

**RECORDING REQUESTED BY:**  
Salinas Facilities Financing Authority

**AND WHEN RECORDED RETURN TO:**  
Stradling Yocca Carlson & Rauth  
660 Newport Center Drive, Suite 1600  
Newport Beach, California 92660  
Attention: Cyrus Torabi, Esq.

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[Space above for Recorder's use.]

**ASSIGNMENT AGREEMENT**

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THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11921 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE BECAUSE THE ASSIGNOR IS A GOVERNMENTAL AGENCY.

LEASE TERM LESS THAN 35 YEARS.

**ASSIGNMENT AGREEMENT**

**by and between**

**SALINAS FACILITIES FINANCING AUTHORITY**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee**

**Dated as of August 1, 2020**

**Relating to**

**\$\_\_\_\_\_**

**SALINAS FACILITIES FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS, SERIES 2020A-1**

**and**

**\$\_\_\_\_\_**

**SALINAS FACILITIES FINANCING AUTHORITY  
LEASE REVENUE REFUNDING BONDS, SERIES 2020A-2 (QUALIFIED 501(c)(3) BONDS)**

## ASSIGNMENT AGREEMENT

**THIS ASSIGNMENT AGREEMENT** (this “**Assignment Agreement**”) is executed and entered into as of August 1, 2020, by and between the SALINAS FACILITIES FINANCING AUTHORITY, a joint exercise of powers entity that is organized and existing under and by virtue of the laws of the State of California (the “**Authority**”), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association that is organized and existing under the laws of the United States, as Trustee (the “**Trustee**”).

### RECITALS

A. The City, located in Monterey County, California, previously entered into a Lease Agreement, dated as of October 1, 2014 (the “**2014 Lease**”), with the Authority, which is currently outstanding in the principal amount of \$18,539,341.30, in order to finance certain capital improvements of the City (the “**2014 Project**”).

B. The City previously entered into a Lease/Purchase Agreement (Refunding of 2005 Certificates of Participation), dated as of September 1, 2015 (the “**2015 Lease**”), with the Authority, which is currently outstanding in the principal amount of \$7,785,000, in order to refinance certain capital improvements of the City on a tax-exempt basis (the “**2015 Tax-Exempt Project**”) and certain capital improvements of the City as an issue of “qualified 501(c)(3) bonds” (the “**2015 501(c)(3) Project**”).

C. The Authority and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery by the Authority of the “Salinas Facilities Financing Authority Lease Revenue Refunding Bonds, Series 2020A-1” (the “**Series 2020A-1 Bonds**”) for the purposes of prepaying the 2014 Lease and the portion of the 2015 Lease that is allocable to the 2015 Tax-Exempt Project and refinancing the 2014 Project and the 2015 Tax-Exempt Project.

D. The Authority and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery by the Authority of the “Salinas Facilities Financing Authority Lease Revenue Refunding Bonds, Series 2020A-2 (Qualified 501(c)(3) Bonds)” (the “**Series 2020A-2 Bonds**” and, together with the Series 2020A-1 Bonds, the “**Series 2020 Bonds**”) for the purposes of prepaying the portion of the 2015 Lease that is allocable to the 2015 501(c)(3) Project and refinancing the 2015 501(c)(3) Project.

E. In connection with the foregoing, the City will lease certain real property of the City and the improvements located thereon, consisting of City Hall office buildings and the City Council Rotunda at 200 and 220 Lincoln Avenue, Salinas, California 93901 (the “**Property**”), to the Authority pursuant to a Ground Lease, dated as of the date hereof (the “**Ground Lease**”) and the City will sublease the Property back from the Authority pursuant to a Lease Agreement, dated as of the date hereof (the “**Lease Agreement**”).

F. The Property is more particularly described in Exhibit A hereto.

G. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds that are necessary to prepay the 2014 Lease and the

portion of the 2015 Lease that is allocable to the 2015 Tax-Exempt Project and refinance the 2014 Project and the 2015 Tax-Exempt Project through the issuance by the Authority of the Series 2020A-1 Bonds, which will be payable from certain base rental payments (the “**2020A-1 Base Rental Payments**”) to be made by the City under the Lease Agreement.

H. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds that are necessary to prepay the portion of the 2015 Lease that is allocable to the 2015 501(c)(3) Project through the issuance by the Authority of the Series 2020A-2 Bonds, which will be payable from certain base rental payments (the “**2020A-2 Base Rental Payments**” and, together with the 2020A-1 Base Rental Payments, the “**Base Rental Payments**”) to be made by the City under the Lease Agreement.

I. The City and the Authority have determined that it would be in the best interests of the City and the Authority to provide for the issuance of the Bonds pursuant to an Indenture, dated as of the date hereof, by and among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the “**Trustee**”).

J. The Authority desires to assign without recourse certain of its rights in the Ground Lease and the Lease Agreement, including its right to receive the Base Rental Payments, to the Trustee for the benefit of the owners of the Bonds to be issued pursuant to the Indenture, dated as of the date hereof (the “**Indenture**”), by and among the Authority, the City and the Trustee.

K. All acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

In consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

**Section 1. Assignment.** The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to the Trustee, irrevocably and absolutely, without recourse, for the benefit of the owners of the Bonds, all of its right, title and interest in and to the Ground Lease and the Lease Agreement including, without limitation, its right to receive the Base Rental Payments to be paid by the City under and pursuant to the Lease Agreement; provided, however, that the Authority shall retain its obligations under the Lease Agreement and Ground Lease, its rights to indemnification, its rights to give approvals and consents under the Lease Agreement and the Ground Lease and its rights to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement.

**Section 2. Acceptance.** The Trustee hereby accepts the foregoing assignment, subject to the terms and provisions of the Indenture, and all such Base Rental Payments shall be applied and the rights so assigned shall be exercised by the Trustee as provided in the Lease Agreement and the Indenture.

**Section 3. Conditions.** This Assignment Agreement shall impose no obligations upon the Trustee beyond those expressly provided in the Indenture. The Trustee shall have the same rights, protections, immunities and indemnities hereunder as afforded to it under the Indenture.

**Section 4. Further Assurances.** The Authority shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and for the better assuring and confirming to the Trustee, for the benefit of the owners of the Bonds, the rights intended to be conveyed pursuant hereto.

**Section 5. Governing Law.** THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED EXCLUSIVELY BY THE PROVISIONS HEREOF AND BY THE LAWS OF THE STATE OF CALIFORNIA AS THE SAME FROM TIME TO TIME EXIST.

**Section 6. Execution.** This Assignment Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Assignment Agreement.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]*

**IN WITNESS WHEREOF**, the Authority and the Trustee have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above-written.

SALINAS FACILITIES FINANCING AUTHORITY

By: \_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Secretary

*[SIGNATURES CONTINUED ON NEXT PAGE.]*

*[SIGNATURE PAGE CONTINUED.]*

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Officer

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF MONTEREY

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

**EXHIBIT A**

**DESCRIPTION OF THE PROPERTY**

[TO COME]