

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017

NEW ISSUE—BOOK-ENTRY

RATING: S&P: INSURED BONDS (Insured Rating): “—”
 BONDS (Underlying Rating): “—”
 See “CONCLUDING INFORMATION – Ratings”

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Successor Agency, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2017A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. In the opinion of Bond Counsel, interest on the Series 2017B Bonds is exempt from State of California personal income taxes. Bond Counsel further observes that interest on the Series 2017B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2017 Bonds. See “TAX MATTERS” herein.

\$80,000,000*

**SUCCESSOR AGENCY TO THE
 CULVER CITY REDEVELOPMENT AGENCY
 TAX ALLOCATION REFUNDING BONDS,
 SERIES 2017A (TAX-EXEMPT)**

\$25,000,000*

**SUCCESSOR AGENCY TO THE
 CULVER CITY REDEVELOPMENT AGENCY
 TAX ALLOCATION REFUNDING BONDS,
 SERIES 2017B (FEDERALLY TAXABLE)**

Dated: Delivery Date

Due: November 1, as shown on the inside front cover

Purpose. The Successor Agency to the Culver City Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017A (Tax-Exempt) (the “Series 2017A Bonds”) and the Successor Agency to the Culver City Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017B (Federally Taxable) (the “Series 2017B Bonds”) and, together with the Series 2017A Bonds, the “2017 Bonds”) are being issued by the Successor Agency to the Culver City Redevelopment Agency (the “Successor Agency”) to defease and refund certain outstanding obligations of the Successor Agency.

Book-Entry. The 2017 Bonds will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to ultimate purchasers (“Beneficial Owners”) in integral multiples of \$5,000, under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the 2017 Bonds. Principal of, premium if any, and semiannual interest on the 2017 Bonds due May 1 and November 1 of each year, commencing May 1, 2018, will be payable by U.S. Bank National Association, as Trustee, to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the 2017 Bonds (see “THE 2017 Bonds—Book-Entry System”). See “THE 2017 Bonds.”

Redemption. The 2017 Bonds are subject to redemption prior to their scheduled maturity. See “THE 2017 BONDS – Redemption.”

Security. The 2017 Bonds are secured by a first charge and lien on, and security interest in, “Tax Revenues” and amounts on deposit in certain funds and accounts established pursuant to the Indenture (as defined in this Official Statement). See “SECURITY FOR THE 2017 BONDS” and “RISK FACTORS.”

Insurance Policy. The scheduled payment of principal and interest on the [Series 2017[A]/[B] Bonds] maturing on November 1 of the years 20__ through 20__, inclusive (the “Insured 2017 Bonds”) when due will be guaranteed under a municipal bond insurance policy (the “Bond Insurance Policy”) to be issued concurrently with the issuance of the Insured 2017 Bonds by [INSURER]. See “INTRODUCTION – Bond Insurance Policy.”

[INSURER Logo]

Senior Debt; Future Additional Bonds. The payment of debt service on the 2017 Bonds is subordinate to the payment of debt service on the Non-Callable 2011A Bonds (as defined in this Official Statement), which have an aggregate accreted outstanding value of \$11,275,585.65, and mature annually from November 1, 2019 through November 1, 2024. A portion of the Non-Callable 2011A Bonds will be paid from moneys on deposit in the Principal Account established under the Senior Indenture. The Indenture authorizes the Successor Agency to issue additional bonds payable from Tax Revenues on a parity basis to the 2017 Bonds, although current law only allows the Successor Agency to issue refunding bonds. See “SECURITY FOR THE 2017 BONDS – Senior Debt” and “– Future Additional Bonds.”

Limited Obligations. The 2017 Bonds are limited obligations of the Successor Agency and are secured only by a first charge and lien on, and a security interest in, Tax Revenues (as defined in this Official Statement) and all amounts in certain funds and accounts established under the Indenture as described in this Official Statement. The 2017 Bonds, interest and premium, if any, are not a debt of the City of Culver City (the “City”), the County of Los Angeles (the “County”), the State of California (the “State”) or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions except the Successor Agency is liable for payment of the 2017 Bonds. The 2017 Bonds, related interest and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. Neither the members of the Successor Agency, the Oversight Board, the City Council of the City, the County Board of Supervisors nor any persons executing the 2017 Bonds are liable personally on the 2017 Bonds.

This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the 2017 Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Attention is hereby directed to certain risk factors more fully described in this Official Statement. See “RISK FACTORS”.

The 2017 Bonds are offered, when, as and if issued, subject to the approval of Orrick, Herrington & Sutcliffe, LLP, Los Angeles, California, Bond Counsel to the Successor Agency. Certain legal matters will be passed on for the Successor Agency by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel. Certain legal matters will be passed on for the Successor Agency by Kane, Ballmer & Berkman, as Special Counsel to the Successor Agency, and for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California, Underwriter's Counsel. It is anticipated that the 2017 Bonds will be available for delivery through the facilities of DTC in New York, New York, on or about December __, 2017.

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The date of this Official Statement is November __, 2017.

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor will there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful.

MATURITY SCHEDULES

\$80,000,000*
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS, SERIES 2017A
(TAX-EXEMPT)

Maturity Date (November 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP [†] (Base ____)
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					

\$ _____ % Term Series 2017A Bond Due November 1, 20__, Yield ____%,
Price: _____, CUSIP[†] _____

\$25,000,000*
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS, SERIES 2017B
(FEDERALLY TAXABLE)

Maturity Date (November 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP [†] (Base ____)
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					

\$ _____ % Term Series 2017B Bond Due November 1, 20__, Yield ____%,
Price: _____, CUSIP[†] _____

[†] CUSIP Copyright 2017, American Bankers' Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association. None of the Successor Agency or the Underwriter guarantee the accuracy of the CUSIP data.

**SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
CITY OF CULVER CITY, CALIFORNIA**

CITY COUNCIL/SUCCESSOR AGENCY BOARD

Jeffrey Cooper, *Mayor and Chair*
Thomas Aujero Small, *Vice Mayor and Board Member*
Jim B. Clarke, *Council Member and Board Member*
Göran Eriksson, *Council Member and Board Member*
Meghan Sahli-Wells, *Council Member and Board Member*

CITY/SUCCESSOR AGENCY STAFF

John M. Nachbar, *City Manager and Executive Director*
Jeremy Green, *City Clerk and Secretary*
Jeff Muir, *Chief Financial Officer*
Kambiz Borhani, *Assistant Chief Financial Officer*
Carol A. Schwab, *City Attorney and Successor Agency General Counsel*

SPECIAL SERVICES

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Los Angeles, California

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Irvine, California

Bond Counsel

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Los Angeles, California

Disclosure Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Fiscal Consultant

Keyser Marston Associates, Inc.
Los Angeles, California

Trustee

U.S. Bank National Association
Los Angeles, California

Verification Agent

Causey Demgen & Moore P.C.
Denver, Colorado

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the 2017 Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state 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.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2017 Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency or the Project Area since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the 2017 Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the 2017 Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

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 responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document References and Summaries. All references to and summaries of the Indenture or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Stabilization of and Changes to Offering Prices. The Underwriter may overallocate or take other steps that stabilize or maintain the market price of the 2017 Bonds at a level above that which might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the 2017 Bonds to certain dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the 2017 Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Estimates and Projections. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE SUCCESSOR AGENCY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Website. The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

[INSERT REGIONAL MAP]

OFFICIAL STATEMENT

\$80,000,000*
**SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS,
SERIES 2017A (TAX-EXEMPT)**

\$25,000,000*
**SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS,
SERIES 2017B (FEDERALLY TAXABLE)**

INTRODUCTORY STATEMENT

This Official Statement, including the cover page and inside cover page, is provided to furnish information in connection with the sale by the Successor Agency to the Culver City Redevelopment Agency (the “**Successor Agency**”) of its Successor Agency to the Culver City Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017A (Tax-Exempt) (the “**Series 2017A Bonds**”) and its Successor Agency to the Culver City Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017B (Federally Taxable) (the “**Series 2017B Bonds**”) and, together with the Series 2017A Bonds, the “**2017 Bonds**”).

Authority and Purpose

Series 2017A Bonds. The Series 2017A Bonds are being issued pursuant to authority granted by the Constitution and laws of the State of California (the “**State**”), Section 34177.5 of the Health and Safety Code of the State, Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (the “**Refunding Law**”) and an Indenture of Trust dated as of _____ 1, 2017 (the “**Indenture**”), between the Successor Agency and U.S. Bank National Association, as trustee (the “**Trustee**”). See “THE 2017 BONDS – Authority for Issuance.”

The Successor Agency will use a portion of the proceeds of the Series 2017A Bonds to defease and redeem all of the following outstanding bonds originally issued by the former Culver City Redevelopment Agency (the “**Redevelopment Agency**”):

- \$31,940,000 original principal amount Culver City Redevelopment Agency Tax Allocation Refunding Bonds, 1999 Series A (Culver City Redevelopment Project) (the “**1999 Bonds**”), which are currently outstanding in the aggregate principal amount of \$14,015,000;
- \$28,280,000 original principal amount Culver City Redevelopment Agency Tax Allocation Bonds, 2002 Series A (Culver City Redevelopment Project) (the “**2002 Bonds**”), which are currently outstanding in the aggregate principal amount of \$11,025,000;
- \$83,470,000 original principal amount Culver City Redevelopment Agency Tax Allocation Refunding Bonds, 2004 Series A (Culver City Redevelopment Project) (the

* Preliminary; subject to change.

"2004 Bonds"), which are currently outstanding in the aggregate principal amount of \$46,080,000;

- \$17,315,000 original principal amount Culver City Redevelopment Agency Tax Allocation Refunding Bonds, 2005 Series A (Culver City Redevelopment Project) (the **"2005 Bonds"**), which are currently outstanding in the aggregate principal amount of \$14,855,000; and
- \$6,739,593.30 original principal amount Culver City Redevelopment Agency Tax Allocation Capital Appreciation Bonds, 2011 Series A (Culver City Redevelopment Project) maturing on and after November 1, 2025 (the **"Callable 2011A Bonds"**), which have an aggregate accreted outstanding value of \$11,558,048.

See "REFUNDING PLAN."

The remaining proceeds of the Series 2017A Bonds will be used to pay (i) a portion of the premium, to the extent allocable to the Series 2017A Bonds, of the debt service reserve policy (the **"Reserve Policy"**) to be issued by [INSURER] (the **"Bond Insurer"**) on the date the 2017 Bonds are delivered (the **"Closing Date"**) in an amount equal to the Reserve Requirement (as hereinafter defined) for the [2017 Bonds], and (ii) the costs of issuing the Series 2017A Bonds, including a portion of the premium, to the extent allocable to the Series 2017A Bonds, of the Bond Insurance Policy (as hereinafter defined) to be issued by the Bond Insurer on the Closing Date.

Series 2017B Bonds. The Successor Agency is issuing the Series 2017B Bonds pursuant to authority granted by the Constitution of the State, Section 34177.5 of the Health and Safety Code of the State, the Refunding Law and the Indenture. See "THE 2017 BONDS – Authority for Issuance."

The Successor Agency will use a portion of the proceeds of the Series 2017B Bonds to defease and refund the \$33,585,000 original principal amount Culver City Redevelopment Agency Taxable Tax Allocation Bonds, 2011 Series B (Culver City Redevelopment Project) (the **"2011B Bonds"**), which are currently outstanding in the aggregate principal amount of \$18,815,000. The 1999 Bonds, the 2002 Bonds, the 2004 Bonds, the 2005 Bonds, the Callable 2011A Bonds and the 2011B Bonds are referred to collectively in this Official Statement as, the **"Refunded Obligations."** See "REFUNDING PLAN."

The remaining proceeds of the Series 2017B Bonds will be used to pay (i) a portion of the premium, to the extent allocable to the Series 2017B Bonds, of the Reserve Policy to be issued by the Bond Insurer on the Closing Date in an amount equal to the Reserve Requirement (as hereinafter defined) for the [2017 Bonds], and (ii) the costs of issuing the Series 2017B Bonds, including a portion of the premium, to the extent allocable to the Series 2017B Bonds, of the Bond Insurance Policy to be issued by the Bond Insurer on the Closing Date.

The City and the Successor Agency

City. The City of Culver City, California (the **"City"**), is located in the western portion of the County of Los Angeles (the **"County"**). The City was incorporated in 1917. It maintains a council-manager form of government, with the Mayor and Council Members elected at-large for four-year terms. See "APPENDIX G – GENERAL INFORMATION ABOUT THE CITY OF CULVER CITY AND THE COUNTY OF LOS ANGELES."

Redevelopment Agency. The Redevelopment Agency was activated on February 8, 1971 by an ordinance of the City Council, at which time the City Council declared itself to be the governing board of the Redevelopment Agency. The Redevelopment Agency was a redevelopment agency with all of the powers vested in such organizations under the Community Redevelopment Law (Sections 33000 et seq. of the Health and Safety Code of the State), as amended or supplemented from time to time (the “**Redevelopment Law**”).

Dissolution Act. On June 29, 2011, Assembly Bill No. 26 (“**AB X1 26**”) was enacted together with a companion bill, Assembly Bill No. 27 (“**AB X1 27**”). The provisions of AB X1 26 provided for the dissolution of all redevelopment agencies. The provisions of AB X1 27 permitted redevelopment agencies to avoid such dissolution by the payment of certain amounts. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, 53 Cal. 4th 231 (Cal. Dec. 29, 2011), challenging the constitutionality of AB X1 26 and AB X1 27. The California Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Redevelopment Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB X1 26 relating to the dissolution and wind down of former redevelopment agency affairs are found in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012 and as further amended on September 22, 2015 by Senate Bill No. 107 (“**SB 107**”), enacted as Chapter 325, Statutes of 2015. The provisions of Part 1.85, as amended by AB 1484, SB 107 and other amendments from time to time are referred to in this Official Statement as, the “**Dissolution Act**.” The Redevelopment Law together with the Dissolution Act are sometimes referred to in this Official Statement as, the “**Law**.”

Successor Agency. Pursuant to Section 34173 of the Dissolution Act, the City made an election to act as the successor agency to the Redevelopment Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public entity and legal entity from the City, that the two entities shall not merge, and that the liabilities of the Redevelopment Agency will not be transferred to the City nor will the assets of the Redevelopment Agency become assets of the City. The City is not liable for any of the Successor Agency’s obligations, including the Non-Callable 2011A Bonds and the 2017 Bonds notwithstanding the City’s election to act as the successor agency to the Redevelopment Agency.

The Redevelopment Plans and the Project Area

The Culver City Redevelopment Project (the “**Project Area**”) was initially formed by the merger of the following three former project areas (each, a “**Component Area**”) of the Redevelopment Agency:

<u>Former Project Area</u>	<u>Component</u>
Slauson-Sepulveda Redevelopment Project Area No. 1	Component Area No. 1
Overland-Jefferson Redevelopment Project Area No. 2	Component Area No. 2
Washington-Culver Redevelopment Project Area No. 3	Component Area No. 3

Under Ordinance No. 98-014 adopted by the City Council on November 23, 1998, each of the currently existing redevelopment plans for the Component Areas (each, a “**Redevelopment Plan**” and, collectively, the “**Redevelopment Plans**”) were amended to provide, among other things, for the merging of the Component Areas into the Project Area. In addition, pursuant to Ordinance No. 98-015, adopted by the City Council on November 23, 1998, the Redevelopment Agency added territory known as “**Component Area No. 4**” to the Project Area.

The Project Area includes 1,286 gross acres of land, representing residential, commercial, industrial and public land uses. The Project Area is now the sole redevelopment project area of the Successor Agency.

See “THE PROJECT AREA” for additional information on land use and property ownership within the Project Area.

Tax Allocation Financing

Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues, and the Los Angeles County Auditor-Controller (the “**County Auditor-Controller**”) apportioned tax increment revenue to all redevelopment agencies as described in the Redevelopment Law. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopted the redevelopment plan became the base year valuation. Assuming the taxable valuation never dropped below the base year level, the taxing agencies receiving property taxes thereafter received only that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion of property taxes produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of redevelopment agency obligations.

Following dissolution, the Dissolution Act limited the powers of successor agencies but authorizes successor agencies to issue bonds or incur other indebtedness to refund the bonds or other indebtedness in order to provide savings to the successor agency, and to pledge to the refunding bonds or other indebtedness the revenues pledged to the bonds or other indebtedness being refunded.

Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described above. See “RISK FACTORS.”

Authority to Issue Refunding Bonds

Section 34177.5(a)(1) of the Dissolution Act authorizes the issuance of refunding bonds to provide debt service savings, provided that (i) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other

indebtedness does not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (ii) the principal amount of the refunding bonds or other indebtedness does not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance.

Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described above. See “RISK FACTORS.”

Security for the 2017 Bonds

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Redevelopment Agency had the Redevelopment Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller (the “**Redevelopment Property Tax Trust Fund**”) pursuant to the Dissolution Act. The Dissolution Act provides that any bonds issued by the Successor Agency under the Dissolution Act will be considered indebtedness incurred by the dissolved Redevelopment Agency, with the same lien priority and legal effect as if the 2017 Bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and will be included in the Successor Agency's Recognized Obligation Payment Schedule (see “SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules”).

The Dissolution Act further provides that bonds issued by the Successor Agency under the Dissolution Act will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized under the Dissolution Act, such as the 2017 Bonds, are taxes allocated to the Successor Agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law, as described in the foregoing paragraph.

In accordance with Section 34177.5(a)(i) of the Dissolution Act, which authorizes the Successor Agency to issue bonds or incur other indebtedness to refund the bonds or other indebtedness of the Redevelopment Agency or of the Successor Agency to provide savings to the Successor Agency, and to pledge to the refunding bonds or other indebtedness the revenues pledged to the bonds or other indebtedness being refunded, the 2017 Bonds are secured by Tax Revenues (as hereinafter defined and subject to the to claim of the Senior Obligations) and all amounts on deposit from time to time in certain funds and accounts established under the Indenture. See “Limited Obligation” below. Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described above. See “RISK FACTORS.”

Senior Debt

The payment of debt service on the 2017 Bonds from tax revenues deposited into the Redevelopment Property Tax Trust Fund is subordinate to the payment of debt service on the \$7,088,293.85 original principal amount Culver City Redevelopment Agency Tax Allocation Capital Appreciation Bonds, 2011 Series A (Culver City Redevelopment Project) maturing November 1, 2019 through and including November 1, 2024 (the “**Non-Callable 2011A**”).

Bonds”), which have an aggregate accreted outstanding value of \$11,275,585.65. The Indenture permits the Successor Agency to issue bonds payable on a parity with the Non-Callable 2011A Bonds in accordance with the indenture providing for the issuance of the Non-Callable Series 2011A Bonds (the “**Senior Indenture**”). The Non-Callable 2011A Bonds and any other bonds issued on a parity with the Non-Callable 2011A Bonds in accordance with the Senior Indenture are referred to in this Official Statement as, the “**Senior Obligations**.” [The Indenture provides that the Successor Agency shall refund outstanding Senior Obligations on a basis senior to or on a parity with the Bonds only to the extent such refunding would be permitted by the Dissolution Act.]

Concurrently with the issuance of the 2017 Bonds, the Successor Agency will cause \$9,257,166, representing available funds relating to the 2011A Bonds, to be deposited into principal account (the “**Non-Callable 2011A Bonds Principal Account**”) established under the indenture providing for the issuance of the Non-Callable Series 2011A Bonds (the “**Senior Indenture**”) to be held in trust and to be used to pay scheduled future debt service on the Non-Callable Series 2011A Bonds as follows:

Payment Date (November 1)	Final Accreted Value	Payment from Principal Account	Net Payable from Tax Revenues
2019	\$2,575,000	\$2,575,000	\$ --
2020	2,575,000	2,575,000	--
2021	2,575,000	2,575,000	--
2022	2,665,000	1,532,166	1,132,834
2023	2,735,000	-	2,735,000
2024	2,270,000	-	2,270,000
Total	\$15,395,000	\$9,257,166	\$6,137,834

Amounts on deposit in the Non-Callable 2011A Bonds Principal Account will not be available for the payment of debt service with respect to the 2017 Bonds. Notwithstanding the deposit of such amounts in the Non-Callable 2011A Bonds Principal Account, the Successor Agency’s obligations with respect to the Non-Callable 2011A Bonds under the Senior Indenture will not be discharged as a result of the deposit into the Non-Callable 2011A Bonds Principal Account.

The Successor Agency may not create or allow to exist any liens on Tax Revenues senior to (except as provided in the indenture securing the Senior Obligations) or on a parity with the 2017 Bonds except as provided under the caption “Future Additional Bonds” below or as otherwise approved by the Bond Insurer. See “SECURITY FOR THE 2017 BONDS –Senior Debt.”

Future Additional Bonds

Under the Indenture, the Successor Agency may issue additional tax allocation bonds (“**Additional Bonds**”) payable out of Tax Revenues and ranking on a parity with the 2017 Bonds (“**Parity Debt**”) for the purpose of refunding bonds or other indebtedness of the Successor Agency or the Redevelopment Agency (including, without limitation, refunding Bonds (as hereinafter defined) outstanding under the Indenture) in accordance with the Law, subject to the satisfaction of certain conditions precedent. The 2017 Bonds and any Additional Bonds issued under the Indenture are sometimes referred to collectively in this Official Statement as, the “**Bonds**.” See “THE 2017 BONDS – Future Additional Bonds.”

Reserve Account

The Successor Agency will establish a debt service reserve account for the 2017 Bonds and deposit therein the Reserve Policy in the amount of \$_____ to satisfy the “**Reserve Requirement**” (as defined below). See “SECURITY FOR THE 2017 BONDS – Reserve Account.”

Bond Insurance Policy

Concurrently with the issuance of the 2017 Bonds, the Bond Insurer will issue its Municipal Bond Insurance Policy (the “**Bond Insurance Policy**”) for the Series 2017[A]/[B] Bonds] maturing on November 1 of the years 20__ through 20_, inclusive (the “**Insured 2017__ Bonds**”). The Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Insured 2017__ Bonds when due as set forth in the form of the Bond Insurance Policy included as Appendix I to this Official Statement. See “APPENDIX I – SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

The Bond Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Limited Obligation

The 2017 Bonds are limited obligations of the Successor Agency and are secured only by a first charge and lien on, and a security interest in, Tax Revenues and all amounts in certain funds and accounts established under the Indenture as described in this Official Statement. The 2017 Bonds, interest and premium, if any, are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions except the Successor Agency are liable for the payment of the 2017 Bonds. The 2017 Bonds, related interest and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. No member of the Successor Agency, the Oversight Board, the City of Council of the City, the County Board of Supervisors or any person executing the 2017 Bonds is liable personally on the 2017 Bonds by reason of their issuance.

Professionals Involved in the Offering

Fieldman, Rolapp & Associates, Irvine, California, has served as municipal advisor to the Successor Agency and has advised the Successor Agency with respect to the financial structure of the refinancing and as to other financial aspects of the transaction. *Payment of the fees and expenses of the municipal advisor is contingent upon the sale and delivery of the 2017 Bonds.*

Keyser Marston Associates, Inc., Los Angeles, California, has acted as fiscal consultant to the Successor Agency (the “**Fiscal Consultant**”) and advised the Successor Agency as to the taxable values within the Project Area and tax increment revenues from the Project Area projected to be available to pay debt service on the Non-Callable 2011A Bonds and the 2017 Bonds as referenced in this Official Statement. The report prepared by the Fiscal Consultant (the “**Fiscal Consultant Report**”) is attached to this Official Statement as Appendix H.

U.S. Bank National Association, Los Angeles, California, will act as trustee with respect to the 2017 Bonds.

The validity of the 2017 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Successor Agency. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix B hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the Successor Agency by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel, and Kane, Ballmer & Berkman, as special counsel to the Successor Agency (**"Successor Agency Special Counsel"**), will render certain opinions on behalf of the Successor Agency. Certain legal matters will be passed on for the Underwriter by Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. *Payment of the fees and expenses of Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the sale and delivery of the 2017 Bonds.*

Further Information

Brief descriptions of the Redevelopment Law, the Dissolution Act, the Refunding Law, the Dissolution Act, the 2017 Bonds, the Indenture, the Successor Agency, the Redevelopment Agency, the County and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Redevelopment Law, the Dissolution Act, the 2017 Bonds, the Indenture, the Constitution and the laws of the State as well as the proceedings of the Redevelopment Agency, the Successor Agency, the County and the City are qualified in their entirety by reference to such documents and laws. References herein to the 2017 Bonds are qualified in their entirety by the form included in the Indenture and by the provisions of the Indenture. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture. During the period of the offering of the 2017 Bonds, copies of the forms of all documents are available from the City Clerk, City of Culver City, 9770 Culver Blvd., Culver City, California 90232.

REFUNDING PLAN

Refunding of Refunded Obligations

General. In connection with the issuance of the 2017 Bonds, the Successor Agency will enter into a form of Irrevocable Refunding Instructions and Agreement for each of the Refunded Obligations (each, “**Refunding Instructions**”), by and between the Successor Agency and U.S. Bank National Association, in its capacity as escrow agent (the “**Escrow Agent**”).

Pursuant to the Refunding Instructions, the Successor Agency will cause the Trustee to deliver a portion of the proceeds of the Series 2017A Bonds or the Series 2017B Bonds, as applicable, along with other available amounts, to the Escrow Agent, for deposit in the applicable irrevocable escrow fund (each, an “**Escrow Fund**” and, collectively, the “**Escrow Funds**”) established and held under the Refunding Instructions by the Escrow Agent.

Defeasance and Redemption. The Escrow Agent will hold all moneys on deposit in the Escrow Funds relating to the 1999 Bonds, the 2002 Bonds, the 2004 Bonds and the 2005 Bonds, [in cash, uninvested]. The Escrow Agent will hold all moneys on deposit in the Escrow Funds relating to the Callable 2011A Bonds, in certain permitted investments including _____. The Escrow Agent will invest a portion of the funds on deposit in the Escrow Funds relating to the 2011B Bonds in government securities and will hold the remainder in cash, uninvested.

From the moneys on deposit in the Escrow Funds relating to to the 1999 Bonds, the 2002 Bonds, the 2004 Bonds and the 2005 Bonds, the Escrow Agent will pay on [December 19, 2017], the outstanding principal amount of the 1999 Bonds, the 2002 Bonds, the 2004 Bonds and the 2005 Bonds and the accrued interest thereon to the date of repayment.

From the moneys on deposit in the Escrow Fund relating to the Callable 2011A Bonds and the 2011B Bonds, the Escrow Agent will pay (i) on the due dates therefor, the interest and principal on the Callable 2011A Bonds and the 2011B Bonds becoming due on or before November 1, 2021, and (ii) on November 1, 2021, the redemption price of the Callable 2011A Bonds and the then-outstanding 2011B Bonds, plus accrued interest to November 1, 2021.

As provided in the indenture relating to the Refunded Obligations, upon deposit of moneys with the Escrow Agent in the Escrow Funds, the owners of the Refunded Obligations shall cease to be entitled to the pledge of and lien on the revenues as provided in such indenture, and all agreements and covenants of the Redevelopment Agency and under such indenture with respect to such bonds will cease, terminate and become void and will be discharged and satisfied, except as set forth in such indenture.

The amounts held in the Escrow Funds relating to the Refunded Obligations by the Escrow Agent are pledged solely to the amounts due and payable by the Successor Agency with respect to the Refunded Obligations, as applicable. The funds deposited in the Escrow Funds will not be available for the payment of debt service with respect to the 2017 Bonds.

Verification of Mathematical Accuracy

Causey Demgen & Moore, P.C. (the “**Verification Agent**”), will verify the sufficiency of the deposits in the Escrow Funds for the purposes described above. Assuming the accuracy of the Verification Agent’s computations, as a result of the deposit and application of funds as

provided in the Refunding Instructions, the respective obligations of the Successor Agency with respect to the to the Refunded Obligations will be discharged. The Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of the forecasted outcome.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds are summarized below.

	Series 2017A <u>Bonds</u>	Series 2017B <u>Bonds</u>
Sources:		
Principal Amount		
<i>Plus/Less:</i> [Net] Original Issue [Premium][Discount]		
<i>Plus:</i> Available Funds		
<i>Less:</i> Underwriter's Discount		
Total Sources		
Uses:		
Deposit to Escrow Fund - 1999 Bonds		
Deposit to Escrow Fund - 2002 Bonds		
Deposit to Escrow Fund - 2004 Bonds		
Deposit to Escrow Fund - 2005 Bonds		
Deposit to Escrow Fund - Callable 2011A Bonds		
Deposit to Escrow Fund - 2011B Bonds		
Costs of Issuance ⁽⁴⁾		
Total Uses		

(1) Costs of Issuance include fees and expenses for Bond Counsel, Disclosure Counsel, Municipal Advisor, Trustee and Escrow Agent, premiums for the Bond Insurance Policy and Reserve Policy, Successor Agency administrative staff, Successor Agency Special Counsel, printing expenses, rating fees and other costs related to the issuance of the 2017 Bonds.

Debt Service Schedule

The following table shows the debt service schedule for the 2017 Bonds, assuming no optional redemption thereof prior to their stated maturities. See “THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage” for a description of estimated debt service coverage on the 2017 Bonds and the Non-Callable 2011A Bonds.

Period Ending November 1	Series 2017A Bonds Principal	Series 2017A Bonds Interest	Series 2017B Bonds Principal	Series 2017B Bonds Interest	Total Debt Service
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
Total					

THE 2017 BONDS

Authority for Issuance

The 2017 Bonds were authorized for issuance pursuant to the Indenture, the Redevelopment Law, the Refunding Law and the Dissolution Act. The issuance of the 2017 Bonds and the Indenture were authorized by the Successor Agency pursuant to Resolution No. 2015-SA 006 adopted on July 13, 2015 (the "**Resolution**"), and by the Oversight Board for the Successor Agency pursuant to Resolution No. __ adopted on _____, 2015 (the "**Oversight Board Resolution**").

Pursuant to the Dissolution Act, written notice of the Oversight Board Resolution was provided to the State Department of Finance (the "**DOF**"), which requested a review of the Oversight Board Resolution. The DOF provided a letter dated September 14, 2015 to the Successor Agency stating that based on the DOF's review and application of the law, the Oversight Board Resolution approving the 2017 Bonds is approved by the DOF. See "APPENDIX F – STATE DEPARTMENT OF FINANCE APPROVAL LETTER."

Section 34177.5(f) of the Dissolution Act provides that when, as here, a successor agency issues refunding bonds with the approval of the oversight board and the DOF, the oversight board may not unilaterally approve any amendments to or early termination of the 2017 Bonds, and the scheduled payments on the 2017 Bonds shall be listed in the Recognized Obligation Payment Schedule and are not subject to further review and approval by the DOF or the California State Controller.

Description of the 2017 Bonds

The 2017 Bonds will be issued and delivered as one fully-registered Bond in integral multiples of \$5,000 for each maturity, initially in the name of Cede & Co., as nominee for The Depository Trust Company ("**DTC**"), New York, New York, as registered owner of all 2017 Bonds. The initially executed and delivered 2017 Bonds will be dated the date of delivery (the "**Delivery Date**") and mature on November 1 in the years and in the amounts shown on the inside cover page of this Official Statement.

Interest on the 2017 Bonds will be calculated on the basis of 30-day months and a 360-day year at the rates shown on the inside cover page of this Official Statement, payable semiannually on May 1 and November 1 in each year, commencing on May 1, 2018, by check mailed to the registered owners or upon the request of the Owners of \$1,000,000 or more in principal amount of 2017 Bonds, by wire transfer to an account in the United States which shall be designated in written instructions by such Owner to the Trustee on or before the Record Date preceding the Interest Payment Date.

One fully-registered certificate will be issued for each maturity of the 2017 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX C – BOOK-ENTRY ONLY SYSTEM."

Optional Redemption*

Series 2017A Bonds. The Series 2017A Bonds maturing on or before November 1, 20__ are not subject to optional redemption by the Successor Agency. The Series 2017A Bonds maturing on and after November 1, 20__ are subject to redemption as a whole or in part, as the Successor Agency shall designate and by lot within a maturity, in integral multiples of \$5,000 principal amount, prior to their maturity at the option of the Successor Agency on any date on or after November 1, 20__, from funds derived by the Successor Agency from any source, at a redemption price equal to 100% of the principal amount of the Series 2017A Bonds called for redemption, together with interest accrued thereon to the redemption date.

Series 2017B Bonds. The Series 2017B Bonds maturing on or before November 1, 20__ are not subject to optional redemption by the Successor Agency. The Series 2017B Bonds maturing on and after November 1, 20__ are subject to redemption as a whole or in part, as the Successor Agency shall designate and by lot within a maturity, in integral multiples of \$5,000 principal amount, prior to their maturity at the option of the Successor Agency on any date on or after November 1, 20__, from funds derived by the Successor Agency from any source, at a redemption price equal to 100% of the principal amount of the Series 2017B Bonds called for redemption, together with interest accrued thereon to the redemption date.

Mandatory Sinking Account Redemption

Series 2017A Bonds. The Series 2017A Bonds maturing on November 1, 20__ are subject to redemption prior to their stated maturity, in part by lot, from Sinking Account Installments deposited in the Sinking Account, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium, according to the following schedule:

Series 2017A Term Bonds Maturing November 1, 20__

Sinking Fund
Redemption Date
(November 1)

Principal Amount
To be Redeemed

In the event that a Series 2017A Bond subject to mandatory redemption is redeemed in part prior to its stated maturity date from any moneys other than Principal Installments, the remaining Principal Installments for such Series 2017A Bond shall be reduced as directed in a Written Request of the Successor Agency.

Series 2017B Bonds. The Series 2017B Bonds maturing on November 1, ____ are subject to redemption prior to their stated maturity, in part by lot, from Sinking Account Installments deposited in the Sinking Account, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium, according to the following schedule:

* Preliminary; subject to change.

Series 2017B Term Bonds Maturing November 1, 20__

Sinking Fund
Redemption Date
(November 1)

Principal Amount
To be Redeemed

In the event that a Series 2017B Bond subject to mandatory redemption is redeemed in part prior to its stated maturity date from any moneys other than Principal Installments, the remaining Principal Installments for such Series 2017B Bond shall be reduced as directed in a Written Request of the Successor Agency.

Notice of Redemption

In the case of any redemption of Bonds, the Trustee shall give notice, as described blow, that Bonds, identified by serial numbers and maturity date, have been called for redemption and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof that has been called for redemption (or if all the Outstanding Bonds are to be redeemed, so stating, in which event such serial numbers may be omitted), that they will be due and payable on the date fixed for redemption (specifying such date) upon surrender thereof at the Principal Corporate Trust Office, at the redemption price (specifying such price), together with any accrued interest to such date, and that all interest on the Bonds, the respective series of Bonds, or portions thereof, as applicable, so to be redeemed will cease to accrue on and after such date and that from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Indenture, and the Owner thereof shall have no rights in respect of such redeemed Bond or such portion except to receive payment from such moneys of such redemption price plus accrued interest to the date fixed for redemption.

Such notice shall be mailed by first class mail, postage prepaid, at least twenty but not more than sixty days before the date fixed for redemption, to the Security Depository, the MSRB and the Owners of such Bonds, or portions thereof, so called for redemption, at their respective addresses as the same shall last appear on the Bond Register. No notice of redemption need be given to the Owner of a Bond to be called for redemption if such Owner waives notice thereof in writing, and such waiver is filed with the Trustee prior to the redemption date. Neither the failure of an Owner to receive notice of redemption of Bonds hereunder nor any error in such notice shall affect the validity of the proceedings for the redemption of Bonds.

Any notice of redemption may be expressly conditional and may be rescinded by Written Request of the Successor Agency given to the Trustee not later than the date fixed for redemption. Upon receipt of such Written Request of the Successor Agency, the Trustee shall promptly mail notice of such rescission to the same parties that were mailed the original notice of redemption.

Selection of Bonds for Redemption

Whenever less than all the Outstanding Bonds of any one maturity are to be redeemed on any one date, the Trustee shall select the particular Bonds to be redeemed by lot and in

selecting the Bonds for redemption the Trustee shall treat each Bond of a denomination of more than \$5,000 as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000, and the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be redeemed in an Authorized Denomination.

Payment of Redeemed Bonds

If notice of redemption has been given or waived as described above, the Bonds or portions thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price thereof, together with accrued interest to the date fixed for redemption, upon presentation and surrender of the Bonds to be redeemed at the office specified in the notice of redemption. If there shall be called for redemption less than the full principal amount of a Bond, the Successor Agency shall execute and deliver and the Trustee shall authenticate, upon surrender of such Bond, and without charge to the Owner thereof, Bonds of like interest rate and maturity in an aggregate principal amount equal to the unredeemed portion of the principal amount of the Bonds so surrendered in such authorized denominations as shall be specified by the Owner.

If any Bond or any portion thereof shall have been duly called for redemption and payment of the redemption price, together with unpaid interest accrued to the date fixed for redemption, shall have been made or provided for by the Successor Agency, then interest on such Bond or such portion shall cease to accrue from such date, and from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Indenture, and the Owner thereof shall have no rights in respect of such Bond or such portion except to receive payment of such redemption price, and unpaid interest accrued to the date fixed for redemption.

Purchase in Lieu of Redemption

In lieu of mandatory sinking fund redemption of any Bond as described above, amounts on deposit in the Term Bonds Sinking Account may also be used and withdrawn by the Trustee at any time prior to selection of Bonds for redemption having taken place with respect to such amounts, upon a Written Request of the Agency, for the purchase of such Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges) as the Successor Agency may in its discretion determine, but not in excess of par plus accrued interest. Any accrued interest payable upon the purchase of Bonds shall be paid from amounts held in the Tax Increment Fund for the payment of interest on the next following Interest Payment Date. Any Term Bonds so purchased shall be cancelled by the Trustee forthwith and shall not be reissued. The principal of any Term Bonds so purchased by the Trustee in any twelve-month period ending 60 days prior to any Sinking Account Payment Date in any year shall be credited towards and shall reduce the principal of such Term Bonds required to be redeemed on such Sinking Account Payment Date in such year.

THE DISSOLUTION ACT

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Redevelopment Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Redevelopment Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act.

The Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency under the Dissolution Act will be considered indebtedness incurred by the Redevelopment Agency, with the same lien priority and legal effect as if the bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date, and will be included in the Successor Agency's Recognized Obligation Payment Schedule (see "SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules").

The Dissolution Act further provides that bonds authorized by the Dissolution Act to be issued by the Successor Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized to be issued by the Successor Agency under the Dissolution Act, including the 2017 Bonds, are taxes allocated to the Successor Agency pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution.

Pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution and as provided in the Redevelopment Plan, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively called "**taxing agencies**") after the effective date of the ordinance approving the Redevelopment Plans, or the respective effective dates of ordinances approving amendments to the Redevelopment Plans that added territory to the Project Area, as applicable, are to be divided as follows:

(a) To Taxing Agencies: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the Redevelopment Plans, or the respective effective dates of ordinances approving amendments to the Redevelopment Plans that added territory to the Project Area, as applicable (each, a "**base year valuation**"), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) To the Redevelopment Agency/Successor Agency: Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of,

and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within limitations established under the Redevelopment Plans following the Delivery Date, when collected will be paid into a special fund of the Successor Agency. Section 34172 of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund shall be deemed to be a special fund of the Successor Agency to pay the debt service on indebtedness incurred by the Redevelopment Agency or the Successor Agency to finance or refinance the redevelopment projects of the Redevelopment Agency.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller, constitute the amounts required under the Dissolution Act to be deposited by the County Auditor-Controller into the Redevelopment Property Tax Trust Fund. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date from paragraph (b) above. Pursuant to SB 107, effective September 22, 2015, debt service override revenues approved by the voters for the purpose of supporting pension programs or capital projects, and programs related to the State Water Project, that are not pledged to or needed for debt service on successor agency obligations are allocated and paid to the entity that levies the override and will not be deposited into the Redevelopment Property Tax Trust Fund. No such overrides are pledged as security for the payment of debt service on the 2017 Bonds under the Indenture.

SECURITY FOR THE 2017 BONDS

The County Auditor-Controller will deposit property tax revenues into the Redevelopment Property Tax Trust Fund pursuant to the requirements of the Health and Safety Code, including *inter alia* Health and Safety Code section 34183 and 34170.5(b). The 2017 Bonds are secured only by a first charge and lien on, and a security interest in, Tax Revenues and all amounts in certain funds and accounts established under the Indenture as described in this Official Statement. See "Limited Obligation" below.

Pledge Under the Indenture

Pursuant to the Indenture, all of the Tax Revenues (as defined herein and subject to the to claim of the Senior Obligations) and all amounts on deposit from time to time in the funds and accounts established thereunder (other than the Expense Account and the Rebate Fund) are pledged to the payment of the principal of and interest on the Outstanding Bonds and any Parity Debt as provided therein. The Successor Agency irrevocably grants to the Trustee for the benefit of the Owners of the Outstanding Bonds a first charge and lien on, and a security interest in, and pledges and assigns, the Tax Revenues, whether held by the Successor Agency, the County Auditor-Controller or the Trustee, and all amounts in the funds and accounts established under the Indenture (other than the Expense Account and the Rebate Fund), including the "Successor Agency to the Culver City Redevelopment Agency Tax Increment Fund" (the "**Tax Increment Fund**"), which is created by the Successor Agency under the Indenture and which fund the Successor Agency covenants and agrees to maintain with the Trustee so long as any Bonds shall be Outstanding under the Indenture, to the Trustee for the benefit of the Owners of the Outstanding Bonds.

Tax Revenues received by the Successor Agency during a ROPS Period in excess of the amount required to be deposited in the Tax Increment Fund under the Indenture, shall, immediately following the deposit with the Trustee of the amounts required to be so deposited as provided in the Indenture on each such date, be released from the pledge, security interest and lien hereunder for the security of the Outstanding Bonds, and may be applied by the Successor Agency for any lawful purpose of the Successor Agency, including but not limited to the payment of subordinate debt. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Outstanding Bonds and any Parity Debt and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indentures, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Tax Increment Fund, except as may be provided in the Indenture and in any Supplemental Indenture.

Tax Revenues

Definition. In the Indenture, the term "**Tax Revenues**" is defined to mean all taxes annually allocated and paid to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law, Section 16 of Article XVI of the Constitution of the State and other applicable state laws and as provided in the Redevelopment Plan[s] available and deposited in the Redevelopment Property Tax Trust Fund, to the extent not pledged to Senior Obligations, payable with respect to Pass-Through Obligations or in accordance with Section 33607.5 or Section 33607.7 or Section 33676 of the Law, and subject to the equal and senior claims of indebtedness, if, any.

The Indenture further provides that, if, and to the extent, the provisions of Section 34172 or paragraph (2) of subdivision (a) of Section 34183 of the Dissolution Act are invalidated by a final judicial decision, then Tax Revenues will include all tax revenues allocated to the payment of indebtedness pursuant to Section 33670 of the Health and Safety Code of the State or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution.

Housing Set-Aside. Before it was amended by the Dissolution Act, the Redevelopment Law required the Redevelopment Agency to set aside not less than 20% of all tax increment generated in the Project Area into a low and moderate income housing fund to be used for the purpose of increasing, improving and/or preserving the City's supply of low and moderate income housing. These tax increment revenues were commonly referred to as "Housing Set-Aside."

The Dissolution Act eliminates the characterization of certain tax increment revenues as Housing Set-Aside. As a result, and because the Successor Agency has no obligations that are payable from the Housing Set-Aside, tax increment from the Project Area generated after the issuance of the 2017 Bonds that previously would have been required to be set aside as Housing Set-Aside will be available to pay debt service on the 2017 Bonds.

Flow of Funds Under the Indenture

General. The Successor Agency has established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Redevelopment Law.

Deposit in Redevelopment Obligation Retirement Fund; Transfer to Tax Increment Fund. The Successor Agency covenants and agrees that all Tax Revenues, when and as received in accordance with the Indenture (which by definition is that amount subject to the prior application and lien in favor of the Senior Obligations), will be received by the Successor Agency in trust thereunder and shall be deemed to be held by the Successor Agency as agent for the Trustee and will, not later than five Business Days following such receipt, be deposited by the Successor Agency with the Trustee in the Tax Increment Fund and will be accounted for through and held in trust in the Tax Increment Fund, and the Successor Agency shall have no beneficial right or interest in any of such money, except only as in the Indenture provided; provided that the Successor Agency shall not be obligated to deposit in the Tax Increment Fund in any calendar year an amount which exceeds the amounts required to be transferred to the Trustee for deposited in the Tax Increment Fund pursuant to the Indenture. All such Tax Revenues, whether received by the Successor Agency in trust or deposited with the Trustee, all as provided in the Indenture, shall nevertheless be disbursed, allocated and applied solely to the uses and purposes set forth therein, and shall be accounted for separately and apart from all other money, funds, accounts or other resources of the Successor Agency.

Flow of Funds under the Indenture. Under the Indenture, subject to the prior application and lien in favor of the Senior Obligations, all Tax Revenues in the Tax Increment Fund (which by definition is that amount subject to the prior application and lien in favor of the Senior Obligations), will be set aside by the Trustee in each Bond Year when and as received in the following respective special accounts within the Tax Increment Fund, in the following order of priority (except as otherwise described below):

Interest Account. The Trustee shall set aside from the Tax Increment Fund and deposit in the Interest Account an amount of money which, together with any money

contained therein, is equal to the aggregate amount of the interest becoming due and payable on all Outstanding Bonds on the Interest Payment Dates in such Bond Year. No deposit need be made into the Interest Account if the amount contained therein is at least equal to the aggregate amount of the interest becoming due and payable on all Outstanding Bonds on the Interest Payment Dates in such Bond Year. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

Principal Account. The Trustee shall set aside from the Tax Increment Fund and deposit in the Principal Account an amount of money which, together with any money contained therein, is equal to the aggregate amount of principal becoming due and payable on all Outstanding Serial Bonds on the Principal Payment Date in such Bond Year. No deposit need be made into the Principal Account if the amount contained therein is at least equal to the aggregate amount of principal of all Outstanding Serial Bonds becoming due and payable on the Principal Payment Date in such Bond Year. All money in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying principal of the Serial Bonds as they shall become due and payable.

In the event that there shall be insufficient money in the Tax Increment Fund to pay in full all such principal and Sinking Account Installments due in such Bond Year, then the money available in the Tax Increment Fund shall be applied *pro rata* to the payment of such principal and Sinking Account Installments in the proportion which all such principal and Sinking Account Installments bear to each other.

Term Bonds Sinking Account. The Trustee shall deposit in the Term Bonds Sinking Account an amount of money which, together with any money contained therein, is equal to the Sinking Account Installments payable on the Sinking Account Payment Date in such Bond Year. No deposit need be made in the Term Bonds Sinking Account if the amount contained therein is at least equal to the aggregate amount of all Sinking Account Installments required to be made on the Sinking Account Payment Date in such Bond Year. All moneys in the Term Bonds Sinking Account shall be used and withdrawn by the Trustee solely for the purpose of purchasing or redeeming the Term Bonds in accordance with the Indenture.

Reserve Account. The Trustee shall set aside from the Tax Increment Fund and deposit in the Reserve Account such amount as may be necessary to maintain on deposit therein an amount equal to the Reserve Account Requirement. No deposit need be made into the Reserve Account so long as there shall be on deposit therein an amount equal to the Reserve Account Requirement.

See “– Debt Service Reserve Account” below for further information regarding the Reserve Account.

Expense Account. The Trustee shall set aside from the Tax Increment Fund and deposit in the Expense Account such amount as may be necessary to pay from time to time Compliance Costs as specified in a Written Request of the Agency setting forth the amounts. All moneys in the Expense Account shall be applied to the payment of Compliance Costs, upon presentation of a Written Request of the Agency setting forth the amounts, purposes, the names of the payees and a statement that the amounts to

be paid are proper charges against the Expense Account. So long as any of the Bonds herein authorized, or any interest thereon, remain unpaid, the moneys in the Expense Account shall be used for no purpose other than those required or permitted by the Indenture and the Law.

Reserve Account

General. Under the Indenture, the Trustee will establish a separate account within the Tax Increment Fund known as the “**Reserve Account**” as security for payments of 2017 Bonds and any Additional Bonds.

Definition of Reserve Account Requirement. The Indenture defines “**Reserve Account Requirement**” to mean as of the date of any calculation, with respect to all Outstanding Bonds an amount equal to the lesser of (i) the Maximum Annual Debt Service attributable to the Outstanding Bonds or (ii) 125% of Average Annual Debt Service attributable to the Outstanding Bonds; provided however, that the Reserve Fund Requirement when issuing a new Series of Bonds shall be the lesser of (i) or (ii) above, but limited to the addition to the Reserve Account of no more than 10% of the proceeds from the sale of such new Series of Bonds.

The Reserve Account Requirement for the 2017 Bonds will be satisfied by the deposit in the Reserve Account of the Reserve Policy in the principal amount of \$_____ delivered by the Bond Insurer on the Closing Date. [The Successor Agency will have no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2017 Bonds are Outstanding, any rating assigned to the Bond Insurer is downgraded, suspended or withdrawn or amounts are not available under the Reserve Policy other than in connection with a draw on the Reserve Policy.]

Use of Moneys in the Reserve Account. All money in or credited to the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of replenishing the Interest Account, the Principal Account or the Term Bonds Sinking Account in such order, in the event of any deficiency in any of such accounts occurring on any Interest Payment Date, Principal Payment Date or Sinking Account Payment Date, or for the purpose of paying the interest on or the principal of the Bonds in the event that no other money of the Successor Agency is lawfully available therefor, or for the retirement of all Bonds then Outstanding, except that for so long as the Successor Agency is not in default under the Indenture, any amount in the Reserve Account in excess of the Reserve Account Requirement shall be transferred to the Tax Increment Fund.

On any date on which Bonds are defeased in accordance with the Indenture, the Trustee shall, if so directed in a Written Request of the Agency, transfer any moneys in the Reserve Account in excess of the Reserve Account Requirement resulting from such defeasance to the entity or fund so specified in such Written Request of the Agency, to be applied to such defeasance.

If at any time the Trustee fails to pay principal or interest due on any scheduled payment date for the Bonds and [any Parity Debt] or withdraws funds from the Reserve Account to pay principal and interest on the Bonds [and any Parity Debt], the Trustee shall notify the Successor Agency in writing of such failure or withdrawal, as applicable.

[The Successor Agency may, with the prior written consent of the Bond Insurer, deposit any Qualified Reserve Account Credit Instrument to the Reserve Account established for the Bonds in lieu of a cash deposit into the Reserve Account. See “APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” for the definition of Qualified Reserve Account Credit Instrument.]

[EXEMPLAR BOND INSURER TERMS INCLUDED FOR REFERENCE; SUBJECT TO CHANGE: The prior written consent of the Bond Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the Reserve Account established for Series 2017 Bonds in lieu of a cash deposit into the Reserve Account. Amounts drawn under the Reserve Policy shall be available only for the payment of scheduled principal and interest on the Series 2017 Bonds, respectively, when due.]

See “APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Senior Debt

The payment of debt service on the 2017 Bonds from tax revenues deposited into the Redevelopment Property Tax Trust Fund is subordinate to the payment of debt service on the Non-Callable 2011A Bonds, which have an aggregate accreted outstanding value of \$11,275,585.65. The Indenture permits the Successor Agency to issue bonds payable on a parity with the Non-Callable 2011A Bonds in accordance with the Senior Indenture. The Successor Agency may not create or allow to exist any liens on Tax Revenues senior to (except as provided in the indenture securing the Senior Obligations) or on a parity with the 2017 Bonds except as provided under the caption “Future Additional Bonds” below or as otherwise approved by the Bond Insurer. [The Indenture provides that the Successor Agency shall refund outstanding Senior Obligations on a basis senior to or on a parity with the Bonds only to the extent such refunding would be permitted by the Dissolution Act.]

As previously described, concurrently with the issuance of the 2017 Bonds, the Successor Agency will cause \$9,257,166, representing available funds relating to the Non-Callable 2011A Bonds, to be deposited into the Non-Callable 2011A Bonds Principal Account. The amounts held in the Non-Callable 2011A Bonds Principal Account will be pledged solely to the amounts due and payable by the Successor Agency with respect to the Non-Callable 2011A Bonds Principal Account and be used to pay debt service on the Non-Callable 2011A Bonds Principal Account in the amounts and on the dates previously described. See “INTRODUCTION – Senior Debt.”

Amounts on deposit in the Non-Callable 2011A Bonds Principal Account will not be available for the payment of debt service on the 2017 Bonds. Notwithstanding the deposit of such amounts in the Non-Callable 2011A Bonds Principal Account, the Successor Agency's obligations with respect to the Non-Callable 2011A Bonds under the Senior Indenture will not be discharged as a result of the deposit into the Non-Callable 2011A Bonds Principal Account.

Future Additional Bonds

Under the Indenture, the Successor Agency may issue Additional Bond for the purpose of refunding bonds or other indebtedness of the Successor Agency or the Redevelopment Agency (including, without limitation, refunding Bonds outstanding under the Indenture) in accordance with the Law, including payment of all costs incidental to or connected with such

refunding and funding or providing for the funding of related reserves, but subject to the satisfaction of the following conditions precedent:

(a) A Written Request of the Agency shall have been filed with the Trustee containing a statement to the effect that the Successor Agency shall be in compliance with all covenants set forth in the Indenture and any Supplemental Indentures, and no event of default shall have occurred and be continuing.

(b) The issuance of such Additional Bonds shall have been duly authorized pursuant to the Law and all applicable laws, and the issuance of such Additional Bonds shall have been provided for by a Supplemental Indenture; which shall specify the following:

(i) The authorized principal amount of such Additional Bonds;

(ii) The date and the maturity date or dates of such Additional Bonds; provided that (1) Principal Payment Dates and Sinking Account Payment Dates may occur only on Interest Payment Dates, (2) all such Additional Bonds of like maturity shall be identical in all respects, except as to number, and (3) fixed serial maturities or mandatory Sinking Account Installments, or any combination thereof, shall be established to provide for the retirement of all such Additional Bonds on or before their respective maturity dates;

(iii) The Interest Payment Dates for such Additional Bonds; provided that Interest Payment Dates shall be on the same semiannual dates as the Interest Payment Dates for the 2017 Bonds;

(iv) The denomination and method of numbering of such Additional Bonds;

(v) The redemption premiums, if any, and the redemption terms, if any, for such Additional Bonds;

(vi) The amount and due date of each mandatory Sinking Account Installment, if any, for such Additional Bonds;

(vii) The amount, if any, to be deposited from the proceeds of such Additional Bonds in the Reserve Account; provided that the amount deposited in or credited to such Reserve Account shall be increased at or prior to the time such Additional Bonds become Outstanding to an amount at least equal to the Reserve Account Requirement on all then Outstanding Bonds and such Additional Bonds, and that an amount at least equal to the Reserve Account Requirement on all Outstanding Bonds shall thereafter be maintained in or credited to such Reserve Account;

(viii) The form of such Additional Bonds; and

(ix) Such other provisions, as are necessary or appropriate and not inconsistent with the Indenture.

(c) Such Additional Bonds may be issued only for the purpose of refunding bonds or other indebtedness of the Successor Agency or the Redevelopment Agency (including, without limitation, refunding Bonds outstanding under the Indenture) in accordance with the Law, including payment of all costs incidental to or connected with such refunding and funding or

providing for the funding of related reserves, and the payment of all costs incidental to or connected with such refunding, provided that the issuance of such Additional Bonds shall comply with the terms of Section 34177.5 of the Health and Safety Code of the State.

See “APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Limited Obligation

The 2017 Bonds are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State or any of their political subdivisions except the Successor Agency is liable for payment of the 2017 Bonds. The 2017 Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. No member of the Successor Agency, the Oversight Board, the City Council of the City, or the Board of Supervisors of the County shall be individually or personally liable for the payment of the principal of or interest or redemption premium (if any) on the 2017 Bonds; but nothing contained in the Indenture relieves any such member, officer, agent or employee from the performance of any official duty provided by law.

Recognized Obligation Payment Schedules

Submission of Recognized Obligation Payment Schedule. The Dissolution Act requires successor agencies to prepare, and submit to the successor agency’s oversight board and the DOF for approval, a Recognized Obligation Payment Schedule (the “**Recognized Obligation Payment Schedule**”) pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation.

Commencing on February 1, 2016, successor agencies were transitioned to an annual Recognized Obligation Payment Schedule process pursuant to which successor agencies are required to file Recognized Obligation Payment Schedules with the DOF and the County Auditor-Controller for approval on or before each February 1 for the July 1 through June 30 period immediately following such February 1. For example, on February 1, 2018, the Successor Agency is required to file a Recognized Obligation Payment Schedule for the period commencing July 1, 2018 through June 30, 2019.

In addition, commencing on September 22, 2015, successor agencies that have received a Finding of Completion and the concurrence of the DOF as to the items that qualify for payment, among other conditions, may at their option, file a “Last and Final” Recognized Obligation Payment Schedule pursuant to Section 34191.6(a) of the Law. If approved by the DOF, the Last and Final Recognized Obligation Payment Schedule will be binding on all parties, and the Successor Agency would no longer submit a Recognized Obligation Payment Schedule to the DOF or the Oversight Board. The county auditor-controller will remit the authorized funds to the Successor Agency in accordance with the approved Last and Final Recognized Obligation Payment Schedule until each remaining enforceable obligation is fully paid. A Last and Final Recognized Obligation Payment Schedule may only be amended twice, and only with approval of the DOF and the County Auditor-Controller. The Successor Agency currently has no plans to file a Last and Final Recognized Obligation Payment Schedule.

Payment of Amounts Listed on the Recognized Obligation Payment Schedule. As defined in the Dissolution Act, “**enforceable obligation**” includes bonds, including the required debt service, reserve set-asides (including the Reserve Account), and any other payments

required under the Indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency or the successor agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency or the successor agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and, under certain circumstances, amounts borrowed from the successor agency's low and moderate income housing fund.

A reserve may be included on the Recognized Obligation Payment Schedule and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Order of Priority of Distributions from Redevelopment Property Tax Trust Fund. Typically, under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, a county auditor-controller is to distribute funds for each six-month period in the following order specified in Section 34183 of the Dissolution Act:

(i) first, subject to certain adjustments (as described below) for subordinations for statutory and contractual pass-through amounts to the extent permitted under the Dissolution Act and no later than each January 2 and June 1, to each local taxing agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including negotiated pass-through agreements and statutory pass-through obligations (see “– Subordinate Pass-Through Agreement,” and “– Statutory Pass-Through Payments” below);

(ii) second, on each January 2 and June 1, to the successor agency for payments listed in its Recognized Obligation Payment Schedule, with debt service payments (and amounts required to replenish the related reserve funds, if any) scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule;

(iii) third, on each January 2 and June 1, to the successor agency for the administrative cost allowance, as defined in the Dissolution Act; and

(iv) fourth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii), in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in that fiscal year (without giving effect to any pass-through obligations that were established under the Redevelopment Law).

The Dissolution Act requires the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund amounts required to be distributed for statutory pass-through obligations to the taxing entities on each January 2 and June 1 before amounts are distributed by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund, unless: (i) pass-through payment obligations have been made subordinate to debt service payments for the bonded indebtedness of the Redevelopment Agency, as succeeded to by the Successor

Agency; (ii) the Successor Agency has reported, no later than the December 1 and May 1 preceding the applicable January 2 or June 1 distribution date, that the total amount available to the Successor Agency from the Redevelopment Property Tax Trust Fund allocation to the Successor Agency's Redevelopment Obligation Retirement Fund, from other funds transferred from the Successor Agency and from funds that have or will become available through asset sales and all redevelopment operations, is insufficient to fund the Successor Agency's enforceable obligations, pass-through payments and the Successor Agency's administrative cost allowance for the applicable Recognized Obligation Payment Schedule period; and (iii) the State Controller has concurred with the Successor Agency that there are insufficient funds for such purposes.

If the requirements set forth in clauses (i) through (iii) of the foregoing paragraph have been met, the Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed on the applicable January 2 or June 1 property tax distribution date (as adjusted for weekends and holidays). To provide for calculated shortages to be paid to the Successor Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the taxing entities under the Dissolution Act after payment of the Successor Agency's enforceable obligations, pass-through payments and the Successor Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Successor Agency for administrative costs for the applicable Recognized Obligation Payment Schedule period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed under subordinated negotiated pass-through agreements, if any, in order to be paid to the Successor Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. The Dissolution Act provides for a procedure by which the Successor Agency may make statutory pass-through payments subordinate to bonds, including the 2017 Bonds. The Successor Agency has not undertaken the requisite procedures to obtain such subordination of statutory pass-through payments required to be made from tax increment revenues generated in the Project Area and, therefore, statutory pass-through payments are payable on a senior basis to the payment of the 2017 Bonds as described below. In addition, the Redevelopment Agency entered into a pass-through agreement with respect to Component No. 4 which is payable on a basis subordinate to debt service on the 2017 Bonds, as described below. See "SECURITY FOR THE 2017 BONDS – Subordinate Pass-Through Agreement" and "– Statutory Pass-Through Payments."

Sources of Payments for Enforceable Obligations. Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) the former low and moderate income housing fund, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance (successor agencies are entitled to receive not less than \$250,000, unless that amount is reduced by the oversight board), (v) the Redevelopment Property Tax Trust Fund (but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or otherwise required under the Dissolution Act), or (vi) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the redevelopment agency, as approved by the oversight board).

The Dissolution Act provides that only those payments listed in the Recognized Obligation Payment Schedule may be made by a successor agency and only from the funds specified in the Recognized Obligation Payment Schedule.

History of Submission of the ROPS. The Successor Agency has procedures in place to ensure full and timely compliance with the above-described covenant. Under the direction of the City's Chief Financial Officer, the Successor Agency has submitted all previous Recognized Obligation Payment Schedules of the Successor Agency on a timely basis.

Failure to Submit a Recognized Obligation Payment Schedule. There are strong incentives for the Successor Agency to submit Recognized Obligation Payment Schedules on time. If the Successor Agency does not submit a Recognized Obligation Payment Schedule to the Oversight Board, the County Auditor-Controller and the DOF on or before each February 1 (unless the Successor Agency submits and obtains approval from the DOF of a Last and Final Recognized Obligation Payment Schedule), then the Successor Agency will be subject to a \$10,000 per day civil penalty for every day the schedule is not submitted to the DOF. See "– Submission of Recognized Obligation Payment Schedules" above for discussion regarding submission of Last and Final Recognized Obligation Payment Schedule. Additionally, if the Successor Agency does not submit a Recognized Obligation Payment Schedule to the Oversight Board and the DOF within 10 days of the deadline, then the Successor Agency's maximum administrative cost allowance may be reduced by up to 25%. If the Successor Agency fails to submit a ROPS by the February 1 deadline, any creditor of the successor agency or the DOF or any affected taxing entity shall have standing to, and may request a writ of mandate to, require the Successor Agency to immediately perform this duty. For additional information regarding procedures under the Dissolution Act relating to late Recognized Obligation Payment Schedules and implications for the 2017 Bonds, see "RISK FACTORS – Recognized Obligation Payment Schedules."

Relevant Covenant by the Successor Agency. Pursuant to the Indenture, the Successor Agency covenants in furtherance of the pledge of Tax Revenues, and in preparing a given ROPS, to reflect on each annual ROPS that the amount due to the Trustee from the County Auditor-Controller for deposit in the Tax Increment Fund on January 2 of the next calendar year from Tax Revenues required to be deposited into the RPTTF shall equal (1) the sum of (a) all scheduled principal payments and Sinking Account Installments due and payable on the Outstanding Bonds and any Parity Debt during the next calendar year as shown in the Indenture, and (b) all scheduled interest payments due and payable on the Outstanding Bonds and any Parity Debt during the next calendar year as shown in the Indenture, plus (2) the amount of any deficiency in the Reserve Account, less (3) the amounts, if any, on deposit in the Tax Increment Fund as of the date of submission for the ROPS pursuant to the Indenture that are in excess of the amounts required to be applied to payment of principal of or interest or sinking account payments on the Outstanding Bonds and any Parity Debt in the then current calendar year. The amount due to the Trustee from the County Auditor-Controller for deposit in the Tax Increment Fund on June 1 of the next calendar year from amounts required to be deposited into the RPTTF shall be equal to the remainder due and payable on the Outstanding Bonds and any Parity Debt during the next calendar year in an amount equal to not less than (1) the remaining sum of (a) all scheduled principal payments and Sinking Account Installments due and payable on the Outstanding Bonds and any Parity Debt during the next calendar year as shown in the Indenture, and (b) all scheduled interest payments due and payable on the Outstanding Bonds and any Parity Debt during the next calendar year as shown in the Indenture, plus (2) the amount of any remaining deficiency in the Reserve Account.

Pursuant to the Indenture, the Successor Agency further covenants, in addition to complying with the covenant described above, to comply with all other requirements of the Dissolution Act. In addition, without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and seek all necessary successor

agency or an oversight board approvals required under the Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture. Further, the Successor Agency covenants to take all actions required under the Dissolution Act to include on its ROPS for each ROPS Period all payments expected to be made to the Trustee in order to satisfy the requirements of the Indenture, including any amounts required to pay principal and interest payments due on the Senior Obligations, the Outstanding Bonds and any Parity Debt, any deficiency in the Reserve Account to the full amount of the Reserve Account Requirement, and any deficiency in the reserve account under the indenture for the Senior Obligations, any Compliance Costs, and any required debt service, reserve set-asides, and any other payments required under the Indenture or similar documents pursuant to Section 34171(d)(1)(A) of the Health and Safety Code of the State, so as to enable the County Auditor-Controller to distribute from the RPTTF amounts to the Trustee for deposit in the Tax Increment Fund on each ROPS Distribution Date amounts required for the Successor Agency to pay the principal of, premium, if any, and the interest on the Outstanding Bonds and any Parity Debt coming due in the respective ROPS Period. These actions will include placing on the periodic ROPS for approval by the Oversight Board and the DOF, to the extent necessary, the amounts to be held by the Successor Agency as a reserve until the next ROPS Period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to provide for the payment of principal of, premium, if any, and the interest under the Indenture when the next property tax allocation is projected to be insufficient to pay all obligations due under the Indenture for the next payment due in the following ROPS Period.

Subordinate Pass-Through Agreement

Prior to the effectiveness of Assembly Bill 1290 (“**AB 1290**”) in 1994, under the Redevelopment Law, a redevelopment agency could enter into an agreement to pay tax increment revenues to any affected taxing agency that has territory located within a redevelopment project in an amount which in the redevelopment agency’s determination is appropriate to alleviate any financial burden or detriment caused by the redevelopment project. Such agreements typically provided for payment or pass-through of tax increment revenue directed to the affected taxing entity, and, therefore, are commonly referred to as pass-through agreements or tax sharing agreements.

The Redevelopment Agency entered into a tax sharing agreement between the Redevelopment Agency, the City and the Culver City Unified School District (the “**School District**”) entitled, the Third Amended Agreement for the Overland-Jefferson Redevelopment Project No. 2 (the “**Subordinate Pass-Through Agreement**”), effective March 27, 1990. Under the Subordinate Pass-Through Agreement, the Redevelopment Agency agreed to make certain annual payments to the School District, and the School District agreed that all such annual payments made on and after September 30, 1994, would be subordinate to the following:

(i) the Redevelopment Agency’s bonded indebtedness as of the date of the Subordinate Pass-Through Agreement,

(ii) future indebtedness for refunding such bonded indebtedness in annual amounts not to exceed the then-current annual debt service, and

(iii) the Redevelopment Agency’s sale of new, non-refunding tax allocation bonds;

provided, however, that the Redevelopment Agency agreed it would not incur any indebtedness for such bonds when it is reasonably foreseeable such indebtedness would impair

the Redevelopment Agency's obligations under the Subordinate Pass-Through Agreement. Failure by the Successor Agency to size such new bonds in the manner required by the Subordinate Pass-Through Agreement constitutes a material breach of the Subordinate Pass-Through Agreement.

Payments by the Successor Agency under the Subordinate Pass-Through Agreement are also subordinate to the Successor Agency's annual administrative costs for Component Area No. 2, the Successor Agency's programs/projects set forth in the cash flow analysis for Component Area No. 2, dated March 13, 1990, and the Successor Agency's retention of an annual balance of \$1 million for Component Area No. 2.

The Successor Agency and the Successor Agency Special Counsel believe that the Successor Agency's obligations to make such payments under the Subordinate Pass-Through Agreement are subordinate to the payment of debt service on the 2017 Bonds notwithstanding the use of a portion of the proceeds of the 2017B Bonds to refund the 2011B Bonds (which were initial sold by the Redevelopment Agency as new, non-refunding tax allocation bonds) and the 2005 Bonds (which refunded bonds issued in 1999 as new, non-refunding tax allocation bonds). The projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report and this Official Statement assume the payment of debt services on all of the 2017 Bonds, including the 2017A Bonds, is senior to the Successor Agency's payment obligations under the Subordinate Pass-Through Agreement. In the event the School District's rights to receive such payments is senior to the payment of debt service on the 2017B Bonds, actual tax increment revenues available to pay debt service on the 2017B Bonds may be less than those projected in this Official Statement. See "THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the 2017 Bonds.

Statutory Pass-Through Payments

General. In certain circumstances, Sections 33607.5 and 33607.7 of the Redevelopment Law require redevelopment agencies and successor agencies to make statutory pass-through payments to taxing agencies whose territory is located within a redevelopment project area, to alleviate the financial burden or detriment caused by the redevelopment project.

Generally speaking, the County Auditor-Controller is required to deduct from the Successor Agency's Redevelopment Property Tax Trust Fund to pay to the affected taxing agencies percentages of tax increment generated in a project area as follows:

Tier 1: throughout the period that the Successor Agency is eligible to receive property tax revenues from a project area, 25% of revenues in excess of revenues generated in such project area from the date the redevelopment plan for such project area was adopted, for post-1994 plans, and from the year in which one of several specified plan limitations would have been reached, in the absence of an amendment to a redevelopment plan extending or eliminating such limitation, for pre-1994 plans with such amendments, all computed as though housing set-aside is still in effect; plus,

Tier 2: for the 11th year of the receipt of tax increment and thereafter, 21% of revenues in excess of revenues based on assessed values in the project area for the 10th year of statutory pass-through payments; plus,

Tier 3: for the 31st year of the receipt of tax increment and thereafter, 14% of revenues in excess of revenues based on assessed values in the project area for the 30th year of statutory pass-through payments.

Statutory Pass-Through Obligations in the Project Area. On and after January 1, 1994 (the effective date of AB 1290), the former tax increment revenues a redevelopment agency could receive from a new redevelopment project were reduced by certain mandatory statutory pass-through payments paid pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law to affected taxing entities pursuant to the Redevelopment Law. In addition, any amendment of a redevelopment plan after January 1, 1994 that increased the amount of tax increment revenues to be received in a project area or extended any of the time limits in a redevelopment plan also triggered such payments to affected taxing entities. These payments, which were to begin the fiscal year following the adoption of the project area, or in the case of payments triggered by an amendment, in the year after the project area's original plan limitations would have taken effect, are calculated using the increase in revenue over the revenue in the last assessment roll published before the redevelopment plan was adopted, for new plans, or the amount of revenue generated by the project area in the year that the former limit would have been reached, for amendments. Under the Dissolution Act, in particular Section 34183, the County Auditor-Controller is obligated to remit these statutory pass-through payments to the affected taxing entities from the Redevelopment Property Tax Trust Fund on each January 2 and June 1.

The Successor Agency is required to make statutory pass-through payments with respect each of the Component Areas of the Project Area as described below.

Component Areas Nos. 1, 2 and 3. On November 23, 1998, the Redevelopment Agency approved technical amendments to the redevelopment plans for Component Areas Nos. 1, 2 and 3, which extended the time limits for establishing debt. As a result, the Successor Agency is required to allocate the statutory pass-through to the affected taxing entities commencing in the first fiscal year following the fiscal year in which one or more of the limitations amended in 1998 would have otherwise taken effect. For each of Component Areas No. 1, 2 and 3, the statutory pass-through commenced in fiscal year 2004-05, except for payments to the School District with respect to Component Area No. 2, which are subject to payments pursuant to the Subordinate Pass-Through Agreement (see “– Subordinate Pass-Through Agreement” above).

Component Area No. 4. Component Area No. 4 is subject to the statutory pass-through requirements providing for the following specific formulas for payment by the Successor Agency to affected taxing entities as it was formed after the effective date of AB 1290.

No Subordination of Statutory Pass-Through Payments. Statutory pass-through payments required to be made pursuant to 33607.5 and 33607.7 of the Redevelopment Law are payable on a senior basis to debt service on bonds under the Dissolution Act, unless such payments have been subordinated. The Redevelopment Law, as amended by the Dissolution Act, allows statutory pass-through payments to be subordinated to debt service on the Successor Agency's bonds. **However, the Successor Agency did not seek or obtain the consent from any of the applicable taxing entities to subordinate their right to receive such statutory pass-through payments to the payment of debt service on the 2017 Bonds. Accordingly, such statutory pass-through payments from the Project Area are payable on a senior basis to debt service on the 2017 Bonds.** The projections of tax increment revenues from the Project Area available to pay debt service prepared by the Fiscal Consultant and set forth in this Official Statement assume that all such statutory pass-through

payments are senior to the payment of debt service on the 2017 Bonds. See “APPENDIX H – FISCAL CONSULTANT’S REPORT” and “– Projected Tax Increment Revenues and Estimated Debt Service Coverage.”

See “APPENDIX H – FISCAL CONSULTANT’S REPORT” for information about the Successor Agency’s obligations to make statutory pass-through payments pursuant to 33607.5 and 33607.7 of the Redevelopment Law and the County’s payment practices with regard thereto.

Westfield/Fox Hills Mall OPA

The Successor Agency is a party to an Owner Participation Agreement dated April, 2008 (the “**Fox Hills OPA**”), with Fox Hills Mall, L.P. and CMF Fox Hills, LLC (collectively, “**Developer**”) relating to an expansion of the Westfield Shoppingtown Fox Hills mall, now known as the Westfield Culver City Mall, on twelve parcels owned by Developer in the Project Area (the “**Developer Parcel**”).

Under the Fox Hills OPA, the Successor Agency is obligated to disburse an amount with a net present value of \$10 million to Developer. More specifically, the Successor Agency is obligated to annually pay to Developer up to 100% of the “**Net Developer Parcel Tax Increment**,” which is generally defined in the Fox Hills OPA as the tax increment revenue generated by an increase in the assessed value of the Developer Parcel over and above the fiscal year 2006-07 assessed value and allocated to the Successor Agency, but specifically excluding all of the following: (a) the portion of such tax increment revenues that the Successor Agency is obligated to deposit into its Low and Moderate Income Housing Fund; (b) amounts payable as statutory pass-through payments to other taxing entities and to the County for administrative fees; and (c) the portion of such tax increment revenues that the Successor Agency is required by the State to pay or set aside for a specific funding purpose from time to time, including, for example, any ERAF payments.

Pursuant to the Fox Hills OPA, the Successor Agency is obligated to deliver to the Developer 30 days’ advance notice of any proposed bond issuances and a fiscal consultant’s report from a consultant, who is not a present or past consultant of the Successor Agency and who will not be involved in the proposed debt issuance (the “**Independent Fiscal Consultant Requirement**”), demonstrating that, at the time of issuance of the bonds, any such issuance and indebtedness will not adversely affect the Successor Agency’s ability to perform its current and prospective obligations under the Fox Hills OPA.

The Successor Agency has provided Developer with 30-days advance notice of the proposed issuance of the 2017 Bonds along with a copy a report prepared by the Fiscal Consultant. Such report demonstrates that, at the time of issuance of the 2017 Bonds, the issuance will not adversely affect the Successor Agency’s ability to perform its current and prospective obligations under the Fox Hills OPA. As support for this conclusion, the Successor Agency points to tables prepared by the Fiscal Consultant that show that (a) assuming estimated Tax Revenues for fiscal year 2017-18 remain constant through the final maturity date of the 2017 Bonds, Tax Revenues will provide at least 125% debt service coverage on the 2017 Bonds and (b) if assessed values in the Project Area grow at a 2% rate per year beginning in fiscal year 2017-18 (without including tax increment generated by the Developer Parcel), Tax Revenues will provide at least _____* debt service coverage on the 2017 Bonds.

* Preliminary; subject to change.

Because the Fiscal Consultant is a present consultant of the Successor Agency and is involved in the proposed issuance of the 2017 Bonds, the Successor Agency has not complied with the Independent Fiscal Consultant Requirement under the Fox Hills OPA. However, the Successor Agency and the Successor Agency Special Counsel believe that the Successor Agency has substantially complied with the Independent Fiscal Consultant Requirement under the Fox Hills OPA, and that compliance with such provisions are not conditions precedent to subordination of the Successor Agency's obligations under the Fox Hills OPA to debt service on the 2017 Bonds. In addition, based on the opinion of the Successor Agency Special Counsel, the Successor Agency believes that, independent of such noncompliance, its payment obligations under the Fox Hills OPA are not secured by a pledge of tax increment and are subordinate to payment of debt service on the 2017 Bonds.

The Westfield Culver City Mall is currently owned by Culver City Mall LLC and Fox Hills Mall LLC, collectively, the third largest property taxpayers in the Project Area. See "THE PROJECT AREA – Description of Top Three Property Taxpayers."

BOND INSURANCE

The information relating to the Bond Insurer set forth below has been furnished by the Bond Insurer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date of this Official Statement.

[TO COME FROM INSURER]

PROPERTY TAXATION IN CALIFORNIA

Property Tax Collection Procedures

Classification. In the State, property which is subject to ad valorem taxes is classified as “secured” or “unsecured.” Secured and unsecured property are entered on separate parts of the assessment roll maintained by the County assessor. The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens on the secured property arising pursuant to State law, regardless of the time of the creation of other liens.

Generally, ad valorem taxes are collected by a county (the “**Taxing Authority**”) for the benefit of the various entities (e.g., cities, schools and special districts) that share in the ad valorem tax (each a taxing entity) and successor agencies eligible to receive distributions from the respective Redevelopment Property Tax Trust Funds.

Collections. Assessed values of secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The taxing authority has four ways of collecting unsecured personal property taxes: (i) initiating a civil action against the taxpayer, (ii) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (iii) filing a certificate of delinquency for record in the county recorder’s office to obtain a lien on certain property of the taxpayer, and (iv) seizing and selling personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

Penalty. A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default by operation of law and declaration of the tax collector on or about June 30 of each fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is then subject to sale by the county tax collector. A 10% penalty also applies to delinquent taxes with respect to property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on varying dates related to the tax bill mailing date.

Delinquencies. The valuation of property is determined as of the January 1 lien date as equalized in August of each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1 and become delinquent August 31.

Supplemental Assessments. California Revenue and Taxation Code Section 75.70 (Chapter 498 of the Statutes of 1983) provides for the reassessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Such reassessment is referred to as the supplemental assessment and is determined by applying the current year’s tax rate to the amount of increase or decrease in a property’s value and prorating

the resulting property taxes to reflect the portion of the tax year remaining as determined by the date of the change in ownership or completion of new construction. Supplemental assessments become a lien against real property.

Prior to the enactment of this law, the assessment of such changes was permitted only as of the next tax lien date following the change, and this delayed the realization of increased or decreased property taxes from the new assessments for up to 14 months. Since fiscal year 1984-85, revenues derived from supplemental assessments have been allocated to redevelopment agencies and taxing entities in the same manner as regularly collected property taxes. This statute provides increased or decreased revenue to the Redevelopment Property Tax Trust Fund to the extent that supplemental assessments of new construction or changes of ownership occur within the boundaries of redevelopment projects subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Area, Tax Revenues may increase or decrease. The projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report and this Official Statement do not include supplemental assessments. See "APPENDIX H – FISCAL CONSULTANT'S REPORT" for additional information regarding supplemental assessments.

Property Tax Administrative Costs. In 1990, the State Legislature enacted SB 2557 (Chapter 466, Statutes of 1990) which allows counties to recover charges for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each, in an amount equal to the fiscal year 1989-90 property tax administration costs, as adjusted annually.

SB 1559 (Chapter 697, Statutes of 1992) explicitly includes redevelopment agencies among the jurisdictions which are subject to such charges. The Fiscal Consultant reports that the County's SB 2557 charges for fiscal year 2016-17 was 1.73% of the gross property tax allocations to the Successor Agency from the Project Area. **The County's administrative charges are payable on a senior basis to debt service on the 2017 Bonds.**

The projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report and this Official Statement assume that the County's administrative charges for fiscal year 2017-18 and each fiscal year thereafter will be 1.73% of gross tax increment from the Project Area based on the County's average collection charges for the previous five fiscal years. See "APPENDIX H – FISCAL CONSULTANT'S REPORT" and "THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage."

Recognized Obligation Payment Schedule. See "SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules" and "RISK FACTORS – Recognized Obligation Payment Schedules."

No Teeter Plan

The County has not adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds with respect to property taxes (the "**Teeter Plan**"), in which all tax increment levies are allocated to a local agency but the local agency forfeits delinquent tax payments and penalties if ultimately collected. Consequently, the amount of the levy of property tax revenue that can be allocated to the Successor Agency depends upon the actual collections of taxes within the Project Area. Substantial delinquencies in the payment of

property taxes could impair the timely receipt by the Successor Agency of Tax Revenues. See “THE PROJECT AREA – Levy and Collections.”

Unitary Property

Legislation enacted in 1986 and 1987 provided for a modification of the distribution of tax revenues derived from utility property assessed by the State Board of Equalization (“**SBE**”), other than railroads. Prior to fiscal year 1988-89, property assessed by the SBE was assessed statewide and was allocated according to the location of individual components of a utility in a tax rate area.

Assembly Bill (“**AB**”) 2890 (Statutes of 1986, Chapter 1457) provides that, commencing with fiscal year 1988-89, assessed value derived from State-assessed unitary property (consisting mostly of operational property owned by utility companies) is to be allocated county-wide as follows: (i) each taxing entity will receive the same amount as in the previous year plus an increase for inflation of up to 2%; (ii) if utility tax revenues are insufficient to provide the same amount as in the previous year, each taxing entity's share would be reduced pro rata county wide; and (iii) any increase in revenue above 2% would be allocated in the same proportion as the taxing entity's local secured taxable values are to the local secured taxable values of the county. Additionally, the lien date on State-assessed property is changed from March 1 to January 1.

AB 454 (Statutes of 1987, Chapter 921) further modified Chapter 1457 regarding the distribution of tax revenues derived from property assessed by the SBE. Chapter 921 provides for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in each county. Chapter 921 further provides for a new method of establishing tax rates on State-assessed property and distribution of property tax revenue derived from State-assessed property to taxing jurisdictions within each county in accordance with a new formula. Railroads will continue to be assessed and revenues allocated to all tax rate areas where railroad property is sited.

To administer the allocation of unitary tax revenues to redevelopment agencies, the County Auditor Controller no longer includes the taxable value of utilities as part of the reported taxable values of the Project Area, therefore, the base years of the Component Areas of the Project Area have been reduced by the amount of utility value that existed originally in the base years. Within the Project Area, the Fiscal Consultant reports that approximately \$545,000 in unitary tax revenue was allocated to the Successor Agency for fiscal year 2016-17.

The projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report and this Official Statement assume that unitary revenues for fiscal year 2017-18 and each fiscal year thereafter will remain constant at the fiscal year 2016-17 amount. See “APPENDIX H – FISCAL CONSULTANT'S REPORT” and “THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage.”

Article XIII A of the State Constitution

Article XIII A limits the amount of ad valorem taxes on real property to 1% of “full cash value” of such property, as determined by the county assessor. Article XIII A defines “full cash value” to mean “the County Assessor's valuation of real property as shown on the 1975-76 tax bill under ‘full cash value,’ or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.”

Furthermore, the “full cash value” of all real property may be increased to reflect the rate of inflation, as shown by the consumer price index, not to exceed 2% per year, or may be reduced.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances.

Article XIII A (i) exempts from the 1% tax limitation taxes to pay debt service on (a) indebtedness approved by the voters prior to July 1, 1978 or (b) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition; (ii) requires a vote of two-thirds of the qualified electorate to impose special taxes, or certain additional ad valorem taxes; and (iii) requires the approval of two-thirds of all members of the State Legislature to change any State tax laws resulting in increased tax revenues.

The validity of Article XIII A has been upheld by both the California Supreme Court and the United States Supreme Court.

In the general election held November 4, 1986, voters of the State approved two measures, Propositions 58 and 60, which further amended Article XIII A. Proposition 58 amended Article XIII A to provide that the terms “purchase” and “change of ownership,” for the purposes of determining full cash value of property under Article XIII A, do not include the purchase or transfer of (1) real property between spouses and (2) the principal residence and the first \$1,000,000 of other property between parents and children. This amendment to Article XIII A may reduce the rate of growth of local property tax revenues.

Proposition 60 amended Article XIII A to permit the State Legislature to allow persons over the age of 55 who sell their residence and buy or build another of equal or lesser value within two years in the same county, to transfer the old residence assessed value to the new residence. As a result of the State Legislature’s action, the growth of property tax revenues may decline.

Legislation enacted by the State Legislature to implement Article XIII A provides that all taxable property is shown at full-assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value (except as noted). Tax rates for voter-approved bonded indebtedness and pension liabilities are also applied to 100% of assessed value.

Each year the SBE announces the applicable adjustment factor. Since the adoption of Proposition 13, inflation has, in most years, exceeded 2% and the announced factor has reflected the 2% cap. The changes in the California Consumer Price Index from October of one year and October of the next year are used to determine the adjustment factor for the January assessment date. During the ten previous fiscal years, the inflation factor has been less than 2% on five occasions. The table below reflects the inflation adjustment factors for the current fiscal year and the 10 prior fiscal years.

Historical Inflation Adjustment Factors

<u>Fiscal Year</u>	<u>Inflation Adj. Factor</u>
2007-08	2.000%
2008-09	2.000
2009-10	2.000
2010-11	-0.237
2011-12	0.753
2012-13	2.000
2013-14	2.000
2014-15	0.454
2015-16	1.998
2016-17	1.525
2017-18	2.000

Appropriations Limitation – Article XIIB

Article XIIB limits the annual appropriations of the State and its political subdivisions to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living, population and services rendered by the government entity. The “base year” for establishing such appropriations limit is the 1978/79 fiscal year, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies.

Section 33678 of the Redevelopment Law provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness shall not be deemed the receipt by a redevelopment agency of proceeds of taxes levied by or on behalf of a redevelopment agency within the meaning of Article XIIB, nor shall such portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Redevelopment Law. The constitutionality of Section 33678 has been upheld in two California appellate court decisions. On the basis of these decisions, the Successor Agency has not adopted an appropriations limit.

Proposition 87

On November 8, 1988, the voters of the State approved Proposition 87, which amended Article XVI, Section 16 of the State Constitution to provide that property tax revenue attributable to the imposition of taxes on property within a redevelopment project area for the purpose of paying debt service on certain bonded indebtedness issued by a taxing entity (other than the Redevelopment Agency or the Successor Agency) and approved by the voters of the taxing entity after January 1, 1989 will be allocated solely to the payment of such indebtedness and not to redevelopment agencies. Effective September 22, 2015, the Dissolution Act provides that such debt service override revenues approved by the voters for the purpose of supporting pension programs, capital projects, or programs related to the State Water Project that are not pledged to or not needed for debt service on successor agency obligations will be allocated and paid to the entity that levies the override. As previously described, no such overrides are pledged as security for the payment of debt service on the 2017 Bonds.

Appeals of Assessed Values

Pursuant to State law, a property owner may apply for a reduction of the property tax assessment for such owner's property by filing a written application, in a form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board.

In the County, a property owner desiring to reduce the assessed value of such owner's property in any one year must submit an application to the County Assessment Appeals Board (the "**Appeals Board**"). Applications for any tax year must be submitted by September 15 of such tax year. Following a review of each application by the staff of the County Assessor's Office, the staff makes a recommendation to the Appeals Board on each application which has not been rejected for incompleteness or untimeliness or withdrawn. The Appeals Board holds a hearing and either reduces the assessment or confirms the assessment. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as "ongoing hardship"), the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. Appeals for reduction in the "base year" value of an assessment, which generally must be made within four years of the date of change in ownership or completion of new construction that determined the base year, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. Moreover, in the case of any reduction in any one year of assessed value granted for "ongoing hardship" in the then current year, and also in any cases involving stipulated appeals for prior years relating to base year and personal property assessments, the property tax revenues from which Tax Revenues are derived attributable to such properties will be reduced in the then current year. In practice, such a reduced assessment may remain in effect beyond the year in which it is granted.

See "THE PROJECT AREA – Appeals of Assessed Values" for information regarding historical and pending appeals of assessed valuations by property owners in the Project Area.

Proposition 8

Proposition 8, approved in 1978 (California Revenue and Taxation Code Section 51(b)), provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions under this code section may be initiated by the County Assessor or requested by the property owner.

After such reductions in value are implemented, the Assessor is required to review the property's market value as of each subsequent lien date and adjust the value of real property to the lesser of its base year value as adjusted by the inflation factor pursuant to Article XIII A of the California Constitution or its full cash value taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Reductions made under Proposition 8 to residential properties are normally initiated by the Assessor but may also be requested by the property owner. Reductions of value

for commercial, industrial and other land use types under Proposition 8 are normally initiated by the property owner as an assessment appeal.

After a roll reduction is granted under this code section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and may be increased to the market value of the property without regard to the otherwise applicable the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

Propositions 218 and 26

On November 5, 1996, California voters approved Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment. Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the State Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the State Constitution.

Tax Revenues securing the 2017 Bonds are derived from property taxes that are outside the scope of taxes, assessments and property-related fees and charges which are limited by Proposition 218 and Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, further affecting Successor Agency revenues or the Successor Agency’s ability to expend revenues.

THE SUCCESSOR AGENCY

The Redevelopment Agency was established pursuant to the Redevelopment Law and, upon activation, the City Council declared itself to be the governing board of the Redevelopment Agency. As described in "INTRODUCTORY STATEMENT," the Dissolution Act dissolved the Redevelopment Agency as of February 1, 2012. Thereafter, pursuant to Section 34173 of the Dissolution Act, the City became the successor agency to the Redevelopment Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Successor Agency is a separate public entity from the City, that the two entities shall not merge, and that the liabilities of the Redevelopment Agency will not be transferred to the City nor will the assets of the Redevelopment Agency become assets of the City.

Successor Agency Powers

All powers of the Successor Agency are vested in its five members who are elected members of the City Council. Pursuant to the Dissolution Act, the Successor Agency is a separate public body from the City and succeeds to the organizational status of the Redevelopment Agency but without any legal authority to participate in redevelopment activities, except to complete any work related to an approved enforceable obligation. The Successor Agency is tasked with expeditiously winding down the affairs of the Redevelopment Agency, pursuant to the procedures and provisions of the Dissolution Act. Under the Dissolution Act, substantially all Successor Agency actions are subject to approval by the Oversight Board, as well as review by the DOF. California has strict laws regarding public meetings (known as the Ralph M. Brown Act), which generally make all Successor Agency and Oversight Board meetings open to the public in similar manner as City Council meetings.

Status of Compliance with Dissolution Act

The Dissolution Act requires a due diligence review to determine the unobligated balances of each successor agency that are available for transfer to taxing entities. The due diligence review involves separate reviews of each successor agency's low and moderate income housing fund and of all other funds and accounts. Once a successor agency completes the due diligence review and any transfers to taxing entities, the DOF will issue a finding of completion that expands the authority of each successor agency in carrying out the wind down process. A finding of completion allows a successor agency to, among other things, retain real property assets of the dissolved redevelopment agency and utilize proceeds derived from bonds issued prior to January 1, 2011. The Successor Agency completed the due diligence process and received its Finding of Completion on December 5, 2013.

After receiving a finding of completion, each successor agency is required to submit a Long Range Property Management Plan detailing what it intends to do with its inventory of properties. Successor agencies are not required to immediately dispose of their properties but are limited in terms of what they can do with the retained properties. Permissible uses include: sale of the property, use of the property to satisfy an enforceable obligation, retention of the property for future redevelopment, and retention of the property for governmental use. These plans must be filed by successor agencies within six months of receiving a finding of completion, and the DOF will review these plans as submitted on a rolling basis. The DOF approved the Successor Agency's Long Range Property Management Plan on March 18, 2014. The Successor Agency subsequently submitted an amended Long Range Property Management Plan on April 28, 2016, which the DOF approved on July 27, 2016.

THE PROJECT AREA

General

The Project Area was formed by the fiscal merger in 1998 of Component Area No. 1, Component Area No. 2 and Component Area No. 3 and the addition of new territory, Component Area No. 4, with the following gross acreage as set forth below:

Former Project Area	Component	Gross Acres
Slauson-Sepulveda Redevelopment Project Area No. 1	Component Area No. 1	306
Overland-Jefferson Redevelopment Project Area No. 2	Component Area No. 2	184
Washington-Culver Redevelopment Project Area No. 3	Component Area No. 3	526
--	Component Area No. 4	270
	Total:	1,286

The following table provides a summary of the assessed values for each of the Component Areas as of their respective base years and fiscal year 2017-18, together with their respective incremental assessed values and estimated available tax increment revenues

TABLE 1
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Summary of Assessed Values and Estimated Tax Increment Revenues

Component Area	Base Year Assessed Valuation	FY 2017-18 Assessed Valuation	FY 2017-18 Incremental Assessed Valuation	Base Year as % of FY 2017-18 AV	FY 2017-18 Tax Increment Revenues ⁽¹⁾	% of FY 2017-18 Total Available Tax Increment Revenues
Component Area No. 1	\$48,371,646	\$1,471,799,201	\$1,423,426,555	3.4%	\$14,234,266	27%
Component Area No. 2	22,425,376	900,438,129	878,012,753	2.6	8,780,128	17
Component Area No. 3	173,133,841	2,557,679,074	2,384,545,233	7.3	23,845,452	45
Component Area No. 4	304,253,014	929,616,597	625,363,583	48.7	6,253,636	12
Total	\$548,183,877	\$5,859,533,001	\$5,311,348,124	10.3%	53,113,482	100%

(1) Estimated.

Source: County Assessor; Keyser Marston Associates, Inc.

Land Use

The table below summarizes Project Area land uses and fiscal year 2017-18 assessed values by land use.

TABLE 2
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Summary of Land Uses
Fiscal Year 2017-18

Land Use	No. of Parcels	FY 2017-18 Assessed Value	Percent of Total Value
Residential – Single Family/Condos	2,613	\$1,005,107,494	17.2%
Residential – Multi Family	246	210,204,793	3.6
Commercial	898	2,872,453,450	49.0
Industrial – Movie, Radio, TV	13	455,462,278	7.8
Industrial – Other	259	517,542,992	8.8
Miscellaneous	55	133,266,084	2.3
Government Owned	187	--	0.0
Vacant	164	88,465,914	1.5
Possessory Interest/Mineral Rights	66	8,560,017	0.1
Unsecured	1,785	568,4689,979	9.7
Total	6,286	\$5,859,533,001	100.0%

Source: County Assessor; Keyser Marston Associates, Inc.

The Redevelopment Plans

General. Each of the Component Areas of the Project Area were formally established with the adoption by the City Council of their respective original Redevelopment Plans. Since their adoption, the original Redevelopment Plans have been amended several times.

No Plan Limits. In accordance with the Redevelopment Law, redevelopment plans like the Redevelopment Plans were required to include certain limits on the financing of the redevelopment projects. These limits could include a time limit on the life of the redevelopment plan, a time limit on the incurrence of indebtedness, a time limit on the receipt of property tax increment and the repayment of indebtedness and a limit on the amount of bonded indebtedness outstanding at any time. Section 34189(a) of the Dissolution Act, enacted by SB 107, clarifies that former tax increment limits set forth in redevelopment plans such as the Redevelopment Plans no longer apply for purposes of paying approved enforceable obligations such as the 2017 Bonds.

Unitary Property

As the result of the enactment of Assembly Bill 2890 (Chapter 1457, Statutes of 1986) and Assembly Bill 454 (Chapter 921, Statutes of 1987), a portion of the County-wide unitary values assigned to public utilities is allocated to the Project Area. Any substantial reduction in the values of public utility properties, either because of deregulation of a utility industry or for any other reason, will have an adverse impact on the amount of tax increment revenues and, accordingly, Tax Revenues. However, any such impact with respect to utility properties within

the Project Area will be lessened because the impact will be spread on a County-wide basis. The Fiscal Consultant reports that the Successor Agency received approximately \$545,000 in unitary revenue from the Project Area for fiscal year 2016-17.

For purposes of the projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report and this Official Statement, the Fiscal Consultant has assumed that the unitary revenue allocated to the Project Area will be approximately \$545,000 in fiscal year 2017-18 and each fiscal year thereafter. See "APPENDIX H – FISCAL CONSULTANT'S REPORT" and "THE PROJECT AREA – Projected Increment Tax Revenues and Estimated Debt Service Coverage." See "PROPERTY TAXATION IN CALIFORNIA – Unitary Revenue" for information regarding taxation of unitary property in the State.

Major Taxable Property Owners

Major Owners List. The table on the following page lists the ten largest payers of property taxes in the Project Area for fiscal year 2017-18. The total assessed valuation of the top ten property taxpayers accounted for approximately 27% and 30% of the total, and incremental, assessed value of the Project Area, respectively. See "RISK FACTORS – Concentration of Ownership" for a discussion regarding the risks associated with the concentration of ownership among the largest secured property taxpayers in the Project Area.

**TABLE 3
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
10 Largest Property Taxpayers
Fiscal Year 2017-18**

Assessee Name	Component Area	Property Use	FY 2017-18 Assessed Value ⁽²⁾	% of Total Assessed Value	% of Total Incremental Assessed Value
Sony Corporation of America and Lot Inc. ⁽¹⁾	Component Area 1	Motion Pictures Studio and Offices	\$457,082,741	7.80%	8.61%
Culver City Mall LLC and Fox Hills Mall LLC	Component Area 1	Regional Shopping Center	211,460,987	3.61	3.98
LBA RV Company IX LP	Component Area 3	Office	164,653,245	2.81	3.10
REEP OFC Corporate Pointe CA LLC ⁽¹⁾	Component Area 1	Office	133,875,000	2.28	2.52
Symantec Corp.	Component Area 1	Office	122,954,551	2.10	2.31
Equity One Culver LLC	Component Area 3	Neighborhood Shopping Center	118,465,058	2.02	2.23
Higuera Office LLC	Component Area 3	Office	111,839,940	1.91	2.11
VCP CP Culver City LLC	Component Area 1	Office	101,541,589	1.73	1.91
CRP Centinela LP and CRP Pacifica Plaza SPE LLC ^{(1) (2)}	Component Area 1	Office & Hotel	82,650,209	1.41	1.56
Culver Studios Owner LLC ⁽¹⁾	Component Area 3	Motion Pictures Studio	82,068,159	1.40	1.55
			\$1,586,591,479	27.08%	29.87%

Total FY 2017-18 Assessed Value: \$5,589,533,001

Total FY 2017-18 Incremental Assessed Value: \$5,311,348,124

(1) Taxpayers have pending assessment appeals with respect to property within the Project Area as of the date of this Official Statement. See “– Assessment Appeals.”

(2) The fiscal year 2017-18 assessed value of property owned by this taxpayer includes assessed value of unsecured property. See “APPENDIX H – FISCAL CONSULTANT’S REPORT.”

Source: County Assessor; Keyser Marston Associates, Inc.

Description of Top Three Property Taxpayers. The following discussion summarizes information regarding the three owners of land with the highest assessed value in the Project Area.

Largest Property Taxpayers – Sony Corporation of America/Lot Inc. The global operations of Sony Pictures Entertainment, Inc. (“**SPE**”), encompass motion picture production and distribution, television programming and syndication, home video acquisition and distribution, operation of studio facilities, development of new entertainment technologies and distribution of filmed entertainment world-wide. Its affiliated companies own or control the three properties with the highest assessed value in the Project Area. Lot Inc. is the record owner of the main studio lot and the four acre Thalberg Office Building parcel and adjacent parking lot, all of which were originally a portion of the original motion picture production and office facilities of Metro-Goldwyn-Mayer Film Company. Lot Inc. is an affiliated company of Sony Corporation of America.

In December 1989, Lot Inc. acquired the main studio lot, which includes a variety of movie production and recording studios that today represent one of the most complete filmmaking facilities in Southern California. SPE uses the site as its headquarters and locus for film production activities. Sony and its divisions, Columbia Tri-Star Motion Picture Group, Columbia Tri-Star Home Entertainment, Columbia Tri-Star Domestic Television and Columbia Tri-Star International Television, are presently operating on the site.

Second Largest Property Taxpayers – Culver City Mall LLC and Fox Hills Mall LLC. These property owners own the Westfield Culver City Mall, formerly known as the Fox Hills Mall. The Westfield Culver City Mall is a 1.3 million square foot regional retail mall that was renovated in recent years to include a 167,000 square foot mall expansion that provided for new retail and restaurant tenant space. New tenants resulting from the expansion included Target, Best Buy, Forever 21, H & M, Coach, Hollister and BJ’s Brewhouse. Westfield Culver City improvements were valued at \$180 million dollars. The Redevelopment Agency contributed tax increment toward the renovation to leverage the renovation pursuant to the Fox Hills OPA. See “SECURITY FOR THE 2017 BONDS – Westfield/Fox Hills Mall OPA.”

Third Largest Property Taxpayer – LBA RV Company IX LP. This property owns the largest single building in the downtown area of the City, now commonly known as One Culver City. One Culver City was formerly known as The Filmland Corporate Center and is located immediately east of the main studio facilities of Sony Corporation. Completed in March 1986, the U-shaped building, consists of eight stories and a three-level underground parking structure for 1,100 vehicles, original included 320,000 square feet of space. One Culver City was purchased in 2014 by LBA RV Company IX LP (“**LBA**”), an affiliate of LBA Realty, a real estate investment firm based in Irvine, California. According to documents submitted to the City’s Planning Division, LBA plans to renovate One Culver City to include a fitness center and the expansion of existing ground floor retail space.

Appeals by Major Owners. The Fiscal Consultant reports that four of the ten largest payers of property taxes in the Project Area had pending assessment appeals as of the date of this Official Statement. See “– Appeals of Assessed Values” for information regarding pending assessment appeals. See also “APPENDIX H – FISCAL CONSULTANT’S REPORT” for additional information regarding pending appeals, including appeals filed by major property owners in the Project Area.

Historical Assessed and Incremental Values

The table below shows the historical assessed valuations for the Project Area for fiscal years 2008-09 through 2017-18 based upon the County Auditor-Controller's equalized rolls.

TABLE 4
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Historical Assessed and Incremental Values
Fiscal Years 2008-09 through 2017-18

Fiscal Year	Secured Value ⁽¹⁾	Unsecured Value	Total Assessed Value	Less: Base Year Value	Incremental Assessed Value	% Change
2008-09	\$3,415,907,850	\$423,771,326	\$3,839,679,176	\$540,668,301	\$3,299,010,875	--
2009-10	3,722,913,001	438,395,711	4,161,308,712	543,592,594	3,617,716,118	9.7%
2010-11	3,646,762,350	397,836,120	4,044,598,470	547,471,612	3,497,126,858	-3.3%
2011-12	3,751,234,391	447,062,640	4,198,297,031	546,835,698	3,651,461,333	4.4%
2012-13	3,835,052,473	414,810,509	4,249,862,982	546,775,173	3,703,087,809	1.4%
2013-14	4,185,614,145	444,636,446	4,630,250,591	547,105,372	4,083,145,219	10.3%
2014-15	4,363,947,801	446,512,704	4,810,460,505	547,716,322	4,262,744,183	4.4%
2015-16	4,582,022,998	444,891,074	5,026,914,072	547,851,226	4,479,062,846	5.1%
2016-17	4,999,462,925	535,090,572	5,534,553,497	548,184,877	4,986,368,620	11.3%
2017-18	5,291,063,022	568,469,979	5,859,533,001	548,184,877	5,311,348,124	6.5%

(1) Secured values include State-assessed non-unitary utility property. See "PROPERTY TAXATION IN CALIFORNIA – Unitary Property."

Source: County Assessor; Keyser Marston Associates, Inc.

As shown in the table above, from fiscal year 2008-09 to 2017-18, total assessed values within the Project Area increased by approximately \$2 billion or 53%, from approximately \$3.8 billion in fiscal year 2008-09 to approximately \$5.9 billion in fiscal year 2017-18. The growth in assessed values during such period was due primarily to an increase in secured assessed values of approximately \$1.9 billion or 55%, from approximately \$3.4 billion in fiscal year 2008-09 to approximately \$5.3 billion in fiscal year 2017-18. During the ten-year period, growth in assessed value averaged 5.4% per year.

See "APPENDIX H – FISCAL CONSULTANT'S REPORT" for more information regarding historical assessed and incremental values.

Tax Rates

Tax rates will vary from area to area within the State, as well as within a community and a redevelopment project area. The tax rate for any particular parcel is based upon the jurisdictions levying the tax rate for the area where the parcel is located. The tax rate consists of the general levy rate of \$1.00 per \$100 of taxable value and any over-ride tax rate. The over-ride rate is that portion of the tax rate that exceeds the general levy tax rate and is levied to pay voter approved indebtedness or contractual obligations that existed prior to the enactment of Proposition XIII.

As previously indicated, Section 34183(a)(1) of the Dissolution Act requires the County Auditor-Controller to allocate all revenues attributable to tax rates levied to make annual repayments of the principal of and interest on any bonded indebtedness for the acquisition or improvement of real property to the taxing entity levying the tax rate. In addition, effective September 22, 2015, debt service override revenues approved by the voters for the purpose of supporting pension programs or capital projects and programs related to the State Water Project, that are not pledged to or needed for debt service on successor agency obligations are allocated and paid to the entity that levies the override and will not be deposited into the Redevelopment Property Tax Trust Fund. As previously described, no such overrides are pledged as security for the payment of debt service on the 2017 Bonds.

Levy and Collections

As previously indicated, the County has not adopted the Teeter Plan. Consequently, the amount of the levy of property tax revenue that can be allocated to the Successor Agency depends upon the actual collections of taxes within the Project Area. Substantial delinquencies in the payment of property taxes could impair the timely receipt by the Successor Agency of Tax Revenues. "PROPERTY TAXATION IN CALIFORNIA – Rate of Collections – No Teeter Plan."

The following table shows the property tax collection rates for the Project Area from fiscal year 2012-13 through fiscal year 2016-17.

TABLE 5
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Tax Collections Rates
Fiscal Years 2012-13 through 2016-17

Fiscal Year	Computed Levy	Reported Collections	Unpaid Tax	Total Collection %	Net Other Revenues and Adjustments ⁽¹⁾	Total Collections and Other Taxes	% of Computed Levy
2012-13	\$37,462,158	\$39,912,345	\$2,450,187	106.54%	\$1,127,363	\$41,039,708	109.55%
2013-14	41,288,282	41,494,287	206,005	100.50	873,500	42,367,787	102.61
2014-15	43,088,292	42,838,128	(250,164)	99.42	117,069	42,955,197	99.69
2015-16	45,293,099	45,538,362	245,262	100.54%	1,010,710	46,549,072	102.77
2016-17	50,409,326	51,851,389	1,442,063	102.86	1,861,896	53,713,285	106.55

(1) Represents supplemental taxes, redemptions, refunds and other adjustments.
Source: County Auditor-Controller; Keyser Marston Associates, Inc.

See "RISK FACTORS – Levy and Collection of Taxes" and "APPENDIX H – FISCAL CONSULTANT'S REPORT" for additional information.

Appeals of Assessed Values

Pursuant to State law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board.

After the applicant and the assessor have presented their arguments, the Appeals Board makes a final decision on the proper assessed value. The Appeals Board may rule in the

assessor's favor, in the applicant's favor, or the Board may set their own opinion of the proper assessed value, which may be more or less than either the assessor's opinion or the applicant's opinion.

Any reduction in the assessment ultimately granted applies to the year for which the application is made and may also affect the values in subsequent years. Refunds for taxpayer overpayment of property taxes may include refunds for overpayment of taxes in years after that which was appealed. Current year values may also be adjusted as a result of a successful appeal of prior year values. Any taxpayer payment of property taxes that is based on a value that is subsequently adjusted downward will require a refund for overpayment. Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Appeals may also be filed under Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property shall be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Significant reductions have taken place in some counties due to declining real estate values. Reductions made under this code section may be initiated by the County Assessor or requested by the property owner. After a roll reduction is granted under this section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and it may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "PROPERTY TAXATION IN CALIFORNIA" above.

The Fiscal Consultant reviewed appeals data received from the County for fiscal years 2010-11 through 2016-17 to determine what, if any, impact pending appeals may have on projected tax increment revenues from the Project Area available to pay debt service. The Fiscal Consultant reports that for such period there are 241 appeals pending with respect to assessed values in the Project Area seeking a total reduction in assessed value of approximately \$711 million. According to the Fiscal Consultant's Report, during fiscal years 2010-11 to 2016-17, approximately 21% of all closed and stipulated appeals were resolved successfully in favor of the property owner and that such appeals resulted in a reduction in assessed value of approximately 17.5%. The Fiscal Consultant estimates that, assuming that approximately 21% of all pending appeals are resolved in favor of the property owner and that such successful appeals result in a reduction in assessed value of approximately 17.5% , the Successor Agency can expect to experience a further reduction in assessed value of the Project Area of \$26 million thereby resulting in a reduction in Tax Revenues from the Project Area of approximately \$260,000. , The Fiscal Consultant further estimates that, assuming that approximately 21% of all pending appeals are resolved in favor of the property owner and that such successful appeals result in a reduction in assessed value of approximately 17.5%, the Successor Agency can also expect refunds of previously paid property taxes resulting in a decrease in Tax Revenues of approximately \$900,000. The projections of tax increment revenues from the Project Area available to pay debt service prepared by the Fiscal Consultant and set forth in this Official Statement take into account reductions in assessed values related to

pending appeals and refunds of previously paid taxes based on such estimates. See “APPENDIX H – FISCAL CONSULTANT’S REPORT” and “– Projected Tax Increment Revenues and Estimated Debt Service Coverage.”

The table on the following page summarizes pending appeals for fiscal years 2010-11 through 2016-17 and expected refunds of previously paid property taxes relating thereto, that are incorporated into the Fiscal Consultant’s projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant’s Report and this Official Statement.

TABLE 6
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Summary of Pending Appeals
Fiscal Years 2010-11 through 2016-17

	Secured	Unsecured	Total
Total Pending Appeals	170	71	241
Contested AV FY 2016-17 Only	\$599,368,165	\$111,238,902	\$710,607,067
% Stipulated Appeals	20,8709%	20,8709%	
% Value Reduction Stipulated Appeals	17.5312%	17.5312%	
Appeal AV Reduction for FY 2018-19	\$21,930,000	\$4,070,000	\$26,000,000
Contested AV FY 2010-11 to 2016-17	\$1,987,849,691	\$494,439,492	\$2,482,280,183
% Stipulated Appeals			20.8709%
% Value Reduction Stipulated Appeals			17.5312%
Appeal Value Reduction for Tax Refunds			\$90,825,000
Appeal Refund at 1% for FY 2017-18			\$908,300

Source: County Auditor-Controller; Keyser Marston Associates, Inc.

See “APPENDIX H – FISCAL CONSULTANT’S REPORT” for more additional information regarding pending assessment appeals and historical assessment appeals within the Project Area.

Historical RPTTF Deposits

The following table shows the amounts deposited into the Redevelopment Property Tax Trust Fund and allocated by the County Auditor-Controller for fiscal years 2012-13 through 2016-17.

TABLE 7
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Historical RPPTF Deposits
Fiscal Years 2012-13 through 2016-17

Fiscal Year	January Gross RPTTF	June Gross RPTTF	Total Annual Gross RPTTF
2012-13	\$18,369,816	\$23,108,887	\$41,478,703
2013-14	18,905,388	24,754,551	43,659,939
2014-15	18,117,057	24,832,336	42,949,394
2015-16	18,969,028	27,486,672	46,437,700
2016-17	21,649,308	30,596,029	52,245,337

Source: County Auditor-Controller; Keyser Marston Associates, Inc.

See “RISK FACTORS – Historical Litigation” for a description of the Successor Agency’s previous litigation with the DOF and the County with respect to their challenge of a transfer of tax increment revenue by the Successor Agency to the City, and the DOF/County’s efforts to recover the disputed transfer through successive reductions by the County to the allotment of tax increment revenue to the Successor Agency.

New Development

Changes in assessed value due to transfers of ownership occurring after the lien date for fiscal year 2017-18 will affect the taxable values for fiscal year 2018-19. Any such changes in assessed value due to transfers of ownership occurring in the Project Area after the lien date for fiscal year 2017-18 are not included in the projections of tax increment revenues from the Project Area available to pay debt service set forth in the Fiscal Consultant’s Report and this Official Statement.

According to the Successor Agency, new development continues to occur within the Project Area. The following projects within the Project Area were recently completed or are anticipated to be completed in the future:

- 5800 Bristol Parkway, Culver City (C3 at Culver Pointe)
 - o Estimated Completion Date: November 2017
 - o Approximately 281,400 square feet of office space
 - o Anticipated to target media, technology and entertainment companies
- 8850 Washington Boulevard, Culver City (Platform)
 - o Completion Date: January 2016
 - o Approximately 38,732 square feet of office space, 27,057 square feet of retail space, and 14,688 square feet of restaurant space
 - o Located adjacent to the Metro Expo Culver City light rail station
- 8770 Washington Boulevard (Access Culver City)
 - o Completion Date: July 2016
 - o Approximately 150,430 square feet of residential space, 31,240 square feet of retail and restaurant space
 - o Located adjacent to the Metro Expo Culver City light rail station

- 8777 Washington Boulevard (HBO)
 - o Estimated Completion Date: July 2019
 - o Approximately 128,000 square feet of office space and 4,500 square feet of retail space
 - o Future home of HBO in the Los Angeles area
- Washington/National Transit Oriented Development (Ivy Station)
 - o Estimated Completion Date: January 2020
 - o Mixed-use, transit oriented development
 - o Approximately 220,000 square feet of office space, a 148 room boutique hotel, 55,000 square feet of retail and restaurant space
 - o Located adjacent to the Metro Expo Culver City light rail station
- Parcel B (Culver Steps)
 - o Estimated Completion Date: July 2019
 - o Mixed-use project with approximately 115,000 square feet of retail space and creative office space

The Fiscal Consultant has not included any increases in assessed values that may result from new development within the Project Area, including the developments anticipated to be completed in the near future that are described above. The Successor Agency cannot and does not provide that any of the projects described that currently in progress will be completed on the dates estimated above, if ever. in the projections of tax increment revenues from the Project Area available to pay debt service in the Fiscal Consultant's Report or this Official Statement. See "APPENDIX H – Fiscal Consultant's Report."

Projected Tax Increment Revenues and Estimated Debt Service Coverage

The Fiscal Consultant prepared projections of tax increment revenues from the Project Area available to pay debt service assuming 0% and 2% incremental growth in assessed values commencing in fiscal year 2018-19 and each fiscal year thereafter and they are shown in Tables 8 and 9, respectively. Other assumptions made by the Fiscal Consultant in calculating the projected tax increment revenues from the Project Area available to pay debt service in Tables 8 and 9 are described in the Fiscal Consultant's Report. See "APPENDIX H – FISCAL CONSULTANT'S REPORT."

Tables 10 and 11 show projected debt service coverage based on total debt service on the 2017 Bonds and the 2011A Bonds assuming 0% and 2%, respectively, incremental growth in assessed values commencing in fiscal year 2018-19 and each fiscal year thereafter and taking into account all amounts on deposit in the 2011A Bonds for the payment debt service on the 2011A Bonds. There can be no assurance that actual tax increment revenues from the Project Area will be at least equal to those projected on Tables 8, 9, 10 and 11. For a discussion of certain matters that will or could cause actual tax increment revenues from the Project Area in the future to be less than those projected in this Official Statement, see "RISK FACTORS."

TABLE 8
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Projection of Assessed Values and Tax Increment Revenues
(Assuming No Annual Growth)
(000s Omitted)

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Real Property Value	\$5,278,221	\$5,278,221	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291	\$5,256,291
Appeal Value Impact ⁽¹⁾	--	(21,930)	--	--	--	--	--	--	--	--	--	--
Total Real Property Value	5,278,221	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291	5,256,291
Personal Property	581,312	581,312	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242
Appeal Value Impact ⁽¹⁾	--	(4,070)	--	--	--	--	--	--	--	--	--	--
Total Personal Property Value	581,312	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242
Total Project Value	5,859,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533	5,833,533
Less: Base Value	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)
Incremental Value	5,311,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348	5,285,348
Gross Tax Revenue	53,113	52,853	52,853	52,853	52,853	52,853	52,853	52,853	52,853	52,853	52,853	52,853
Plus: Unitary Tax Revenue	546	546	546	546	546	546	546	546	546	546	546	546
Less: County Admin. Fees ⁽²⁾	(926)	(922)	(922)	(922)	(922)	(922)	(922)	(922)	(922)	(922)	(922)	(922)
Less: Estimated Appeal Refund ⁽³⁾	(908)	--	--	--	--	--	--	--	--	--	--	--
Less: Statutory Pass-Throughs ⁽⁴⁾	(8,401)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)	(8,305)
Projected Available Tax Increment Revenues	\$43,424	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172	\$44,172

(1) Projected assessed values for fiscal year 2018-19 include reductions in assessed values of approximately \$26 million related to pending assessment appeals. See “– Assessment Appeals.”

(2) Represents the County’s administrative fees pursuant SB 2557 of approximately 1.73% of gross tax increment. See “PROPERTY TAXATION IN CALIFORNIA – Property Tax Administrative Costs.”

(3) Represent refunds of previously paid property taxes resulting relating to pending assessment appeals. See “– Appeals of Assessed Values.”

(4) Represents statutory pass-through payments required to be paid to certain taxing entities within the Project Area. See “SECURITY FOR THE 2017 BONDS – Statutory Pass-Through Amounts.”

Source: County Auditor-Controller; Keyser Marston Associates, Inc.

TABLE 9
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Projection of Assessed Values and Tax Increment Revenues
(Assuming 2% Annual Growth)
(000s Omitted)

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Real Property Value	\$5,278,221	\$5,278,221	\$5,361,417	\$5,468,645	\$5,578,018	\$5,689,578	\$5,803,370	\$5,919,437	\$6,037,826	\$6,158,582	\$6,281,754	\$6,407,389
Appeal Value Impact ⁽¹⁾	--	(21,930)	--	--	--	--	--	--	--	--	--	--
Value due to Inflationary Change	--	105,126	107,228	109,373	111,560	113,792	116,067	118,389	120,757	123,172	125,635	128,148
Total Real Property Value	5,278,221	5,361,417	5,468,645	5,578,018	5,689,578	5,803,370	5,919,437	6,037,826	6,158,582	6,281,754	6,407,389	6,535,537
Personal Property	581,312	581,312	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242
Appeal Value Impact ⁽¹⁾	--	(4,070)	--	--	--	--	--	--	--	--	--	--
Total Personal Property Value	581,312	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242	577,242
Total Project Value	5,859,533	5,938,659	6,045,887	6,155,260	6,266,820	6,380,612	6,496,679	6,615,068	6,735,825	6,858,996	6,984,631	7,112,779
Less: Base Value	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)	(548,185)
Incremental Value	5,311,348	5,390,474	5,497,702	5,607,075	5,718,636	5,832,427	5,948,494	6,066,883	6,187,640	6,310,811	6,436,446	6,564,594
Gross Tax Revenue	53,113	53,905	54,977	56,071	57,186	58,324	59,485	60,669	61,876	63,108	64,364	65,646
Plus: Unitary Tax Revenue	546	546	546	546	546	546	546	546	546	546	546	546
Less: County Admin. Fees ⁽²⁾	(926)	(940)	(958)	(977)	(996)	(1,016)	(1,036)	(1,057)	(1,077)	(1,099)	(1,120)	(1,143)
Less: Estimated Appeal Refund ⁽³⁾	(908)	--	--	--	--	--	--	--	--	--	--	--
Less: Statutory Pass-Throughs ⁽⁴⁾	(8,401)	(8,676)	(9,055)	(9,441)	(9,835)	(10,237)	(10,646)	(11,064)	(11,491)	(11,925)	(12,369)	(12,821)
Projected Available Tax Increment Revenues	\$43,424	\$44,834	\$45,509	\$46,198	\$46,901	\$47,617	\$48,348	\$49,094	\$49,854	\$50,630	\$51,421	\$52,228

(1) Projected assessed values for fiscal year 2018-19 include reductions in assessed values of approximately \$26 million related to pending assessment appeals. See “– Assessment Appeals.”

(2) Represents the County's administrative fees pursuant SB 2557 of approximately 1.73% of gross tax increment. See “PROPERTY TAXATION IN CALIFORNIA – Property Tax Administrative Costs.”

(3) Represent refunds of previously paid property taxes resulting relating to pending assessment appeals. See “– Appeals of Assessed Values.”

(4) Represents statutory pass-through payments required to be paid to certain taxing entities within the Project Area. See “SECURITY FOR THE 2017 BONDS – Statutory Pass-Through Amounts.”

Source: County Auditor-Controller; Keyser Marston Associates, Inc.

TABLE 10
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Estimated Debt Service Coverage
(Assuming No Annual Growth)
(000s Omitted)

Fiscal Year	Tax Increment Revenues Available for Debt Service	Debt Service on 2011A Bonds ^{*(1)}	Debt Service on Series 2017 Bonds ^{*(2)}	Total Debt Service*	Total Debt Service Coverage*
2017-18	\$43,424	\$ --	\$15,276	\$15,276	2.84x
2018-19	44,172	--	15,276	15,276	2.89x
2019-20	44,172	--	15,281	15,281	2.89x
2020-21	44,172	--	15,277	15,277	2.89x
2021-22	44,172	1,133	13,977	15,109	2.92x
2022-23	44,172	2,735	12,374	15,109	2.92x
2023-24	44,172	2,270	12,605	14,875	2.97x
2024-25	44,172	--	7,210	7,210	6.13x
2025-26	44,172	--	6,217	6,217	7.11x
2026-27	44,172	--	6,218	6,218	7.10x
2027-28	44,172	--	6,221	6,221	7.10x

- (1) Debt service is net of amounts on deposit in the Non-Callable 2011A Bonds Principal Account. Notwithstanding the deposit of such amounts in the 2011A Bonds Principal Account, the Successor Agency's obligations with respect to the 2011A Bonds under the indenture securing such bonds have not been discharged. See "SECURITY FOR THE 2017 BONDS – Senior Debt."
- (2) Represents Bond Year debt service. See "SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules – Relevant Covenant by the Successor Agency" for a description of the Successor Agency's covenant to file Recognized Obligation Payment Schedules for information regarding the timing of anticipated distributions of Tax Revenues to the Successor Agency.

* Preliminary; subject to change.

Source: Keyser Marston Associates, Inc.; Stifel, Nicolaus & Company, Incorporated.

TABLE 11
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
Estimated Debt Service Coverage
(Assuming 2% Annual Growth)
(000s Omitted)

Fiscal Year	Tax Revenues Available for Debt Service	Debt Service on 2011A Bonds ^{*(1)}	Debt Service on Series 2017 Bonds ^{*(2)}	Total Debt Service*	Total Debt Service Coverage*
2017-18	\$43,424	\$ --	\$15,276	\$15,276	2.84x
2018-19	44,834	--	15,276	15,276	2.94x
2019-20	45,509	--	15,281	15,281	2.98x
2020-21	46,198	--	15,277	15,277	3.02x
2021-22	46,901	1,133	13,977	15,109	3.10x
2022-23	47,617	2,735	12,374	15,109	3.15x
2023-24	48,348	2,270	12,605	14,875	3.25x
2024-25	49,094	--	7,210	7,210	6.81x
2025-26	49,854	--	6,217	6,217	8.02x
2026-27	50,630	--	6,218	6,218	8.14x
2027-28	51,421	--	6,221	6,221	8.27x

- (1) Debt service is net of amounts on deposit in the Non-Callable 2011A Bonds Principal Account. Notwithstanding the deposit of such amounts in the 2011A Bonds Principal Account, the Successor Agency's obligations with respect to the 2011A Bonds under the indenture securing such bonds have not been discharged. See "SECURITY FOR THE 2017 BONDS – Senior Debt."
- (2) Represents Bond Year debt service. See "SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules – Relevant Covenant by the Successor Agency" for a description of the Successor Agency's covenant to file Recognized Obligation Payment Schedules for information regarding the timing of anticipated distributions of Tax Revenues to the Successor Agency.

* Preliminary; subject to change.

Source: Keyser Marston Associates, Inc.; Stifel, Nicolaus & Company, Incorporated.

RISK FACTORS

The following information should be considered by prospective investors in evaluating the 2017 Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the 2017 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.

The various legal opinions to be delivered concurrently with the issuance of the 2017 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights, including equitable principles.

Recognized Obligation Payment Schedule

The Dissolution Act provides that only those payments listed in a Recognized Obligation Payment Schedule may be made by a successor agency from the funds specified in the Recognized Obligation Payment Schedule. Pursuant to Section 34177 of the Dissolution Act, on or before each February 1 commencing February 1, 2016, the Successor Agency shall submit to the Oversight Board and the DOF, a Recognized Obligation Payment Schedule unless, at the option of the Successor Agency and subject to DOF approval and satisfaction of certain other conditions, a Last and Final Recognized Obligation Payment Schedule is filed by the Successor Agency and is approved by the DOF in which event no such periodic filing requirements apply. In instances where a Last and Final Recognized Obligation Payment Schedule is not filed, for each annual period the Dissolution Act requires each successor agency to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Consequently, in instances where a Last and Final Recognized Obligation Payment Schedule is not filed, Tax Revenues will not be withdrawn from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller and remitted to the Successor Agency without a duly approved and effective Recognized Obligation Payment Schedule to pay debt service on the 2017 Bonds and to pay other enforceable obligations for each applicable annual period. In the event the Successor Agency were to fail to file a Recognized Obligation Payment Schedule as required, the availability of Tax Revenues to the Successor Agency could be adversely affected for such period. See "SECURITY FOR THE 2017 BONDS – Recognized Obligation Payment Schedules."

In instances where a Last and Final Recognized Obligation Payment Schedule is not filed, if a successor agency does not submit a Recognized Obligation Payment Schedule within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations, the DOF may determine if any amount should be withheld by the county auditor-controller for payments for enforceable obligations from distribution to taxing entities, pending approval of a Recognized Obligation Payment Schedule. The county auditor-controller is then required to distribute the portion of any of the sums withheld as described above to the affected taxing entities in accordance with applicable provisions of the Dissolution Act upon notice by the DOF that a portion of the withheld balances are in excess of the amount of enforceable obligations. The Dissolution Act provides that the county auditor-controller shall distribute withheld funds to a successor agency

only in accordance with a Recognized Obligation Payment Schedule approved by the DOF. [Nothing in the Indenture limits the Successor Agency's ability to file a Last and Final Recognized Obligation Payment Schedule.]

AB 1484 also added provisions to the Dissolution Act implementing certain penalties in the event a successor agency does not timely submit a Recognized Obligation Payment Schedule as required. Specifically, an oversight board approved Recognized Obligation Payment Schedule must be submitted by the successor agency to the county auditor-controller and the DOF, no later than each February 1 for the subsequent annual period. If a successor agency does not submit a Recognized Obligation Payment Schedule by such deadline, the city or county that established the redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. Additionally, a successor agency's administrative cost allowance is reduced by 25% for the subsequent annual period if the successor agency does not submit an oversight board-approved Recognized Obligation Payment Schedule within 10 days of the February 1 deadline.

Challenges to Dissolution Act

Several successor agencies, cities and other entities have filed judicial actions challenging the legality of various provisions of the Dissolution Act. One such challenge is an action filed on August 1, 2012, by Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "**Syncora**") against the State, the State Controller, the State Director of Finance, and the Auditor-Controller of San Bernardino County on his own behalf and as the representative of all other County Auditors in the State (Superior Court of the State of California, County of Sacramento, Case No. 34-2012-80001215). Syncora are monoline financial guaranty insurers domiciled in the State of New York, and as such, provide credit enhancement on bonds issued by state and local governments and do not sell other kinds of insurance such as life, health, or property insurance. Syncora provided bond insurance and other related insurance policies for bonds issued by former California redevelopment agencies.

The complaint alleged that the Dissolution Act, and specifically the "Redistribution Provisions" thereof (i.e., California Health and Safety Code Sections 34172(d), 34174, 34177(d), 34183(a)(4), and 34188) violate the "contract clauses" of the United States and California Constitutions (U.S. Const. art. 1, §10, cl.1; Cal. Const. art. 1, §9) because they unconstitutionally impair the contracts among the former redevelopment agencies, bondholders and Syncora. The complaint also alleged that the Redistribution Provisions violate the "Takings Clauses" of the United States and California Constitutions (U.S. Const. amend. V; Cal Const. art. 1 § 19) because they unconstitutionally take and appropriate bondholders' and Syncora's contractual right to critical security mechanisms without just compensation.

After a hearing by the Sacramento County Superior Court on May 3, 2013, the Superior Court ruled that Syncora's constitutional claims based on contractual impairment were premature. The Superior Court also held that Syncora's takings claims, to the extent based on the same arguments, were also premature. Pursuant to a Judgment stipulated to by the parties, the Superior Court on October 3, 2013, entered its order dismissing the action. The Judgment, however, provides that Syncora preserves its rights to reassert its challenges to the Dissolution Act in the future. The Successor Agency does not guarantee that any reassertion of challenges by Syncora or that the final results of any of the judicial actions brought by others challenging the Dissolution Act will not result in an outcome that may have a material adverse effect on the Successor Agency's ability to timely pay debt service on the 2017 Bonds.

Historical Litigation

For almost four years, beginning in December 2013, the Successor Agency was involved in litigation with the DOF and the County. The DOF and the County challenged a transfer of tax increment revenue by the Successor Agency to the City, and the Successor Agency challenged DOF/County's efforts to recover the disputed transfer through successive reductions by the County to the allotment of tax increment revenue to the Successor Agency. The trial court concluded that the DOF is not entitled to any further remedy against the Successor Agency related to the transfer, and the Court of Appeal, Third Appellate District agreed. The Court of Appeal ruling is final. The Dissolution Act establishes a statutory remedy for recovery of the disputed amount from the City and the State Controller has ordered the City to return the disputed amount to the Successor Agency. The State Controller's order is subject to administrative and judicial review which the City may elect to undertake. The Successor Agency believes that regardless of the outcome, such review would not have a material adverse effect on the availability of Tax Revenues available to pay debt service on the 2017 Bonds.

Reduction in Taxable Value

Tax Revenues available to pay principal of and interest on the 2017 Bonds are determined by the amount of incremental taxable value in the Project Area and the current rate or rates at which property in the Project Area is taxed. The reduction of taxable values of property in the Project Area caused by economic factors beyond the Successor Agency's control, such as relocation out of the Project Area by one or more major property owners, sale of property to a non-profit corporation exempt from property taxation, or the complete or partial destruction of such property caused by, among other eventualities, earthquake or other natural disaster, could cause a reduction in the Tax Revenues available to pay debt service on the 2017 Bonds. Such reduction of Tax Revenues available to pay debt service on the 2017 Bonds could have an adverse effect on the Successor Agency's ability to make timely payments of principal of and interest on the 2017 Bonds; this risk may be increased by significant concentration of property ownership in the Project Area (see "THE PROJECT AREA – Largest Property Taxpayers"). Based on estimated debt service on the Non-Callable 2011A Bonds and 2017 Bonds and other assumptions reflected in the projections of Tax Revenues in this Official Statement and the Fiscal Consultant's Report, the Successor Agency projects that assessed values for fiscal year 2017-18 in the Project Area could withstand a decrease of approximately \$____ or ____%* before tax increment revenues from the Project Area would be insufficient to pay estimated debt service on the Non-Callable 2011A Bonds and 2017 Bonds for such fiscal year. See "THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Non-Callable 2011A Bonds and 2017 Bonds.

As described in greater detail under the heading "PROPERTY TAXATION IN CALIFORNIA – Article XIII A of the State Constitution," Article XIII A provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the 2017 Bonds could reduce Tax Revenues available to pay debt service on the 2017 Bonds.

* Preliminary; subject to change.

In addition to the other limitations on, and required application under the Dissolution Act of Tax Revenues on deposit in the Redevelopment Property Tax Trust Fund, the State electorate or State Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing Tax Revenues allocated to the Redevelopment Property Tax Trust Fund and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the State Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or State Legislature will not at some future time approve additional limitations that could reduce the Tax Revenues available to pay debt service on the 2017 Bonds and adversely affect the source of repayment and security of the 2017 Bonds.

Unsecured Property

Approximately 11% of the net assessed property value in the Project Area for fiscal year 2017-18 is derived from unsecured property. Unsecured property in the Project Area is comprised largely of equipment and other personal property. Such property is a transitory component of total assessed value and may be removed from the Project Area at any point in time, and accordingly, must be viewed as a volatile component of assessed value in the Project Area. See "APPENDIX H – FISCAL CONSULTANT'S REPORT." While the Successor Agency cannot predict when or if such unsecured personal property might be removed from the Project Area, the Successor Agency believes the projected assessed values of such unsecured fixtures and equipment for future fiscal years set forth in the Fiscal Consultant's Report and this Official Statement is reasonable. See "THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the 2017 Bonds and the Non-Callable 2011A Bonds. The removal of such unsecured personal property from the Project Area, however, could reduce the Tax Revenues available to pay debt service on the 2017 Bonds and adversely affect the source of repayment and security of the 2017 Bonds.

Assessment Appeals

Property taxable values may be reduced as a result of Proposition 8, which reduces the assessed value of property, or of a successful appeal of the taxable value determined by the County Assessor. An appeal may result in a reduction to the County Assessor's original taxable value and a tax refund to the applicant property owner. A reduction in taxable values within the respective project area (or Component Area in the case of the Successor Agency) and the refund of taxes which may arise out of successful appeals by property owners will affect the amount of Tax Revenues under the Indenture. The Successor Agency has in the past experienced reductions in the tax increment revenues from the Project Area as a result of assessment appeals. The actual impact to tax increment and, therefore, Tax Revenues is dependent upon the actual revised value of assessments resulting from values determined by the County Assessment Appeals Board or through litigation and the ultimate timing of successful appeals.

Risks to Real Estate Market

The Successor Agency's ability to make payments on the 2017 Bonds will be dependent upon the economic strength of the Project Area. The general economy of the Project Area will be subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions,

fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development. In addition, if there is a decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Tax Revenues by the Successor Agency from the Project Area. See “THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage” for a description of the debt service coverage on the 2017 Bonds.

Concentration of Property Ownership

Based on fiscal year 2017-18 locally assessed taxable valuations, the top ten property tax payers in the Project Area represent approximately 27% of the total fiscal year 2017-18 taxable assessed value and 30% of the fiscal year 2017-18 incremental assessed value within the Project Area. Some of these property owners have pending assessed value appeals with respect to their property in the Project Area. Bankruptcy, termination of operations or departure from the Project Area by one or more of the largest property owners from the Project Area could adversely impact the availability of Tax Revenues to pay debt service on the 2017 Bonds. See “THE PROJECT AREA – Tax Increment Revenues and Estimated Debt Service Coverage.”

Reduction in Inflationary Rate

As described in greater detail below, Article XIII A of the State Constitution provides that the full cash value of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The Successor Agency is unable to predict if any further adjustments to the full cash value base of real property within the Project Area, whether an increase or a reduction, will be realized in the future. See “PROPERTY TAXATION IN CALIFORNIA – Article XIII A of the State Constitution.”

Development Risks

The general economy of a redevelopment project area will be subject to all the risks generally associated with real estate development. Projected development within a redevelopment project area may be subject to unexpected delays, disruptions and changes. Real estate development operations may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development operations within a redevelopment project area could be adversely affected by future governmental policies, including governmental policies to restrict or control development. If projected development in a redevelopment project area is delayed or halted, the economy of the redevelopment project area could be affected. If such events lead to a decline in assessed values they could cause a reduction in incremental property tax revenues. In addition, if there is a decline in the general economy of a redevelopment agency, the owners of property within the redevelopment project area may be less able or less willing to make timely payments of

property taxes causing a delay or stoppage of the incremental property tax revenues received by the successor agency from the redevelopment project area. In addition, the insolvency or bankruptcy of one or more large owners of property within a redevelopment project area could delay or impair the receipt of incremental property tax revenues by the successor agency.

The Project Area is primarily developed and the Successor Agency believes that Tax Revenues are not materially dependent on future development. Additionally, additional value has been included in the projections of tax increment revenues from the Project Area available to pay debt service on the 2017 Bonds in this Official Statement. See “THE PROJECT AREA – Tax Increment Revenues and Estimated Debt Service Coverage.”

Levy and Collection of Taxes

The Successor Agency has no independent power to levy or collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Tax Revenues, and accordingly, could have an adverse impact on the security for and the ability of the Successor Agency to repay the 2017 Bonds.

Likewise, delinquencies in the payment of property taxes by the owners of land in the Project Area, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the Successor Agency’s ability to make timely payments on the 2017 Bonds. Any reduction in Tax Revenues, whether for any of these reasons or any other reasons, could have an adverse effect on the Successor Agency’s ability to pay the principal of and interest on the 2017 Bonds. See “THE PROJECT AREA – Levy and Collections” and “THE PROJECT AREA – Projected Increment Tax Revenues and Estimated Debt Service Coverage” for recent property tax collection rates for the Project Area and a description of estimated debt service coverage on the 2017 Bonds, respectively.

Bankruptcy and Foreclosure

The payment of the property taxes from which Tax Revenues are derived and the ability of the County to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors’ rights or by the laws of the State relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the 2017 Bonds (including Bond Counsel’s approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such delay would increase the possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the 2017 Bonds. See “THE PROJECT AREA – Projected Increment Tax Revenues and Estimated Debt Service Coverage” for a description of estimated debt service coverage on the 2017 Bonds.

Estimated Revenues

In estimating that Tax Revenues will be sufficient to pay debt service on the 2017 Bonds, the Successor Agency made certain assumptions with regard to present and future assessed

valuation in the Project Area, future tax rates and percentage of taxes collected. The Successor Agency believes these assumptions to be reasonable, but there is no assurance these assumptions will be realized and to the extent that the assessed valuation and the tax rates are less than expected, the Tax Revenues available to pay debt service on the 2017 Bonds will be less than those projected and such reduced Tax Revenues may be insufficient to provide for the payment of principal of and interest on the 2017 Bonds. See "THE PROJECT AREA – Projected Tax Increment Revenues and Estimated Debt Service Coverage" above.

Natural Disasters

The value of the property in the Project Area in the future can be adversely affected by a variety of additional factors, particularly those which may affect infrastructure and other public improvements and private improvements on property and the continued habitability and enjoyment of such private improvements. Such additional factors include, without limitation, geologic conditions such as earthquakes, topographic conditions such as earth movements, landslides and floods and climatic conditions such as droughts. In the event that one or more of such conditions occur, such occurrence could cause damages of varying seriousness to the land and improvements and the value of property in the Project Area could be diminished in the aftermath of such events. A substantial reduction of the value of such properties and could affect the ability or willingness of the property owners to pay the property taxes.

Seismic. According to the City's Seismic Safety Element, the two most probable major earthquake sources for the City are the San Andreas Fault Zone (located 45 miles from the City at its closest point), and the Newport-Inglewood Fault Zone, a portion of which is located within the City. The City is also in proximity to the Overland and Charnock faults, but movement along those faults is not anticipated because evidence suggests those faults are no longer active.

Flood. The Successor Agency does not believe that flood issues are likely to materially impact the availability of Tax Revenues to pay debt service on the 2017 Bonds. Only a portion of the Project Area lies in a flood zone and it is subject to average depth of less than 1 foot when it occurs. Federal Emergency Management Agency ("FEMA") flood maps indicate that a few locations in the northern part of the City are at an elevated risk for flooding. A small area, bordered roughly by Ballona Creek, Fairfax Avenue, and Adams Boulevard lies within a 100-year flood zone for a 1 to 3 foot flood, meaning that there is a one in 100 chance that a flood event sufficient to cause 1 to 3 feet of inundation will occur in any given year (Zone AO). Two additional areas nearby, one between Eastham Drive and Ballona Creek and the second in the area immediately adjacent to Ballona Creek between National Boulevard and Sentney Avenue, are also within a 100-year flood zone, although FEMA does not specify the potential amount of inundation in this area (Zone A). Another part of the City, between Adams Boulevard and Dauphin Street, is at risk from a flood capable of causing inundation of less than 1 foot with a chance of occurring between one in 100 and one in 500 in any given year (Zone X). FEMA defines flood zones based on the probability of occurrence, expressed in a percentage of the change of a flood of a specific extent occurring in any given year. For areas located within the 100-year flood zone, there is a 1 percent chance in a given year that this area will be inundated by flood waters. For moderate flood hazard areas located within the 500-year flood zone, this probability decreases to 0.2 percent. For minimal flood hazard areas, they are located outside of the 0.2 percent annual chance flood.

Hazardous Substances

The discovery of a hazardous substance that would limit the beneficial use of taxable property within the Project Area could result in the reduction of assessed values therein. In general, the owners and operators of property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Area be affected by a hazardous substance, could be to reduce the marketability and value of the property by the costs of remedying the condition.

Changes in the Law

There can be no assurance that the State electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Dissolution Act, the Redevelopment Law or other laws or the Constitution of the State resulting in a reduction of Tax Revenues, which could have an adverse effect on the Successor Agency's ability to pay debt service on the 2017 Bonds. Although the federal and State Constitutions include clauses generally prohibiting the Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions.

Loss of Tax-Exemption

As discussed under the caption "TAX MATTERS," interest on the 2017A Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2017A Bonds were issued, as a result of future acts or omissions of the Successor Agency in violation of its covenants in the Indenture.

In addition, current and future legislative proposals, if enacted into law, may cause interest on the 2017A Bonds to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals. The introduction or enactment of any such legislative proposals, clarification of the Code (as hereinafter defined) or court decisions may also affect the market price for, or marketability of, the Series 2017A Bonds.

Should such an event of taxability occur, the Series 2017A Bonds are not subject to special redemption and will remain outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

Internal Revenue Service Audit of Tax-Exempt Bond Issues

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Series 2017A Bonds will be selected for audit by the IRS. It is also possible that the market value of the Series 2017A Bonds might be affected as a result of such an audit of the Series 2017A Bonds (or by an audit of similar municipal obligations).

Secondary Market

There can be no guarantee that there will be a secondary market for the 2017 Bonds, or, if a secondary market exists, that the 2017 Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances.

TAX MATTERS

Series 2017A Bonds

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Successor Agency ("**Bond Counsel**"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "**Code**") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Series 2017A Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix B hereto.

To the extent the issue price of any maturity of the Series 2017A Bonds is less than the amount to be paid at maturity of such Series 2017A Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2017A Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Series 2017A Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Series 2017A Bonds is the first price at which a substantial amount of such maturity of the Series 2017A Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2017A Bonds accrues daily over the term to maturity of such Series 2017A Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2017A Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2017A Bonds. Beneficial Owners of the Series 2017A Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2017A Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Series 2017A Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2017A Bonds is sold to the public.

Series 2017A Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("**Series A Premium Bonds**") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Series A Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Series A Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Series A Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2017A Bonds. The Successor Agency has made certain representations and

covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Series 2017A Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Series 2017A Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2017A Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the Series 2017A Bonds may adversely affect the value of, or the tax status of interest on, the Series 2017A Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Series 2017A Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Series 2017A Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2017A Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Series 2017A Bonds. Prospective purchasers of the Series 2017A Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2017A Bonds for federal income tax purposes. It is not binding on the IRS or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Successor Agency or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Successor Agency has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the 2017 Bonds ends with the issuance of the 2017 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Successor Agency or the Beneficial Owners regarding the tax-exempt status of the Series 2017A Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Successor Agency and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Successor Agency legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of

the Series 2017A Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2017A Bonds, and may cause the Successor Agency or the Beneficial Owners to incur significant expense.

Series 2017B Bonds

In the opinion of Bond Counsel, interest on the Series 2017B Bonds is exempt from State of California personal income taxes. Bond Counsel observes that interest on the Series 2017B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Series 2017B Bonds. Investors are urged to obtain independent tax advice regarding the Series 2017B Bonds based upon their particular circumstances. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix B hereto.

The following discussion summarizes certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) of the Series 2017B Bonds that acquire their Series 2017B Bonds in the initial offering. The discussion below is based upon laws, regulations, rulings, and decisions in effect and available on the date hereof, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been or are expected to be sought from the IRS with respect to any of the U.S. federal income tax considerations discussed below, and no assurance can be given that the IRS will not take contrary positions. Further, the following discussion does not deal with all U.S. tax consequences applicable to any given investor, nor does it address the U.S. tax considerations applicable to all categories of investors, some of which may be subject to special taxing rules (regardless of whether or not such investors constitute U.S. Holders), such as certain U.S. expatriates, banks, REITs, RICs, insurance companies, tax-exempt organizations, dealers or traders in securities or currencies, partnerships, S corporations, estates and trusts, investors that hold their Series 2017B Bonds as part of a hedge, straddle or an integrated or conversion transaction, or investors whose “functional currency” is not the U.S. dollar. Furthermore, it does not address (i) alternative minimum tax consequences, (ii) the net investment income tax imposed under Section 1411 of the Code, or (iii) the indirect effects on persons who hold equity interests in a holder. This summary also does not consider the taxation of the Series 2017B Bonds under state, local or non-U.S. tax laws. In addition, this summary generally is limited to U.S. tax considerations applicable to investors that acquire their Series 2017B Bonds pursuant to this offering for the issue price that is applicable to such Series 2017B Bonds (i.e., the price at which a substantial amount of the Series 2017B Bonds are sold to the public) and who will hold their Series 2017B Bonds as “capital assets” within the meaning of Section 1221 of the Code. The following discussion does not address tax considerations applicable to any investors in the Series 2017B Bonds other than investors that are U.S. Holders.

As used herein, “U.S. Holder” means a beneficial owner of a Series 2017B Bond that for U.S. federal income tax purposes is an individual citizen or resident of the United States, a corporation or other entity taxable as a corporation created or organized in or under the laws of the United States or any state thereof (including the District of Columbia), an estate the income of which is subject to U.S. federal income taxation regardless of its source or a trust where a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust (or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust). If a partnership holds Series 2017B

Bonds, the tax treatment of such partnership or a partner in such partnership generally will depend upon the status of the partner and upon the activities of the partnership. Partnerships holding Series 2017B Bonds, and partners in such partnerships, should consult their own tax advisors regarding the tax consequences of an investment in the Series 2017B Bonds (including their status as U.S. Holders).

Prospective investors should consult their own tax advisors in determining the U.S. federal, state, local or non-U.S. tax consequences to them from the purchase, ownership and disposition of the Series 2017B Bonds in light of their particular circumstances.

Interest. Interest on the Series 2017B Bonds generally will be taxable to a U.S. Holder as ordinary interest income at the time such amounts are accrued or received, in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of any maturity of the Series 2017B Bonds is less than the amount to be paid at maturity of such Series 2017B Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2017B Bonds) by more than a de minimis amount, the difference may constitute original issue discount ("OID"). U.S. Holders of Series 2017B Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. Holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

Series 2017B Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. Holder of a Series 2017B Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. Holder, to amortize such premium, using a constant yield method over the term of such Series 2017B Bond.

Sale or Other Taxable Disposition of the Series 2017B Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement (including pursuant to an offer by the Successor Agency) or other disposition of a Series 2017B Bond, will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. Holder of a Series 2017B Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Series 2017B Bond, which will be taxed in the manner described above) and (ii) the U.S. Holder's adjusted U.S. federal income tax basis in the Series 2017B Bond (generally, the purchase price paid by the U.S. Holder for the Series 2017B Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. Holder with respect to such Series 2017B Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. Holder of the Series 2017B Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. Holder's holding period for the Series 2017B Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Defeasance of the Series 2017B Bonds. If the Successor Agency defeases any Series 2017B Bond, such Series 2017B Bond may be deemed to be retired and "reissued" for federal income tax purposes as a result of the defeasance. In that event, in general, a U.S. Holder will recognize taxable gain or loss equal to the difference between (i) the amount realized from the

deemed sale, exchange or retirement (less any accrued qualified stated interest which will be taxable as such) and (ii) the U.S. Holder's adjusted tax basis in the Series 2017B Bond.

Information Reporting and Backup Withholding. Payments on the Series 2017B Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. Holder of the Series 2017B Bonds may be subject to backup withholding at the current rate of 28% with respect to "reportable payments," which include interest paid on the Series 2017B Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2017B Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. Holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Foreign Account Tax Compliance Act ("FATCA"). Sections 1471 through 1474 of the Code, impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Series 2017B Bonds and sales proceeds of Series 2017B Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and, under current guidance, will apply to (i) gross proceeds from the sale, exchange or retirement of debt obligations paid after December 31, 2018 and (ii) certain "passthru" payments no earlier than January 1, 2019. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

The foregoing summary is included herein for general information only and does not discuss all aspects of U.S. federal taxation that may be relevant to a particular holder of Series 2017B Bonds in light of the holder's particular circumstances and income tax situation. Prospective investors are urged to consult their own tax advisors as to any tax consequences to them from the purchase, ownership and disposition of Series 2017B Bonds, including the application and effect of state, local, non-U.S., and other tax laws.

AUDITED FINANCIAL STATEMENTS

The City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016 (the "**City CAFR**") is attached as Appendix E. The City CAFR includes the Successor Agency's audited financial statements for the fiscal year ended June 30, 2016. The City CAFR including the Successor Agency's audited financial statements were audited by The Pun Group, LLP, Santa Ana, California (the "**Auditor**"). The Auditor has not been asked to consent to the inclusion of the City CAFR including the Successor Agency's audited financial statements in this Official Statement and has not reviewed this Official Statement. See "APPENDIX E – CITY OF CULVER CITY – COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016."

As described in "SECURITY FOR THE 2017 BONDS – Limited Obligation," the 2017 Bonds are payable from and secured by a pledge of Tax Revenues and certain funds and accounts held by the Trustee under the Indenture and the 2017 Bonds are not a debt of the City. The City CAFR is attached as Appendix E to this Official Statement only because it includes the Successor Agency's audited financial statements.

CONCLUDING INFORMATION

Underwriting

The 2017 Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). The Underwriter has agreed to purchase the Series 2017A Bonds at a price of \$_____ (being the principal amount of the Series 2017A Bonds [less]/[plus] [net] original issue [discount]/[premium] of \$_____ and less an Underwriter's discount of \$_____). The Underwriter has also agreed to purchase the Series 2017B Bonds at a price of \$_____ (being the principal amount of the Series 2017B Bonds [less]/[plus] [net] original issue [discount]/[premium] of \$_____ and less an Underwriter's discount of \$_____). The Underwriter will purchase all of the 2017 Bonds if any are purchased.

The Underwriter may offer and sell 2017 Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page of this Official Statement. The offering prices may be changed from time to time by the Underwriter.

Legal Opinion

The validity of the 2017 Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Successor Agency. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix B hereto.

A copy of the proposed form of Bond Counsel's final approving opinion with respect to the 2017 Bonds is attached as Appendix B.

In addition, certain legal matters will be passed on by Jones Hall, A Professional Law Corporation, as Disclosure Counsel and Stradling Yocca Carlson & Rauth, A Professional Corporation, as Underwriter's Counsel.

Certain legal matters will be passed on for the Successor Agency by Kane, Ballmer & Berkman, as special counsel to the Successor Agency.

Compensation paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon the sale and delivery of the 2017 Bonds.

Litigation

There is no action, suit or proceeding known to the Successor Agency to be pending and notice of which has been served upon and received by the Successor Agency, or threatened, restraining or enjoining the execution or delivery of the Indenture or the issuance and sale of the 2017 Bonds or in any way contesting or affecting the validity of the foregoing or any proceedings of the Successor Agency taken with respect to any of the foregoing or seeking to restrain or enjoin the repayment of the 2017 Bonds or which, in any manner, questions the right of the Successor Agency to use Tax Revenues for repayment of the 2017 Bonds or affects in any manner the right or ability of the Successor Agency to collect or pledge Tax Revenues. See, however, "RISK FACTORS – Challenges to Dissolution Act."

Ratings

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**"), has assigned its rating of "___" to the Insured 2017__ Bonds with the understanding that the Bond Insurer will issue the Bond Insurance Policy on the Closing Date. S&P has also assigned its underlying rating of "___" to the 2017 Bonds.

The ratings reflect only the view of S&P as to the credit quality of the 2017 Bonds, and explanation of the significance of the ratings may be obtained from S&P. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely, if in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the 2017 Bonds.

Continuing Disclosure

The Successor Agency will covenant for the benefit of owners of the 2017 Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than March 31 after the end of each fiscal year of the Successor Agency (currently June 30th), commencing not later than March 31, 2018 with the report for the 2016-17 fiscal year (the "**Annual Report**"), and to provide notices of the occurrence of certain listed events. The Annual Report and the notices of enumerated events will be filed by the Successor Agency with the Municipal Securities Rulemaking Board through the Electronic Municipal Access ("**EMMA**") System. The specific nature of the information to be contained in the Annual Report or the notices of listed events is summarized in "APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE," attached to this Official Statement. These covenants have been made in order to assist the Underwriter (as defined below) in complying with Securities Exchange Commission Rule 15c2 12(b)(5) (the "**Rule**").

The City and its related entities, including the Redevelopment Agency, previously entered into certain disclosure undertakings under the Rule. During the past five years, the City and its related entities, including the Successor Agency as successor to the Redevelopment

Agency, [complied with all such undertakings][failed to comply with certain of their undertakings in the previous five years as follows:] [describe non-compliance]

To ensure compliance with its continuing disclosure undertakings under the Rule in the future, the City has appointed Chief Financial Officer of the City to coordinate, on behalf the City and its related entities, including the Successor Agency, the preparation and filing of annual disclosure reports by the City and its related entities, including the Successor Agency, and has adopted policies and procedures related thereto (the “**Disclosure Policies and Procedures**”). In addition, the Successor Agency has engaged Applied Best Practices, LLC (the “**Dissemination Agent**”) to act as dissemination agent with respect to its undertakings under the Rule and to assist the City’s Chief Financial Officer and other City staff with the preparation of documents and other information to be provided by the Dissemination Agent in the future in accordance with the Rule.

Miscellaneous

All of the preceding summaries of the Indenture, the Redevelopment Law, the Dissolution Act, other applicable legislation, the Redevelopment Plans, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the 2017 Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by its Executive Director has been duly authorized by the Successor Agency.

SUCCESSOR AGENCY TO THE CULVER
CITY REDEVELOPMENT AGENCY

By: _____
John M. Nachbar
Executive Director

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

APPENDIX B
FORM OF BOND COUNSEL OPINION

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

The information in this Appendix C concerning The Depository Trust Company (“DTC”), New York, New York, and DTC’s book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. The Successor Agency cannot and does not give any assurances 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 2017 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2017 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2017 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.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the 2017 Bonds. The 2017 Bonds 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 certificate will be issued for each maturity of the 2017 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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 Successor 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 a Standard & Poor’s rating of AA+. 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. The information set forth on such website is not incorporated herein by reference.

Purchases of 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2017 Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2017 Bond (“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 2017 Bonds 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 2017 Bonds, except in the event that use of the book-entry system for the 2017 Bonds is discontinued.

To facilitate subsequent transfers, all 2017 Bonds 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 2017 Bonds 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 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2017 Bonds 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.

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 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Indenture. For example, Beneficial Owners of 2017 Bonds may wish to ascertain that the nominee holding the 2017 Bonds 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.

Redemption notices shall be sent to DTC. If less than all of the 2017 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency 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 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the 2017 Bonds 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 the Successor Agency or the Trustee, 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, the Trustee, or the

Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the 2017 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, 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.

DTC may discontinue providing its services as depository with respect to the 2017 Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the 2017 Bonds are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the 2017 Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this Appendix C concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$ _____
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS,
SERIES 2017A (TAX-EXEMPT)

\$ _____
SUCCESSOR AGENCY TO THE
CULVER CITY REDEVELOPMENT AGENCY
TAX ALLOCATION REFUNDING BONDS,
SERIES 2017B (FEDERALLY TAXABLE)

This CONTINUING DISCLOSURE CERTIFICATE (this “**Disclosure Certificate**”) is executed and delivered by the SUCCESSOR AGENCY TO THE CULVER CITY REDEVELOPMENT AGENCY (the “**Successor Agency**”) in connection with the issuance and sale of the bonds captioned above (collectively, the “**2017 Bonds**”). The 2017 Bonds are being issued pursuant to an Indenture of Trust, dated as of _____, 2017, by and between the Successor Agency and U.S. Bank National Association, as trustee.

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the 2017 Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Annual Report Date*” means the date that is nine months after the end of the Successor Agency’s fiscal year (currently March 31 based on the Successor Agency’s fiscal year end of June 30).

“*Dissemination Agent*” means Applied Best Practices, LLC, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency a written acceptance of such designation.

“*Listed Events*” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“*Official Statement*” means the final official statement executed by the Successor Agency in connection with the issuance of the 2017 Bonds.

“*Participating Underwriter*” means Stifel, Nicolaus & Company, Incorporated, the original underwriter of the 2017 Bonds required to comply with the Rule in connection with offering of the 2017 Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing [March 31, 2018, with the report for the 2016-17 fiscal year,] provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the Successor Agency shall provide the Annual Report to the Dissemination Agent (if other than the Successor Agency). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the Successor Agency) has not received a copy of the Annual Report, the Dissemination Agent shall contact the Successor Agency to determine if the Successor Agency is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Successor Agency may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the Successor Agency’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the Successor Agency hereunder.

(b) If the Successor Agency does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the Successor Agency shall in a timely manner provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a report with the Successor Agency certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) The Successor Agency’s audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Successor Agency’s audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

- (i) Principal amount of the 2017 Bonds outstanding as of June 30 of the most recently-completed fiscal year.
- (ii) Balance in the Reserve Account and a statement of the Reserve Account Requirement for the 2017 Bonds as of June 30 of the most recently-completed fiscal year.
- (iii) The information in the following tables of the Official Statement for the then current fiscal year: Tables 3, 4, and 8 (except that no projections are required).
- (iv) So long as the Agency does not participate in the Teeter Plan (or any similar program offered by the County), the information in the Table 5 of the Official Statement for the most recently completed fiscal year, but only to the extent such information is available from the County.
- (v) The information regarding pending and resolved appeals substantially in the form of Table 6 as of June 30 of the preceding fiscal year for the previous six fiscal years.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the Successor Agency shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The Successor Agency shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the 2017 Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.

- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the Successor Agency or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the Successor Agency or an obligated person, or the sale of all or substantially all of the assets of the Successor Agency or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Successor Agency shall, or shall cause the Dissemination Agent (if not the Successor Agency) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsection (a)(8) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected 2017 Bonds under the Indenture.

(c) The Successor Agency acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the 2017 Bonds. The Successor Agency shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the Successor Agency obtains knowledge of the occurrence of any of these Listed Events, the Successor Agency will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the Successor Agency will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Successor Agency in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Successor Agency, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Successor Agency.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Successor Agency's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the 2017 Bonds. If such termination occurs prior to the final maturity of the 2017 Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The Successor Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Applied Best Practices, LLC. Any Dissemination Agent may resign by providing 30 days' written notice to the Successor Agency.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the 2017 Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the 2017 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the 2017 Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the 2017 Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Certificate modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the Successor Agency fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the 2017 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. (a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the Successor Agency hereunder, and shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, the Bond holders or any other party. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the 2017 Bonds.

(b) The Dissemination Agent shall be paid compensation by the Successor Agency for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the 2017 Bonds, and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: December __, 2017

SUCCESSOR AGENCY TO THE CULVER
CITY REDEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

AGREED AND ACCEPTED:
APPLIED BEST PRACTICES, LLC,
as Dissemination Agent

By: _____

Name: _____

Title: _____

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Successor Agency to the Culver City Redevelopment Agency

Name of Issue: Successor Agency to the Culver City Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2017A (Tax-Exempt)

Successor Agency to the Culver City Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2017B (Federally Taxable)

Date of Issuance: December __, 2017

NOTICE IS HEREBY GIVEN that the Successor Agency has not provided an Annual Report with respect to the above-named Bonds as required by a Continuing Disclosure Certificate, dated December __, 2017, executed and delivered by the Successor Agency in connection with the issuance and sale of the Bonds. The Successor Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

DISSEMINATION AGENT:

By: _____
Its: _____

APPENDIX E

**CITY OF CULVER CITY –
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

APPENDIX F

STATE DEPARTMENT OF FINANCE APPROVAL LETTER

APPENDIX G

GENERAL INFORMATION ABOUT THE CITY OF CULVER CITY AND THE COUNTY OF LOS ANGELES

The following information concerning the City of Culver City (the "City") and the County of Los Angeles (the "County") is included only for the purpose of supplying general information regarding the area of the City. The 2017 Bonds are not a debt of the City, County, the State or any of its political subdivisions, except the Successor Agency, and neither the City, the County, the State nor any of its political subdivisions, except the Successor Agency, is liable therefor.

General Information

The City. The City is located on the westside of Los Angeles and is home to approximately 40,000 people. It is mostly surrounded by the City of Los Angeles, but also shares a border with unincorporated areas of the County. Over the years, considering its incorporated status, over forty annexations of adjoining areas have occurred. As a result the city now comprises approximately five square miles.

The City is well-known for being a center for motion picture and television production, as it is home to MGM Studios (now Sony Pictures Entertainment), and Culver Studios. Hundreds of movies and television shows have been filmed and produced on the lots of the City's studios as well as on the streets of the City.

The City is served by public transit systems Culver City Bus and the Expo Line, a light-rail line running between downtown Los Angeles and the City. The City is also served by the Los Angeles International Airport, which is located about 7 miles south.

The County. Located along the southern coast of California, the County covers about 4,080 square miles. It measures approximately 75 miles from north to south and 70 miles from east to west. The County includes Santa Catalina and San Clemente Islands and is bordered by the Pacific Ocean and Ventura, San Bernardino and Orange Counties.

Almost half of the County is mountainous and some 14 percent is a coastal plain known as the Los Angeles Basin. The low Santa Monica Mountains and Hollywood Hills run east and west and form the northern boundary of the Basin and the southern boundary of the San Fernando Valley. The San Fernando Valley terminates at the base of the San Gabriel Mountains whose highest peak is over 10,000 feet. Beyond this mountain range the rest of the county is a semi-dry plateau, the beginning of the vast Mojave Desert.

Population

The following table shows population estimates for the City, the County and the State of California as of January 1, for the years 2013 to 2017.

CITY OF CULVER CITY, LOS ANGELES COUNTY Population Estimates (As of January 1)

Area	2013	2014	2015	2016	2017
City of Culver City	39,640	39,973	40,102	40,120	40,103
Los Angeles County	10,021,318	10,089,847	10,150,617	10,182,961	10,241,278
State of California	38,238,492	38,572,211	38,915,880	39,189,035	39,523,613

Source: State of California Department of Finance, Demographic Research Unit.

City-Wide Assessed Values

The table below describes total assessed values within the City for fiscal years 2006-07 through 2017-18.

CITY OF CULVER CITY (Los Angeles County) Total Assessed Values Fiscal Years 2006-07 through 2017-18

Fiscal Year	Total Assessed Values
2006-07	\$5,813,305,100
2007-08	6,380,004,491
2008-09	6,902,173,197
2009-10	7,288,259,090
2010-11	7,166,974,024
2011-12	7,398,416,406
2012-13	7,503,759,563
2013-14	8,061,183,169
2014-15	8,461,927,041
2015-16	8,904,744,176
2016-17	9,652,263,477
2017-18	10,277,024,343

Source: City of Culver City Comprehensive Annual Financial Report for fiscal years 2015-16 for assessed values for fiscal years 2006-07 through 2015-16; Urban Analytics LLC for assessed values for fiscal years 2016-17 and 2017-18.

Employment and Industry

The City is included in the Los Angeles–Long Beach–Glendale Metropolitan District (the “**Los Angeles MD**”), which is comprised of the County. The table below summarizes the civilian

labor force by industry group, employment, and unemployment for the Los Angeles MD for the years 2012 through 2016.

The seasonally adjusted unemployment rate in the County increased over the month to 4.5 percent in July 2017 from a revised 4.4 percent in June 2017 and was below the rate of 5.2 one year ago. Civilian employment increased by 1,000 to 4,895,000 in July 2017, while unemployment decreased by 5,000 to 231,000 over the month. The civilian labor force increased by 6,000 over the month to 5,126,000 in July 2017. (All of the above figures are seasonally adjusted). The unadjusted unemployment rate for the county was 5.2 percent in June 2017.

The State seasonally adjusted unemployment rate was 4.8 percent in July 2017, 4.7 percent in June 2017, and 5.4 percent a year ago in July 2016. The comparable estimates for the nation were 4.3 percent in July 2017, 4.4 percent in June 2017, and 4.9 percent a year ago.

**LOS ANGELES-LONG BEACH-GLENDALE METROPOLITAN DIVISION
(Los Angeles County)
Annual Average Civilian Labor Force, Employment and Unemployment,
Unemployment by Industry
(March 2016 Benchmark)**

	2012	2013	2014	2015	2016
Civilian Labor Force ⁽¹⁾	4,915,300	4,967,000	5,006,800	5,000,600	5,043,300
Employment	4,378,400	4,482,100	4,593,900	4,668,200	4,778,800
Unemployment	536,900	485,000	412,900	332,400	264,500
Unemployment Rate	10.9%	9.8%	8.2%	6.6%	5.2%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	5,400	5,500	5,200	5,000	5,300
Mining and Logging	4,300	4,500	4,300	3,900	3,600
Construction	107,600	114,600	118,500	126,200	133,100
Manufacturing	373,300	374,400	370,000	366,800	360,400
Wholesale Trade	211,900	218,700	222,500	225,700	227,000
Retail Trade	400,900	405,600	413,000	419,200	422,300
Trans., Warehousing, Utilities	154,500	157,500	163,400	171,500	180,600
Information	192,100	197,000	198,800	207,500	230,900
Financial and Insurance	140,200	138,300	134,500	135,600	138,100
Real Estate, Rental & Leasing	72,200	74,700	76,700	80,000	81,700
Professional and Business Services	564,100	586,900	593,300	595,500	605,200
Educational and Health Services	699,500	702,100	720,700	741,100	767,400
Leisure and Hospitality	415,800	440,500	466,600	489,100	510,500
Other Services	141,700	145,700	150,500	151,000	153,400
Federal Government	48,100	47,200	46,700	47,400	47,800
State Government	83,100	83,600	85,300	87,400	89,900
Local Government	425,600	420,500	424,200	433,700	438,600
Total All Industries ⁽³⁾	4,040,300	4,117,200	4,193,900	4,286,500	4,395,700

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

The table below describes the annual unemployment rate for the City, the County and the State for calendar years 2012 through 2016.

**CITY OF CULVER CITY, LOS ANGELES COUNTY, STATE OF CALIFORNIA
Annual Unemployment Rate
(March 2016 Benchmark)**

	2012	2013	2014	2015	2016
City of Culver City	8.1%	7.2%	6.1%	4.9%	3.8%
Los Angeles County	10.9	9.8	8.2	6.6	5.2
State of California	10.4	8.9	7.5	6.2	5.4

Source: State of California Employment Development Department.

Major Employers

The table below lists the larger employers in the County area. Major private employers in the Los Angeles area include those in aerospace, health care, entertainment, electronics, retail and manufacturing. Major public sector employers include public universities and schools, the State and the County.

**LOS ANGELES COUNTY
Major Employers- Listed Alphabetically
September 2017**

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
AHMC Healthcare Inc	Alhambra	Health Care Management
All Nations Church	Sylmar	Churches
American Honda Motor Co Inc	Torrance	Automobile-Manufacturers
Cedars-Sinai Medical Ctr	West Hollywood	Hospitals
Century Plaza Towers	Los Angeles	Office Buildings & Parks
Edd	Los Angeles	State Government-General Offices
Gov Republic of New Lumeria	Not Available	Government Offices-US
Kaiser Permanente LA Med Ctr	Los Angeles	Hospitals
LAC & USC Medical Ctr	Los Angeles	Hospitals
Long Beach City Hall	Long Beach	Government Offices-City, Village & Twp
Los Angeles County Sheriff	Monterey Park	Sheriff
Los Angeles Police Dept	Los Angeles	Police Departments
Nestle USA Inc	Glendale	Food Facilities (Whls)
Paramount Petroleum Corp	Paramount	Asphalt & Asphalt Products-Manufacturers
Paramount Pictures Corp	Los Angeles	Motion Picture Producers & Studios
Security Industry Specialist	Culver City	Security Systems Consultants
Six Flags	Valencia	Amusement & Theme Parks
Sony Pictures Entertainment	Culver City	Motion Picture Producers & Studios
Torrid	City Of Industry	Women's Apparel-Retail
UCLA	Los Angeles	Schools-Universities & Colleges Academic
UCLA Health System	Los Angeles	Physicians & Surgeons
University of Ca Los Angeles	Los Angeles	Schools-Universities & Colleges Academic
Vxi Global Solutions	Los Angeles	Call Centers
Walt Disney Co	Burbank	Motion Picture Producers & Studios
Warner Bros Studio	Burbank	Television Program Producers

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2017 2nd Edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and non-tax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), non-tax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2012 through 2016.

LOS ANGELES COUNTY Effective Buying Income 2012 through 2016

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2012	City of Culver City	\$1,246,440	\$55,293
	Los Angeles County	210,048,048	44,384
	California	864,088,828	47,307
	United States	6,737,867,730	41,358
2013	City of Culver City	\$1,264,988	\$56,376
	Los Angeles County	205,133,995	45,013
	California	858,676,636	48,340
	United States	6,982,757,379	43,715
2014	City of Culver City	\$1,353,190	\$58,737
	Los Angeles County	214,247,274	46,449
	California	901,189,699	50,072
	United States	7,357,153,421	45,448
2015	City of Culver City	\$1,536,060	\$65,595
	Los Angeles County	231,719,110	48,950
	California	981,231,666	53,589
	United States	7,757,960,399	46,738
2016	City of Culver City	\$1,626,370	\$68,668
	Los Angeles County	243,502,324	50,236
	California	1,036,142,723	55,681
	United States	8,132,748,136	48,043

Source: The Nielsen Company (US), Inc.

Commercial Activity

A summary of historical taxable sales within the City during the past five years in which data is available is shown in the following table. Total taxable sales during the first three quarters of 2016 in the City were reported to be \$1,245,900,000, a 3.65% decrease over the total taxable sales of \$1,292,066,000 reported through the first three quarters of 2015. Annual figures for calendar year 2016 are not yet available.

CITY OF CULVER CITY
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in thousands)
Calendar Years 2011 through 2015

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2011	1,405	\$1,302,492	2,075	\$1,515,684
2012	1,429	1,390,703	2,074	1,598,763
2013	1,350	1,460,841	1,965	1,667,938
2014	1,466	1,534,275	2,064	1,756,827
2015 ⁽¹⁾	1,523	1,501,308	2,324	1,733,108

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State of California, Board of Equalization.

A summary of historical taxable sales within the County during the past five years in which data is available is shown in the following table. Total taxable sales during the first three quarters of 2016 in the County were reported to be \$113,667,693,000, a 1.87% increase over the total taxable sales of \$111,584,953,000 reported during the first three quarters of 2015. Annual figures for calendar year 2016 are not yet available.

COUNTY OF LOS ANGELES
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in thousands)
Calendar Years 2011 through 2015

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2011	179,872	\$89,251,447	266,868	\$126,440,737
2012	180,359	95,318,603	266,414	135,295,582
2013	179,370	99,641,174	263,792	140,079,708
2014	187,408	104,189,819	272,733	147,446,927
2015 ⁽¹⁾	112,657	108,147,021	310,063	151,033,781

(1) Permit figures for calendar year 2015 are not comparable to that of prior years due to outlet counts in these reports including the number of outlets that were active during the reporting period. Retailers that operate part-time are now tabulated with store retailers.

Source: State of California, Board of Equalization.

Construction Trends

Provided below are the building permits and valuations for the City and the County for calendar years 2012 through calendar year 2016.

CITY OF CULVER CITY Building Permit Valuations (Dollars in thousands)

	2012	2013	2014	2015	2016
<u>Permit Valuation</u>					
New Single-family	\$1,765.0	\$676.0	\$1,964.0	\$4,863.2	\$2,859.5
New Multi-family	0.0	0.0	0.0	0.0	1,923.0
Res. Alterations/Additions	<u>6,017.5</u>	<u>7,801.8</u>	<u>9,094.1</u>	<u>15,267.0</u>	<u>16,319.8</u>
Total Residential	7,782.5	8,477.8	11,058.1	20,130.2	21,102.3
New Commercial	11,747.0	27,757.4	11,085.0	31,099.9	49,566.5
New Industrial	500.0	50.0	0.0	0.0	0.0
New Other	120.0	208.0	1,587.7	1,593.9	3,755.2
Com. Alterations/Additions	<u>28,246.0</u>	<u>42,630.0</u>	<u>25,368.8</u>	<u>28,839.5</u>	<u>59,578.9</u>
Total Nonresidential	40,613.0	70,645.4	38,041.5	61,533.3	112,900.6
<u>New Dwelling Units</u>					
Single Family	6	3	5	11	8
Multiple Family	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>
TOTAL	6	3	5	11	15

Source: Construction Industry Research Board, Building Permit Summary.

LOS ANGELES COUNTY Building Permit Valuations (Dollars in thousands)

	2012	2013	2014	2015	2016
<u>Permit Valuation</u>					
New Single-family	\$1,127,916.8	\$1,523,457.5	\$1,744,290.3	\$1,897,829.7	\$2,162,018.2
New Multi-family	1,484,648.9	1,953,088.6	2,290,197.4	2,843,749.1	2,774,294.3
Res. Alterations/Additions	<u>1,208,758.1</u>	<u>1,267,408.4</u>	<u>1,474,930.2</u>	<u>1,641,457.3</u>	<u>1,639,295.0</u>
Total Residential	\$3,821,323.8	4,743,954.5	\$5,509,417.9	6,383,036.1	6,575,607.5
New Commercial	1,364,188.7	1,788,462.0	1,894,609.0	1,695,869.8	1,728,443.3
New Industrial	202,882.5	155,035.2	120,740.5	85,937.1	138,408.5
New Other	207,608.9	338,223.4	1,375,948.5	1,157,838.0	791,078.1
Com. Alterations/Additions	<u>2,199,249.7</u>	<u>2,171,248.4</u>	<u>3,266,273.2</u>	<u>2,705,727.4</u>	<u>2,880,916.6</u>
Total Nonresidential	3,973,929.8	4,452,969.0	6,657,571.2	5,645,372.3	5,538,846.5
<u>New Dwelling Units</u>					
Single Family	2,820	3,607	4,358	4,487	4,780
Multiple Family	<u>8,895</u>	<u>13,243</u>	<u>14,349</u>	<u>18,405</u>	<u>15,589</u>
TOTAL	11,715	16,850	18,707	22,892	20,369

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX H
FISCAL CONSULTANT'S REPORT

APPENDIX I

SPECIMEN MUNICIPAL BOND INSURANCE POLICY