

**SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF HUNTINGTON PARK**

Regular Meeting Agenda

Tuesday, February 7, 2017

6:00 p.m.

City Hall Council Chambers

6550 Miles Avenue

Huntington Park, CA 90255

Graciela Ortiz

Chair

Marilyn Sanabria

Vice Chair

Jhonny Pineda

Board Member



Karina Macias

Board Member

Valentin Palos Amezcuita

Board Member

CALL TO ORDER

ROLL CALL

Chair Graciela Ortiz

Vice Chair Marilyn Sanabria

Board Member Karina Macias

Board Member Jhonny Pineda

Board Member Valentin Palos Amezcuita

PUBLIC COMMENT

Pursuant to Government Code Section 54954.3(a) Members of the public will have an opportunity to address the Board Members on items listed on this agenda. For items on this agenda each speaker will be limited to three minutes per Huntington Park Municipal Code Section 2-1.207. Time limits may not be shared with other speakers and may not accumulate from one period of public comment to another or from one meeting to another.

REGULAR AGENDA

1. Approve Minute(s) of the following Successor Agency Meeting:

1-1 Successor Agency Special Meeting held Tuesday, January 17, 2017.

2. Ratify Extension of Loan Agreements with MUFG Union Bank, N.A. a National Banking Association, formerly known as Union Bank, N.A. (Union Bank)

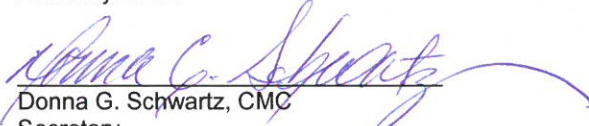
RECOMMENDATION OF ITEM UNDER CONSIDERATION:

1. Ratify Amendment No. 1 Extending Loan Agreement by and between the Successor Agency to the Community Development Commission of the City of Huntington Park and MUFG Union Bank, N.A. in reference to the 2007, Neighborhood Preservation Project loan in the amount of \$ 6,700,000; and
2. Ratify Amendment No. 2 Extending Loan Agreement by and between the Successor Agency to the Community Development Commission of the City of Huntington Park and MUFG Union Bank, N.A. in reference to the 2007, Santa Fe Project loan in the amount of \$3,037,000; and
3. Authorize Executive Director to execute agreements.

ADJOURNMENT

The Successor Agency to the Community Development Commission of the City of Huntington Park will adjourn to a Regular Meeting on Tuesday, February 21, 2017, at 6:00 p.m.

I Donna G. Schwartz, hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted at City of Huntington Park City Hall and made available at www.hpca.gov on the 2nd of February 2017.


Donna G. Schwartz, CMC
Secretary

MINUTES
Special Meeting of the
Successor Agency to the Community Development Commission
Of the City of Huntington Park
Tuesday, January 17, 2017, at 4:00 p.m.

Sergeant at Arms read the Rules of Decorum.

The special meeting of the Successor Agency to the Community Development Commission of the City of Huntington Park, California was called to order at 4:04 p.m. on Tuesday, January 17, 2017, in the Council Chambers of City Hall at 6550 Miles Avenue, Huntington Park, California; Chair Graciela Ortiz presiding.

PRESENT: Board Members Valentin Palos Amezcuita, Karina Macias, Vice Chair Marilyn Sanabria and Chair Graciela Ortiz. ABSENT: Board Member Jhonny Pineda (ARRIVED at 4:09 p.m.). CITY OFFICIALS/STAFF: Edgar Cisneros, Executive Director; Arnold Alvarez-Glasman, Counsel; Cosme Lozano, Chief of Police; Josette Espinosa, Director of Parks and Recreation; Jan Mazyck, Interim Finance Director; Manuel Acosta, Economic Development Manager; Fernanda Palacios, Project Manager and Donna Schwartz, City Clerk/Agency Secretary.

PUBLIC COMMENT - None

REGULAR AGENDA

Motion: Vice Chair Sanabria motioned to approve regular agenda item 1, seconded by Board Member Macias. Motion passed 4-0-1 by the following vote:

ROLL CALL:

AYES: Board Member(s): Amezcuita, Macias, Vice Chair Sanabria and Chair Ortiz

NOES: Board Member(s): None

ABSENT: Board Member(s): Pineda

1. Approved Minute(s) of the following Successor Agency Meeting:

1-1 Successor Agency Regular Meeting held Tuesday, October 4, 2016.

1. 1-1

2. Resolution Approving a Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Community Development Commission of the City of Huntington Park

Executive Director Cisneros presented the item and introduced Fernanda Palacios, Project Manager, who gave a brief explanation of the proposed resolution.

Vice Mayor Sanabria requested staff to come back to Council to give an update on the Southland Steel Project.

Motion: Vice Chair Sanabria motioned to adopt Resolution No. SA2017-01, of the Successor Agency to the Community Development Commission of the City of Huntington Park approving a Recognized Obligation Payment Schedule 17-18 for the period of July 1, 2017 through June 30, 2018, seconded by Board Member Macias. Motion passed 5-0 by the following vote:

ROLL CALL:

AYES: Board Member(s): Amezquita, Pineda, Macias, Vice Chair Sanabria and Chair Ortiz
NOES: Board Member(s): None

3. Resolution Approving an Administrative Budget for the Successor Agency for Fiscal Year (FY) July 1, 2017 through June 30, 2018

Motion: Board Member Macias motioned to adopt Resolution No. SA2017-02, approving an administrative budget for the Successor Agency for the Fiscal Year (FY) 2017-2018, seconded by Board Member Amezquita. Motion passed 5-0 by the following vote:

ROLL CALL:

AYES: Board Member(s): Amezquita, Pineda, Macias, Vice Chair Sanabria and Chair Ortiz
NOES: Board Member(s): None

ADJOURNMENT

At 4:13 p.m. Chair Ortiz adjourned the Successor Agency to the Community Development Commission of the City of Huntington Park to a Regular Meeting on Tuesday, February 7, 2017, at 6:00 p.m.

Respectfully submitted,

Donna G. Schwartz, CMC
Agency Secretary

**AMENDMENT NO. 1 TO LOAN AGREEMENT
(NEIGHBORHOOD PRESERVATION)**

THIS AMENDMENT NO. 1 TO LOAN AGREEMENT (NEIGHBORHOOD PRESERVATION) (this "Amendment"), dated as of January 30, 2017, is entered into by and between **THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF HUNTINGTON PARK**, a public body corporate and politic ("Borrower") and **MUFG UNION BANK, N.A.**, a national banking association, formerly known as Union Bank, N.A. ("Union Bank").

RECITALS

A. Borrower, through its predecessor, the Community Development Commission of Huntington Park, and MUFG Union Bank, N.A., formerly known as Union Bank, N.A., through its predecessor, the Union Bank of California, N.A., have previously entered into that certain Loan Agreement (Neighborhood Preservation) dated as of February 1, 2007 (the "Loan Agreement"). All terms used and not otherwise defined in this Amendment shall have the meanings set forth in the Loan Agreement.

B. Borrower and Union Bank have, subject to the terms and conditions hereof, agreed to extend the period during which Union Bank will make the Loan available to Borrower.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Definitions in Section 1.01.**

(a) The following definitions are added to Section 1 of the Loan Agreement:

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as enacted by the United States Congress, and signed into law on July 21, 2010, and all statutes, rules, guidelines or directives promulgated thereunder.

"**Highest Lawful Rate**" means the maximum legal rate of interest which Union Bank is legally entitled to charge, contract for or receive under any law to which such interest is subject.

2. **Amendments to Certain Covenants and Agreements.** The following provisions of the Loan Agreement are hereby amended as set forth below:

(a) Section 2.8 of the Loan Agreement is hereby amended by adding to the end of such Section the following new subsection 2.8.3:

2.8.3 **Dodd-Frank Act, Etc.** Notwithstanding the foregoing, for purposes of this Loan Agreement (a) all requests, rules, guidelines or directives of any Governmental Authority,

quasi-governmental authority, central bank or comparable agency in connection with the Dodd-Frank Act shall be deemed to be a change in law, regardless of the date enacted, adopted or issued, and (b) all requests, rules, guidelines or directives promulgated by Union Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) or the United States financial regulatory authorities or any Governmental Authority having jurisdiction over the transaction or its pricing shall be deemed a change in law regardless of the date enacted, adopted or issued.

(b) Section 9 of the Loan Agreement is hereby amended by adding the following two new Sections:

Section 9.15 Electronic Transmission. Union Bank is authorized to accept and process any amendments, Instructions, consents, waivers and all documents relating to this Loan Agreement which are sent to Union Bank by electronic transmission, including SWIFT, electronic mail, telecopy, courier, mail or other computer generated telecommunications, and such electronic communication shall have the same legal effect as if written and shall be binding upon and enforceable against Borrower and Union Bank to the same effect as if in writing. Union Bank may, but shall not be obligated to, require authentication of such electronic transmission or that Union Bank receives original documents prior to acting on such electronic transmission.

Section 9.16 Recapture. Any interest payable pursuant to this Loan Agreement or the other related documents shall not exceed the Highest Lawful Rate. In the event any interest required to be paid hereunder at any time exceeds the Highest Lawful Rate, the portion of such interest required to be paid on a current basis shall equal such Highest Lawful Rate; *provided, however*, that the differential between the amount of interest payable assuming no Highest Lawful Rate and the amount paid on a current basis after giving effect to the Highest Lawful Rate (the "Excess Interest") shall be carried forward and shall be payable on any subsequent date of calculation so as to result in a recovery of interest previously unrealized (because of the limitation dictated by such Highest Lawful Rate) at a rate of interest, and as part of the interest payable, that, after giving effect to the recovery of such excess and all other interest paid and accrued hereunder to the date of calculation, does not exceed such Highest Lawful Rate. Upon the termination of this Loan Agreement, Borrower shall pay to Union Bank a fee equal to the amount of all unpaid deferred Excess Interest.

3. **Agreement to Extend.** Borrower and Union Bank hereby agree that, pursuant to Section 9.13, the Loan has been extended to February 1, 2018. For purposes of further extensions, February 1, 2018 shall be deemed the "Stated Maturity Date" and the other terms and conditions of Section 9.13 shall continue to apply.

4. **Exhibit A to Loan Agreement.** The Note referred to in Section 2.1 of the Loan Agreement is amended and restated as set forth in Exhibit A attached hereto and shall be executed by Borrower contemporaneously with the execution of this Amendment.

5. **Miscellaneous.**

(a) **Effect on the Loan Agreement and Other Loan Documents.**

(i) Except as specifically amended by this Amendment and the documents executed and delivered in connection herewith, the Loan Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed by Union Bank in all respects.

(ii) The execution and delivery of this Amendment and performance of the Loan Agreement, as amended hereby, shall not, except as expressly provided herein, constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of Borrower under, the Loan Agreement or any of the other Loan Documents.

(iii) This Amendment shall be construed as one with the Loan Agreement, and the Loan Agreement shall, where the context requires, be read and construed throughout so as to incorporate this Amendment.

(iv) If there is any conflict between the terms and provisions of this Amendment and the terms and provisions of the Loan Agreement and the other Loan Documents as in effect on the date hereof, the terms and provisions of this Amendment shall govern.

(b) **Headings.** Section and subsection headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(c) **Counterparts.** This Amendment may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes. Transmission by telecopier (or by email of a PDF or similar electronic image file) of an executed counterpart of this Amendment shall be deemed to constitute due and sufficient delivery of such counterpart.

(d) **Governing Law.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA; PROVIDED THAT BORROWER AND UNION BANK SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

[Signatures on the following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

**THE SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT
COMMISSION OF HUNTINGTON PARK,
a public body corporate and politic**

By: Edgar Cisneros
Name: EDGAR CISNEROS
Title: EXECUTIVE DIRECTOR

**MUFG UNION BANK, N.A.,
a national bank association**

By: _____
Name:
Title:

**AMENDED AND RESTATED
PROMISSORY NOTE (NEIGHBORHOOD PRESERVATION)**

\$6,700,000.00

Original: February 1, 2007
Effective Date for Amendment and
Restatement: February 1, 2017

FOR VALUE RECEIVED, the maker of this promissory note (the "Note"), COMMUNITY DEVELOPMENT COMMISSION OF HUNTINGTON PARK ("Borrower"), hereby promises to pay to the order of MUFG UNION BANK, N.A., a national banking association, formerly known as UNION BANK, N.A., through its predecessor, UNION BANK OF CALIFORNIA, N.A. ("Bank" or "Union Bank"), at its Los Angeles office at 445 South Figueroa Street, Los Angeles, California 90071, or at such other place as Bank may designate in writing, in lawful money of the United States of America, the principal sum of SIX MILLION SEVEN HUNDRED THOUSAND and no/100 Dollars (\$6,700,000.00), or so much thereof as may be outstanding, together with interest thereon at the applicable rate specified in this Note, from the date it is disbursed until the date it is paid, whether scheduled or accelerated, together with any other payment obligations specified in this Note, as and when provided herein. This Note is the "Note" defined in that certain "Loan Agreement (Neighborhood Preservation)" executed by Borrower and Bank and dated February 1, 2007, as amended from time to time ("Loan Agreement"), and is governed by the terms thereof.

Definitions

Each capitalized term not otherwise defined in this Note shall have the meaning set forth in the Loan Agreement. The following terms used in this Note shall have the meanings indicated below:

"Business Day" means any day except Saturday, Sunday or a day which is not a day for trading by and between banks in the London interbank Eurodollar market and which is not a day on which banks in Los Angeles, California are required to be open.

"Eurocurrency Reserve Rate" means for any day with respect to which interest on the Loan is calculated using LIBOR, the maximum rate (expressed as a decimal) at which any lender subject thereto would be required to maintain reserves under Regulation D of the Board of Directors of the Federal Reserve System (or any successor or similar regulations relating to such reserve requirements) against "Eurocurrency Liabilities" (as that term is used in Regulation D), if such liabilities were outstanding. The Eurocurrency Reserve Rate shall be adjusted automatically on and as of the effective date of any change in the Eurocurrency Reserve Rate.

"Funding Date" means the date upon which the initial disbursement is made under this Note to the Borrower.

"LIBOR" means, for each one-month period after the Funding Date, the rate of interest equal to (a) the rate per annum (calculated for actual days elapsed on the basis of a 360 day year) at which Bank's Eurodollar Lending Office is offered Dollar deposits two (2) Business Days prior to the beginning of such one-month period in the interbank eurodollar market where the eurodollar and foreign currency and exchange operations of such Eurodollar Lending Office are customarily conducted, for delivery on the first day of such one-month period for the number of days comprised therein and in an amount comparable to the amount of the principal then outstanding under the Loan, divided by (b) a number equal to 1.00 minus the Eurocurrency Reserve Rate, if applicable; provided that, (i) each one-month period occurring after the Funding Date shall

commence on the day on which the next preceding one-month period expires; (ii) if any one-month period begins on a day for which there is no numerically corresponding day in the calendar month at the end of such one-month period, such one-month period shall end on the last Business Day of such calendar month; (iii) if any one-month period would otherwise expire on a day which is not a Business Day, such one-month period shall expire on the next succeeding Business Day, provided that if any one-month period would otherwise expire on a day which is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such one-month period shall expire on the next preceding Business Day; (iv) no one-month period shall extend beyond any Payment Due Date upon which a principal payment is due and payable, including the Maturity Date.

“**Maturity Date**” means the first to occur of: (i) February 1, 2018, plus any extension as is granted or required to be granted by operation of section 9.13 of the Loan Agreement, and (ii) the date upon which all obligations owing hereunder are accelerated (with or without notice) after the occurrence of an Event of Default.

“**Payment Due Date**” means each date upon which a payment is due pursuant to the terms of this Note, including as specified in the attached Schedule 1, whether for principal, interest or both, including the Maturity Date.

Accrual of Interest

From and after the Effective Date for Amendment and Restatement up through the Maturity Date, inclusive, provided no Event of Default has occurred and is continuing, interest shall accrue on the unpaid principal outstanding under this Note at a floating rate per annum equal to 64.72% times LIBOR, plus 9/10 of one percent (.9%), based on a 360-day year for actual days elapsed.

From and after the occurrence of an Event of Default (as defined in the Loan Agreement) up through the Maturity Date, inclusive, and for so long as any Event of Default is continuing, interest shall accrue on the unpaid principal owing under this Note at a rate per annum equal to 64.72% times LIBOR, plus 5% per annum, based on a 360-day year for actual days elapsed.

Once all Events of Default are cured, if the Loan has not been accelerated and the Maturity Date has not occurred, the unpaid principal portion of the Loan shall accrue interest at the rate specified in this Note as being applicable in the absence of an Event of Default for so long as no new Event of Default shall have occurred.

From and after the Maturity Date, until all sums owing hereunder have been paid in full, interest shall accrue on the unpaid principal a rate per annum equal to 64.72% interest LIBOR, plus 6% per annum, based on a 360-day year for actual days elapsed.

Payments.

Principal and interest owing under this Note shall be paid as and when set forth on the schedule attached hereto as Schedule 1.

Notwithstanding anything to the contrary set forth herein or in any Loan Documents, all accrued and unpaid interest at the applicable rate set forth in this Note, and all other payment obligations under this Note if not earlier paid, shall be due and payable to Bank on the Maturity Date.

In no event shall Borrower be obligated to pay interest, charges or fees at a rate in excess of the highest rate permitted by applicable law from time to time in effect.

In no event shall the Maturity Date occur after February 1, 2027, which is defined in Section 9.13 of the Loan Agreement as the "Absolute Maturity Date."

Prepayment.

Subject to the provisions hereof, the Loan may be prepaid on the date at the end of any one-month period upon through which LIBOR is set as defined above. All principal prepayments shall be applied to the most remote principal installment(s) then unpaid on the Loan. If the Loan bears interest at a rate based on LIBOR and Bank, for any reason, including prepayment, acceleration or foreclosure, receives all or any portion of principal prior to the end of any one-month or lesser period referred to above in the definition of LIBOR, in consideration thereof, Borrower shall pay to Bank, on demand, a breakage fee in the amount of the additional costs, expenses or liabilities that are chargeable to or may be incurred by UBOC if such prepayment occurs. Any prepayment of principal shall include interest accrued on the amount of the prepayment and, if applicable, the amount of the breakage fee.

Remedies on Default.

The occurrence of any Event of Default as defined in the Loan Agreement shall provide Bank with the rights and remedies set forth in the Loan Agreement.

Miscellaneous.

Borrower shall reimburse Bank for all fees, costs and expenses, including reasonable attorneys' fees, expended or incurred by Bank in connection with (a) the negotiation, preparation, amendment and enforcement of the Loan Documents, including without limitation during any workout, attempted workout, and/or in connection with the rendering of legal advice as to Bank's rights, remedies and obligations under the Loan Documents, (b) collecting any sum which becomes due Bank under any Loan Document, (c) any proceeding for declaratory relief, any counterclaim to any proceeding, or any appeal, or (d) the protection, preservation or enforcement of any rights or remedies of Bank or the defense of Bank or its Collateral (including the pledge of Net Tax Increment Revenues as set forth in the Loan Agreement) in any proceeding, including bankruptcy. All such fees, costs and expense described in the preceding sentence shall be included in the definition of "Bank Expenses" as used in the Loan Agreement.

All Bank Expenses shall be payable to Bank pursuant to this Note. Bank is authorized to debit the Bank Account for reimbursement of all Bank Expenses as and when the same are incurred. However, if there are insufficient funds available in the Bank Account to pay any outstanding Bank Expenses, such Bank Expenses shall be payable to Bank on the first to occur of demand or the Maturity Date. From and after the first to occur of a failed attempt to debit the Bank Account for Bank Expenses, demand or the Maturity Date, any unpaid Bank Expenses shall constitute part of the principal owing under this Note, although any such Bank Expenses shall (unlike that portion of principal owing under this Note that constitutes part of or proceeds of the original Loan proceeds) accrue interest (and interest shall be payable thereon) at a rate of 10% per annum, based on a 360-day year for actual days elapsed.

This Note shall be governed by, and construed in accordance with, the laws of the State of California.

THE OBLIGATION OF THE BORROWER TO MAKE ANY PAYMENTS UNDER THIS NOTE SHALL NOT CONSTITUTE AN OBLIGATION OF THE BORROWER FOR WHICH THE BORROWER IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE BORROWER HAS LEVIED OR PLEDGED ANY FORM OF TAXATION (EXCEPT TO THE EXTENT OF NET TAX INCREMENT REVENUES PLEDGED PURSUANT TO THE LOAN AGREEMENT AS IS PERMITTED BY APPLICABLE LAW). NEITHER THE LOAN NOR THE OBLIGATION TO MAKE LOAN PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION.

COMMUNITY DEVELOPMENT COMMISSION
OF HUNTINGTON PARK

By: Edgar Cisneros
Name: Edgar Cisneros
Title: City manager / EXECUTIVE DIRECTOR

**AMENDMENT NO. 2 TO LOAN AGREEMENT
(SANTA FE)**

THIS AMENDMENT NO. 2 TO LOAN AGREEMENT (SANTA FE) (this "Amendment"), dated as of January 30, 2017, is entered into by and between THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF HUNTINGTON PARK, a public body corporate and politic ("Borrower") and MUFG UNION BANK, N.A., a national banking association, formerly known as UNION BANK, N.A. ("Union Bank").

RECITALS

A. Borrower, through its predecessor, the Community Development Commission of Huntington Park, and MUFG Union Bank, N.A., formerly known as Union Bank, N.A., through its predecessor, the Union Bank of California, N.A., have previously entered into that certain Loan Agreement (Santa Fe) dated as of February 1, 2007, as amended on January 30, 2014 (collectively, the "Loan Agreement"). All terms used and not otherwise defined in this Amendment shall have the meanings set forth in the Loan Agreement.

B. Borrower and Union Bank have, subject to the terms and conditions hereof, agreed to extend the period during which Union Bank will make the Loan available to Borrower.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Agreement to Extend.** Borrower and Union Bank hereby agree that, pursuant to Section 9.13 of the Loan Agreement, the Loan has been extended to February 3, 2018. For purposes of further extensions, February 3, 2018 shall be deemed the "Stated Maturity Date" and the other terms and conditions of Section 9.13 of the Loan Agreement shall continue to apply.

2. **Miscellaneous.**

(a) **Effect on the Loan Agreement and Other Loan Documents.**

(i) Except as specifically amended by this Amendment and the documents executed and delivered in connection herewith, the Loan Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed by Union Bank in all respects.

(ii) The execution and delivery of this Amendment and performance of the Loan Agreement, as amended hereby, shall not, except as expressly provided herein, constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of Borrower under, the Loan Agreement or any of the other Loan Documents.

(iii) This Amendment shall be construed as one with the Loan Agreement, and the Loan Agreement shall, where the context requires, be read and construed throughout so as to incorporate this Amendment.

(iv) If there is any conflict between the terms and provisions of this Amendment and the terms and provisions of the Loan Agreement and the other Loan Documents as in effect on the date hereof, the terms and provisions of this Amendment shall govern.

(b) Headings. Section and subsection headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose or be given any substantive effect.

(c) Counterparts. This Amendment may be executed in any number of identical counterparts, any set of which signed by all the parties hereto shall be deemed to constitute a complete, executed original for all purposes. Transmission by telecopier (or by email of a PDF or similar electronic image file) of an executed counterpart of this Amendment shall be deemed to constitute due and sufficient delivery of such counterpart.

(d) Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA; PROVIDED THAT BORROWER AND UNION BANK SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

[Signatures on the following pages]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

**THE SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT
COMMISSION OF HUNTINGTON PARK,
a public body corporate and politic**

By: Edgar Cisneros
Name: EDGAR CISNEROS
Title: EXECUTIVE DIRECTOR

**MUFG UNION BANK, N.A.,
a national bank association**

By: _____
Name:
Title: