



Town of Paradise Successor Agency to the Paradise Redevelopment Agency Special Meeting Agenda

7:00 PM or Immediately Following the Town Council Meeting – December 12, 2023

Town of Paradise Council Chamber – 5555 Skyway, Paradise, CA

Management Staff:

Town Manager, Jim Goodwin
Town Attorney, Scott E. Huber
Town Clerk/Elections Official, Dina Volenski
CDD, Planning & Onsite, Susan Hartman
CDD, Building & Code Enforcement, Tony Lindsey
Finance Director/Town Treasurer, Aimee Beleu
Public Works Director/Town Engineer, Marc Mattox
Division Chief, CAL FIRE/Paradise Fire, Garrett Needles
Chief of Police, Eric Reinbold
Recovery & Economic Development Director, Colette Curtis
Human Resources & Risk Management Director, Crystal Peters
Information Systems Director, Luis Marquez

Successor Agency:

Greg Bolin, Mayor
Rose Tryon, Vice Mayor
Steve "Woody" Culleton, Council Member
Steve Crowder, Council Member
Ron Lassonde, Council Member

In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Town Clerk's Dept., at 872-6291 at least 48 hours in advance of the meeting. Hearing assistance devices for the hearing impaired are available from the Town Clerk. Members of the public may address the Board on any agenda item, including closed session. If you wish to address the Board on any matter on the Agenda, it is requested that you complete a "Request to Address Council" card and give it to the Town Clerk prior to the beginning of the Council Meeting. All writings or documents which are related to any item on an open session agenda and which are distributed to a majority of the Town Council will be available for public inspection at the Town Hall in the Town Clerk Department at 5555 Skyway, Room 3, at the same time the subject writing or document is distributed to a majority of the subject body. Regular business hours are Monday through Thursday from 8:00 a.m. to 5:00 p.m.

1. OPENING

- 1a. Call to order
- 1b. Roll call

2. PUBLIC COMMUNICATION

This is the time for members of the audience who have completed a "Request to Address Council" card and given it to the Clerk to present items not on the Agenda. Comments should be limited to a maximum of three minutes duration. The Successor Agency board is prohibited by State Law from taking action on any item presented if it is not listed on the Agenda.

3. ITEMS FOR CONSENT CALENDAR

3a. Approve minutes of the July 11, 2023 Successor Agency to the Paradise Redevelopment Agency meeting.

4. ITEMS FOR CONSIDERATION - ACTION CALENDAR

4a. Consider approving the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2024 through June 30, 2025. (ROLL CALL VOTE)

5. CORRESPONDENCE RECEIVED

5a. Information only; no action required.

6. ADJOURNMENT

STATE OF CALIFORNIA)	SS.
COUNTY OF BUTTE)	
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	

TOWN/ASSISTANT TOWN CLERK SIGNATURE	



**Town of Paradise
Successor Agency to the
Paradise Redevelopment Agency Meeting Minutes
7:00 PM – July 11, 2023**

1. OPENING

The Regular Successor Agency to the Town of Paradise Redevelopment Agency meeting was called to order at 8:35 p.m. by Chair Greg Bolin in the Town Hall Council Chamber located at 5555 Skyway, Paradise, California.

DIRECTORS PRESENT: Steve Crowder, Steve “Woody” Culleton, Ron Lassonde, Rose Tryon, and Greg Bolin, Chair.

DIRECTORS ABSENT: None

STAFF PRESENT: Interim Town Manager Marc Mattox, Town Clerk/Elections Official Dina Volenski, and Town Attorney Scott E. Huber.

2. PUBLIC COMMUNICATION - None

3. ITEMS FOR CONSENT CALENDAR

- 3a. **MOTION by Culleton, seconded by Crowder**, approved minutes of the December 13, 2022 Regular and May 24, 2023 Special Successor Agency to the Paradise Redevelopment Agency meetings. Roll call vote was unanimous.

4. ITEMS FOR CONSIDERATION - ACTION CALENDAR

- 4a. Interim Town Manager Marc Mattox presented the proposed Resolution to adopt the Successor Agency to the Paradise Redevelopment Agency Fiscal Year 2023/2024 Budget.

MOTION by Culleton, seconded by Lassonde Consider approving Resolution No. 2023-01, "A Resolution of the Successor Agency to the Redevelopment Agency adopting the Fiscal Year 2023-2024 Successor Agency to the Paradise Redevelopment Agency Budget." Roll call vote was unanimous.

5. CLOSED SESSION

At 8:37 p.m. Chair Bolin announced that the Town Council would adjourn to Closed Session for the following item:

- 5a. Pursuant to Government Code Section 54956.9(d)(2), the Successor Agency Board will meet with the Town Manager and Town Attorney regarding potential exposure to litigation – one case.

After reconvening from Closed Session at 8:45 p.m. Chair Bolin announced that no reportable action was taken, direction was given.

6. ADJOURNMENT

Chair Bolin adjourned the meeting at 8:46 p.m.

Date Approved:

By:

Attest:

Greg Bolin, Chair

Dina Volenski, CMC, Board Secretary



**Successor Agency to the Paradise
Redevelopment Agency**

Agenda Item: 4(a)

**Agenda Summary
Date: December 12, 2023**

Originated by: Aimee Beleu, Finance Director/Town Treasurer
Reviewed by: Jim Goodwin, Town Manager
Subject: Recognized Obligation Payment Schedule (ROPS 24-25) for July 2024 through June 2025

Action Requested:

Consider approving the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2024 through June 30, 2025. (ROLL CALL VOTE)

Alternatives:

Decline to ratify the ROPS as presented.

Background:

In order for the Successor Agency to the Paradise Redevelopment Agency to receive a distribution from the Butte County Auditor-Controller from the Redevelopment Property Tax Trust Fund (RPTTF) for debt service requirements of July 2024 through June 2025, the Successor Agency needs to submit a ROPS 24-25 approved by the Butte County Consolidated Oversight Board to the California Department of Finance and the Butte County Auditor-Controller by February 1, 2024. The ROPS presented to the Butte County Consolidated Oversight Board must first be approved by the Successor Agency to the Paradise Redevelopment Agency for consideration. A Butte County Oversight Board meeting has been scheduled for January 10, 2024.

Discussion:

Principal and interest debt service amounts have been included for the 2009 and 2016 tax anticipation bonds for this ROPS cycle in accordance with their debt service schedules.

Similar to the prior year, the Town will not be able to receive repayment of Loan #4 from the Successor Agency to the Town during the upcoming ROPS cycle due to the lack of tax increment, as described below.

Furthest down in order of priority for payment, is the \$62,720 the Successor Agency has requested for its administrative fees. \$14,200 of the total administrative fees

requested is expected to be required to cover the annual bond trustee fees and continuing disclosure requirements that the Successor Agency will pay related to the outstanding bonds for this yearlong period. An additional \$20,000 is expected to be required to cover additional professional services related to support additional disclosure requirements and coordination with credit rating agencies over the upcoming 2024-25 ROPS period.

Given the destruction of homes and businesses within the boundaries of the former Paradise RDA project area during the Camp Fire of November 2018, there currently isn't any tax increment available to pay the obligations for the 2024-25 ROPS period. The former RDA project area property values were estimated at \$127 million for tax year 2023, which is a reduction from approximately \$192 million prior to the 2018 Camp Fire. Values must exceed \$113 million, the base established in 2002-03 at RDA inception, in order to generate tax increment.

Based on the attached ROPS recommended for approval, and in order of priority, following is an estimate of how any available RPTTF funds will be allocated for the 2024-25 ROPS cycle:

ROPS 24-25	
	Successor Agency Accounting
2009 Tax Allocation Bond	\$334,312
2016 Tax Allocation Bond	73,628
Administrative Fees	62,720
Total	<u>\$470,660</u>

Fiscal Impact Analysis:

Approval of the ROPS by the Successor Agency Board for July 2024 through June 2025 will allow for the distribution of funds for debt service obligations of the former Paradise Redevelopment Agency, as available.

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary
Filed for the July 1, 2024 through June 30, 2025 Period**

Successor Agency: Paradise

County: Butte

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 163,170	\$ 307,490	\$ 470,660
F RPTTF	153,170	268,970	422,140
G Administrative RPTTF	10,000	38,520	48,520
H Current Period Enforceable Obligations (A+E)	\$ 163,170	\$ 307,490	\$ 470,660

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Paradise
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail
July 1, 2024 through June 30, 2025

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$5,271,013		\$470,660	\$-	\$-	\$-	\$153,170	\$10,000	\$163,170	\$-	\$-	\$-	\$268,970	\$38,520	\$307,490
2	2009 Tax Allocation Bond	Bonds Issued On or Before 12/31/10	10/01/2009	10/01/2043	Wells Fargo Bank	Issued to refinance 2003 & 2005 Notes	No. 1	3,765,000	N	\$334,312	-	-	-	112,156	-	\$112,156	-	-	-	222,156	-	\$222,156
4	Town Loan #4 dated 03/27/07	City/ County Loan (Prior 06/28/11), Cash exchange	03/27/2007	01/21/2025	Town of Paradise	Note Payable 03/27/07	No. 1	103,293	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
5	Town Loan #5 dated 03/09/10	City/ County Loan (Prior 06/28/11), Cash exchange	03/09/2010	03/09/2025	Town of Paradise	Note Payable 03/09/10	No. 1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
6	Town Loan #6 dated 03/01/11	City/ County Loan (Prior 06/28/11), Cash exchange	03/01/2011	03/01/2025	Town of Paradise	Note Payable 03/01/11	No. 1	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
7	Bond Trustee Fees	Fees	01/01/2016	06/30/2024	Computershare	Trustee Fees	No. 1	8,500	N	\$8,500	-	-	-	8,500	-	\$8,500	-	-	-	-	-	\$-
8	Administration Fees	Admin Costs	01/01/2016	06/30/2021	NHA Advisors, LLC	General Consulting	No. 1	28,520	N	\$28,520	-	-	-	-	-	\$-	-	-	-	-	28,520	\$28,520
10	2016 Tax Allocation Bond or Note	Bonds Issued After 12/31/10	11/30/2016	11/30/2041	Wells Fargo Bank	Issued to refinance 2006 Note	No. 1	1,340,000	N	\$73,628	-	-	-	26,814	-	\$26,814	-	-	-	46,814	-	\$46,814
12	Continuing Disclosure Report	Fees	01/01/2001	01/01/2001	Willdan Financial	Continuing Disclosure		5,700	N	\$5,700	-	-	-	5,700	-	\$5,700	-	-	-	-	-	\$-
13	Administration Fees	Admin Costs	01/01/2009	01/01/2053	Town of Paradise	Administrative & Legal	No. 1	20,000	N	\$20,000	-	-	-	-	10,000	\$10,000	-	-	-	-	10,000	\$10,000

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
						Services																

Paradise
Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances
July 1, 2021 through June 30, 2022
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/21) RPTTF amount should exclude "A" period distribution amount.	341,173	78,199	-			Trial Balance 6/30/22 1020.104, 1020.105 \$341,173 Reserve Required by Bond 2009 \$78,199 Reserve Required by Bond 2016
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller	59,940	24		117	165,127	PY 2nd Half + Current YR 1st Half (G2) \$154,879.+\$10,284.94 (G2) 7650.60.4975.3610.100 (F2) \$117 Interest
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)	215,925	47,954			165,127	
4	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	185,188	30,269				Retained for reserves.
5	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required				
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$117	\$-	

Paradise
Recognized Obligation Payment Schedule (ROPS 24-25) - Notes
July 1, 2024 through June 30, 2025

Item #	Notes/Comments
2	
4	
5	
6	
7	
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10	
12	
13	

DECEMBER 1, 2023

NOTICE OF EVENTS OF DEFAULT TO OWNERS OF

PARADISE REDEVELOPMENT PROJECT 2009 TAX ALLOCATION REFUNDING
BONDS

CUSIP Nos.:¹

699038AK1	699038AL9
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YOU SHOULD READ THIS NOTICE THOROUGHLY AND CAREFULLY. PLEASE TAKE NOTE OF THE DEADLINES SET FORTH HEREIN. YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD DISCUSS THE INFORMATION HEREIN WITH YOUR ATTORNEY AND/OR OTHER ADVISORS. IF YOU DO NOT HAVE AN ATTORNEY OR ADVISOR, YOU MAY WISH TO CONSULT ONE.

IF YOU ACT AS OR HOLD BONDS AS A NOMINEE FOR OR ON BEHALF OF OTHER PERSONS, PLEASE TRANSMIT THIS NOTICE IMMEDIATELY TO THE BENEFICIAL OWNER OF SUCH BONDS OR SUCH OTHER REPRESENTATIVE WHO IS AUTHORIZED TO TAKE ACTION. YOUR FAILURE TO ACT PROMPTLY IN COMPLIANCE WITH THIS PARAGRAPH MAY IMPAIR THE CHANCE OF THE BENEFICIAL OWNERS ON WHOSE BEHALF YOU ACT TO TAKE ANY APPROPRIATE ACTIONS CONCERNING THE MATTERS DESCRIBED IN THIS NOTICE. OWNERS SHOULD NOT RELY ON THE TRUSTEE AS THEIR SOLE SOURCE OF INFORMATION.

To the Owners of the Bonds:

Computershare Trust Company, N.A. now acting agent (when acting in such capacity, the “Agent”) for Wells Fargo Bank, National Association (formerly known as Wells Fargo Bank Minnesota, N.A.), as trustee (the “Trustee”) under the Indenture dated as of December 1, 2003 (the “Master Indenture”), by and between the Trustee and the Paradise Redevelopment Agency (the “Former Agency”), as supplemented and amended by a First Supplemental Indenture, dated as of October 1, 2005 (the “First Supplemental Indenture”), a Second Supplemental Indenture, dated as of December 1, 2006 (the “Second Supplemental Indenture”), and a Third Supplemental

¹ No representation is made as to the correctness of CUSIP numbers, which are included solely for the convenience of the Owners of the Bonds.

Indenture, dated as of October 1, 2009 (the “Third Supplemental Indenture”), relating to the Paradise Redevelopment Project 2009 Tax Allocation Refunding Bonds (the “2009 Bonds”), each by and between the Former Agency and the Trustee. The Former Agency was dissolved as of February 1, 2012, and the Successor Agency to the Paradise Redevelopment Agency (the “Successor Agency”) was constituted. The Trustee and Successor Agency entered into the Fourth Supplemental Indenture, dated as of October 1, 2016 (the “Fourth Supplemental Indenture”, and together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Trust Indenture”).

Capitalized terms used in this Notice and not defined herein shall have the meanings given to such terms in the Trust Indenture.

YOU ARE HEREBY NOTIFIED that as of December 1, 2023, there were insufficient funds available to make the punctual payment of the principal of or redemption premium on the 2009 Bonds that were due and payable on December 1, 2023, and as a result, an Event of Default has occurred under Section 9.01(a) of the Trust Indenture (the “Principal Default”).

YOU ARE ALSO HEREBY NOTIFIED that as of December 1, 2023, there were insufficient funds available to make the punctual payment of the interest on the 2009 Bonds that was due and payable on December 1, 2023, and as a result, an Event of Default has occurred under Section 9.01(b) of the Trust Indenture (the “Interest Default” and, together with the Principal Default, the “Specified Defaults”).

YOU ARE ALSO HEREBY NOTIFIED that as a result of the Specified Defaults, the Agent hereby declares the Outstanding principal of all 2009 Bonds, and the interest accrued thereon, is due and payable immediately. All future distributions on account of the 2009 Bonds, if any, will be conducted pursuant to Section 9.02 of the Trust Indenture.

YOU ARE ALSO HEREBY NOTIFIED that, as the Successor Agency outlined in the 2022 Annual Continuing Disclosure Information Statement for the 2009 Bonds, tax revenues for fiscal years 2022-23 and thereafter are projected to be insufficient to pay debt service on the 2009 Bonds due to the destruction of properties located in the Project Area by the Camp Fire in 2018. As a result, the amount on deposit in the reserve fund for the 2009 Bonds is insufficient to pay the full amount of the principal and interest that was due and payable on the 2009 Bonds on December 1, 2023. The Agent also notes that these financial obligations are solely those of the Successor Agency/Former Agency and are not obligations of the Town of Paradise. The Agent is therefore not currently aware of when additional funds, if any, may come available for distribution on account of the 2009 Bonds.

YOU ARE ALSO HEREBY NOTIFIED that, at the request of the Successor Agency, this notice is also given pursuant to the Continuing Disclosure Certificate dated October 21, 2009.

Retention of Counsel

The Trustee has retained the law firm of McGuireWoods LLP and specifically Todd J. Dressel of that firm. Mr. Dressel's phone number is 415-844-1965 and his email address is tdressel@mcguirewoods.com. Please note that the Trustee's counsel is not counsel to the Owners.

Trustee Contact

Any party in receipt of this Notice may direct questions by telephone to the Trustee at (816) 780-5781, e-mail or by mail addressed to:

Computershare Corporate Trust
Attn: Ken Dotson
1505 Energy Park Drive
St. Paul, MN 55108
www.computershare.com
Email: kenneth.dotson1@computershare.com

THE TRUSTEE & AGENT MAY CONCLUDE THAT A SPECIFIC RESPONSE TO PARTICULAR INQUIRIES FROM INDIVIDUAL OWNERS IS NOT CONSISTENT WITH EQUAL AND FULL DISSEMINATION OF MATERIAL INFORMATION TO ALL OWNERS. THE TRUSTEE MAKES NO RECOMMENDATIONS AND GIVES NO INVESTMENT ADVICE HEREIN OR AS TO THE 2016 BONDS GENERALLY.

OWNERS SHOULD NOT RELY ON THE TRUSTEE OR AGENT AS THEIR SOLE SOURCE OF INFORMATION CONCERNING THE 2016 BONDS. THE TRUSTEE OR AGENT MAKES NO RECOMMENDATIONS AND GIVES NO INVESTMENT OR LEGAL ADVICE HEREIN OR AS TO THE 2016 BONDS GENERALLY.

**COMPUTERSHARE TRUST COMPANY,
N.A.,
as Agent for
Wells Fargo Bank, National Association
as Trustee and not individually**

DECEMBER 1, 2023

NOTICE OF EVENTS OF DEFAULT TO OWNERS OF
 PARADISE REDEVELOPMENT PROJECT 2016 SUBORDINATE TAX ALLOCATION
 REFUNDING BONDS

CUSIP Nos.:¹

69903PAA5	69903PAB3
69903PAC1	69903PAD9

YOU SHOULD READ THIS NOTICE THOROUGHLY AND CAREFULLY. PLEASE TAKE NOTE OF THE DEADLINES SET FORTH HEREIN. YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD DISCUSS THE INFORMATION HEREIN WITH YOUR ATTORNEY AND/OR OTHER ADVISORS. IF YOU DO NOT HAVE AN ATTORNEY OR ADVISOR, YOU MAY WISH TO CONSULT ONE.

IF YOU ACT AS OR HOLD BONDS AS A NOMINEE FOR OR ON BEHALF OF OTHER PERSONS, PLEASE TRANSMIT THIS NOTICE IMMEDIATELY TO THE BENEFICIAL OWNER OF SUCH BONDS OR SUCH OTHER REPRESENTATIVE WHO IS AUTHORIZED TO TAKE ACTION. YOUR FAILURE TO ACT PROMPTLY IN COMPLIANCE WITH THIS PARAGRAPH MAY IMPAIR THE CHANCE OF THE BENEFICIAL OWNERS ON WHOSE BEHALF YOU ACT TO TAKE ANY APPROPRIATE ACTIONS CONCERNING THE MATTERS DESCRIBED IN THIS NOTICE. OWNERS SHOULD NOT RELY ON THE TRUSTEE AS THEIR SOLE SOURCE OF INFORMATION.

To the Owners of the Bonds:

Computershare Trust Company, N.A. now acting agent (when acting in such capacity, the “Agent”) for Wells Fargo Bank, National Association (formerly known as Wells Fargo Bank Minnesota, N.A.), as trustee (the “Trustee”) under the Indenture dated as of December 1, 2003 (the “Master Indenture”), by and between the Trustee and the Paradise Redevelopment Agency (the “Former Agency”), as supplemented and amended by a First Supplemental Indenture, dated

¹ No representation is made as to the correctness of CUSIP numbers, which are included solely for the convenience of the Owners of the Bonds.

as of October 1, 2005 (the “First Supplemental Indenture”), a Second Supplemental Indenture, dated as of December 1, 2006 (the “Second Supplemental Indenture”), and a Third Supplemental Indenture, dated as of October 1, 2009 (the “Third Supplemental Indenture”), each by and between the Former Agency and the Trustee. The Former Agency was dissolved as of February 1, 2012, and the Successor Agency to the Paradise Redevelopment Agency (the “Successor Agency”) was constituted. The Trustee and Successor Agency entered into the Fourth Supplemental Indenture, dated as of October 1, 2016 (the “Fourth Supplemental Indenture”, and together with the Master Indenture, the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture, the “Trust Indenture”), relating to the Paradise Redevelopment Project 2016 Subordinate Tax Allocation Refunding Bonds (the “2016 Bonds”).

Capitalized terms used in this Notice and not defined herein shall have the meanings given to such terms in the Trust Indenture.

YOU ARE HEREBY NOTIFIED that as of December 1, 2023, there were insufficient funds available to make the punctual payment of the principal of or redemption premium on the 2016 Bonds that were due and payable on December 1, 2023, and as a result, an Event of Default has occurred under Section 9.01(a) of the Trust Indenture (the “Principal Default”).

YOU ARE ALSO HEREBY NOTIFIED that as of December 1, 2023, there were insufficient funds available to make the punctual payment of the interest on the 2016 Bonds that was due and payable on December 1, 2023, and as a result, an Event of Default has occurred under Section 9.01(b) of the Trust Indenture (the “Interest Default” and, together with the Principal Default, the “Specified Defaults”).

YOU ARE ALSO HEREBY NOTIFIED that as a result of the Specified Defaults, the Agent hereby declares the Outstanding principal of all 2016 Bonds, and the interest accrued thereon, is due and payable immediately. All future distributions on account of the 2016 Bonds, if any, will be conducted pursuant to Section 9.02 of the Trust Indenture.

YOU ARE ALSO HEREBY NOTIFIED that, as the Successor Agency outlined in the 2022 Annual Continuing Disclosure Information Statement for the 2016 Bonds, tax revenues for fiscal years 2022-23 and thereafter are projected to be insufficient to pay debt service on the 2016 Bonds due to the destruction of properties located in the Project Area by the Camp Fire in 2018. As a result, the amount on deposit in the reserve fund for the 2016 Bonds is insufficient to pay the full amount of the principal and interest that was due and payable on the 2016 Bonds on December 1, 2023. The Agent also notes that these financial obligations are solely those of the Successor Agency/Former Agency and are not obligations of the Town of Paradise. The Agent is therefore not currently aware of when additional funds, if any, may come available for distribution on account of the 2016 Bonds.

YOU ARE ALSO HEREBY NOTIFIED that, at the request of the Successor Agency, this notice is also given pursuant to the Continuing Disclosure Certificate dated October 27, 2016.

Retention of Counsel

The Trustee has retained the law firm of McGuireWoods LLP and specifically Todd J. Dressel of that firm. Mr. Dressel's phone number is 415-844-1965 and his email address is tdressel@mcguirewoods.com. Please note that the Trustee's counsel is not counsel to the Owners.

Trustee Contact

Any party in receipt of this Notice may direct questions by telephone to the Trustee at (816) 780-5781, e-mail or by mail addressed to:

Computershare Corporate Trust
Attn: Ken Dotson
1505 Energy Park Drive
St. Paul, MN 55108
www.computershare.com
Email: kenneth.dotson1@computershare.com

THE TRUSTEE & AGENT MAY CONCLUDE THAT A SPECIFIC RESPONSE TO PARTICULAR INQUIRIES FROM INDIVIDUAL OWNERS IS NOT CONSISTENT WITH EQUAL AND FULL DISSEMINATION OF MATERIAL INFORMATION TO ALL OWNERS. THE TRUSTEE MAKES NO RECOMMENDATIONS AND GIVES NO INVESTMENT ADVICE HEREIN OR AS TO THE 2016 BONDS GENERALLY.

OWNERS SHOULD NOT RELY ON THE TRUSTEE OR AGENT AS THEIR SOLE SOURCE OF INFORMATION CONCERNING THE 2016 BONDS. THE TRUSTEE OR AGENT MAKES NO RECOMMENDATIONS AND GIVES NO INVESTMENT OR LEGAL ADVICE HEREIN OR AS TO THE 2016 BONDS GENERALLY.

**COMPUTERSHARE TRUST COMPANY,
N.A.,
as Agent for
Wells Fargo Bank, National Association
as Trustee and not individually**