FIRST AMENDMENT TO
JOINT EXERCISE OF POWERS AGREEMENT
BY AND BETWEEN
THE COUNTY OF SAN MATEO
AND
COMMUNITY DEVELOPMENT COMMISSION
OF THE COUNTY OF SAN MATEO
DATED AS OF
JULY 1, 1997

(AMENDING THE JOINT EXERCISE OF POWERS AGREEMENT,
DATED AS OF MAY 15, 1993,
CREATING THE SAN MATEO COUNTY JOINT
POWERS FINANCING AUTHORITY)
FIRST AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT

THIS FIRST AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT, dated as of July 1, 1997 (the "First Amendment"), by and between the COUNTY OF SAN MATEO, a legal subdivision and body corporate and politic of the State of California (the "County"), and the COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF SAN MATEO, a public corporation, duly organized and existing under and by virtue of the laws of the State of California (the "Commission").

WITNESSETH:

WHEREAS, Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorizes the County and the Commission to create a joint exercise of powers entity (the "San Mateo County Joint Powers Financing Authority" or the "Authority") which has the power to jointly exercise any powers common to the County and the Commission;

WHEREAS, the County is empowered by the laws of the State of California to own, purchase, lease, sell, exchange or dispose of any real or personal property or any interests in it for any of its corporate purposes and to enter into contracts for public capital improvements;

WHEREAS, the Commission is empowered by the laws of the State of California to exercise the powers and duties of a redevelopment agency, housing authority and community development commission as provided in the California Health and Safety Code;

WHEREAS, Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Marks-Roos Local Bond Pooling Act of 1985") additionally authorizes and empowers the Authority to issue bonds for financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefit...
WHEREAS, the Marks-Roos Local Bond Pooling Act of 1985 further authorizes and empowers the Authority to sell such bonds to public or private purchasers at public or negotiated sale; and

WHEREAS, by the Joint Exercise of Powers Agreement, dated as of May 15, 1993 (the "Agreement"), the County and the Commission created and established the San Mateo County Joint Powers Financing Authority for the purposes set forth therein and to exercise the powers described therein;

WHEREAS, the County and the Commission desire to amend the Agreement to permit financings for any city, authority, district or public corporation located within the County;

NOW, THEREFORE, the County and the Commission, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

Section 1. The following definitions are amended to read in full as follows:

"Contract"

The term "Contract" shall mean a contract by and between the Authority and a Local Agency, whereby the Authority designs, constructs or acquires for the Local Agency all or a portion of a Project and the Local Agency repays the Authority for such costs.

"Lease"

The term "Lease" shall mean a lease by and between the Authority and a Local Agency, whereby the Authority acquires and leases to the Local Agency all or a portion of a Project.

"Project"

The term "Project" shall mean the design, acquisition or construction of any public capital improvement (as defined in the Law) required to be provided by the Authority to a Local Agency pursuant to a Lease, a Contract or any other agreement."
Section 2. The following definition is hereby added to the Agreement:

"Local Agency

The term "Local Agency" shall mean the County, the Commission, or any city, authority, district or public corporation located within the County."

Section 3. Section 2 of the Agreement is hereby amended to read in full as follows:

"SECTION 2. Purpose.

This Agreement is made pursuant to the Law to provide for the joint exercise of powers common to the County and the Commission and to provide for the exercise of additional powers given to a joint powers entity under the Law, including, but not limited to, the Marks-Roos Local Bond Pooling Act of 1985, as amended, for the purpose of financing public capital improvements in accordance with the Law.

The County and the Commission desire to assist in the acquisition of Projects and in order to accomplish that goal are willing to assist pursuant to the Law in designing, acquiring, selling and financing these Projects.

The Authority will fulfill the purposes of this Agreement by, among other things, undertaking the sale and issuance of Bonds in accordance with the Marks-Roos Local Bond Pooling Act of 1985. The County and the Commission hereby agree that any such Bonds issued by the Authority for Projects shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal of or interest on such Bonds under the terms of the resolution, indenture, trust agreement or other instrument pursuant to which the Bonds are issued. Such Bonds shall not constitute debts, liabilities or obligations of the County or the Commission.

The Authority will further fulfill the purpose of this Agreement by designing, constructing and acquiring such public capital improvements and leasing, leasing-back, selling or reselling such public capital improvements to a Local Agency for the Local Agency's use or providing such public capital improvements to the Local Agency in exchange for repayment of the costs thereof. The County and the Commission agree that the Authority's obligations under any Lease, Contract or other agreement entered into with a Local Agency for such purpose and the Authority's obligations under any assignment agreement, indenture, trust agreement or other instrument entered into with a corporate trustee providing for the issuance of any Bonds to be paid from payments to be made by the Local Agency under such Leases, Contracts or other agreements or any such Bonds shall not constitute general obligations of the Authority but shall be payable solely from moneys received by the Authority from the Local Agency."
Section 5 of the Agreement is hereby amended to read in full as follows:

"SECTION 5. Powers.

The Authority shall have the power to cause the acquisition of Projects and to finance such Projects through the issuance of Bonds for the purposes set forth in Section 2 hereof, all in accordance with the Law.

The Authority shall have the power to cause the acquisition of real and personal property for the use of a Local Agency and to cause the design, acquisition and construction of public capital improvements for the use of a Local Agency and to finance such public capital improvements by entering into Leases, Contracts and other agreements with the Local Agency and assignment agreements, indentures, trust agreements and other agreements with corporate trustees providing for the issuance of Bonds to be paid from the payments to be made by the Local Agency under such Leases, Contracts or other agreements, all in accordance with the Law.

The Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes, including but not limited to any or all of the following: to make and enter into contracts; to employ agents and employees; and to sue and be sued in its own name.

Such power shall be exercised subject only to such restrictions upon the manner of exercising such power as are imposed upon the County in the exercise of similar powers, as provided in Section 6509 of the Law, except, however, nothing herein shall limit the powers of the Authority under the Marks-Roos Local Bond Pooling Act of 1985.

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2 hereof."

Section 5. The Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as amended hereby.

Section 6. Should any part, term, or provision of this First Amendment be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

Section 7. This First Amendment may be executed in counterparts, each of which shall be deemed an original, and such counterparts shall constitute one and the same instrument.
IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed and attested by their proper officers "hereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

COUNTY OF SAN MATEO

By ____________________________
President of the Board of Supervisors of the County of San Mateo

Clerk of the Board of Supervisors of the County of San Mateo

COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF SAN MATEO

By ____________________________
President

[SEAL]

ATTEST:

Richard L. Selice

Secretary
I, PAUL T. SCANNELL, Assistant Secretary of the San Mateo County Joint Powers Financing Authority (the "Authority"), hereby certify that the foregoing is a full, true and correct copy of the Joint Exercise of Powers Agreement dated as of May 15, 1993 and the First Amendment to Joint Exercise of Powers Agreement dated as of July 1, 1997 (collectively, the "Agreement") by and between the County of San Mateo and the Community Development Commission for the County of San Mateo.

Said Agreement has not been further amended, modified or rescinded, and the same is now in full force and effect.


[Signature]

Assistant Secretary of the San Mateo County Joint Powers Financing Authority
SECRETARY'S CERTIFICATE RE: JOINT EXERCISE OF POWERS AGREEMENT

I, PAUL T. SCANNELL, Assistant Secretary of the San Mateo County Joint Powers Financing Authority (the "Authority"), hereby certify that the foregoing is a full, true and correct copy of the Joint Exercise of Powers Agreement dated as of May 15, 1993 and the First Amendment to Joint Exercise of Powers Agreement dated as of July 1, 1997 (collectively, the "Agreement") by and between the County of San Mateo and the Community Development Commission for the County of San Mateo.

Said Agreement has not been further amended, modified or rescinded, and the same is now in full force and effect.


[Signature]
Assistant Secretary of the San Mateo County Joint Powers Financing Authority