

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 them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2024

NEW ISSUE — BOOK-ENTRY ONLY

Rating:
S&P: “_____”
See “RATING.”

In the opinion of Stradling Yocca Carlson & Rauth LLP, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, interest (and original issue discount) on the Series 2024A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the Series 2024A Bonds is exempt from State of California personal income tax. See the caption “TAX MATTERS” with respect to tax consequences relating to the Series 2024A Bonds, including with respect to the alternative minimum tax imposed on certain large corporations.

\$ _____ *

**RIVERSIDE PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A**

Dated: Date of Delivery

Due: November 1, as shown on inside cover

The captioned bonds (the “Series 2024A Bonds”) are issued by the Riverside Public Financing Authority (the “Authority”) and are payable from base rental payments (the “Base Rental Payments”) to be made by the City of Riverside (the “City”) for the right to the use of certain real property and improvements of the City (the “Property”) pursuant to a Lease Agreement, dated as of August 1, 2012, as supplemented by a First Supplement to Lease Agreement, dated as of June 1, 2019 and a Second Supplement to Lease Agreement, dated as of October 1, 2024 (collectively, the “Lease Agreement”), each by and between the City, as lessee, and the Authority, as lessor. See “SECURITY FOR THE SERIES 2024A BONDS.” The Series 2024A Bonds will be issued pursuant to an Indenture, dated as of August 1, 2012, as supplemented by a First Supplemental Indenture, dated as of June 1, 2019, and a Second Supplemental Indenture, dated as of October 1, 2024 (collectively, the “Indenture”), each by and among the City, the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

The net proceeds of the sale of the Series 2024A Bonds will be used to: (i) finance the acquisition and construction of certain capital improvements as may be designated from time to time, including but not limited to renovations to the Museum of Riverside and related improvements, to be owned by the City, (ii) refund the Authority’s outstanding Lease Revenue Refunding Bonds, Series 2012A, and (iii) pay the costs of issuing the Series 2024A Bonds. See “FINANCING PLAN.”

The City has covenanted under the Lease Agreement to make all scheduled Base Rental Payments, to include all such payments as a separate line item in its annual budgets, and to make all the necessary annual appropriations for such Base Rental Payments. The City’s obligation to make Base Rental Payments is subject to abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defects in title to the Property, there is substantial interference with the City’s right to use and occupy any portion of the Property. See “RISK FACTORS—Abatement.”

The Series 2024A Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Interest on the Series 2024A Bonds is payable semiannually on May 1 and November 1 of each year, commencing May 1, 2025. Purchasers will not receive certificates representing their interest in the Series 2024A Bonds. Individual purchases will be in principal amounts of \$5,000 or integral multiples thereof. Principal of and interest and premium, if any, on the Series 2024A Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the beneficial owners of the Series 2024A Bonds. See “THE SERIES 2024A BONDS—Book-Entry Only System.”

The Series 2024A Bonds are being issued on a parity basis with the Authority’s Lease Revenue Bonds (Main Library Project), Series 2019B (“Series 2019B Bonds”), issued in the initial aggregate principal amount of \$33,505,000 and currently outstanding in the aggregate principal amount of \$26,075,000. The Authority may issue additional bonds (“Additional Bonds”) payable from Base Rental Payments. See “THE SERIES 2024A Bonds — Additional Bonds.” The Series 2019B Bonds, Series 2024A Bonds and any Additional Bonds are collectively referred to as the “Bonds.”

The Series 2024A Bonds are subject to redemption prior to maturity as described in this Official Statement. See “THE SERIES 2024A BONDS—Redemption.”

The Series 2024A Bonds are special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California, or any political subdivision thereof, is pledged to the payment of the Series 2024A Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2024A Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the

* Preliminary, subject to change.

City and the Authority by the City Attorney and Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Disclosure Counsel. Anzel Galvan LLP is acting as counsel to the Underwriter. It is anticipated that the Series 2024A Bonds in definitive form will be available for delivery to DTC in New York, New York on or about October __, 2024.

STIFEL

Dated: _____, 2024

\$ _____
RIVERSIDE PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A

MATURITY SCHEDULE
BASE CUSIP[†]: 76926C

<i>Maturity Date</i> <i>(November 1)</i>	<i>Principal</i> <i>Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP[†]</i>
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\$ _____ % Term Bonds due November 1, 20__ Yield: _____ % Price: _____ CUSIP[†] _____

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Authority, the City nor the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.

No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the Series 2024A Bonds other than those contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2024A Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or owners of the Series 2024A Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as such and are not to be construed as representations of fact.

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 a 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.

This Official Statement and the information contained in this Official Statement are subject to completion or amendment without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the Authority or any other parties described in this Official Statement since the date hereof. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the Series 2024A Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

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,” “project,” “budget,” “intend” or similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption “RISK FACTORS” and “APPENDIX A — CITY OF RIVERSIDE GENERAL DEMOGRAPHIC AND FINANCIAL INFORMATION.”

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 CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS THAT COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2024A BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2024A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2024A BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICE STATED ON THE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE SERIES 2024A BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

The City maintains a website; however, information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2024A Bonds.

CITY OF RIVERSIDE, CALIFORNIA

CITY COUNCIL

Patricia Lock Dawson, Mayor
Philip Falcone, Councilmember, Ward 1
Clarissa Cervantes, Councilmember, Ward 2
Steven Robillard, Councilmember, Ward 3
Chuck Conder, Councilmember, Ward 4
Sean Mill, Councilmember, Ward 5
Jim Perry, Councilmember, Ward 6
Steve Hemenway, Councilmember, Ward 7

CITY STAFF

Mike Futrell, City Manager
Edward Enriquez, Assistant City Manager/Chief Financial Officer/Treasurer
Donesia Gause, City Clerk
Phaedra Norton, City Attorney

SPECIAL SERVICES

Bond and Disclosure Counsel
Stradling Yocca Carlson & Rauth LLP
Newport Beach, California

Municipal Advisor
CSG Advisors Incorporated
San Francisco, California

Trustee
U.S. Bank Trust Company, National Association,
Los Angeles, California

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OFFICIAL STATEMENT

\$ _____ *

RIVERSIDE PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, SERIES 2024A

INTRODUCTION

This Official Statement, which includes the cover page and Appendices (the “Official Statement”), provides certain information concerning the above-captioned bonds (the “Series 2024A Bonds”) issued by the Riverside Public Financing Authority (the “Authority”).

Series 2024A Bonds

The Series 2024A Bonds will be issued pursuant to an Indenture, dated as of August 1, 2012, as supplemented by a First Supplemental Indenture, dated as of June 1, 2019, and a Second Supplemental Indenture, dated as of October 1, 2024 (collectively, the “Indenture”), each by and among the Authority, the City of Riverside (the “City”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

The Series 2024A Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Interest on the Series 2024A Bonds is payable semiannually on May 1 and November 1 of each year, commencing May 1, 2025.

Purchasers will not receive certificates representing their interest in the Series 2024A Bonds. Individual purchases will be in principal amounts of \$5,000 or integral multiples thereof. Principal of and interest on the Series 2024A Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the beneficial owners of the Series 2024A Bonds. See “THE SERIES 2024A BONDS—Book-Entry Only System.”

Redemption Prior to Maturity

The Series 2024A Bonds are subject to redemption prior to maturity as described in this Official Statement. See “THE SERIES 2024A BONDS—Redemption.”

Financing Purpose

The net proceeds of the sale of the Series 2024A Bonds will be used to: (i) finance the acquisition and construction of certain capital improvements as may be designated from time to time, including but not limited to renovations to the Museum of Riverside and related improvements, to be owned by the City, (ii) refund the Authority’s outstanding Lease Revenue Refunding Bonds, Series 2012A (the “Series 2012A Bonds”), and (iii) pay the costs of issuing the Series 2024A Bonds.

Security for the Series 2024A Bonds; Base Rental Payments

The Series 2024A Bonds are equally and ratably payable from base rental payments (the “Base Rental Payments”) to be made by the City for the right to use certain real property and improvements (the “Property”) pursuant to a Lease Agreement dated as of August 1, 2012, as supplemented by a First Supplement to Lease Agreement, dated as of June 1, 2019, and a Second Supplemental to Lease Agreement, dated as of

* Preliminary, subject to change.

October 1, 2024 (collectively, the “Lease Agreement”), each between the City, as lessee, and the Authority, as lessor.

Pursuant to a Ground Lease, dated as of August 1, 2012, as supplemented by a First Supplement to Ground Lease, dated as of June 1, 2019, and a Second Supplement to Ground Lease, dated as of October 1, 2024 (collectively, the “Ground Lease”), the City has leased the Property to the Authority. The Authority has subleased the Property to the City under the Lease Agreement. The Lease Agreement obligates the City to make Base Rental Payments to the Authority.

The Trustee and the Authority have entered into an Assignment Agreement, dated as of August 1, 2012, as supplemented by a First Supplement to Assignment Agreement, dated as of June 1, 2019, and a Second Supplement to Assignment Agreement, dated as of October 1, 2024 (collectively, the “Assignment Agreement”), pursuant to which the Authority has assigned to the Trustee for the benefit of the Bond Owners substantially all of the Authority’s right, title and interest in and to the Ground Lease and the Lease Agreement, including its right to receive the Base Rental Payments due under the Lease Agreement and to enforce any remedies in the event of a default by the City.

The City covenants under the Lease Agreement to take such action as may be necessary to include all Rental Payments, which are comprised of Base Rental Payments and Additional Rental Payments (which include taxes and assessments affecting the Property, administrative costs of the Authority relating to the Property, fees and expenses of the Trustee and other amounts payable under the Lease Agreement), due under the Lease Agreement as a separate line item in its annual budgets and to make the necessary annual appropriations therefor, subject to abatement as described in this Official Statement.

Base Rental Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the City’s right to use and occupy the Property or any portion thereof. See “RISK FACTORS—Abatement.” Abatement of Base Rental Payments under the Lease Agreement, to the extent payment is not made from alternative sources as set forth below, would result in all Bond Owners receiving less than the full amount of principal of and interest on the Bonds. To the extent proceeds of insurance are available, Base Rental Payments (or a portion thereof) may be made during periods of abatement.

Limited Obligation

THE SERIES 2024A BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM BASE RENTAL PAYMENTS AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE SERIES 2024A BONDS. THE AUTHORITY HAS NO TAXING POWER.

THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

No Debt Service Reserve Fund

The Authority is not funding a debt service reserve fund for the Series 2024A Bonds. See “RISK FACTORS — No Reserve Fund.”

Additional Bonds

The Series 2024A Bonds are being issued on a parity basis with the Authority's Lease Revenue Refunding Bonds, Series 2019B, issued in the initial aggregate principal amount of \$33,505,000 and currently outstanding in the aggregate principal amount of \$26,075,000 (the "Series 2019B Bonds"). The Authority may issue additional bonds (the "Additional Bonds") payable from the Base Rental Payments on a parity basis with the Series 2024A Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS—Additional Bonds." The Series 2019B Bonds, Series 2024A Bonds and any Additional Bonds are collectively referred to in this Official Statement as the "Bonds."

Financial Statements

The City's financial statements for the fiscal year ended June 30, 2018, are included as Appendix C and have been audited by Macias Gini & O'Connell LLP, Newport Beach, California, independent certified public accountants (the "Auditor"). See "APPENDIX C — AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2018."

Continuing Disclosure

The City has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") certain annual financial information and operating data and, in a timely manner, notice of certain listed events. See "CONTINUING DISCLOSURE."

Certain Risk Factors

Certain events could affect the ability of the City to make the Base Rental Payments when due. Additionally, as provided in the Lease Agreement, during any period in which by reason of material damage to, or destruction or condemnation of, the Property or any defect in title to the Property, there is substantial interference with the City's right to use and occupancy of the Property, Rental Payments may be subject to proportional abatement. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth in this Official Statement, in evaluating an investment in the Series 2024A Bonds.

Forward-Looking Statements

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and, except for budget discussion for fiscal year 2018-19, is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

Official Statement is a Summary

The summaries or references to the Indenture, the Lease Agreement, the Ground Lease, the Assignment Agreement and other documents, agreements and statutes referred to in this Official Statement, and the description of the Series 2024A Bonds included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to each such document or statute. All capitalized terms used in this Official Statement (unless otherwise defined in this Official Statement) are defined in the Indenture or the Lease Agreement and have the meanings set forth therein. See "APPENDIX B — Summary of the Principal Legal Documents."

THE SERIES 2024A BONDS

General

The Series 2024A Bonds will be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Series 2024A Bonds will be dated as of and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from the dated date thereof at the rates set forth on the inside cover page. Interest on the Series 2024A Bonds will be paid semiannually on May 1 and November 1 (each, an “Interest Payment Date”) of each year, commencing May 1, 2025.

Interest on the Series 2024A Bonds will be payable from the Interest Payment Date next preceding the date of authentication thereof unless (i) a Series 2024A Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date, (ii) a Series 2024A Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the dated date thereof, or (iii) interest on any Series 2024A Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date. Interest will be paid in lawful money of the United States on each Interest Payment Date to the Persons in whose names the ownership of the Series 2024A Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest will be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Series 2024A Bond Owners at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date.

The principal and premium, if any, of the Series 2024A Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof upon maturity or earlier redemption at the Office of the Trustee. The Series 2024A Bonds will be subject to redemption as set forth in this Official Statement.

Registration, Transfers and Exchanges

The Series 2024A Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Series 2024A Bonds (the “Beneficial Owners”) in denominations of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in Appendix F) as described in this Official Statement. Beneficial Owners will not be entitled to receive physical delivery of the Series 2024A Bonds. See “THE SERIES 2024A BONDS—Book-Entry Only System.”

Redemption

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. The Series 2024A Bonds shall be subject to redemption, in whole or in part, on any date, in Authorized Denominations, from and to the extent of any Net Insurance Proceeds received with respect to all or a portion of the Property, deposited by the Trustee in the Redemption Fund pursuant to the Indenture, at a Redemption Price equal to the principal amount of the Series 2024A Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Optional Redemption. The Series 2024A Bonds maturing on or after November 1, 20__, shall be subject to optional redemption, in whole or in part, on any date on or after November 1, 20__, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2024A Bonds to be redeemed, plus accrued interest thereon to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2024A Bonds with stated maturities on November 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each November 1 on and after November 1, 20__, in integral multiples of \$5,000 at a Redemption Price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

<i>Redemption Date (November 1)</i>	<i>Principal Amount</i>
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* Final Maturity.

Selection of Bonds for Redemption. Whenever provision is made in the Indenture for the redemption of less than all of the Bonds, the Trustee will select the Bonds to be redeemed from all Bonds not previously called for redemption (a) with respect to any optional redemption of Bonds, among maturities of Bonds as directed in a Written Request of the Authority, (b) with respect to any redemption from and to the extent of any insurance proceeds or condemnation award received with respect to all or a portion of the Property and the corresponding provision of any Supplemental Indenture pursuant to which Additional Bonds are issued, among maturities of all Series of Bonds on a pro rata basis as nearly as practicable, and (c) with respect to any other redemption of Additional Bonds, among maturities as provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued, and by lot among Bonds of the same Series with the same maturity in any manner which the Trustee in its sole discretion will deem appropriate and fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate \$5,000 denominations, and such separate denominations will be treated as separate Bonds that may be separately redeemed.

Notice of Redemption. So long as the Bonds are held in book-entry form, notices of redemption will be mailed by the Trustee only to DTC and not to any Beneficial Owners. The Trustee on behalf and at the expense of the Authority will mail (by first class mail) notice of any redemption to the respective Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Securities Depositories and to one or more Information Services, at least 20 but not more than 60 days prior to the date fixed for redemption. Such notice will state the date of the notice, the redemption date, the redemption place and the Redemption Price and will designate the CUSIP numbers, the Bond numbers and the maturity or maturities (except in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and will require that such Bonds be then surrendered at the principal corporate trust office of the Trustee for redemption at the Redemption Price, giving notice also that further interest on such Bonds will not accrue from and after the date fixed for redemption.

A redemption notice may state that the redemption is conditioned upon sufficient funds being on deposit on the redemption date to redeem the Bonds so called for redemption. Neither the failure to receive any notice so mailed, nor any defect in such notice, will affect the validity of the proceedings for the redemption of the Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption.

Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same Series in authorized denominations equal in aggregate principal amount representing the unredeemed portion of the Bonds surrendered.

Effect of Notice of Redemption. If a redemption notice has been mailed, and moneys for the Redemption Price, and the interest to the applicable date fixed for redemption, have been set aside in the Redemption Fund, the Bonds will become due and payable on the redemption date, and, upon presentation and surrender of a Bond at the principal corporate trust office of the Trustee, the Authority will pay the Redemption Price of the Bond, together with interest accrued and unpaid to said date.

If, on the date fixed for redemption, moneys for the Redemption Price of all the Bonds to be redeemed, together with interest to said date, will be held by the Trustee so as to be available therefor on such date, and, if a notice of redemption has been mailed and not canceled, then, from and after said date, interest on the Bonds to be redeemed will cease to accrue and become payable. All moneys held by or on behalf of the Trustee for the redemption of Bonds will be held in trust for the account of the Owners of the Bonds so to be redeemed without liability to such Owners for interest thereon.

Book-Entry Only System

General. DTC will act as securities depository for the Series 2024A Bonds. The Series 2024A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Series 2024A Bond will be issued for each maturity of the Series 2024A Bonds, each in the initial aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F — Book-Entry Only System."

Transfer and Exchange of Bonds. The following provisions regarding the exchange and transfer of the Series 2024A Bonds apply only during any period in which the Series 2024A Bonds are not subject to DTC's book-entry system. While the Series 2024A Bonds are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC.

Any Bond may, in accordance with its terms, be transferred upon the books required to be kept by the Trustee pursuant to the provisions of the Indenture by the Person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer, duly executed in a form acceptable to the Trustee. Whenever any Bond or Bonds will be surrendered for transfer, the Authority will execute and the Trustee will authenticate and will deliver a new Bond or Bonds of the same Series in a like aggregate principal amount, in any Authorized Denomination. The Trustee will require the Bond Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

The Bonds may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of the same Series of other authorized denominations. The Trustee will require the payment by the Bond Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee will not be obligated to make any transfer or exchange of Bonds of a Series during the period established by the Trustee for the selection of Bonds of such Series for redemption, or with respect to any Bonds of such Series selected for redemption.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS

Pledge of Revenues

The Series 2024A Bonds are equally and ratably payable from and secured by Base Rental Payments and certain amounts on deposit in the funds and accounts established under the Indenture. Base Rental Payments will be paid by the City from any and all legally available funds. See APPENDIX A — CITY OF RIVERSIDE GENERAL DEMOGRAPHIC AND FINANCIAL INFORMATION" and "RISK FACTORS." The City has covenanted in the Lease Agreement to take such action as may be necessary to include all Base Rental Payments and Additional Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make the necessary annual appropriations therefor.

The Authority, pursuant to the Assignment Agreement, has assigned to the Trustee for the benefit of the Series 2024A Bond Owners all of the Authority's right, title and interest in and to the Ground Lease and the

Lease Agreement, including, without limitation, its right to receive Base Rental Payments to be paid by the City under and pursuant to the Lease Agreement; provided that, the Authority retains the rights to indemnification, to give approvals and consents under the Lease Agreement, and to payment of reimbursement of its reasonable costs and expenses under the Lease Agreement. The City pays Base Rental Payments directly to the Trustee, as assignee of the Authority. See “—Base Rental Payments” below. Pursuant to the Indenture, the Authority may issue Additional Bonds payable from the Base Rental Payments on a parity with the Series 2024A Bonds. See “APPENDIX B — Summary of the Principal Legal Documents.”

Subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, all of the Base Rental Payments and any other amounts (including proceeds of the sale of the Series 2024A Bonds) held in the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Redemption Fund are pledged by the Authority pursuant to the Indenture to secure the payment of the principal of, premium, if any, and interest on the Series 2024A Bonds and the Series 2019B Bonds, on a parity basis, in accordance with their terms, the provisions of the Indenture and the Act. Said pledge constitutes a first lien on such assets.

THE SERIES 2024A BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY, PAYABLE SOLELY FROM BASE RENTAL PAYMENTS AND THE OTHER ASSETS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE AUTHORITY, THE CITY OR THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE SERIES 2024A BONDS. THE AUTHORITY HAS NO TAXING POWER.

Additional Bonds

The Series 2024A Bonds are being issued on a parity basis with the Series 2019B Bonds. The Authority may issue additional bonds (“Additional Bonds”) payable from Base Rental Payments on a parity basis with the Series 2024A Bonds upon satisfaction of certain conditions, including, but not limited to, the following:

- (a) The Authority is in compliance with all agreements, conditions, covenants and terms contained in the Indenture, in the Lease Agreement and in the Ground Lease required to be observed or performed by it;
- (b) The City is in compliance with all agreements, conditions, covenants and terms contained in the Indenture, in the Lease Agreement and in the Ground Lease required to be observed or performed by it; and
- (c) The Ground Lease is amended, to the extent necessary, and the Lease Agreement is amended so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal of and interest on such Additional Bonds, payable at such times and in such manner as may be necessary to provide for the payment of the principal of and interest on such Additional Bonds; provided, however, that no such amendment shall be made such that the sum of Base Rental Payments, including any increase in the Base Rental Payments as a result of such amendment, plus Additional Rental Payments, in any Rental Period is in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith (evidence of the satisfaction of such condition will be made by a Written Certificate of the City).

Nothing contained in the Indenture limits the issuance of any bonds or other obligations payable from Base Rental Payments if, after the issuance and delivery of such bonds or other obligations, none of the Bonds theretofore issued under the Indenture will be Outstanding.

See “APPENDIX B — Summary of the Principal Legal Documents” for a summary of the conditions and procedures for issuance of Additional Bonds.

Base Rental Payments

General. Rental Payments, including Base Rental Payments, will be paid by the City to the Authority for and in consideration of the right to use and occupy the Property and in consideration of the continued right to the quiet use and enjoyment thereof during each Rental Period for which such Rental Payments are to be paid. Each Base Rental Payment will be deposited with the Trustee no later than the 15th day of the month next preceding each Interest Payment Date (the “Base Rental Deposit Date”). All Base Rental Payments will be paid directly by the City to the Trustee, and if received by the Authority at any time will be transferred by the Authority to the Trustee within one Business Day after the receipt thereof. All Base Rental Payments received by the Trustee will be deposited by the Trustee in the Base Rental Payment Fund.

Pursuant to the Indenture, on the Business Day immediately preceding each Interest Payment Date and on the Business Day immediately preceding each November 1 for so long as the Series 2024A Bonds are Outstanding, the Trustee will transfer amounts in the Base Rental Payment Fund as are necessary to the Interest Fund and the Principal Fund to provide for the payment of the interest on and principal of the Series 2024A Bonds on the applicable Interest Payment Date.

Base Rental Payment Schedule. Scheduled Base Rental Payments relating to the Series 2024A Bonds are set forth below under the heading “FINANCING PLAN — Base Rental Payment Schedule.”

Covenant to Budget and Appropriate. The City covenants in the Lease Agreement to take such action as may be necessary to include all Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The City covenants to deliver to the Authority and the Trustee a Certificate of the City stating that its final annual budget includes all Base Rental Payments due in such fiscal year within 10 days after the filing or adoption of the final annual budget. The Lease Agreement declares that these covenants are and shall be construed to be duties imposed by law and that it is the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the City’s covenants and agreements under the Lease Agreement. See, however, “-Abatement” below.

Limited Obligation. THE OBLIGATION OF THE CITY TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Additional Rental Payments

For the right to use and occupy the Property, the Lease Agreement requires the City to pay, as Additional Rental Payments, such amounts as will be required for the payment of the following:

- (i) All taxes and assessments of any type or nature charged to the Authority or the City or affecting the Property or the respective interests or estates of the Authority or the City therein.
- (ii) All reasonable administrative costs of the Authority relating to the Property including, but without limiting the generality of the foregoing, salaries, wages, fees and expenses, compensation and indemnification of the Trustee payable by the Authority under the Indenture, fees of auditors, accountants, attorneys or engineers, and all other necessary and reasonable administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Indenture or the Lease Agreement or to defend the Authority and its members, officers, agents and employees.

- (iii) Insurance premiums for all insurance required pursuant to the Lease Agreement.
- (iv) Any amounts with respect to the Lease Agreement or the Bonds required to be rebated to the federal government in accordance with section 148(f) of the Internal Revenue Code of 1986.
- (v) All other payments required to be paid by the City under the provisions of the Lease Agreement or the Indenture.

Amounts constituting Additional Rental Payments payable under the Lease Agreement will be paid by the City directly to the person or persons to whom such amounts will be payable. The City will pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee to the City stating the amount of Additional Rental Payments then due and payable and the purpose thereof.

Abatement

Base Rental Payments and Additional Rental Payments are paid by the City in each Rental Period for and in consideration of the right to use and occupy the Property. Except as otherwise specifically provided in the Lease Agreement, during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the City's right to use and occupy any portion of the Property, Rental Payments will be subject to abatement proportionately, and the City waives the benefits of Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate the Lease Agreement by virtue of any such interference, and the Lease Agreement will continue in full force and effect. The amount of such abatement will be agreed upon by the City and the Authority; provided, however, that the Rental Payments due for any Rental Period will not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the City during such Rental Period. Any such abatement will continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and, with respect to damage to or destruction of the Property, ending with the substantial completion of the work of repair or replacement of the Property, or the portion thereof so damaged or destroyed; and the term of the Lease Agreement will be extended as provided in the Lease Agreement, except that the term will in no event be extended ten years beyond the stated termination date of the Lease Agreement. The Trustee cannot terminate the Lease Agreement in the event of such substantial interference. Abatement of Base Rental Payments and Additional Rental Payments is not an event of default under the Lease Agreement and does not permit the Trustee to take any action or avail itself of any remedy against the City. See "APPENDIX B — Summary of the Principal Legal Documents."

Notwithstanding the foregoing, to the extent that moneys are available for the payment of Rental Payments due under the Lease Agreement in any of the funds and accounts established under the Indenture (including as a result of the availability of insurance proceeds), such Rental Payments will not be abated as provided above but, rather, will be payable by the City as a special obligation payable solely from said funds and accounts.

Substitution, Addition and Removal of Property

The Authority and the City may amend the Lease Agreement to substitute alternate real property for any portion of the Property, add additional real property to the Property or to release a portion of the Property from the Lease Agreement, upon compliance with all of the conditions set forth in the Lease Agreement and described below. After a substitution or release, the portion of the Property for which the substitution or release has been effected will be released from the leasehold encumbrance of the Lease Agreement.

The Lease Agreement provides that there will be no reduction in or abatement of the Base Rental Payments due from the City as a result of such substitution, release or addition. Any such substitution, release, or addition, will be subject to the following specific conditions precedent:

(a) A Written Certificate of the City to the effect that the Property, as constituted after such substitution, release or addition, (i) has an annual fair rental value at least equal to the maximum Base Rental Payments payable by the City in any Rental Period, and (ii) has a useful life in excess of the final maturity of any Outstanding Bonds.

(b) With respect to any substituted or added property, the City will have obtained or caused to be obtained a CLTA or ALTA title insurance policy or policies with respect to the Property (as such term is defined after such substitution or addition) in an amount at least equal to the aggregate principal amount of any Outstanding Bonds, of the type and with the endorsements described in the Lease Agreement.

(c) The City, the Authority and the Trustee will have executed, and the City will have caused to be recorded with the Riverside County Recorder, any document necessary to reconvey to the City the portion of the Property being released and to include any substituted or added real property in the description of the Property contained in the Lease Agreement and in the Ground Lease.

(d) The City will have provided notice of such release, substitution or addition to each rating agency then rating the Bonds.

See “APPENDIX B — Summary of the Principal Legal Documents” for additional details related to substitution, addition and release of Property. See “FINANCING PLAN—The Museum Project” for a description of the Museum Project anticipated to be funded with the proceeds of the Series 2024A Bonds.

Action on Default

Should the City default under the Lease Agreement, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City, or may retain the Lease Agreement and hold the City liable for all Base Rental Payments thereunder on an annual basis, and will have the right to re-enter and re-let the Property. In the event such re-letting occurs, the City would be liable for any resulting deficiency in Base Rental Payments. Rental Payments may not be accelerated upon a default under the Lease Agreement. See “RISK FACTORS—Limited Recourse on Default; No Acceleration of Base Rental.”

For purposes of certain actions of Series 2024A Bond Owners under the Indenture and the Lease Agreement, such as certain consents and amendments and the direction of remedies following default, Series 2024A Bond Owners do not act alone and may not control such matters to the extent such matters are not supported by the requisite number of the Owners of all Bonds and Additional Bonds, if any.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Lease Agreement and the Indenture, see “APPENDIX B — Summary of the Principal Legal Documents.”

No Reserve Fund

The Authority has not funded a reserve fund in connection with the issuance of the Series 2024A Bonds.

Insurance

The Lease Agreement requires the City to maintain or cause to be maintained, throughout the term of the Lease Agreement, a standard commercial general liability insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents, and employees, and worker’s compensation insurance as described in “APPENDIX B — Summary of the Principal Legal Documents.” The Lease Agreement also requires the City to maintain or caused to be maintained fire, lightning and special extended

coverage insurance (which will include coverage for vandalism and malicious mischief, but need not include coverage for earthquake damage) on all improvements constituting any part of the Property in an amount equal to the greater of 100% of the replacement cost of such improvements or 100% of the outstanding principal amount of the Bonds. Each such policy of insurance will contain a standard replacement cost endorsement providing for no deduction for depreciation and a stipulated amount endorsement. All insurance required to be maintained pursuant to the Lease Agreement may be subject to a deductible in an amount not to exceed \$500,000.

The Lease Agreement requires the City to maintain rental interruption insurance to cover the Authority's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Property as a result of any of the hazards covered by the casualty insurance described in the preceding paragraph, in an amount sufficient at all times to pay an amount not less than the product of two times the maximum amount of Base Rental Payments scheduled to be paid during any Rental Period. The City is not permitted to self-insure its obligation to maintain rental interruption insurance.

The City is required under the Lease Agreement to provide, at its own expense, one or more CLTA or ALTA title insurance policies for the Property, in the aggregate amount of not less than the initial aggregate principal amount of the Series 2024A Bonds, insuring the fee interest of the City in the Property, the Authority's leasehold estate in the Property under the Ground Lease, and the City's subleasehold estate in the Property under the Lease Agreement, subject only to Permitted Encumbrances, and providing that all proceeds thereunder are payable to the Trustee for the benefit of the Owners.

The City's obligation to maintain the insurance described above (except for rental interruption insurance) may be satisfied by self-insurance, provided such self-insurance complies with the requirements of the Lease Agreement. See "APPENDIX B — Summary of the Principal Legal Documents."

FINANCING PLAN

General

The net proceeds of the sale of the Series 2024A Bonds will be used to: (i) finance the acquisition and construction of certain capital improvements as may be designated from time to time, including but not limited to renovations to the Museum of Riverside and related improvements, to be owned by the City (the "Museum Project"), (ii) to refund the Authority's outstanding Series 2012A Bonds, and (iii) pay the costs of issuing the Series 2024A Bonds.

The Museum Project

The Museum Project consists of renovations to and expansion of the main building of the City-owned Museum of Riverside, which is located in Downtown Riverside. The existing main building of the Museum of Riverside current consists of a historic structure originally constructed in 1912 as United States Post Office. The Museum Project is expected to incorporate the 1912 historic structure, and includes a two-story addition on the back of the building which will replace multiple later additions to the original structure. The Museum Project is expected to include new galleries with high standards of environmental and security controls as well as flexible-use galleries in the historic structure, an expanded new Nature Lab with both indoor and outdoor space and a new dedicated classroom and a roof terrace. The main building of the Museum of Riverside has been closed since September 2017. See also the caption "THE PROPERTY."

The estimated cost of the Museum Project (including a 10%-contingency, design fees, project management costs, and furniture, fixtures and equipment) is approximately \$45 million. Construction is expected to commence in ____ 20__, and the Museum Project is scheduled to be completed by ____ 20__. In addition to proceeds of the Series 2024A Bonds, the City anticipates using Measure Z funds and grants to fund construction.

The Refunding Plan

General. Pursuant to the Indenture, the Authority will deliver a portion of the proceeds of the Series 2024A Bonds to the Trustee to transfer to U.S. Bank Trust Company, National Association, acting as escrow agent (the “Escrow Agent”), for deposit in an escrow fund (the “Escrow Fund”) established under the Escrow Agreement, dated as of October 1, 2024, by and among the Authority, the City and the Escrow Agent (the “Escrow Agreement”). Proceeds of the Series 2024A Bonds and other moneys held in the Escrow Fund to refund the Series 2012A Bonds will be held in cash and used to pay the regularly scheduled debt service on the Series 2012A Bonds on November 1, 2024 and to refund the outstanding Series 2012A Bonds maturing after November 1, 2024 on November 1, 2024. Amounts in the Escrow Fund will be irrevocably pledged to secure, when due, the payment of the principal of, interest and premium due with respect to the Series 2012A Bonds and will not be available to pay debt service on the Series 2024A Bonds.

Verification. Upon issuance of the Series 2024A Bonds, Causey Demgen & Moore P.C, Denver, Colorado, as verification agent, will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriters relating to: (a) the adequacy of amounts in the Escrow Fund to pay when due the regularly scheduled debt service on the Series 2012A Bonds on November 1, 2024 and to refund the outstanding Series 2012A Bonds maturing after November 1, 2024 on November 1, 2024; and (b) the computations of yield of the Series 2024A Bonds which support Bond Counsel’s opinion that the interest on the Series 2024A Bonds is excluded from gross income for federal income tax purposes.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds with respect to the Series 2024A Bonds are shown below.

Sources

Principal Amount of Series 2024A Bonds
[Plus/Less] : [Net] Original Issue
[Premium\Discount]
Total Sources

Uses

Project Fund
Escrow Fund
Cost of Issuance⁽¹⁾
Total Uses

⁽¹⁾ Includes legal, rating agency, underwriter’s discount, printing fees and other miscellaneous costs of issuance.

BASE RENTAL PAYMENT SCHEDULE

Set forth below is the annual schedule of Base Rental Payments, which corresponds with the schedule of debt service payments for the Series 2019B Bonds and Series 2024A Bonds (except that (i) the Interest Payment Dates for the Series 2019B Bonds and Series 2024A Bonds are May 1 and November 1 and (ii) payments of principal on the Series 2024A Bonds are made according to the maturity schedule contained on the inside cover page of this Official Statement). The City has other long-term obligations payable from the General Fund; see “APPENDIX A — CITY OF RIVERSIDE GENERAL DEMOGRAPHIC AND FINANCIAL INFORMATION — Long-Term Obligations.”

<i>Year Ending November 1</i>	<i>Series 2019B</i>			<i>Series 2024A</i>			<i>Total Payments</i>
	<i>Principal</i>	<i>Interest</i>	<i>Total Payments</i>	<i>Principal</i>	<i>Interest</i>	<i>Total Payments</i>	
2024	\$ 1,470,000	\$ 1,303,750	\$ 2,773,750				
2025	1,545,000	1,230,250	2,775,250				
2026	1,625,000	1,153,000	2,778,000				
2027	1,705,000	1,071,750	2,776,750				
2028	1,790,000	986,500	2,776,500				
2029	1,880,000	897,000	2,777,000				
2030	1,970,000	803,000	2,773,000				
2031	2,070,000	704,500	2,774,500				
2032	2,175,000	601,000	2,776,000				
2033	2,285,000	492,250	2,777,250				
2034	2,400,000	378,000	2,778,000				
2035	2,515,000	258,000	2,773,000				
2036	2,645,000	132,250	2,777,250				
2037	--	--	--				
2038	--	--	--				
2039	--	--	--				
2040	--	--	--				
2041	--	--	--				
2042	--	--	--				
2043	--	--	--				
2044	--	--	--				
2045	--	--	--				
2046	--	--	--				
2047	--	--	--				
2048	--	--	--				
2049	--	--	--				
2050	--	--	--				
2051	--	--	--				
2052	--	--	--				
2053	--	--	--				
2054	--	--	--				
Total	\$ 26,075,000	\$ 10,011,250	\$ 36,086,250				

Source: Underwriter.

THE PROPERTY

The Property consists of (1) the City Hall complex, (2) the Police Patrol Facility, (3) the General Services Administrative Building, (4) Bobby Bonds Park and buildings located there and (5) the Museum of Riverside. Each of these assets is described below. The City has estimated that the fair market rental value of all of the Property, in aggregate, is at least equal to the outstanding par amount of the Series 2019B Bonds and Series 2024A Bonds.

City Hall Complex. The City Hall complex consists of a seven-story office building complex, City council chambers, a four-level parking garage, a balcony and rooftop area, including storage space and a heliport, a utility building and a basement. The complex is located on a total land area of 3.766 acres and includes 262,789 square feet of usable space in the downtown area of the City. The City Hall complex has a concrete foundation with solid brick walls. Its lateral force-resisting system consists of a steel moment frame.

Police Patrol Facility. The Police Patrol Facility, which was originally constructed in 1988 and renovated in 2009, includes approximately 26,250 square feet on a 16.08 acre parcel. The Police Patrol Facility was constructed in accordance with the California Building Code in effect at the time of its construction. It has a concrete foundation with solid brick walls, and its lateral force-resisting system consists of reinforced shear walls.

General Services Administrative Building. The General Services Administrative Building is located on a 17.73 acre parcel (including the adjacent parking lot), and originally included approximately 72,700 square

feet of usable space. Built in 1963, the building is constructed of reinforced masonry. In 2012, a new reception area and blue room were added to the building, adding approximately 20,000 square feet for a total of approximately 92,700 square feet.

Bobby Bonds Park and Buildings. Bobby Bonds Park is approximately 14.5 acres in size, and contains a baseball field, basketball court and other play areas. The buildings located at Bobby Bonds Park consist of the Cesar Chavez Community Center (approximately 37,604 square feet in size) and the Youth Opportunity Center/Gym (approximately 13,239 square feet in size). The Community Center is a 2-story building built in 1940, all of wood-frame materials. The Youth Opportunity Center is a 1-story building built in 1950, built of masonry with a wood roof.

New Main Library. The New Main Library is located at 3775 Fairmont Avenue (sometimes also referred to as 3911 University Avenue), on an approximately 2.7 acre site, and is a two-story building covering approximately 42,000 square feet of innovative space that includes an archive reading room, children’s room, innovation center, outdoor terrace, and the Friends of the Riverside Public Library bookstore. A portion of the New Main Library was financed with proceeds of the 2019B Bonds and the New Main Library was completed in 2020.

Museum of Riverside. The Museum of Riverside building is located at 3580 Mission Inn Avenue in the City and is located on an approximately _____ acre site. See the caption “FINANCING PLAN—The Museum Project” for more information regarding the ongoing and planned renovations to the Museum of Riverside building.

Substitution and Release. The City has the right to substitute or release all or portion of the Property subject to certain conditions precedent. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS—Substitution and Removal of Property.”

[Upon completion of construction of the Museum Project, the City anticipates releasing some or all of the Property described above.]

THE CITY

See “APPENDIX A — CITY OF RIVERSIDE GENERAL DEMOGRAPHIC AND FINANCIAL INFORMATION” for certain financial and demographic information about the City, including its General Fund.

THE AUTHORITY

The Riverside Public Financing Authority exists pursuant to the provisions of Article I of Chapter 5 of Division 7 of Title 1 of the State Government Code and a Joint Exercise of Powers Agreement, dated as of December 15, 1987, as subsequently amended (the “JPA Agreement”), by and between the City, the Redevelopment Agency of the City of Riverside (the “Former Agency”), now succeeded by the Successor Agency to the Redevelopment Agency of the City of Riverside (the “Successor Agency”) and the Parking Authority of the City of Riverside. The Authority has no financial liability to the Owners of the Series 2024A Bonds with respect to the payment of Base Rental Payments by the City or with respect to the performance by the City of the other agreements and covenants it is required to perform.

The State adopted ABx1 26 on June 28, 2011, pursuant to which the Former Agency was dissolved and the City acts as the Successor Agency. Pursuant to Section 34178(b)(3) of the Community Redevelopment Law, as amended by ABx1 26, the JPA Agreement is not invalid as a result of the dissolution of the Former Agency.

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Series 2024A Bonds. However, they do not purport to be an exhaustive listing of risks and other considerations that may be relevant to an investment in the Series 2024A Bonds. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations

The Series 2024A Bonds are special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the City or the State, or any political subdivision thereof, is pledged to the payment of the Series 2024A Bonds. The Authority has no taxing power.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City or the State has levied or pledged any form of taxation.

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the City, the City is obligated under the Lease Agreement to pay the Base Rental Payments and Additional Rental Payments from any source of legally available funds and the City has covenanted in the Lease Agreement that it will take such action as may be necessary to include all Base Rental Payments and Additional Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments, subject to abatement. The City is currently liable and may become liable on other obligations payable from general fund revenues.

To the extent that additional general fund obligations are incurred by the City, the funds available to make Base Rental Payments may be decreased. In the event the City's revenue sources are less than its total obligations, the City could choose to fund other activities before making Base Rental Payments and other payments due under the Lease Agreement. The same result could occur if, because of California Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues; however, the City's appropriations have never exceeded the limitation on appropriations under Article XIII B of the California Constitution. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Article XIII B of the California Constitution."

Abatement

In the event of substantial interference with the City's right to use and occupy any portion of the Property by reason of damage to, or destruction or condemnation of the Property, or any defects in title to the Property, Base Rental Payments will be subject to abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS—Abatement." In the event that such portion of the Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the City's rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for which funds are available from the funds and accounts established under the Indenture, or in the event that casualty insurance proceeds are insufficient to provide for complete repair or replacement of such portion of the Property or redemption of the Series 2024A Bonds, there could be insufficient funds to make payments to Owners in full. The Authority has not funded a reserve fund for the Series 2024A Bonds.

It is not possible to predict the circumstances under which such an abatement of rental may occur. In addition, there is no statute, case or other law specifying how such an abatement of rental should be measured. For example, it is not clear whether fair rental value is established as of commencement of the lease or at the

time of the abatement. If the latter, it may be that the value of the Property is substantially higher or lower than its value at the time of the execution and delivery of the Series 2024A Bonds. Abatement, therefore, could have an uncertain and material adverse effect on the security for and payment of the Series 2024A Bonds.

If damage, destruction, title defect or eminent domain proceedings with respect to the Property results in abatement of the Base Rental Payments related to such Property, and if any abated Base Rental Payments, together with moneys from rental interruption or use and occupancy insurance (in the event of any insured loss due to damage or destruction), and any eminent domain proceeds are insufficient to make all payments of principal and interest with respect to the Series 2024A Bonds during the period that the Property is being replaced, repaired or reconstructed, then all or a portion of such payments of principal and interest may not be made. Under the Lease Agreement and the Indenture, no remedy is available to the Series 2024A Bond Owners for nonpayment under such circumstances.

No Reserve Fund

The Authority has not funded a reserve fund for the Series 2024A Bonds.

Covenant to Budget and Appropriate

Under the Lease Agreement, the City has covenanted to take such actions as are necessary to include the Base Rental Payments and the estimated Additional Rental Payments in its annual budgets and to make the necessary annual appropriations for all Base Rental Payments. Such covenant is deemed to be a duty imposed by law, and it is the duty of the public officials of the City to take such actions and do such things as are required by law in the performance of the official duty of such officials to enable such entity to carry out and perform such covenants. A court, however, in its discretion may decline to enforce such covenant. Upon execution and delivery of the Series 2024A Bonds, Bond Counsel will render its opinion (substantially in the form of Appendix D) to the effect that, subject to certain limitations and qualifications, the Lease Agreement constitutes a valid and binding obligation of the City.

See, however, “— Abatement” above.

Eminent Domain

If all of the Property (or portions thereof such that the remainder is not usable for the public purposes by the City) is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease as of the day possession is taken. If less than all of the Property is taken permanently, or if the Property or any part thereof is taken temporarily, under the power of eminent domain, and the remainder is usable for public purposes by the City at the time of such taking, (1) the Lease Agreement will continue in full force and effect as to such remainder, and will not be terminated by virtue of such taking, and (2) there will be a partial abatement of Base Rental Payments as a result of the application of the Net Insurance Proceeds of any eminent domain award to the prepayment of the Base Rental Payments, in an amount to be agreed upon by the City and the Authority such that the resulting Base Rental Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property.

Limited Recourse on Default; No Acceleration of Base Rental

Failure by the City to make Base Rental Payments or other payments required to be made under the Lease Agreement, or failure to observe and perform any other terms, covenants or conditions contained in the Lease Agreement or in the Indenture for a period of 30 days or such additional time as is reasonably required to correct a default after written notice of such default and request that it be remedied has been given to the City by the Authority or the Trustee, constitute events of default under the Lease Agreement and permit the Trustee or the Authority to pursue any and all remedies available. In the event of a default, notwithstanding anything in

the Lease Agreement or in the Indenture to the contrary, there will be no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable, nor will the Authority or the Trustee have any right to re-enter or re-let the Property except as described in the Lease Agreement.

The enforcement of any remedies provided in the Lease Agreement and the Indenture could prove both expensive and time consuming. If the City defaults on its obligation to make Base Rental Payments with respect to the Property, the Trustee, as assignee of the Authority, may retain the Lease Agreement and hold the City liable for all Base Rental Payments thereunder on an annual basis and enforce any other terms or provisions of the Lease Agreement to be kept or performed by the City.

Alternatively, the Authority or the Trustee may terminate the Lease Agreement, retake possession of the Property and proceed against the City to recover damages pursuant to the Lease Agreement. Due to the specialized nature of the Property or any property substituted therefor pursuant to the Lease Agreement and the restrictions on its use, no assurance can be given that the Trustee will be able to re-let the Property so as to provide rental income sufficient to make all payments of principal of, interest and premium, if any, on the Series 2024A Bonds when due, and the Trustee is not empowered to sell the Property for the benefit of the Owners of the Series 2024A Bonds. Any suit for money damages would be subject to limitations on legal remedies against cities in California, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS” and “APPENDIX B — SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

Substitution, Addition and Removal of Property; Additional Bonds

The Authority and the City may amend the Lease Agreement to substitute alternate real property for any portion of the Property, add additional real property to the Property, or release a portion of the Property from the Lease Agreement, upon compliance with all of the conditions set forth in the Lease Agreement. After a substitution or release, the portion of the Property for which the substitution or release has been effected will be released from the leasehold encumbrance of the Lease Agreement. See “SECURITY FOR AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS — Substitution, Addition and Removal of Property.” Moreover, the Authority may issue Additional Bonds secured by Base Rental Payments which are increased from current levels.

Although the Lease Agreement requires, among other things, that the Property, as constituted after such substitution or release, have an annual fair rental value at least equal to the maximum Base Rental Payments payable by the City in any Rental Period, it does not require that such Property have an annual fair rental value equal to the annual fair rental value of the Property at the time of substitution or release. Thus, a portion of the Property could be replaced with less valuable real property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Series 2024A Bonds, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See “APPENDIX B — SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS.”

The Indenture requires, among other things, that upon the issuance of Additional Bonds, the Ground Lease and the Lease Agreement will have been amended, to the extent necessary, so as to increase the Base Rental Payments payable by the City thereunder by an aggregate amount equal to the principal of and interest on such Additional Bonds; provided, however, that no such amendment will be made such that the sum of Base Rental Payments, including any increase in the Base Rental Payments as a result of such amendment, plus Additional Rental Payments, in any Rental Period will be in excess of the annual fair rental value of the Property after taking into account the use of the proceeds of any Additional Bonds issued in connection therewith.

Utility Transfers; Articles XIII C and XIII D of the State Constitution

The City's general fund receives a substantial amount of revenues from transfers-in from its utility enterprises. For example, the general fund transfers-in from utilities in fiscal years 2022-23 and 2023-24 were \$44.9 million and \$46.2 million, respectively. If the revenues of the utilities declined in the future, this could result in a decline in the amount of transfers-in to the general fund from the utilities, thereby reducing the overall revenues of the general fund available to pay lease payments.

See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Articles XIII C and XIII D of the State Constitution" and "—Revenue Transfers from Water Utility and Electric Utility" for additional information about certain risks to the City's general fund revenues under Articles XIII C and Article XIII D of the California Constitution, including as relates to the transfers-in from the City's utility enterprises, some of which are the subject of ongoing litigation.

Geologic, Topographic and Climatic Conditions

General. The value of the Property, and the financial stability of the City, can be adversely affected by a variety of factors, particularly those that may affect infrastructure and other public improvements and private improvements 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 and floods), climatic conditions (such as droughts) and fires.

Building codes require that some of these factors be taken into account, to a limited extent, in the design of improvements, including improvements of the Property. Some of these factors may also be taken into account, to a limited extent, in the design of other infrastructure and public improvements neither designed nor subject to design approval by the City. Design criteria in any of these circumstances are established upon the basis of a variety of considerations and may change, leaving previously-designed improvements unaffected by more stringent subsequently established criteria. In general, design criteria reflect a balance at the time of protection and the future costs of lack of protection, based in part upon a present perception of the probability that the condition will occur and the seriousness of the condition should it occur. Conditions may occur and may result in damage to improvements of varying seriousness, such that the damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the actual value of the Property, as well as public and private improvements within the City in general, may well depreciate or disappear, notwithstanding the establishment of design criteria for any such condition.

Seismic. The area encompassed by the City, like that in much of California, may be subject to unpredictable seismic activity. The City is located within a regional network of several active and potentially active faults. The San Jacinto Fault, the Glen Helen Fault, the San Andreas Fault and the Lytle Creek Fault are all located within the vicinity of the City. Although the City believes that no active or inactive fault lines pass through the City, if there were to be an occurrence of severe seismic activity in the City, there could be an abatement or adverse impact on the City's ability to pay the Base Rental payments.

Flood. Southern California's unpredictable seasonal ranges of rainfall, coupled with geographic and geologic conditions, make the City particularly vulnerable to flooding, especially during winter months. Increasing conversion of natural areas to pavement and less pervious ground covers makes the effects of storms more intense and potentially damaging. Flash floods, mudslides and creek flooding have all occurred in the City, claiming lives and damaging property. The impacts of flooding can also damage the drinking water supply, create power outages and damage homes and their contents.

The City is not obligated under the Lease Agreement to maintain flood insurance with respect to the Property. According to the Federal Emergency Management Agency, the Property is located in a moderate flood

hazard area, which is an area between the limits of the base flood and the 0.2-percent-annual-chance (or 500-year) flood.

Wildfire Hazard Area. In recent years, wildfires have caused extensive damage throughout the State, including within the County. Areas that were not previously considered to be at risk from such events have been damaged or destroyed by fires started by wind-blown embers, not the fire itself.

The Property is not located in a “fire severity zone” based on current mapping. See “THE PROPERTY” above for information about the fire-related design of the buildings that are components of the Property.

Climate Change

The State has historically been susceptible to wildfires and hydrologic variability. As GHG emissions continue to accumulate in the atmosphere, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and raising sea levels. The future fiscal impact of climate change on the City and its finances is difficult to predict, but it could be significant and it could have a material adverse effect on the City’s finances by requiring greater expenditures to counteract the effects of climate change.

[The City’s existing Economic Prosperity Plan and Climate Action Plan (the “CAP”), which was adopted in 2016, evaluated the impact of climate change through 2020 and established a roadmap by which the City could measure GHG emissions, assist residents in adapting to the effects of climate change and increase the City’s resilience to the effects of climate change. The CAP also sought to ensure that the City’s climate change response supported economic development in the City, including by encouraging investments in green technology.

The City is currently in the process of evaluating and updating the CAP as part of the upcoming General Plan update that is expected to begin in early 2024. The City’s Community and Economic Development Department is taking the lead on the CAP update, with support from the City’s Office of Sustainability. The updated CAP is expected to implement actions to reduce GHG emissions and measure progress with respect thereto, with one goal expected to be achieving carbon neutrality by 2040. There can be no assurance as to when the updated CAP will be adopted, or as to the ultimate content thereof.]

Hazardous Substances

Discovery of hazardous substances on parcels within the City could impact the City’s ability to pay debt service with respect to the Series 2024A Bonds.

In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated 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 the Property or any substantial amount of property within the City be affected by a hazardous substance, would be to reduce the marketability and value of the property by the costs of, and any liability incurred by, remedying the condition, since the purchaser, upon becoming an owner, will become obligated to remedy the condition just as is the seller. Such reduction in the value of the Property could adversely impact the fair rental value of the Property and potentially result in abatement of the Base Rental payments. In addition, reduction in the value of property in the City as a whole could reduce property tax

revenues received by the City and deposited in the general fund, which could significantly and adversely affect the ability of the City to make Base Rental payments.

Dependence on State for Certain Revenues

On June 29, 2024, the Governor signed the State budget for fiscal year 2024-25 (the “2024-25 State Budget”). The following is drawn from the Department of Finance (“DOF”) and Legislative Analyst’s Office (“LAO”) summaries of the 2024-25 State Budget

The 2024-25 State Budget reports that, emerging from the COVID-19 pandemic, the State has experienced significant revenue volatility occasioned by unprecedented revenue growth that was quickly followed by a sharp correction back towards historical trends, as well as federal and state income tax deadline delays which significantly clouded the State’s revenue forecast. The 2024-25 State Budget estimates that the State is facing a budget shortfall in fiscal year 2024-25 of approximately \$46.8 billion. For fiscal year 2023-24, the 2024-25 State Budget projects total general fund revenues and transfers of \$189.4 billion and authorizes expenditures of \$223.1 billion. The State is projected to end the 2023-24 fiscal year with total reserves of \$26.4 billion, including \$22.6 billion in the Budget Stabilization Account (the “BSA”), \$2.9 billion in the traditional general fund reserve, and \$900 million in the Safety Net Reserve Fund. The 2024-25 State Budget also authorizes the withdrawal of the full amount on deposit in the Public School System Stabilization Account (“PSSSA”), leaving a zero balance. For fiscal year 2024-25, the 2024-25 State Budget projects total general fund revenues and transfers of \$212.1 billion and authorizes expenditures of \$211.5 billion. The State is projected to end the 2024-25 fiscal year with total reserves of \$22.2 billion, including \$3.5 billion in the traditional general fund reserve, \$17.6 billion in the BSA and \$1.1 billion in the PSSSA. The Safety Net Reserve is projected to have a zero balance.

While the City is not substantially reliant on the State’s finances, a number of the City’s revenues are collected and dispersed by the State (such as sales tax and motor-vehicle license fees) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. In the event of a material economic downturn in the State, there can be no assurance that any resulting revenue shortfalls to the State will not reduce revenues to local governments (including the City) or shift financial responsibility for programs to local governments as part of the State’s efforts to address any such related State financial difficulties.

See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS—Proposition 1A” and “—Proposition 22” below.

Limitations on Remedies Available; Bankruptcy

The enforceability of the rights and remedies of the Owners and the obligations of the City may become subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual equitable principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State of California and its governmental bodies in the interest of servicing a significant and legitimate public purpose.

In addition to the limitation on remedies contained in the Indenture, the rights and remedies provided in the Indenture may be limited by and are subject to the provisions of federal bankruptcy laws. The City is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the “Bankruptcy Code”). However, the City is a municipality and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts. If the City were to become a debtor under the Bankruptcy Code, the City would be entitled to all of the protective provisions

of the Bankruptcy Code as applicable in a Chapter 9 case. Such a bankruptcy could adversely affect the payments under the Indenture. Among the adverse effects might be: (i) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the City or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the City and could prevent the Trustee from making payments from funds in its possession; (ii) the avoidance of preferential transfers occurring during the relevant period prior to the filing of a bankruptcy petition; (iii) the existence of unsecured or secured debt which may have priority of payment superior to that of the Owners of the Series 2024A Bonds; and (iv) the possibility of the adoption of a plan (the “Plan”) for the adjustment of the City’s debt without the consent of the Trustee or all of the Owners of the Series 2024A Bonds, which Plan may restructure, delay, compromise or reduce the amount of any claim of the Owners if the Bankruptcy Court finds that the Plan is fair and equitable and in the best interests of creditors.

Recent bankruptcies in the City of Stockton, the City of San Bernardino and the City of Detroit have brought scrutiny to municipal securities. Specifically, in the San Bernardino bankruptcy, the Court held that in the event of a municipal bankruptcy, payments on pension obligation bonds were unsecured obligations and not entitled to the same priority of payments made to the related pension system. A variety of events including, but not limited to, additional rulings adverse to the interests of bond owners in the Stockton, San Bernardino and Detroit bankruptcy cases or additional municipal bankruptcies, could prevent or materially adversely affect the rights of Owners to receive payments on the Series 2024A Bonds in the event the City files for bankruptcy. Accordingly, in the event of bankruptcy, it is likely that Owners will not recover their principal and interest.

The opinions of counsel, including Bond Counsel, delivered in connection with the issuance and delivery of the Series 2024A Bonds will be so qualified. Bankruptcy proceedings, or the exercising of powers by the federal or state government, if initiated, could subject the Owners to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

Possible Insufficiency of Insurance Proceeds

The Lease Agreement obligates the City to keep in force various forms of insurance, subject to deductibles, for repair or replacement of the Property in the event of damage, destruction or title defects, subject to certain exceptions. The Authority and the City make no representation as to the ability of any insurer to fulfill its obligations under any insurance policy obtained pursuant to the Lease Agreement and no assurance can be given as to the adequacy of any such insurance to fund necessary repair or replacement or to pay principal of and interest on the Series 2024A Bonds when due. In addition, certain risks, such as earthquakes and floods, are not covered by the insurance required under the Lease Agreement. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS—Insurance.”

No Liability of Authority to the Owners

Except as expressly provided in the Indenture, the Authority will not have any obligation or liability to the Owners of the Series 2024A Bonds with respect to the payment when due of the Base Rental Payments by the City, or with respect to the performance by the City of other agreements and covenants required to be performed by it contained in the Lease Agreement or the Indenture, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Indenture.

State Law Limitations on Appropriations

Article XIII B of the California Constitution limits the amount that local governments can appropriate annually. The ability of the City to make Base Rental Payments may be affected if the City should exceed its appropriations limit. The State may increase the appropriation limit of cities in the State by decreasing the State’s own appropriation limit. The City does not anticipate exceeding its appropriations limit. See

“CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Article XIII B of the State Constitution” below.

Change in Law

No assurance can be given that the State or the City electorate will not at some future time adopt initiatives, or that the State Legislature will not enact legislation that will amend the laws of the State, or that the City Council (with voter approval) will not enact amendments to the City’s Charter, in a manner that could result in a reduction of the City’s revenues and, therefore, a reduction of the funds legally available to the City to make Base Rental Payments. See, for example, “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS — Article XIII C and Article XIII D of the State Constitution.”

Loss of Tax Exemption

As discussed under the heading “TAX MATTERS,” the interest on the Series 2024A Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Series 2024A Bonds, as a result of acts or omissions of the Authority or the City in violation of its covenants in the Indenture and the Lease Agreement. Should such an event of taxability occur, the Series 2024A Bonds would not be subject to a special redemption and would remain Outstanding until maturity or until redeemed under the redemption provisions contained in the Indenture.

Secondary Market

There can be no guarantee that there will be a secondary market for the Series 2024A Bonds or, if a secondary market exists, that any Series 2024A Bonds can be sold for any particular price. Prices of bond issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

Cyber Security

Municipal agencies, like other business entities, face significant risks relating to the use and application of computer software and hardware. In recent years, there have been significant cyber security incidents affecting municipal agencies, including a ransomware attacks targeting the San Bernardino County Sheriff’s Department and the Los Angeles Unified School District, a freeze affecting computer systems of the City of Atlanta, an attack on the City of Baltimore’s 911 system, an attack on the Colorado Department of Transportation’s computers, an attack that resulted in the temporary closure of the Port of Los Angeles’ largest terminal and an attack on a water treatment facility in Oldsmar, Florida.

The City’s Information Technology Department provides advisory support for the City’s electronic system cyber security. This includes audits and recommended improvements to facility hardware and software to keep up to date with the latest cyber security best practices. The City uses multiple layers of security systems to safeguard against cyber-attacks. These systems are deployed at the perimeter as well as at end points of the City’s network. The City’s multi-level cyber protection scheme includes firewalls, anti-virus software, anti-spam/malware software, intrusion protection, intrusion detection, log monitoring and other security measures. One of the systems is artificial-intelligence based, which analyzes the behavior of users/devices on the network and takes corrective action if any anomaly is detected. The City’s network is scanned by third party consultants on a regular basis. The City’s Information Technology Department also conducts security awareness training for employees and maintains cloud-based backup storage for its digital files.

To date, the City has not experienced a successful attack against its network and servers. However, there can be no assurance that a future attack or attempted attack would not result in disruption of City operations. The City expects that any such disruptions would be temporary in nature due to its backup/restore procedures and disaster recovery planning.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

Principal of and interest on the Series 2024A Bonds are payable from Base Rental Payments made from the City's General Fund. See the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024A BONDS." Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 62, 111, 218, 1A and 22, and certain other provisions of law discussed below are included in this Official Statement to describe the potential effect of these Constitutional and statutory measures on the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

Article XIII A of the State Constitution

On June 6, 1978, State voters approved Proposition 13, which added Article XIII A to the State Constitution. Article XIII A, as amended, limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service: (i) on indebtedness approved by the voters prior to December 1, 1978; (ii) on bonded indebtedness approved by a two-thirds vote on or after December 1, 1978, for the acquisition or improvement of real property; or (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on the proposition. 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." This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

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 damage, destruction or other factors, including a general economic downturn, 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 minor or technical ways.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by counties and distributed according to a formula among taxing agencies.

Increases in assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full cash value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100 percent of taxable value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the State Constitution

In addition to the limits that Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual "appropriations limit" imposed by Article XIII B which effectively limits the amount of such revenues that such entities are permitted to spend. Article XIII B, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues and the investment proceeds thereof, State subventions and certain other funds,

including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed “the cost reasonably borne by such entity in providing the regulation, product or service.” “Proceeds of taxes” excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not “proceeds of taxes,” such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized as of October 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each local government’s actual appropriations be tested against its limit every two years.

If the aggregate “proceeds of taxes” for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency’s taxpayers through tax rate or fee reductions over the following two years.

The City’s appropriations have never exceeded the limitation on appropriations under Article XIII B.

Articles XIII C and XIII D of the State Constitution

On November 5, 1996, State voters approved Proposition 218, known as the “Right to Vote on Taxes Act.” Proposition 218 adds Articles XIII C and XIII D to the State Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments and property-related fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIII C requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City (such as Measure W) require a majority vote, and taxes for specific purposes, even if deposited in the City’s General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIII D also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs, such as hearings and stricter and more individualized benefit requirements and findings. These provisions include, among other things: (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel; (ii) a requirement that assessments must confer a “special benefit,” as defined in Article XIII D, over and above any general benefits conferred; (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party; and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the City is unable to continue to collect revenues of this nature, the services and programs funded with these revenues would have to be curtailed and/or the City’s General Fund

might have to be used to support them. The City is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the City's General Fund to continue to support such activities.

Article XIII C also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. This extension of the initiative power is not limited to taxes imposed on or after November 6, 1996, the effective date of Proposition 218, and could result in retroactive repeal or reduction in any existing taxes, assessments, fees and charges, subject to overriding federal constitutional principles relating to the impairments of contracts. Legislation implementing Proposition 218 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution. However, no assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund.

Although a portion of the City's General Fund revenues are derived from taxes purported to be governed by Proposition 218, all of such taxes were imposed in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges which support the City's General Fund.

Revenue Transfers from Water Utility and Electric Utility

Water Revenue Transfer Under the City Charter. Section 1204 of the City Charter requires the City's water system (the "Water System") to transfer, in monthly installments, an amount not to exceed 11.5% of the Gross Operating Revenues of the Water System (the "Water Revenue Transfer"). This requirement has been in the City Charter since 1907, when the City Charter was approved and adopted by the electorate. Prior to 1968, the Water System was obligated to transfer all excess funds after all required expenditures had been made at the end of each fiscal year. In 1968, the electorate approved a change requiring a transfer of 11.5% of the Water System's Gross Operating Revenues. In 1977, the electorate approved a change requiring the transfer to be an amount "not to exceed" 11.5% of such Gross Operating Revenues. On June 4, 2013, the electorate reaffirmed the Water Revenue Transfer as a general tax pursuant to Article XIII C by approving Section 1204.1 of the City Charter (the "Water Revenue Transfer Re-Approval").

The holding in the *Bighorn* case makes clear that the City's water service charges are property-related fees or charges that must comply with Article XIII D. This means that the revenues derived from these charges may not exceed the cost to the City of providing the related services.

In April 2013, prior to the Water Revenue Transfer Re-Approval, the City settled a lawsuit filed against it in 2012 challenging the Water Revenue Transfer on Proposition 218 grounds. Under the settlement agreement, the City's General Fund paid \$10 million in equal installments to the Water Fund over a three-year period, which began in fiscal year 2013-14 and ended in fiscal year 2015-16. The City ceased the Water Revenue Transfer after the lawsuit's filing and until the Water Revenue Transfer Re-Approval.

On December 19, 2019, a class action lawsuit entitled *Simpson v. City of Riverside* was filed against the City alleging that the Water Revenue Transfer results in the City overcharging customers for water utility service in violation of Article XIII D, Section 6 of the State Constitution. The plaintiff is seeking refunds for all customers for moneys collected in alleged violation of the Constitution in the three years prior to the filing of the lawsuit and an order that the court set aside the Revenue Transfer Re-Approval. The trial was bifurcated into two phases, liability and damages. The court issued its ruling on the liability phase on August 17, 2023, finding that the City's water rates violated Article XIII D, Section 6 of the California Constitution because they were set in an amount sufficient to recover the Water Revenue Transfer. A trial date of September 6, 2024 has

been set for the second phase of the trial regarding damages. The City is unable to quantify the refund amount that could be owed in the event that the plaintiff were to prevail in its claims and it is unclear how the court may fashion any remedy against the City if the plaintiff were to prevail. However, the City believes that any refunds ordered by the court would predominantly come from the City's General Fund rather than from the Water Fund.

The Water Revenue Fund Transfer to the General Fund of the City for the fiscal year ending June 30, 2024, was approximately \$_____ million. The budgeted transfer to the General Fund of the City for the fiscal year ending June 30, 2025, is \$_____ million. The City has approximately 60 days from the entry of judgment against it to decide whether or not to file an appeal.

Electric Utility Revenue Transfer Under the City Charter. Effective December 1, 1977, transfers to the General Fund of the City of surplus funds of the City's electric utility (the "Electric Utility"), after payment of operating and maintenance expenses and debt service, are limited by Section 1204 of the Riverside City Charter, as approved by the voters and adopted by the City Council on November 15, 1977 (each, an "Electric Revenue Fund Transfer"). Such transfers are limited to 12 equal monthly installments during each fiscal year constituting a total amount not to exceed 11.5% of the gross operating revenues, exclusive of any surcharges, for the last fiscal year ended and reported by an independent public auditor.

On September 12, 2018, a petition for writ of mandate entitled *Parada v. City of Riverside* ("Parada II") was filed against the City seeking to invalidate, rescind and void under Proposition 26 the Electric Utility's rates approved by City Council on May 22, 2018, which took effect on January 1, 2019, challenging the portion of the electric rates that are attributable to the Electric Revenue Fund Transfer.

On October 9, 2020, the court ruled that the Electric Revenue Fund Transfer from the Electric Utility is not a cost of providing the service of the Electric System and violates Article XIIC of the State Constitution. See the caption "CONSTITUTIONAL LIMITATIONS—Articles XIIC and XIID of the State Constitution." Based on the court's order in the liability phase of the trial, the City estimated that approximately \$19 million-\$32 million of the General Fund transfer was potentially attributable to Electric System revenue that was not approved by the voters and could be subject to refund.

On May 17, 2021, the City and the plaintiffs entered into a settlement agreement that was conditioned on: (1) the City Council's placement of a ballot measure on the November 2021 election to approve the General Fund transfer as a general tax (the "Ballot Measure"); and (2) voter approval of the Ballot Measure. The City Council placed the Ballot Measure on the ballot for the November 2, 2021 election. The parties agreed to stay the litigation until certification of the results of the Ballot Measure. If voters approved the Ballot Measure, the City agreed to refund to Electric Utility customers an amount equal to \$24 million less the amount awarded to the plaintiffs' counsel in fees, paid over a five year period that was to begin no later than February 1, 2022. If voters did not approve the Ballot Measure, the litigation would then resume.

On or about September 16, 2021, prior to the November 2, 2021 election, a petition for writ of mandate entitled *Riversiders Against Increased Taxes v. City of Riverside, et al.* (the "RAIT lawsuit") was filed against the City challenging the Ballot Measure on the grounds that it could not be adopted at the November 2021 election because that election is a "special" election and, under Proposition 218, a ballot measure to impose a general tax can only be submitted to voters at a general election. On November 9, 2021, the court set a trial date for the RAIT lawsuit for January 7, 2022 and ordered a stay of the certification of the Ballot Measure election results pending the January 7, 2022 hearing. The court did not otherwise delay or cancel the election for the Ballot Measure, and the election was held on November 2, 2021, with Measure C approved by a majority of the voters.

On April 26, 2022 the RAIT lawsuit trial court determined that the November 2021 election was a "special election" rather than a "general election" and therefore did not comply with Proposition 218. The court further ruled that it lacked power to enjoin the certification of election results or to otherwise invalidate the election. Both sides appealed the April 26, 2022 ruling.

On May 12, 2022, the City and the plaintiffs in the Parada II lawsuit amended the May 17, 2021 conditional settlement agreement to reflect the following additional terms: (a) the City agreed to start making refunds to ratepayers by October 1, 2022; (b) if the City prevailed in the appeal of the trial court's decision in the RAIT lawsuit, no additional refunds would be due to the ratepayers; (c) if the City did not prevail in the appeal of the trial court's decision in the RAIT lawsuit, additional refunds would be implemented in the amount of \$705,882 per month, from November 2021 until: (i) the City set new electric rates; (ii) voters approve a valid ballot measure relating to the General Fund transfer; or (iii) the City otherwise stops collecting the General Fund transfer from the Electric System. The Parada II lawsuit was dismissed on May 13, 2022. The RAIT lawsuit plaintiffs sought to intervene in the Parada II lawsuit and set aside this dismissal. However, on August 3, 2022, the Parada II trial court refused to set aside the dismissal.

The City Council adopted a resolution certifying the results of the Measure C election on July 19, 2022. The City is implementing the settlement agreement with the Parada II plaintiffs, including the May 12, 2022 additional terms. As of October 1, 2024, the City has complied with the settlement agreement, with approximately \$9.6 million in refunds not yet claimed by former customers pursuant to the settlement agreement.

On July 25, 2024, the California Court of Appeal ruled in favor of the City's appeal and found that the November 2021 election was a "general election" and ruled against RAIT's appeal, finding that RAIT's appeal was moot and, in any event, not preserved for appellate review. The time within which to seek California Supreme Court review has not yet expired. No additional refunds are currently owed by the City.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election and: (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax; (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax; (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed; (d) prohibits the imposition of *ad valorem* taxes on real property by local governmental entities except as permitted by Article XIII A; (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities; and (f) requires that any tax imposed by a local governmental entity on or after July 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

On September 28, 1995, the California Supreme Court, in the case of Santa Clara County Local Transportation Authority v. Guardino, upheld the constitutionality of Proposition 62. In this case, the court held that a countywide sales tax of one-half of one percent was a special tax that, under Section 53722 of the Government Code, required a two-thirds voter approval. Because the tax received an affirmative vote of only 54.1%, this special tax was found to be invalid. The decision did not address the question of whether or not it should be applied retroactively.

Following the California Supreme Court's decision upholding Proposition 62, several actions were filed challenging taxes imposed by public agencies since the adoption of Proposition 62, which was passed in November 1986. On June 4, 2001, the California Supreme Court released its decision in one of these cases, Howard Jarvis Taxpayers Association v. City of La Habra, et al. In this case, the court held that a public agency's continued imposition and collection of a tax is an ongoing violation, upon which the statute of limitations period begins anew with each collection. The court also held that, unless another statute or constitutional rule provided differently, the statute of limitations for challenges to taxes subject to Proposition 62 is three years. Accordingly, a challenge to a tax subject to Proposition 62 may only be made for those taxes received within three years of the date the action is brought.

The City has not experienced any substantive adverse financial impact as a result of the passage of Proposition 62.

Proposition 1A

Proposition 1A was approved by the voters at the November 2, 2004 election. Proposition 1A amended the State Constitution to, among other things, reduce the Legislature's authority over local government revenue sources by placing restrictions on the State's access to local governments' property, sales, and vehicle license fee revenues as of November 3, 2004. Beginning with Fiscal Year 2008-09, the State may borrow up to eight percent of local property tax revenues, but only if the Governor proclaims such action is necessary due to a severe State fiscal hardship, and two-thirds of both houses of the Legislature approves the borrowing. The amount borrowed is required to be paid back within three years. The State also will not be able to borrow from local property tax revenues for more than two fiscal years within a period of 10 fiscal years. In addition, the State cannot reduce the local sales tax rate or restrict the authority of local governments to impose or change the distribution of the statewide local sales tax.

Many of the provisions of Proposition 1A have been superseded by Proposition 22 enacted in November 2010 and described below.

Proposition 22

On November 2, 2010, the voters of the State approved Proposition 22, known as "The Local Taxpayer, Public Safety, and Transportation Protection Act" ("Proposition 22"). Proposition 22, among other things, broadens the restrictions established by Proposition 1A. While Proposition 1A permits the State to appropriate or borrow local property tax revenues on a temporary basis during times of severe financial hardship, Proposition 22 amends Article XIII of the State Constitution to prohibit the State from appropriating or borrowing local property tax revenues under any circumstances. The State can no longer borrow local property tax revenues on a temporary basis even during times of severe financial hardship. Proposition 22 also prohibits the State from appropriating or borrowing proceeds derived from any tax levied by a local government solely for the local government's purposes. Furthermore, Proposition 22 restricts the State's ability to redirect redevelopment agency property tax revenues to school districts and other local governments and limits uses of certain other funds although this provision no longer has any meaningful impact given the statewide dissolution of redevelopment agencies. Proposition 22 is intended to stabilize local government revenue sources by restricting the State government's control over local revenues. The City cannot predict whether Proposition 22 will have a beneficial effect on the City's financial condition.

Proposition 26

On November 2, 2010, State voters also approved Proposition 26. Proposition 26 amends Article XIII C of the State Constitution to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (a) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (b) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (c) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (d) a charge imposed for entrance to or use of local government property, or the purchase, rental or lease of local government property; (e) a fine, penalty or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (f) a charge imposed as a condition of property development; and (g) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction

is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity. The City does not believe that Proposition 26 will adversely affect its General Fund revenues.

Possible Future Initiatives

Articles XIII A, XIII B, XIII C and XIII D and Propositions 218, 111, 62, 1A, 22 and 26 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the City.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth LLP, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Series 2024A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than \$1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the Series 2024A Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Series 2024A Bonds is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Series 2024A Bonds is based upon certain representations of fact and certifications made by the Authority and others and is subject to the condition that the Authority comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2024A Bonds to assure that interest (and original issue discount) on the Series 2024A Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Series 2024A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024A Bonds. The Authority has covenanted to comply with all such requirements.

In the opinion of Bond Counsel, the difference between the issue price of a Series 2024A Bond (the first price at which a substantial amount of the Series 2024A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity of such Series 2024A Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Beneficial Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Beneficial Owner will increase the Beneficial Owner's basis in the applicable Series 2024A Bond. The amount of original issue discount that accrues to the Beneficial Owner of a Series 2024A Bond is excluded from the gross income of such Beneficial Owner for federal income tax purposes, is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and is exempt from State of California personal income tax.

The amount by which a Series 2024A Bond Owner's original basis for determining loss on sale or exchange in the applicable Series 2024A Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Series 2024A Bond Owner's basis in the applicable Series 2024A Bond (and the amount of tax-exempt interest received with respect to the Series 2024A

Bonds), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Series 2024A Bond Owner realizing a taxable gain when a Series 2024A Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Series 2024A Bond to the Owner. Purchasers of the Series 2024A Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

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 2024A Bonds will be selected for audit by the IRS. It is also possible that the market value of the Series 2024A Bonds might be affected as a result of such an audit of the Series 2024A Bonds (or by an audit of similar municipal obligations). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Series 2024A Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Series 2024A Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2024A BONDS THERE MIGHT BE FEDERAL, STATE OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE OR LOCAL TAX TREATMENT OF THE SERIES 2024A BONDS, INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE SERIES 2024A BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE SERIES 2024A BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2024A BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE SERIES 2024A BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE SERIES 2024A BONDS.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the Series 2024A Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) for federal income tax purposes with respect to any Series 2024A Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth LLP.

Although Bond Counsel has rendered an opinion that interest (and original issue discount) on the Series 2024A Bonds is excluded from gross income for federal income tax purposes provided that the Authority continues to comply with certain requirements of the Code, the ownership of the Series 2024A Bonds and the accrual or receipt of interest (and original issue discount) on the Series 2024A Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of Series 2024A Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Series 2024A Bonds.

Should interest (and original issue discount) on the Series 2024A Bonds become includable in gross income for federal income tax purposes, the Series 2024A Bonds are not subject to early redemption and will remain outstanding until maturity or until redeemed in accordance with the Indenture.

A complete copy of the proposed form of opinion of Bond Counsel is attached hereto as Appendix D.

CERTAIN LEGAL MATTERS

The validity of the Series 2024A Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth LLP, Bond Counsel. A complete copy of the proposed form of Bond Counsel opinion is contained in Appendix D hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Series 2024A Bonds.

Certain legal matters will be passed upon for the City and the Authority by the City Attorney and by Stradling Yocca Carlson & Rauth LLP, as Disclosure Counsel.

Anzel Galvan LLP, San Francisco, California is acting as Underwriter's Counsel.

Bond and Disclosure Counsel and Underwriter's Counsel will receive compensation from the City contingent upon the sale and delivery of the Series 2024A Bonds.

NO LITIGATION

No litigation is pending or threatened concerning the validity of the Series 2024A Bonds. Neither the Authority nor the City is aware of any litigation pending or threatened questioning the political existence of the Authority or the City or contesting the Authority's ability to issue and pay the principal of and interest on the Series 2024A Bonds when due.

FINANCIAL STATEMENTS OF THE CITY

Included in this Official Statement, as Appendix C, are the audited financial statements of the City for the year ended June 30, 2023, audited by Lance, Soll & Lunghard, LLP, Brea, California, independent certified public accountants (the "Auditor"). *The City's financial statements are public documents and are included within this Official Statement without the prior approval of the Auditor. Accordingly, the Auditor has not performed any post-audit review of the financial condition of the City.*

RATING

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") has assigned a rating of "_____" to the Series 2024A Bonds. Such rating reflects only the views of S&P and any desired explanation of the significance of such rating should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2024A Bonds. None of the Authority, the City or the Underwriter has undertaken any responsibility either to bring to the attention of the owners of the Series 2024A Bonds a proposed change in or withdrawal of the ratings or to oppose any such proposed revision or withdrawal.

UNDERWRITING

The Series 2024A Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter will purchase the Series 2024A Bonds from the Authority at an aggregate purchase price of \$_____, representing the principal amount of the Series 2024A Bonds, [plus/less] \$_____ of [net] original issue [premium/discount] and less \$_____ of Underwriter's discount.

The Series 2024A Bonds are offered for sale at the initial prices stated on the inside cover page of this Official Statement, which may be changed from time to time by the Underwriter. The Series 2024A Bonds may be offered and sold to certain dealers at prices lower than the public offering prices.

MUNICIPAL ADVISOR

The City has retained CSG Advisors Incorporated, San Francisco, California, as Municipal Advisor for the sale of the Series 2024A Bonds (the “Municipal Advisor”). The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the holders and beneficial owners of the Series 2024A Bonds to provide certain financial information and operating data (the “Annual Report”) by not later than 270 days following the end of the City’s fiscal year (which fiscal year currently ends on June 30), commencing with the Annual Report for the fiscal year ended June 30, 2024, and to provide notices of the occurrence of certain enumerated events as required by Securities and Exchange Commission Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934, as amended (the “Rule”). The specific nature of the information to be contained in the annual report or the notices of enumerated events is summarized under the caption “APPENDIX E — FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters in complying with the Rule.

The City and its related governmental entities – specifically those entities for whom City staff is responsible for undertaking compliance with continuing disclosure undertakings – have previously entered into numerous disclosure undertakings under the Rule in connection with the issuance of other obligations.

[In the past, to assist the City and its related governmental entities in meeting their continuing disclosure obligations, the City retained certain corporate trust banks to act as dissemination agent. The City and its related governmental entities have not, on a handful of occasions during the past five years, fully complied, in all material respects, with their disclosure undertakings because on certain occasions in the last five years, the City did not timely file: (1) notice of rating changes to bond insurers and other credit and/or liquidity providers for City debt obligations; (2) the City’s biennial budget for 2018-2020 in connection with the City of Riverside Variable Rate Refunding Certificates of Participation (Riverside Renaissance Projects) Series 2008; (3) a notice of successor trustee for a prior City debt obligation; and (4) certain Fiscal Year 2018-19 operating data in connection with an issuance of pension obligation bonds by the City. In addition, the City did not link certain Fiscal Year 2017-18 information with respect to Bonds of the Electric System to all applicable CUSIPs.

The City and its related governmental entities have made filings to correct all known instances of non-compliance during the last five years. The City believes that it has established internal processes, including a written continuing disclosure policy that will ensure that it and its related governmental entities will meet all material obligations under their respective continuing disclosure undertakings. The City also now handles its and its related governmental entities’ continuing disclosure obligations internally and no longer uses third-party dissemination agents for that purpose. Additionally, the City has engaged a consultant to annually verify its continuing disclosure filings and identify any deficiencies, whether material or otherwise, so that any required corrective action can be taken.]

MISCELLANEOUS

References are made in this Official Statement to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Indenture, the Lease Agreement, the Ground Lease and other documents are available, upon request, and upon payment to the City of a charge for copying, mailing and handling, from the City Clerk at the City of Riverside, 3900 Main Street, Riverside, California 92522.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the City and the purchasers or Owners of any of the Series 2024A Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

RIVERSIDE PUBLIC FINANCING AUTHORITY

By: _____
Treasurer

CITY OF RIVERSIDE

By: _____
Assistant City Manager/Chief Financial Officer/Treasurer

APPENDIX A

CITY OF RIVERSIDE GENERAL DEMOGRAPHIC AND FINANCIAL INFORMATION

APPENDIX B
SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE YEAR ENDED JUNE 30, 2023

APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

[Date of Delivery]

Riverside Public Financing Authority
Riverside, California

Re: \$_____ *Riverside Public Financing Authority Lease Revenue Bonds, Series 2024A*

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the sale and issuance by the Riverside Public Financing Authority (the “Authority”) of \$_____ aggregate principal amount of the Riverside Public Financing Authority Lease Revenue Bonds, Series 2024A (the “Series 2024A Bonds”). The Bonds are being issued pursuant to the Indenture dated as of August 1, 2012, as amended and supplemented by the First Supplemental Indenture dated as of June 1, 2019, and a Second Supplemental Indenture, dated as of October 1, 2024 (collectively, the “Indenture”), each by and among the Authority, the City of Riverside (the “City”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The Series 2024A Bonds are payable, in part, from Base Rental Payments made by the City pursuant to the terms of a Lease Agreement dated as of August 1, 2012, as amended and supplemented by the First Supplement to Lease Agreement, dated as of June 1, 2019, and a Second Supplemental to Lease Agreement, dated as of October 1, 2024 (collectively, the “Lease”), each by and between City and the Authority. Capitalized terms not defined herein shall have the meanings set forth in the Indenture.

The Series 2024A Bonds are dated their date of delivery, have been issued for the purposes set forth in the Indenture in fully registered form, bear interest from their dated date at the rates described in, and mature and are subject to redemption prior to maturity in the manner and upon the terms and conditions as set forth in, the Indenture. The description of the Series 2024A Bonds and other statements concerning the terms and conditions of the issuance of the Series 2024A Bonds set forth herein do not purport to set forth all of the terms and conditions of the Series 2024A Bonds or of any other document relating to the issuance of the Series 2024A Bonds, but are intended only to identify the Series 2024A Bonds and to describe briefly certain features thereof. This opinion shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure document used in connection with the sale or delivery of the Series 2024A Bonds.

In rendering the opinions set forth below, we have examined certified copies of the proceedings of the Authority and the City, and other information submitted to us relative to the issuance and sale by the Authority of the Series 2024A Bonds. We have examined originals, or copies identified to our satisfaction as being true copies, of the Indenture, the Lease, the Ground Lease dated as of August 1, 2012, as amended and supplemented by the First Supplement to Ground Lease, dated as of June 1, 2019, and the Second Supplement to Ground Lease, dated as of October 1, 2024 (collectively, the “Ground Lease”), each by and between the City and the Authority, the Assignment Agreement dated as of August 1, 2012, as amended and supplemented by the First Supplement to Assignment Agreement, dated as of June 1, 2019, and the Second Supplement to Assignment Agreement, dated as of October 1, 2024 (collectively, the “Assignment Agreement”), each by and between the Authority and the Trustee, the Tax Certificate relating to the Series 2024A Bonds (the “Tax Certificate”), the resolutions of the Authority and the City adopted on September 17, 2024 with respect to the Series 2024A Bonds, opinions of counsel to the City and the Authority, certificates of the City, the Authority and others, and such other documents, agreements, opinions and matters as we have considered necessary or appropriate under the circumstances to render the opinions set forth herein.

We have assumed the genuineness of all documents and signatures presented to us, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the preceding paragraphs of this opinion. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Lease, the Ground Lease, the Assignment Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause the interest on the Series 2024A Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Series 2024A Bonds, the Indenture, the Lease, the Ground Lease, the Assignment Agreement and the Tax Certificate may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, by the application of equitable principles and the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California.

We express no opinion herein with respect to any indemnification, contribution, choice of law, choice of forum, penalty or waiver provisions contained in the Series 2024A Bonds, the Indenture, the Lease, the Ground Lease or the Assignment Agreement, nor do we express any opinion with respect to the state or quality of title to any of the real or personal property described in the Lease, the Ground Lease or the Assignment Agreement, or the accuracy or sufficiency of the description of any such property contained therein.

Our opinion is limited to matters governed by the laws of the State of California and federal income tax law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Based on and subject to the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

1. The Series 2024A Bonds constitute the valid and binding limited obligations of the Authority.
2. The Indenture has been duly authorized, executed and delivered by, and constitutes a valid and binding obligation of, the Authority. The Indenture creates a valid pledge, to secure the payment of the principal of and interest on the Series 2024A Bonds issued thereunder, of the Base Rental Payments and any other amounts held by the Trustee in the Base Rental Payment Fund, the Interest Fund, the Principal Fund and the Redemption Fund established pursuant to the Indenture, except the Rebate Fund, subject to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture.
3. The Ground Lease and the Lease have been duly authorized and executed by the Authority and the City and constitute valid and binding agreements of the parties thereto. The Assignment Agreement has been duly authorized and executed by the Authority and, assuming due execution by the Trustee, constitutes a valid and binding agreement of the Authority. The obligation of the City to pay Base Rental Payments during the term of the Lease constitutes a valid and binding obligation of the City provided that such Base Rental Payments are payable only from funds of the City legally available therefor.
4. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Series 2024A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; individuals; however, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Series 2024A Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed on such corporations.

5. Interest (and original issue discount) on the Series 2024A Bonds is exempt from personal income taxes imposed in the State of California.

6. The difference between the issue price of a Series 2024A Bond (the first price at which a substantial amount of the Series 2024A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Series 2024A Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Series 2024A Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Series 2024A Bond Owner will increase the Series 2024A Bond Owner's basis in the applicable Series 2024A Bond. Original issue discount that accrues to the Series 2024A Bond Owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals (as described in paragraph 5 above) and is exempt from State of California personal income tax.

7. The amount by which a Series 2024A Bond Owner's original basis for determining loss on sale or exchange in the applicable Series 2024A Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium which must be amortized under Section 171 of the Code; such amortizable Series 2024A Bond premium reduces the Series 2024A Bond Owner's basis in the applicable Series 2024A Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Series 2024A Bond premium may result in a Series 2024A Bond Owner realizing a taxable gain when a Series 2024A Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Series 2024A Bond to the Owner.

Except as set forth in paragraphs 4 through 7 above, we express no opinion as to any tax consequences related to the Series 2024A Bonds. Other provisions of the Code may give rise to adverse federal income tax consequences to particular owners of the Series 2024A Bonds. The scope of this opinion is limited to matters addressed above and no opinion is expressed hereby regarding other federal tax consequences that may arise due to ownership of the Series 2024A Bonds.

Certain agreements, requirements and procedures contained or referred to in the Indenture, the Lease, the Ground Lease, the Assignment Agreement and the Tax Certificate and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2024A Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. We express no opinion herein as to the effect on the exclusion from gross income for federal income tax purposes of interest (or original issue discount) on any Series 2024A Bond if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur, and we disclaim any obligation to update this opinion. Our engagement as Series 2024A Bond Counsel terminates upon the issuance of the Series 2024A Bonds.

The scope of our engagement in relation to the issuance of the Series 2024A Bonds has been limited solely to the examination of facts and law incident to rendering the opinions expressed herein. We have not been engaged or undertaken to review, confirm or verify, and therefore express no opinion herein as to, the accuracy, completeness, fairness or sufficiency of any of the statements in the Official Statement or any exhibits or appendices thereto or any other offering material relating to the Series 2024A Bonds. In addition, we have not been engaged to and therefore express no opinion as to the compliance by the Authority or the underwriter

with any federal or state statute, regulation or ruling with respect to the sale or distribution of the Series 2024A Bonds.

Respectfully submitted,

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of Riverside (the “City”) in connection with the issuance by the Riverside Public Financing Authority (the “Authority”) of its \$_____ Lease Revenue Bonds, Series 2024A (the “Bonds”). The Bonds are being issued pursuant to an Indenture, dated as of August 1, 2012, as supplemented by a First Supplemental Indenture, dated as of June 1, 2019, and a Second Supplemental Indenture, dated as of October 1, 2024 (collectively, the “Indenture”), each by and among the Authority, the City of Riverside (the “City”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The City covenants and agrees as follows:

1. Purpose of this Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

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

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

“Beneficial Owner.” The term “Beneficial Owner” means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

“EMMA.” The term “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

“Financial Obligation.” The term “Financial Obligation” means (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term “Financial Obligation” does not include municipal securities (as such term is defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as such term is defined in the Rule) has been provided to EMMA consistent with the Rule.

“Fiscal Year.” The term “Fiscal Year” means the one-year period ending on the last day of June of each year.

“Holder.” The term “Holder” means a registered owner of the Bonds.

“Listed Events.” The term “Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

“Official Statement.” The term “Official Statement” means the Official Statement dated _____, 2024 relating to the Bonds.

“Participating Underwriter.” The term “Participating Underwriter” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule.” The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The City shall provide not later than 270 days following the end of the City’s Fiscal Year (commencing with the Fiscal Year ended June 30, 2024) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Certificate, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate.

(b) If the City is unable to provide to EMMA an Annual Report by the date required in subsection (a), the City shall send in a timely manner to EMMA a notice in the manner prescribed by the Municipal Securities Rulemaking Board.

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

(a) audited financial statements of the City for the prior Fiscal Year, 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 City’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), 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 come available.

(b) To the extent not included in the audited financial statements provided pursuant to the foregoing Section 4(a), the Annual Report shall contain the following information:

(i) Table 2, containing information about the City’s General Fund balance sheet;

(ii) Tables 3 and 6, containing information concerning the actual revenues, expenditures and beginning and ending fund balances relating to the General Fund of the City, and showing tax revenue collections by sources;

(iii) Table 4, containing only the General Fund adopted budget information (and not projected actual information)

(iv) Table 9, containing information about assessed values of taxable property;

(v) Table 10, containing information about principal property taxpayers;

(vi) Table 11, showing property tax levies and collections, only if an for so long as the City is not covered by the County’s Teeter Plan;

(vii) Table 12, containing information showing the aggregate principal amount of long-term bonds, leases and other obligations of the City which are payable out of the General Fund of the City; and

(vii) Tables 14 and 17, containing information on the City’s funding status and contribution rates with respect to its PERS retirement plans.

The items described above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the City shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes;
9. bankruptcy, insolvency, receivership or similar proceedings; Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. 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 obligated person, or if such jurisdiction has been assumed by leaving the existing governmental 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 obligated person; and
10. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;
2. modifications to the rights of security holders;
3. optional, unscheduled or contingent Bond redemptions;

4. release, substitution or sale of property securing repayment of the securities;
5. non-payment related defaults;
6. the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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;
7. appointment of a successor or additional trustee or the change of the name of a trustee; and
8. incurrence of a Financial Obligation of the City, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) If the City determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

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

7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule, taking into account any subsequent change in or official interpretation of the Rule.

8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City 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 notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall not thereby have any obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

9. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, the Insurer or any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City 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 City to comply with this Disclosure Certificate shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the City satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the City shall have refused to comply therewith within a reasonable time.

10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Insurer, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: October __, 2024

CITY OF RIVERSIDE

By: _____
Its: Assistant City Manager/Chief Financial
Officer/Treasurer

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2024A Bonds, payment of principal, premium, if any, accreted value and interest on the Series 2024A Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Series 2024A Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2024A Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings highest rating: "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.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within 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.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal, redemption price and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. If applicable, a Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to tender/remarketing agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to tender/remarketing agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to tender/remarketing agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.