
BUILDING REMOVAL FUNDING AGREEMENT

among the

FORT ORD REUSE AUTHORITY,

and the

**CITY OF MARINA, CALIFORNIA,
as Administrator,**

and the

TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Dated as of June 1, 2020

**Relating to:
Fort Ord Reuse Authority
Tax Allocation Bonds,
Series 2020
(Federally Taxable)**

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EXHIBIT A – BUILDING REMOVAL COSTS AND RELATED PARCEL

BUILDING REMOVAL FUNDING AGREEMENT

THIS BUILDING REMOVAL FUNDING AGREEMENT (the "Agreement"), dated as of June 1, 2020, is by and among the FORT ORD REUSE AUTHORITY (the "Authority"), the CITY OF MARINA, CALIFORNIA, as Administrator (the "Administrator") and the TRANSPORTATION AGENCY FOR MONTEREY COUNTY (the "Funding Recipient"), and is related to use by the Funding Recipient of proceeds of the Fort Ord Reuse Authority Tax Allocation Bonds, Series 2020 (Federally Taxable) (the "Bonds").

RECITALS:

WHEREAS, the Authority is issuing the Bonds pursuant to an Indenture of Trust, dated as of June 1, 2020 (the "Indenture"), by and among the Authority, the Administrator and U.S. Bank National Association, as trustee (the "Trustee") in order to fund Building Removal Costs of Building Removal to be undertaken by the Local Agencies, as such capitalized terms are defined in the Indenture; and

WHEREAS, the Funding Recipient is one of the Local Agencies, and the Indenture provides for the deposit of \$1,303,498.28 of the proceeds of the Bonds to a TAMC Bond Proceeds Account of a Project Fund held by the Trustee on the date of issuance of the Bonds (the "Closing Date") as set forth in Section 3.02(a)(vii) of the Indenture; and

WHEREAS, pursuant to Section 3.04(b) of the Indenture, the Trustee will remit the amount deposited in the TAMC Bond Proceeds Account to the Funding Recipient on the Closing Date to be used by the Funding Recipient as provided in this Agreement; and

WHEREAS, the Authority will be dissolved on June 30, 2020, and the Administrator is entering into this Agreement as assignee of the Authority under the Indenture solely to perform certain limited administrative activities as expressly set forth in the Indenture;

WHEREAS, the Authority, the Administrator and the Funding Recipient now desire to set forth provisions related to the disposition by the Funding Recipient of the amount transferred to it by the Trustee on the Closing Date, and to specify the rights and limited liability of the Administrator hereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Recitals. Each of the above recitals as applicable to it is true and correct.

2. Issuance of the Bonds. The Authority hereby agrees to (a) issue the Bonds, (b) cause \$1,303,498.28 of the proceeds of the Bonds available to be used by the Local Agencies (as defined in the Indenture) for Building Removal Costs pursuant to Section 3.03(b) of the Indenture to be deposited to the TAMC Bond Proceeds Account under the Indenture, and (c) cause the Trustee to remit the amount deposited to the TAMC Bond Proceeds Account pursuant to Section 3.02 of the Indenture to the Funding Recipient on the Closing Date. Notwithstanding the foregoing, this Agreement shall be null and void ab initio if for any reason whatsoever the Authority does not perform its obligations under the preceding sentence prior to its dissolution, and no damages or liability whatsoever shall arise or be incurred by the Authority as a consequence of its failure to perform such obligations. In no event shall the Funding Recipient have a right to compel the issuance of the Bonds.

The Funding Recipient hereby advises that its wire transfer instructions for the transfer of funds provided for in clause (c) of the first sentence of the preceding paragraph will be provided by the Funding Recipient to the Authority, the Administrator and the Trustee prior to the Closing Date for the Bonds.

3. Use of Proceeds. The Funding Recipient hereby agrees to establish an account on its books and records (referred to in this Agreement as the "Building Removal Account") in order to account for its use of the proceeds of the Bonds remitted to it as described in clause (c) of the first sentence of Section 2. Amounts deposited to the Building Removal Account may be comingled with other monies of the Funding Recipient for investment purposes, but the Funding Recipient shall at all times maintain records as to the funds in the Building Removal Account and the investment earnings thereon as provided below.

The Funding Recipient agrees that amounts withdrawn from the Building Removal Account will be used solely to pay costs of the Building Removal Costs, as described in Exhibit A hereto then due and payable by the Funding Recipient, or that have otherwise theretofore been paid by the Funding Recipient after the date of this Agreement. In no event shall the Authority or the Administrator have any responsibility for the use by the Funding Recipient of amounts disbursed from the Building Removal Account, or any Building Removal activities of the Funding Recipient, or for any Building Removal Costs incurred by the Funding Recipient.

The Funding Recipient shall have the sole right to direct the investment of the amounts on deposit in the Building Removal Account. While the Funding Recipient shall have no obligation or liability with respect to any such investment, including any losses with respect thereto, any investment earnings on funds in the Building Removal Account shall be credited to such account and used solely for the purposes thereof as provided in this Section 3.

The Funding Recipient agrees to maintain accounting records relating to the use of amounts disbursed to or upon its order from the Building Removal Account in accordance with Funding Recipient's accounting procedures for similar funds. The Funding Recipient will, upon written request, provide the Authority or the Administrator, whichever requests the same, complete copies of the Funding Recipient's records related to such disbursements.

In the event that the Funding Recipient determines in its sole discretion that it has funds in the Building Removal Account that it will not expend on Building Removal Costs, it shall remit such amount to the Trustee for deposit in the Surplus Account under the Indenture for disposition from the Surplus Account as provided in the Indenture.

Neither the Authority nor the Administrator shall have any liability or responsibility whatsoever with respect to any Building Removal activities of the Funding Recipient or any Building Removal Costs or other costs incurred for any reason by the Funding Recipient. The Funding Recipient hereby agrees to hold the Authority and the Administrator harmless with respect to any claim by any entity in opposition to the provisions of the preceding sentence.

4. Reimbursement of Administrative Costs. The Funding Recipient hereby agrees to pay, other than from amounts in the Building Removal Account, any and all costs with respect to its review, execution and performance of this Agreement. Neither the Authority nor the Administrator shall have any obligation to pay any costs of the Funding Recipient incurred by it in connection with this Agreement or the Building Removal activities of the Funding Recipient.

Costs of the Authority and the Administrator with respect to this Agreement (a) incurred on or before the Closing Date, shall be Costs of Issuance to be paid from the Costs of Issuance Fund under the Indenture; (b) incurred from and after the Closing Date shall be Administrative Expenses to be paid from the Administrative Expense Fund under the Indenture (as such capitalized terms used in the preceding clauses (a) and (b) are defined in the Indenture); and the Funding Recipient shall have no responsibility to pay any such costs. The Funding Recipient shall have no responsibility to pay any costs of the Authority or the Administrator incurred by them with respect to the Indenture for the repayment or the administration of the Bonds.

5. Building Removal. The Funding Recipient shall have sole responsibility for all of its Building Removal activities..

6. Limited Obligations. All obligations of the Authority under and pursuant to this Agreement shall be limited to those specified in the first sentence of Section 2, subject in any event to the provisions of the second sentence of Section 2. No Boardmember, officer or employee of the Authority shall in any event be personally liable hereunder. Following any deposit of Bond proceeds in the Building Removal Account as provided in Section 2 above, the Authority shall have no liability with respect to the handling or the investment of such funds by the Funding Recipient, or the disposition of such funds by the Funding Recipient.

The only obligations of the Funding Recipient hereunder shall be to expend amounts in Building Removal Account for Building Removal Costs, and to maintain records as to the use of the amounts withdrawn from the Building Removal Account. If, for any reason whatsoever, there are insufficient funds in the Building Removal Account to pay all of the Building Removal Costs of the Funding Recipient, none of the Funding Recipient, the Authority or the Administrator shall have any obligation under this Agreement to fund any such shortfall. If the Funding Recipient

shall fail to perform any of its obligations hereunder, the sole remedy of the Authority or the Administrator shall be the commencement of an action in the Superior Court for specific performance by the Funding Recipient of such obligations. No member of the governing board of the Funding Recipient, or any officer or employee thereof, shall in any event be personally liable hereunder.

The Administrator shall have no obligation or liability to the Funding Recipient or the Authority under this Agreement. It is hereby acknowledged that the sole reason for the Administrator to be a party to this Agreement is to recognize its rights to accounting records of, and to compel performance by, the Funding Recipient hereunder, and to consent to amendments hereto in its sole discretion. In no event shall the Administrator have any liability to the Authority or the Funding Recipient under or by reason of this Agreement, and no Councilmember, officer or employee of the Administrator shall in any event be personally liable hereunder.

7. Termination. This Agreement shall cease to be effective and shall terminate (a) upon the dissolution of the Authority, if the Authority has not issued the Bonds prior to its dissolution, or (b) if not terminated pursuant to clause (a), upon the disbursement by the Funding Recipient of all amounts in the Building Removal Account. Notwithstanding the foregoing, the provisions of the fourth paragraph of Section 3 and the provisions of Section 6 shall survive such termination.

8. Amendment. This Agreement may be amended at any time but only in writing signed by (a) prior to the dissolution of the Authority, the Authority, the Administrator and the Funding Recipient, and (b) after dissolution of the Authority, the Administrator and the Funding Recipient.

9. Entire Agreement. This Agreement contains the entire agreement among the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

10. Notices. Any notice required or permitted by this Agreement to be given or delivered to another party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

The Authority: Fort Ord Reuse Authority
920 2nd Avenue, Suite A
Marina, California 93933
Attention: Executive Officer

Administrator: City of Marina
211 Hillcrest Avenue
Marina, California 93933
Attention: City Manager

Funding Recipient: Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, California 93901
Attention: Executive Director

A copy of any notice to be given to the Authority hereunder shall be given to the Administrator. Each party may change its address for delivery of notice by delivering written notice of such change of address to the other parties hereto.

11. Exhibit. The exhibit attached hereto is incorporated into this Agreement by this reference.

12. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

13. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

14. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by another party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

15. No Third Party Beneficiaries. No person or entity (including but not limited to the Trustee or the owners of the Bonds) shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than Administrator, the Authority and Funding Recipient, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

16. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

FORT ORD REUSE AUTHORITY

By: _____
Joshua Metz,
Executive Director

CITY OF MARINA, CALIFORNIA,
as Administrator

By: _____
Layne Long,
City Manager

TRANSPORTATION AGENCY FOR
MONTEREY COUNTY

By: _____
Debbie Hale,
Executive Director

06006.05:16858

EXHIBIT A

BUILDING REMOVAL COSTS AND RELATED PARCEL

"*Building Removal Costs*" means the costs of Building Removal, including, without limitation, all costs of planning, engineering, management, risk management (including insurance premiums, legal fees and litigation costs associated with the Building Removal), and associated administrative services required to removed blighted buildings from certain parcel(s) of property within the boundaries of the former Fort Ord listed below.

"*Building Removal*" means any or all of the following: waste characterization, abatement, building demolition, building removal, building repair, waste disposal, and remediation of buildings and building sites located at certain parcel of property within the boundaries of the former Fort Ord listed below.

The parcel on which the Building Removal activities of the Funding Recipient may occur is as follows:

<u>Jurisdiction</u>	<u>USACE Parcel Number</u>	<u>Description</u>
City of Marina	L20.16.1	TAMC Transit Center