a retail developer (Highland Development) with the combined experience, strength and synergies that they bring to this project. The Council has appreciated from the beginning of this project that the revitalization of a redeveloped downtown was a long-term undertaking, that there would be significant challenges along the way, and that the process to deliver a revitalized downtown would have to be flexible and accommodating to achieve the desired goals.

The extensive staff/consultant evaluation committee involved in the RFQ selection process met after CIM's announced withdrawal and reviewed the other development firms that were involved in the RFQ process but not recommended to move forward into the RFP process. The other four development companies, while strong in particular categories, did not achieve the very high marks that SummerHill/Highland and the CIM Group received. Therefore, the evaluation committee does not recommend restarting the process that has been followed to date. The committee does not believe that going back to an earlier stage in the evaluation process will draw in any stronger development firms given existing financial, retail and housing markets.

The committee supports proceeding forward through the RFP process SummerHill/Highland to continue with the development of project deliverables: the articulation of SummerHill/Highland's development concept for the project area, the creation of a realistic financial pro forma for the project and a roadmap on how project site assemblage could occur. However, it is no longer realistic to anticipate that the current state of the economy will have resolved itself by this summer to allow Summerhill/Highland the ability to respond to the RFP deliverables stated above. For that reason it is recommended that the RFP deliverables timeline be extended until July 2009 to allow SummerHill/Highland an opportunity to develop project data that addresses the challenges to completing this project. If the economy has not stabilized by that time and if SummerHill/Highland can not proceed with the RFP deliverables, staff will evaluate the situation and return to Council with options and recommendations.

ECONOMIC/FISCAL IMPACT:

There are no significant economic impacts to continuing and extending the RFP process timeline with Summerl lill/Highland. On the contrary, to proceed with a project financial pro forma that requires a statement of retail interest and housing product type viability in the current unsettled economic environment could add risk and speculation to the long-term potential success of the project area. It would be more prudent to hold the financial deliverable to the RFP in abeyance for a year and return with a status at that time.

RECOMMENDATION:

That the Council and Agency continue the RFP deliverable deadline until July 15, 2009 at which time staff would report back to Council with a revised timeline for the RFP process and proceed with in the Downtown Revitalization Request for Proposal process with SummerHill Homes/Highland Development Company as the sole development firm participant.

Jennifer Sparacino
Ronald E. Garratt
Assistant City Manager

APPROVED:

Jennifer Sparacino
Jennifer Sparacino
City Manager

Documents Related to this Report:
1) None

I:/Citymanager/Agenda Reports/2008/05-13-08-Downtown Revitalization Project Modification of Timeline and Developer Participation.doc

5/13/08

13C

13.C

Telephone Call:
May 13, 2008
4:34 p.m.

Angie Barcelos
1232 Fowley Avenue
Santa Clara

Re: Summerhill Homes/Highland Development Company
Downtown Revitalization Project

Ms. Barcelos is not able to attend the May 13th Council meeting but wants her concerns expressed at the meeting.

Ms. Barcelos is opposed to a one year extension and wants the Council to move forward with the project now. The City of Sunnyvale is moving forward with their project and Santa Clara needs to do the same because the residents need and deserve a downtown.

Bernadette DeSousa

13.C

Telephone Call:
May 13, 2008
4:23 p.m.

Lucia Bettencourt-Baldwin
452 Cypress Avenue
Santa Clara

Re: Summerhill Homes/Highland Development Company
Downtown Revitalization Project

Ms. Bettencourt-Baldwin is not able to attend the May 13th Council meeting but wants her concerns expressed at the meeting.

Ms. Bettencourt-Baldwin believes that irregardless of the real estate market, the residents of Santa Clara deserve a downtown now and need to continue the momentum and move forward with the project. A downtown for Santa Clara should not be viewed as a speculative real estate investment but rather one of the amenities to be enjoyed by its residents. She is opposed to the one year extension.

Bernadette DeSousa

13.C

Telephone Call:
May 13, 2008
4:15 p.m.

Ernie Defrenchi
3435 Victoria Avenue
Santa Clara

Re: Summerhill Homes/Highland Development Company
Downtown Revitalization Project

Mr. Defrenchi is not able to attend the May 13th Council meeting but wants his concerns expressed at the meeting.

Mr. Defrenchi is opposed to the one year extension, but if it is approved by the Council, he is recommending that the RFP process be opened at the end of the year extension to allow other developers to compete for the project.

Bernadette DeSousa

Meeting Date: 05-13-08 Agenda Item # 17.A

CLOSED SESSION REQUEST

It is requested the **CITY COUNCIL OF THE CITY OF SANTA CLARA** meet in closed session on **Tuesday, May 20, 2008,** at **5:00 p.m.,** or as soon thereafter as the matter can be discussed, in the Council Conference Room located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to it/them:

☒ **CONFERENCE WITH REAL PROPERTY NEGOTIATOR**
Pursuant to Gov. Code §54956.8

Property: APN: 104-43-051; APN: 104-43-052; APN: 104-43-030; APN: 104-42-014; and, APN: 104-42-019

Negotiating Party(ies): Cedar Fair and The San Francisco 49ers

City Negotiator: Jennifer Sparacino, City Manager (or her designee)

Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment)

Dated: May 9, 2008

Helene Leichter
HELENE L. LEICHTER
City Attorney

HL:cee
I:\DATA\WP\CLOSED SESSIONS\2008\05-20-08 Request City Cedar Fair & 49ers.doc